There is no such thing as a crystal ball

Stephan Kamphues, ENTSOG President
EEP Dinner – Brussels -- 12 October 2011
39 Transmission System Operators
23 countries
New applications
TYNDP 2011-2020 -- Factsheet 1

Legal framework

Geographical scope
- EU plus Balkan countries of Energy Community

Data Collection
- Infrastructure projects: Through TSOs and other infrastructure developers through public call for information
- Demand outlooks: Through TSOs and from respected public sources (Commission, Eurogas, IEA)
- Supply outlooks: From different public, in particular governmental, sources and studies
Infrastructure Projects (FID + Non-FID)
- Transmission: 159 (62 + 97)
- Storage: 48 (26 + 22)
- LNG: 31 (11 + 20)

Scenarios
- 67 scenarios based on combination of multiple parameters settings (Year, Project Status, Climatic conditions, Disruption, UGS deliverability, Supply source mix) along three axes (Reference, SoS, Market integration)

5 Report Annexes
- Infrastructure Projects (Detailed information)
- Country Profiles (Current gas infrastructure + historical demand)
- Supply & Demand data
- Capacity data
- Modelling results
Duration of development
>
February 2010 - February 2011 (incl. approval process)

Release process
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Publication: 17 February 2011
>
TYNDP Workshop: 17 March 2011

Public consultation
>
25 March - 25 June 2011
>
9 responses (EFET, Eurogas, EDF, Edison, Elengy, SMTFC, TAP, TGL, Wärtsilä)

ACER-related process
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Submission to ACER for opinion: 18 July 2011 (incl. the issue of Corrigendum)
>
ACER opinion: 16 September 2011

Presentation to MEPs (via EEF)
>
12 October 2011
Demand Outlook 2011-2020
(Growth trends (%), 2011 start)

Demand is a highly uncertain variable

> Forecasts range from a 9% decrease in demand to a 19% increase
  ▪ in absolute numbers, the difference is equal to the combined consumption of Germany and Belgium
>
  This reflects differing assumptions on the role of gas in the future energy mix and makes it difficult for the TSOs to define the High Daily Demand* which is the basis for designing resilient networks

*HDD is to be understood as demand outlook for extreme climatic conditions occurring statistically at low frequency
Annual Supply Demand Balance

The supply potential for Europe seems robust enough to meet all presented demand outlooks while allowing also for additional flexibility

> Geo-political developments as well as demand growth in producing countries to be continuously analysed to confirm this outlook
New investment decisions are crucial in order not only to maintain but also to increase European security of supply (FID projects will not be sufficient)
Network Resilience Scenarios

Security of Supply (disruptions scenarios)

- Qatari LNG
- BY transit
- UA Transit
- Low UGS

Market Integration (source predominance scenarios)

- Norway
- Algeria
- North Africa
- Russia
- Caspian
- LNG

Overall security will only improve with non-FID projects with few exceptions.

With only FID, storage deliverability in winter remains a key requirement.

Overall market integration is increasing due to FID & non-FID projects but spread width will still differ.
TYNDP 2011-2020 -- Key Findings

Security of Supply scenarios

> A quite high overall resilience
> Some regions could still be negatively impacted by disruptions
> Storage flexibility will depend on new project development (non-FID projects)

Market Integration scenarios

> Heterogeneous situations
> Availability of additional supply will have to be assessed
  - Additional supply may require additional and geographically diversified import routes and pipes to bring gas into the centre of European gas network

TYNDP findings give a European panoramic view. They need to be interpreted under the selected scenarios and further detailed analysis is necessary to draw more concrete conclusions. It will also be necessary to assess the impact of new TPA arrangements on the need for new infrastructure investments, in particular for flexibility.
Next TYNDP will be even more challenging...

*Through TYNDP development process and public consultation ENTSOG has identified improvements to be achieved*

> Shift from stakeholders’ involvement into stakeholders’ engagement through a dedicated process
> Demand scenarios will have to be developed under both a qualitative perspective (e.g. more transparency on underlying assumptions) and a quantitative one (e.g. influence of different power production mixes)

**Consistency with other reports and new regulation**

> New reports will be available (GRIPs, more national TYNDPs...) requiring both consistency between each other and complementarity (focus on different levels)
> EIP proposals are likely to impact the role and contents of TYNDP, the link is however still unclear

*Development process of ENTSOG TYNDP 2013-2020 has started on 29 September 2011 through a public workshop.*
Thank You for Your Attention

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