

# Gas Regulatory Forum

## *ENTSOG's CBA Methodology*

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- We are satisfied by ENTSOG's consultation process
- Most important are PS CBAs (by promoters and based on cost savings approach) for mature enough projects to be selected in the regional list
  - Format and some input data should be standardized, but leaving flexibility/sensitivities for market hypothesis (fuel and CO<sub>2</sub> prices)
  - PS CBAs should be eased for projects which have demonstrated market support (by investors – outside regulated revenues – or by shippers) that establish financial and economical strength
  - PS CBAs for cross border cost allocation are relevant to a limited number of projects (regulated, and not market based)
- ESW CBAs (by ENTSOG and based on indicators) for use in TYNDP should be less critical
- For candidate projects not mature enough for CBAs, we propose that some standards are defined for feasibility studies (business plan, social benefits)