

Demand assessment report for incremental capacity between PEG Nord and ZTPL

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This report is a joint assessment of the potential for incremental capacity projects conducted
by

GRTgaz SA

6 rue Raoul Nordling
92270 Bois Colombes
France
Tel.: +33 1 55 66 40 00

E-mail: acces-reseau-accueil@grtgaz.com

Fluxys Belgium NV

Kunstlaan 31
B-1040 Brussel
Belgium
Tel. : +32 2 282 77 77
Fax : +32 2 282 02 50

E-mail: marketing@fluxys.com



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A. Non-binding Demand indications

In line with Art. 26 of Regulation (EU) 2017/459, the transmission systems operators conducting this market demand assessment report gave network users the opportunity to submit non-binding demand indications to quantify potential demand for incremental capacity. The period for submission on both sides of the border between PEG Nord and ZTPL was from 6 April to 1 June 2017 (COB).

No non-binding demand indications regarding the respective border were received by the TSOs until the publication date of the report.

B. Demand assessment

i. Relations to GRIPS, TYNDP, NDPs

In line with the declining L-gas production from Groningen, the TYNDP 2017¹ and the GRIP North West² identified projects to convert low calorific gas end consumers towards high calorific gas, both in Belgium and in France.

In their latest respective Ten-Year Development Plan³ and Ten-Year Indicative Investment Programme⁴, both Fluxys Belgium and GRTgaz detailed an indicative conversion plan for their respective domestic markets. However no need for incremental capacity was identified for the interconnection point Blaregnies L / Taisnieres B. To date no market demand was received indicating the need to reinforce H-gas transmission capacity between the neighbouring countries to compensate reduced L imports.

ii. Expected amount, direction and duration of demand for incremental capacity

On both sides of the border there remains sufficient capacity for yearly standard capacity product for the years 2022 and the three subsequent years, following the annual yearly auctions of March 2017, as available on Prisma.

Bearing in mind the elements mentioned above, there is no demand for incremental capacity identified stemming either out of market indications or other sources.

¹ ENTSOG Ten-Year Network Development Plan 2017 - published on 28 April 2017

² North West Gas Regional Investment Plan 2017 – Published on 4 April 2017

³ Ten-Year Development Plan for the GRTgaz transmission network 2016-2025 period – published in November 2016

⁴ Ten-Year Indicative Investment Programme Fluxys Belgium & Fluxys LNG 2017-2026 - published in December 2016

C. Conclusion for the (non)-initiation of an incremental capacity project/process

Considering the elements mentioned in section A and B of this report, at this stage no ground is identified to consider starting an incremental project. This doesn't preclude the conclusions of a following demand assessment exercise. Hence, for the entry-exit-systems addressed by this report neither incremental capacity project/process nor technical studies will be initiated based on this market demand assessment report.

D. Provisional timeline

For the time being no incremental project will be initiated. The next incremental process will at the latest start after the yearly capacity auction in 2019, unless triggered sooner by non-binding demand indications submitted in the meantime.

E. Interim arrangements for the auction of existing capacity on the concerned IP(s)

Due to the fact that no incremental project will be initiated based on this market demand assessment, interim arrangements are not required for the time being.

F. Fees

For the incremental capacity cycle addressed in this report, neither GRTgaz nor Fluxys Belgium introduced a fee for the evaluation and processing of non-binding demand indications.



G. Contact information

GRTgaz SA
6 rue Raoul Nordling
92270 Bois Colombes
France
Tel.: +33 1 55 66 40 00

E-mail: acces-reseau-accueil@grtgaz.com

Huberte Bettonville
Director Commercial Regulated

Fluxys Belgium NV
Kunstlaan 31
B-1040 Brussel
Belgium
Tel. : +32 2 282 77 77

Fax : +32 2 282 02 50

E-mail: marketing@fluxys.com

