PRESS RELEASE

2018 NDP confirms continuity of earlier network development projects whilst taking account of additional European import needs and addressing the important role gas infrastructure has in delivering the energy transition

Berlin, 12 February 2018. The German gas transmission system operators (TSOs) have today launched the debate on the 2018-2028 German Gas Network Development Plan (NDP) by publishing a consultation document on their first draft. Market participants are now invited to submit their comments by 2 March. The TSOs also host an accompanying workshop, which takes place on 20 February in Berlin. The plans set out in the consultation document are based on the corresponding scenario framework previously confirmed by the German national regulatory authority Bundesnetzagentur (Federal Network Agency) in the middle of December 2017.

The 2018-2028 NDP outlines the measures the TSOs propose to carry out to ensure that the German gas supply stays secure in the future, with projects worth some €7.0 billion to be delivered in the period to 2028. The gas quality switchover process currently under way to permanently convert the gas infrastructure currently using low CV gas to high CV quality brought about by the decline in low CV gas production in Germany and other European countries remains a key focus. “Managing the switchover process, which involves a general switch from low CV gas as produced in the Netherlands and Germany to high CV gas is the top priority driving the network development plans outlined in the 2018-2028 NDP we have now published,” emphasises Ralph Bahke, chairman of the board of the TSO association FNB Gas. “The process of permanently converting entire supply areas from low CV to high CV gas quality remains one of the key challenges facing the German gas industry, not least because the future development of low CV gas production output in the Netherlands continues to be uncertain.” The current switchover concept allows for additional switchover areas to be converted ahead of schedule, which will mostly affect industrial gas customers. Other options for speeding up the process are being reviewed.

In addition, the TSOs have also analysed for the first time this year what supply capacity levels should be available at storage facilities towards the end of the winter period. “The storage case that has been modelled in this year’s edition of the NDP provides a sound basis for assessing the state of gas supply security in the period remaining until the end of a winter period down to individual regions. This will allow network operators to initiate market-based measures where necessary to uphold supply security,” comments Inga Posch, managing director of FNB Gas. The addition of the storage case comes mainly as a response to the situation experienced in the winter of 2016/2017, when massive early storage withdrawals were observed in Germany due to a combination of surging gas sales following a drop in temperatures and the emergence of arbitrage opportunities in the traded gas markets.

In total, the TSOs propose to expand today’s transmission network by adding 1,390 km of new pipelines and installing 508 MW in new compressor capacity so that the German and central European transportation needs can be met. The consultation document now released confirms the development measures already proposed in the 2016-2026 NDP,
which are expected to require investments totalling €3.9 billion. New infrastructure projects include the EUGAL project currently being developed to receive the gas arriving at the cross-border interconnection point Lubmin-II via the planned Nord Stream 2 pipeline project and transport it onwards to other regions including the Czech Republic. The TSOs currently assume that the costs of this project can be fully recovered through the capacity tariffs charged to shippers who have booked the new transportation capacity created as part of the project. The 2018-2028 edition of the NDP is also the first to factor in the capacity to be provided in connection with a German LNG terminal planned to be built in Brunsbüttel.

The TSOs believe that the existing gas infrastructure will deliver an important and environmentally valuable contribution to the future energy system. For this reason the current consultation document on the 2018-2028 NDP features a separate chapter describing how gas infrastructure can help facilitate sector coupling, a process aimed at linking existing gas, power, heat and transport infrastructure in an intelligent way.

The consultation document on the 2018-2028 NDP is now available on the FNB Gas website (www.fnb-gas.de).

About FNB Gas:
The Berlin-based association Vereinigung der Fernleitungsentnetzbetreiber Gas e.V. (FNB Gas) was founded in 2012 by the German gas transmission system operators (TSOs), i.e. the network companies operating the major supra-regional and cross-border gas transportation pipelines. One key focus of the association's activities is the Gas Network Development Plan, which has been drawn up annually by the TSOs since 2012. The association also acts as a central point of contact for policymakers, the media and the general public on behalf of its members.


Press contact:
Vereinigung der Fernleitungsentnetzbetreiber Gas e. V.
Georgenstraße 23
D-10117 Berlin

Phone: +49 30 92102350
Fax: +49 30 921023543
Email: info@fnb-gas.de
www.fnb-gas.de