COMMISSION
DE RÉGULATION
DE L'ÉNERGIE

Le Président
CRE/PdI/DJA/CM/575

Paris, 21 June, 2013

Bundesnetzagentur
The President
Jochen Homann
Bonn

Subject: CRE's response to the public consultation of Bundesnetzagentur on draft Network Development Plan Gas 2013

Dear President,

Please find below CRE's response to the public consultation of Bundesnetzagentur Department 6 on the draft Network Development Plan Gas 2013 prepared by the German transmission system operators (2 April 2013).

Yours sincerely,

Philippe de Ladoucette

C.c:
Mr. Achim Zerres, Director of the Energy Department

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CRE's response to the public consultation of Bundesnetzagentur on the draft German Network Development Plan for Gas 2013

CRE welcomes this opportunity to provide comments on the draft German Ten-Year Network Development Plan (TYNDP) 2013 as prepared by the German Transmission System Operators (TSOs).

Considering the strong interaction between the German and the French markets, CRE closely follows the development of the German TYNDP and would like to draw the attention of Bundesnetzagentur on the following points:

- The German TYNDP (p39) describes the infrastructure projects in France that would have an impact on the German market. All these projects are indeed listed in GRTgaz's TYNDP 2012-2021 but CRE would like to underline that they are at different stages of development. It is worth making a distinction between the Dunkerque LNG terminal for which a final investment decision has been taken[1] and the other projects which are currently under assessment, in particular the extension of the Montoir LNG terminal and the creation of reverse flows of non-odorised gas at the border between France and Germany (Obergailbach / Medelsheim IP).
- The German TYNDP (p39) refers to the decision of GRTgaz Deutschland to shift part of its capacity from the exit point to France (Medelsheim) to another exit point to a local distribution network. In late 2012, OGE also shifted firm exit capacity from Medelsheim to other exit points (national exit points and exit point to Luxemburg). These decisions, which have not been discussed with the French counterparts, lead to a mismatch of 50GWh/d between the firm exit capacity at Medelsheim and the firm entry capacity at Obergailbach. These capacity shifts may have a negative impact on the security of supply of France and may affect GRTgaz's ability to sell all the firm entry capacity that has been developed after the 2006 Open Season. In addition, it is inconsistent with the objective of full capacity bundling as defined in the European network code on capacity allocation mechanisms. For these reasons, CRE calls for the realignment of the offer of firm capacity at Medelsheim/Obergailbach as soon as possible.
- CRE follows with great interest the discussions on the most appropriate solutions for coping with physical congestion and meeting capacity needs in Germany. Considering that this is a major challenge for most EU gas networks, CRE values the German experience in this regard. CRE agrees that cost-benefit analyses are the right tools to define the appropriate balance between relieving congestion through physical investments and managing gas flows, in particular through restrictions on the use of capacity products. As part of this trade-off, it needs to be acknowledged that the offer of capacity products with usage restrictions is a step away from the full entry-exit model introduced by the Third Package and further described in the EU Gas Target Model. In addition, CRE would like to underline that the diversity of capacity products on the German side tends to increase the complexity of capacity bundling at cross-border interconnection points since several types of bundled products need to be offered simultaneously.

[1] The start of operation of the Dunkerque LNG terminal is scheduled for the end of 2015.