



September 2011

Directorate General for Energy

ExxonMobil's Response on the Cost-benefit assessment of Gas quality harmonization in the EU.

Dear Sir/Madam,

ExxonMobil is a longstanding participant in the European Gas and Power business involved across the supply value chain including upstream production, storage and processing, LNG receiving terminals and marketing. ExxonMobil welcomes DG ENER's initiative and its invitation to provide comments on the preliminary consultant report on the cost-benefit assessment of Gas Quality Harmonisation in the EU.

General Comments

As many of the questions put forward in the consultation are not directed at Gas producers per se we feel the majority of questions are not applicable from our perspective, however we would like to take the opportunity to provide some general comments on the report and then specifically address concerns we have relating to question 6 on the adoption of the proposed EUROMOT gas specification.

Whilst we recognize the difficulties with such a study and that the quality of any conclusions drawn will be subject to the quality of data inputs to the study, we feel it not unreasonable in the interests of improved interoperability, that recommendations could be drawn on what components of the EASEE gas specification would make sense to harmonize with minimal cost impact, it is currently not clear from the report which elements of the EASEE gas specification are the key cost drivers and a breakdown would be useful.

6.) Would you support the adoption of the proposed EUROMOT gas quality specification?

We would not be supportive of the EUROMOT proposed specification as we see a number of issues with the specification proposed. These are as follows:-

Sulphur: <5mg/m³

We note that the German DVGW G260 specification has recently been reduced to a limit of 8 mg/m³ which has been problematic for the reasons outlined in our response to the questionnaire at the beginning of the gas quality harmonization process. We see a further reduction as a step too far.

RHS (as S): 0 mg/m³

We believe it would not be technically possible to guarantee such a specification based on current technology in particular in relation to the desulphurization process of sour gas, although the EASEE gas specification of <6 mg/m³ would be acceptable

HC DP : <10 °C

We believe it would not be technically possible to guarantee such a specification based on current technology, although the EASEE gas specification of -2 @7000 kPa would be acceptable.

Laminar Combustion Velocity: 28 – 32 cm / s

We have limited information on this particular specification but would question if this parameter should be included in an EU harmonized gas specification proposal.

Furthermore we support the exclusion of L-gas specifications from the study and agree that L-gas to H-gas conversion should remain out of scope of the study moving forward.

In light of the conclusions presented within the report we would welcome further clarity from the commission on the proposed next steps moving forward. We hope the above comments are useful, and would be happy to discuss further. If you have any questions please do not hesitate to contact Barry Shackleton

Barry Shackleton
Associate Analyst - Europe Regulatory