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Interoperability - details on the Study to set up an inventory on interoperability matters

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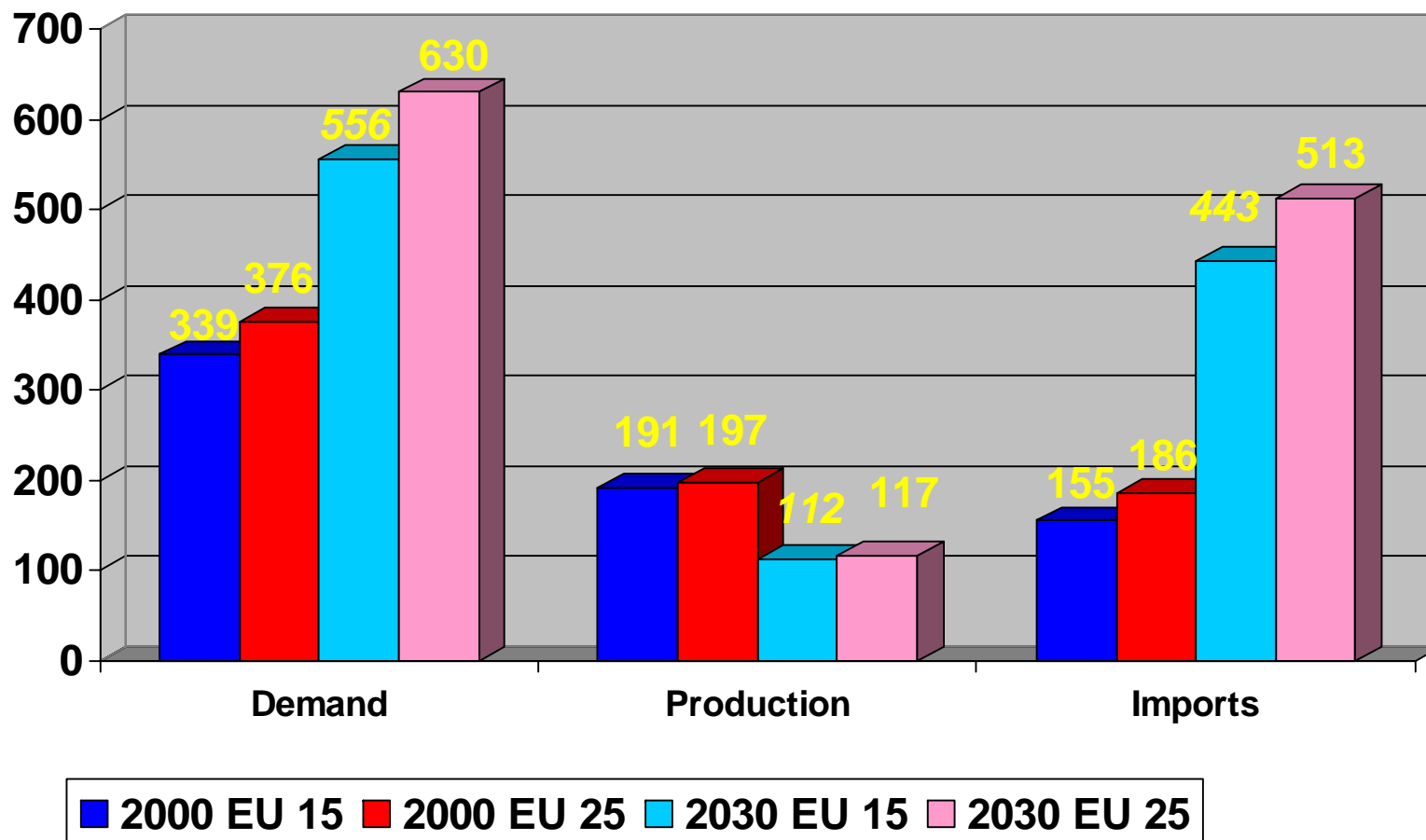


Directorate General for Energy and Transport



General background: EU25 - Demand and Supply

in bcm



Growth of demand: 67% Growth of imports: 175%





The European approach

- ★ Europe faces a stronger external dependency with respect to gas deliveries in the future
- ★ Goal of creating one internal market for energy rather than 25 liberalised, but separated national markets
- ★ Gradual market opening and competition potentially brings along more diversity of supply sources due to new market entrants
- ★ This implies a need of even stronger interoperability of systems
- ★ Which results in an enhanced short term security of supply as the systems and the market actors can respond to disturbances in a more flexible manner





The short term security of supply aspect linked to interoperability

- ★ In order to achieve a competitive single European gas market over time, one must also take the physical realities into account
- ★ Effective security of supply is not achievable if systems and market participants are unable to interact on a short term basis
- ★ Short term market distortions, as seen recently in some areas of Europe, can be compensated in first place by normal market behaviour of the participants, if systems are interoperable.





The short term security of supply aspect linked to interoperability

- ★ In the past years EASEE-gas has achieved substantial progress and now the question of implementation arises –cf. EASEE-gas report
- ★ The intention of the initiative to establish an inventory is to assist this process and to create an independent factsheet of the current situation throughout the whole of the European Union and to produce afterwards a cost/benefit analysis of potential solutions as proposed by stakeholders
- ★ Over time, this inventory will be updated





Easee-gas leads interoperability process

- ★ This initiative does not overlap with activities of EASEE-gas, on the contrary, it is complementary by
 - ⇒ Putting additional resources in the topic
 - ⇒ Putting all the facts together in an accessible manner
 - ⇒ Providing for a sound cost benefit analysis of potential solutions
 - ⇒ A strong potential solution to a given subject is obviously the recommendation of Easee-gas (CBP)
 - ⇒ EASEE-gas remains the precursor for finding solutions with respect to interoperability and leads the initiatives





The scope of the study

★ The scope of the study:

↪ Areas as identified by EASEE-gas activities

- Gas Quality harmonisation
- Business Rules
- Harmonisation of Units
- Questions of IT Communication and data formats
- Measure point Codification

↪ All issues are tackled and started at the same time, however efforts are focusing on priority issues first, such as gas qualities





The scope of the study (2)

- The inventory will collect facts per interconnection point
- The interconnection points are defined according to a GIE list of interconnection points and will be cross-checked with interested stakeholders.
- A cost-benefit analysis of a potential solution to each area of interoperability problem shall be made
- An accessible web-based data base shall be established





Set-up of the study

- ★ **Cooperation with consultant**
- ★ **Questionnaire for all actors along the gas chain**
- ★ **Preparatory meetings**
- ★ **High-level meetings**
- ★ **Cost-Benefit analysis**





Status of the project

- ★ Kick-off meeting was the 6th of March
- ★ Comments have been considered
 - ↪ Amended timing
 - ↪ Zoomed out (less technical)
 - ↪ Room for qualitative comments
- ★ Questionnaires sent out
- ★ Questionnaires on gas quality to be analysed soon





Project timing

- ★ **May 19: Response on questionnaires on Gas Quality**
- ★ **July 15: Response on questionnaires on other topics**
- ★ **September: Preparatory meeting(s) on Gas Quality**
- ★ **October: Preparatory meeting(s) on other topics**
- ★ **November: High-level meeting(s)**
- ★ **Madrid Forum XII: Presentation of inventory**
- ★ **December: Final results cost-benefit analysis**





Sum up of the reasoning for the study

- ★ **Interoperability issues are not only of technical dimension**
- ★ **Consequences are massive for the whole of the process of creating a single and competitive European market**
- ★ **Massive potential of efficiency gains through to a certain degree of harmonisation expected**
- ★ **Safe and reliable functioning of appliances is a key factor.**
- ★ **A need to correctly assess the current situation and to make a cost-benefit analysis with a view to resolving the constraints most efficiently**





And now

- ★ **The Commission will keep you updated on the progress**
- ★ **The Commission will make sure that the communication of information to participants will take place in an appropriate manner.**
- ★ **We count on your full support and cooperation to realise a successful project!**

