

PROJECT PLAN: Investment



Gas Regional Initiative North West

The Hague, May 2011

Preface

For 2011, the GRI NW proposes to work on two themes:

- To provide support to the TSOs with the regional plan work in 2011;
- To monitor the open season between France and Luxembourg and share lessons for future processes

Regional Investment Plans

1. Background

According to the third Package, Ten-Year Network Development Plans (TYNDP) should be developed at three levels: national, regional and European level. According to Article 8 of the Regulation (EC) n°715/2009, ENTSOG shall adopt a non-binding Community-wide TYNDP every two years. The Community-wide TYNDP shall build on national investment plans and take into account regional investment plans. The Article 12 of the same Regulation states that TSOs shall establish regional cooperation within ENTSOG, to contribute to ENTSOG tasks: “In particular, they shall publish a regional investment plan every two years, and may take investment decisions based on that regional investment plan. “

Concerning the role of the Agency, the Article 9 states that ENTSOG shall submit the draft Community-wide TYNDP, including information regarding the consultation process, to the Agency for its opinion. The Agency will have to “provide a duly reasoned opinion as well as recommendations”. According to the Article 8-11, the Agency will also have to assess the consistency between national plans and the Community-wide TYNDP. The Article 6 of the Regulation n°713/2009 provides complementary provisions, stating that the Agency shall monitor regional cooperation of TSOs and take due account of the outcome of that cooperation when formulating its opinions, recommendations and decisions.

2. Definition of the project

The legislation remains rather vague on the scope, contents and methodology for drafting the regional investment plans. On the European level, ERGEG has developed recommendations for ENTSOG on the TYNDP and published an Evaluation of ENTSOG’s European Ten-Year Network Development Plan 2010-2019. However, on the regional level, there is a crucial need to define clearly the scope of the regional investment plans, their value added compared to national and Community-Wide TYNDP and their potential contribution to the risk assessment, Preventive Action Plan and Emergency Plan required in the Security of Supply Regulation (EU) n°994/910. This work has already started in 2010 within the GRI NW with a discussion paper presented at the stakeholders’ workshop of 4th June.

The main findings of this paper were that regional investment plans should contribute to higher consistency between national and Community-wide TYNDPs, identify infrastructure and investment gaps at regional level, better address the relation between infrastructure and market integration in order to have an accurate diagnosis of investment needs and provide a deeper description and understanding of cross-border congestions (more than possible in the Community-wide TYNDP) to ensure a consistent design of cross-border projects.

During the 3rd TYNDP workshop of 17th March 2011, ENTSOG informed that the publication of the Gas Regional Investment Plans (GRIPs) is an obligation for TSOs. ENTSOG will be providing the framework and guidance to support the development of the GRIPs. TSOs have identified 6 GRIPs, (including one GRIP for the GRI NW) with one TSO responsible of the coordination of each GRIP. Several meetings are scheduled in the upcoming weeks in order to agree on the way forward.

Based on the discussion paper, the GRI NW is ready to provide support to TSOs of the region in order to prepare the regional investment plans, define the scope for these plans, the level of details needed for each project and the methodology to draft the regional investment plans.

3. Expected milestones

- May 2011: Discussion with the TSOs of the region on their interest to use the GRI North West structures as a platform for a Regional Investment Plan;
- The next steps of the project will be decided afterwards on the basis of the discussion with the TSOs.

4. Related documents

- Final ERGEG recommendations on gas 10-year network development plan – published on 13 July 2010 - Ref. E10-GIF-01-03
- Evaluation of ENTSOG's European Ten Year Network Development Plan 2010-2019 published on 11 November 2010 - Ref: E10-GIF-01-04.
- Discussion paper on Regional Investment Plans – 2nd draft 01-07/2010

Monitoring the open season between France and Luxembourg

1. Background

The open season between France and Luxembourg aims at increasing firm capacity from France to Luxembourg. The process is coordinated between the two TSOs (GRTgaz and CREOS) and the regulators (CRE and ILR). Two possible scenarios are considered: the first scenario consists in developing new capacities up to 9 GWh/d; the second one would offer 40 GWh/d of new capacities. In both cases, the new capacities would be available in 2015.

The non-binding phase was launched at the Stakeholders Group meeting of the GRI North West on 26 November 2010. This phase ended on 31st January and the results are currently analysed by the two TSOs. The binding phase could be launched in summer 2011.

2. Definition of the project

The aim of this project is to use the GRI NW as a platform for discussion on the process during the meetings organised in the region. The outcome of discussions could be synthesised in a short paper in order to share the lessons learned from this process in terms of coordination, transparency and to feed the European discussions on the revision of the Guidelines for Good Practice of Open Seasons Procedures (GGPOS), which will be launched in the 2nd semester 2011 according to the work programme of CEER.

3. Expected milestones

- SG meeting in October 2011:** presentation on the progress of the open season and preliminary lessons learned
- November 2011:** Final paper on the lessons learned to be shared at a European level for the GGPOS revision

4. Related documents

- Guidelines of Good Practice for Open Seasons (GGPOS) published in May 2007 – Ref. C06-GWG-29-05c
- All the necessary documents for the open season are available on the GRI NW website http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_INITIATIVES/GRI/North_West