
EUROMOT POSITION

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PC-07- Public Consultation on Draft Framework Guidelines on Interoperability Rules and Data Exchange for the European Gas Transmission Networks Questionnaire

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EU Transparency Register ID number: 6284937371-73

Question 1: Scope and application, implementation (Chapter 1 of the Framework Guidelines (the 'FG'))

*1.1. Do you consider that the FG on interoperability and data exchange rules should
harmonise these rules at EU level, as follows:*

a) At interconnection points only?

President:
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General Manager:
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ENGINE IN SOCIETY

A European Interest Representative (EU Transparency Register Id. No. 6284937371-73)

A Non Governmental Organisation in observer status with the UN Economic Commission
for Europe (UNECE) and the International Maritime Organisation (IMO)

b) Including interconnection points and where appropriate points connecting TSOs' systems to the ones of DSOs, SSOs and LSOs (to the extent cross-border trade is involved or market integration is at stake)?

c) Other option? Please explain in detail and reason.

1.2. Do you consider that for any of the above options the level of harmonisation¹ shall be (Section 1.b of the FG):

a. Full harmonisation: the same measure applies across the EU borders, defined in the network code?

b. Harmonisation with built-in contingency: same principles/criteria are set with a possibility to deviate under justified circumstances?

c. No additional harmonisation, meaning rules are set at national level, if they deemed necessary by the national authorities, which may include either NRAs or the government?

EUROMOT believes that before entering this discussion, clarity should be reached on the future gas quality range. See also answers to question 4.

Question 3: Harmonisation of Units

3.1. Do you think that there is a need for harmonisation of units?

a. Yes.

b. No, conversion is sufficient in all cases.

c. I don't know.

d. Would you propose additional measures as to those proposed? Please reason your answer.

e. Would you propose different measures as to those proposed? Please reason your answer.

In EUROMOT's opinion there is a need for uniform standards and symbols for the different physical properties of gases. As an example, some gas companies use 273.15 K as the reference temperature for the Wobbe index, while others use 15 C.

Question 4: Gas Quality

4.1. Please provide your assessment on the present proposal; in particular assess the provisions on ENTSG gas quality monitoring, dispute settlement and TSO cooperation. Would these measures address sufficiently the issues that are at stake? Please reason your answer.

EUROMOT believes that before entering discussions on provisions and monitoring of gas quality, clarity should be reached on the future gas quality range. Any decision on gas quality specifications and parameters should be based on an agreement of all stakeholders including

end users and equipment manufacturers. Furthermore, any decision on a future gas quality should also reflect environmental aspects and needs.

EUROMOT urges ACER to take into consideration that the broad gas quality range proposed by EASEE-gas will increase undesired emissions from all gas-fuelled equipment. Furthermore, gas quality specifications should also be in line with following statement set out in the draft Framework Guideline (page 10): *“The Network Code shall require that TSOs closely cooperate on either side of the border and **work out technically feasible and financially reasonable solutions to handle gas quality**”.*

So far the discussion on gas quality centres on the EASEE-gas Common Business Practice, which does not address the needs of end users. EASEE-gas is an organisation with many members amongst gas producers, transporters, shippers and traders as well as distribution network operators but as of the latest count on 28 March 2012 not a single end user or retail supplier. Any decision on gas quality should also take into consideration the needs of consumer as is set out in following statement in the draft Framework Guideline (page 5): *“ .. In doing so, the Agency shall consider the degree of compliance with the Framework Guidelines as well as the fulfilment of the overall objectives of the internal energy market, including maintaining security of supply, supporting the completion and functioning of the internal market in gas and cross-border trade, **including delivering benefits to the consumers.**”*

EUROMOT therefore favours an approach, similar to the U.S. example /1/, which involves all stakeholders including end users. After in-depth stakeholder consultations, the U.S.A approach resulted in a narrower quality range than the EASEE-gas range. The U.S. gas quality range is far more acceptable to end users than the current proposals by EASEE-gas!

4.2. Do you consider that a technically viable solution to gas quality issues that is financially reasonable will most likely result from:

- a. Bilateral solution between concerned stakeholders.
- b. Solutions to be developed cross-border by TSOs, to be approved by NRAs and cost-sharing mechanism to be established.
- c. The establishment of a general measure in the Framework Guidelines, setting a comprehensive list of technical solutions to select from.
- d. I don't know.
- e. Other option. Please reason your answer.

Before this question can be addressed or indeed any other administrative action can be taken a commonly agreed gas quality range has to exist. As can be seen in the results from the GL Noble Denton / Pöyry draft report /2/ the cost of adapting equipment to the EASEE-gas Common Business Practice will be huge (almost 179 billion Euros with a very negligible benefit !). Therefore, first of all an optimal gas quality range needs to be established taking into account the findings of GL Noble Denton / Pöyry and the needs of end users as well as the recommendations of equipment manufacturers.

Following this step, it is important to provide timely information to end users as many special gas users will have to adapt their equipment to the new gas quality range.

Furthermore, all sudden changes in gas quality ('plug flow') should be mitigated by the gas transmission companies. Gas transmission companies have all the experience and technology to avoid sudden quality variations e.g. by using loops. Such measures should be taken close to the injection points of e.g. LNG or gas from deviating gas fields.

Question 5: Odourisation

5.1. Please provide your assessment on the present proposal. Would the measure proposed address sufficiently the issues that are at stake? Please reason your answer.

Sulphur in natural gas is harmful for the environment and also has negative impacts on equipment such as catalysts used for emission abatement. In Germany low sulphur and sulphur free odorants are recommended.

EUROMOT therefore urges ACER to encourage the use of sulphur free odourisation.

Sources:

/1/ Natural Gas Council, White Paper on natural gas Interchangeability and Non-Combustible End Use, February 28, 2005

/2/ "

Preliminary report for consultation", July 2011 at

http://ec.europa.eu/energy/gas_electricity/consultations/doc/20110916_cost_benefit_analysis_report.pdf

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