Gas Directorate April 24th 2003

Commission de Régulation de l'Energie

April 2003

Public consultation: transparency on capacities available on public gas transport networks and at LNG terminals

Technical consultation sheet

Summary

Third party access to gas transport networks and LNG terminals, guaranteed by the law of January 3rd 2003, may be restricted or even brought into question entirely if there is insufficient capacity available on these infrastructures. If new suppliers are to be able to develop their activity in the French market free from discrimination, transport network operators and LNG terminal operators must publish all the necessary information concerning capacities.

CRE wishes to clarify the definition of capacities and set out clearly the way they are to be published.

The present public consultation is intended to gather comments and suggestions from the parties involved in the French gas market. It is specifically concerned with the transparency of information on capacities, not with the allocation of these capacities.

1. Context and current situation

In December 2002, the three French transport operators introduced a new tariff system based on the so-called "entry / exit" principle. This system involved creating eight zones. Thus, to transport gas on the major transport networks, market players no longer need to reserve capacities for a route between the entry point and the exit point. They may simply reserve entry and exit capacities, the two operations may be carried out independently, in addition to link capacities, for moving gas from one zone to another.

Today, capacities are reserved on an annual basis at GDF and CFM, and every six months with GSO. The introduction of monthly capacity reservations is planned for no later than the start of 2004.

At present, for information purposes Gaz de France displays the capacities available on border points, from neighbouring countries towards France. These capacities are "defined according to Gaz de France Transport's existing commitments".

CFM and GSO do not publish information concerning capacities.

Third party network access, as stipulated by Directive 98/30/CE and the law of January 3rd 2003, may only take place within the limits of available capacities. For this reason, CRE considers that all parties involved must have access to information on capacities.

2. Transparency on available capacities

2.1. Definition of available capacities

For each specific capacity, the following concepts may be defined:

- The theoretical capacity, i.e. the maximum technical capacity under normal usage conditions:
 - for transport networks: entry, exit or link points capacities;
 - for LNG terminals: LNG download capacity and regasified gas emission capacity;
- Subscribed capacities, firm or interruptible;
- Available capacities, firm or interruptible, initially on an annual basis (every six months for GSO), then on a monthly basis when monthly capacities are offered.

Details of the following capacities will therefore be published:

- Entry points on the national territory;
- Exit points on the national territory;
- Links between zones within the national territory.

Those taking part in the consultation process are invited to state how useful they feel it would be to have information on other capacities.

2.2. Methods of publishing available capacities

CRE wishes to see all operators, particularly eligible customers and suppliers established in the French market, given access to all the information they require for carrying out their activities.

On the transport network, the capacities for which data must be published are as follows:

- <u>capacities at entry points of the national territory</u>: Dunkerque, Taisnières, Obergailbach, Montoir, Fos, Oltingue, Lacq, Larrau;
- <u>capacities at exit points of the national territory</u>: Oltingue, Larrau, Dunkerque, Taisnières, Obergailbach;
- capacities for links between zones, in both directions: North GDF / East GDF, North GDF / West GDF, East GDF / South GDF, West GDF / South GDF, West GDF / West CFM, South GDF / centre CFM, West GDF / GSO, South GDF / GSO.

For each of these capacities, the following data must be published on the transport operator's Internet site, in French and English, and using simple presentation resources such as spreadsheets:

- theoretical capacities, subscribed capacities, firm and interruptible, and available capacities, firm and interruptible, updated on a weekly basis;
- records of theoretical capacities in 2000, 2001 and 2002;
- records of maximum, minimum and average annual and monthly flows in 2000, 2001, 2002;
- forecast of capacity reductions caused by maintenance and repair work over the year ahead.

For LNG terminals, theoretical, subscribed and available capacities should be published for:

- download capacities, in number of loads and in millions of m³;
- regasified gas emission capacities on the transport network.

Wherever a forecast has been published, actual usage data must also be published within a suitable period of time and under conditions that ensure the protection of commercially sensitive information.

3. Responses to the consultation

CRE is seeking opinions of the present document from all the parties concerned. Responses must reach CRE by May 15th 2003.

Interested persons may send their contributions to CRE, either by post to <u>Direction du Gaz, 2, rue du Quatre-Septembre 75084 PARIS Cedex 02</u>, or by e-mail to <u>com@cre.fr</u>.