

Paris, the 17 December 2008

Success of the first joint allocation of transmission capacity at the interconnection of gas networks between Spain and France at Larrau

Spanish and French energy regulators, CNE and CRE, have endorsed the results of the first coordinated allocation of capacity between France and Spain. This allocation concerns existing and committed transmission capacity at the interconnection of the Spanish and French gas networks at Larrau. It has been jointly carried out by Enagas and TIGF in October and November 2008¹. It allowed to book exit capacity from one country and entry capacity onto the adjacent network in both direction and in a coordinated way. This coordinated allocation will enhance the liquidity of the Spanish and French markets.

The success of this allocation of existing and committed capacity is a significant achievement with regards to the objectives of the ERGEG South Gas Regional Initiative (S GRI), which seeks to foster the integration of the French and Iberian gas markets.

For information, the capacity offered on the long term, from April 2009 to March 2013 (cf. table 1), and on the short term (2,600 MWh/d from France to Spain from April 2009 to March 2010) has been entirely allocated. The total demand largely exceeded the offered capacity.

As a consequence of this allocation of capacity, the number of shippers at the interconnection point of Larrau will increase from 4 to 13 from April 2009.

Table 1: Long term capacity offered

Capacities in MWh/day	April 09 - Oct 09	Nov 09 - March 10	April-Oct 10	Nov 10 - March 11	April-Oct 11	Nov 11 - March 12	April-Oct 12	Nov 12 - March 13
France → Spain	10,400	10,400	10,400	10,400	10,400	10,400	17,984	17,984
Spain → France ²	0.00	0.00	0.00	24,000	40,000	24,000	40,000	24,000

Way forward

The next joint capacity allocation will be held in November 2009, to allocate short term capacity from April 2010 to March 2011 in both directions.

Prior to this next allocation, CNE and CRE, together with Enagas and TIGF, will review the allocation procedure, in order to amend it if needed.

(1) This capacity allocation has been carried out via long term and short term open subscription periods (OSP). Details on the capacity offered and the OSP procedure can be found here: http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_INITIATIVES/GRI/South/OSP_Larrau.pdf

(2) In the direction Spain to France, the committed capacity is currently being developed and will enter into operation in November 2010.

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