

DELIBERATION

Deliberation by the French Energy Regulatory Commission of 15th December 2016 examining the ten-year development plan for TIGF and approving its investment programme for 2017

Participating in the session: Philippe de LADOUCKETTE, chairman, Christine CHAUVET, Catherine EDWIGE and Jean-Pierre SOTURA, commissioners.

The purpose of this deliberation is, on the one hand, to examine TIGF's ten-year plan, and on the other hand, to approve TIGF's modified 2016 investment programme and its 2017 investment programme.

1. LEGAL AND REGULATORY FRAMEWORK

Directive 2009/73/EC of 13th July 2009 concerning common rules for the internal market in natural gas and the French Energy code define the legal framework applicable to the investments of gas transmission system operators (TSOs).

Article 8 §3-b of Regulation No. 715/2009¹ provides that the European network of transmission system operators in gas (hereinafter called ENTSOG²) shall adopt every two years a non-binding Community-wide ten-year network development plan (hereinafter "TYNDP³"), after an open and transparent consultation with all market participants. The Agency for the Cooperation of European Regulators (ACER) issues an opinion on that plan and monitors its implementation.

At national level, Article L.431-6-1 of the French Energy Code provides that the TSOs shall draft, after consultation of interested parties, a ten-year development plan for their networks (hereinafter ten-year plan), based on:

- the existing gas supply and demand;
- the reasonable medium-term forecasts for the development of gas infrastructures;
- reasonable medium-term gas consumption forecasts;
- reasonable medium-term forecasts for international exchanges;
- hypotheses and identified needs in the report relating to the planning of investments in the gas sector developed by the minister in charge of energy.

This plan must indicate the main transport infrastructures that must be built or upgraded over the following ten years, list the investment projects already decided, inventory new investments to be made within three years and provide a forecast schedule for all investment projects.

In application of the provisions of Article L.431-6 of the Energy Code, TSO's ten-year plan is submitted each year for examination by the French Energy Regulatory Commission (hereinafter "CRE") so that it may ensure, on the one hand, coverage of all the investment needs and, on the other hand, the coherence of the plan submitted with ENTSOG's network development plan. If there are any doubts about the latter point, CRE has the possibility of consulting ACER.

CRE may, if it considers that these requirements are not met, ask the TSOs to modify their ten-year plans.

¹ [Regulation No. 715/2009 of the European Parliament and the Council of 13th July 2009 on the conditions for access to the transport network of natural gas and repealing Regulation \(EC\) No. 1775/2005](#)

² [European Network of transmission operators in gas](#)

³ [Ten-year network development plan](#)

Furthermore, in application of the provisions of Article L.134-3, 2° and of II of Article L.431-6 of the Energy Code, the TSOs shall submit their annual investment programmes implementing the ten-year plan to CRE for approval. In this framework, CRE "ensures that the investments required for the proper development of the networks, and for transparent and non-discriminatory access to them are made".

2. FORECAST BALANCE AND TEN-YEAR PLAN FOR THE DEVELOPMENT OF TIGF

2.1 Multiannual forecast balance of network operators in the energy transition

Law no. 2015-992 of 17th August 2015 relating to the energy transition for green growth (hereinafter "LTECV") has defined guidelines for fossil energy consumption and control of the demand for energy.

This law especially defines the guidelines concerning new uses of gas, in addition to the production of electricity from renewable energy sources or in the transport sector substituting for petroleum products. It sets the objective of 10% renewable energy in French consumption of natural gas from now to 2030.

The multiannual energy programming (PPE)⁴, which defines the guidelines and actions to reach the objectives of the energy policy set out in Articles L. 100-1, L. 100-2 and L. 100-4 of the Energy Code, was published on 28th October 2016. It especially defines the following objectives in the gas sector:

- reaching a reduction of the primary gas consumption of -9 to -16% in 2023 compared with 2012;
- reaching a share of the fleet of HGVs running on CNG (compressed natural gas for vehicle) of 3% in 2023 and 10% in 2030;
- developing the supply of (LNG) liquefied natural gas marine fuel in the ports, and the infrastructure of LNG/CNG for road fuel;
- reaching an annual production capacity of biomethane injected into the network of more than 8 TWh by 2023;
- supporting the development of bioGNV (renewable compressed natural gas for vehicle) to reach 0.7 TWh consumed in 2018 and 2 TWh in 2023, in the perspective that the bioGNV represents 20% of the consumptions of CNG in 2023, on additional segments to those of electric vehicles and rechargeable hybrid vehicles;
- continuing and finalize the conversion studies of L-gas (low calorific gas) from the fact of the extinction of the Groningen field (Netherlands) by the end of 2029. Also finalising a back-up scenario if an accelerated conversion would be made necessary by a more rapid judgement than what was intended from operating the Groningen field.

In addition, article L. 141-10 of the Energy Code as amended by the LTECV provides that "*natural gas transmission network operators set out a forecast multiannual balance at least every two years under the control of the State. This balance considers developments of consumption, transport capacity, distribution, storage, regasification, renewable production and exchanges with the foreign gas networks.*"

GRTgaz and TIGF have worked in coordination with GRDF and local distribution companies (ELD) to establish the first forecast multi-year balance up to 2035. The hypotheses used in the preparation of the document have been presented to the actors of the market, in the framework of a concertation meeting on 23th June 2016.

This document bearing the title "Prospects for natural and renewable gas: forecast multiannual balance for 2016⁵" has been published by the TSOS and DSOS on October 27, 2016. It presents different scenarios of the growth of the consumption of natural gas.

2.2 Construction of the TIGF ten-year plan

The TIGF ten-year plan:

- presents several demand scenarios: TIGF retains, in the mesh of its network, three trajectories, two of which lead, over the period 2016-2025, to a decline in the consumption of natural gas on its network

⁴ [Multi-annual energy programming](#), adopted by Decree No. 2016-1442 of 27th October 2016 relating to multiannual energy programming.

⁵ [Forecast multiannual balance](#)

between 0.2% and 1.0% on average per year. The third led to an increase in the consumption of natural gas between 2016 and 2025, 1.9% in average per year in TIGF area;

- identifies the main transport infrastructure of gas to build or strengthen over the period 2016-2025. It lists the investments decided by TIGF or those under study, and presents a forecast timetable associated with all these projects:
 - commissioning of a compressor in Sauveterre de Guyenne in 2017 (project decided upon and approved⁶);
 - completion of the Gascogne-Midi project, necessary for the creation of a single market place in France at the end of 2018 (project decided upon and approved⁷);
 - strengthening of the compression station of AGU in Lussagnet in 2019 (project not decided upon);
 - completion of a *power to gas* pilot in 2018 (project decided upon and approved⁸);
 - STEP project (*South Transit East Pyrenees - 2022*) of direct interconnection with Spain consisting, on the French side, of a structure linking the Perthus to Barbaira (project not decided upon);
- presents the forecast for connection of biomethane production units on its network between 2016 and 2025, which take into account the objectives set by the LTECV: a connection by year until 2022, then two per year from 2023 to 2025.

GRTgaz, TIGF and distribution network operators (DSOs) organised a consultation meeting on 23rd June with all the contract players, in accordance with the request made by CRE in its deliberations of 17th December 2015 relating to the review of the ten-year plans of GRTgaz and TIGF and approving their investment programs, in which it asked the TSOs to "*Regularly submit the progress of the work on the development of [their] ten-year plan in gas consultation, without waiting for its finalisation*". TIGF also presented its draft ten-year plan in the framework of the Gas Consultation on 25th October 2016. Finally, TIGF published its ten-year plan on its Internet site on 21st November 2016⁹.

2.3 Summary of the public consultation

CRE organised a public consultation from 23rd November to 2nd December 2016¹⁰. Three answers were received, from a shipper, an association and an infrastructure operator. The non-confidential answers are published on CRE's website.

2.3.1 Appreciation of the consultation procedures

An association expresses its satisfaction with the current consultation procedures. The coordination between the TSOs and DSOs for the production of a forecast common balance is welcomed.

However, a shipper considers that the presentation of the ten-year plan in the contract remains too late, and does not allow integrating all the remarks of market players in the final version. Also, this shipper regrets that the next TYNDP of the ENTSOG is based on the forecasts of consumption of the previous French TSOs development plan.

2.3.2 Hypothesis of the development of the consumption within the scope of the ten-year plans

The contributors to the consultation are watching the uncertain environment in which the exercise of forecasting the consumption is conducted, which they consider as particularly unstable. They highlight the uncertainties related to the regulation, especially with the objectives for reducing consumption. They also mention the high sensitivity of the consumption of gas with the development of the gas power plant sector and the uncertainties related to the dynamics of the global gas market (abundance of LNG, the currently low market price).

⁶ [See the deliberation of CRE of 17th December 2009 on the approval of the TIGF investment programme for 2010.](#)

⁷ [See in particular the deliberation of CRE of 7th May 2014 on the guidelines for the creation of a single marketplace in France in 2018 and the deliberation of CRE of 30th October 2014 on the decision on the of incentive regulation mechanism of the Val de Saône and Gascogne/Midi projects.](#)

⁸ [See the deliberation of CRE of 22nd July 2015 relating to the achieved results of the 2014 investment plan and approving the modified investment programme for 2015 of TIGF.](#)

⁹ [Ten-year plan of TIGF](#)

¹⁰ [Public consultation of 23rd November 2016 relating to the ten-year plans for the development of GRTgaz and TIGF](#)

A shipper considers that the scenarios of TIGF are relevant and more realistic than in the previous development plans. It considers, however, that the consequences of each scenario in peak demand period would deserve to be looked into more deeply.

2.3.3 Hypotheses of development of injections of gas from renewable sources in the transmission network

A shipper shares the analysis of the TSOs and DSOs, who consider that the development of gas production of renewable origin and the achievement of the objectives established by the LTECV depend heavily on the fiscal support provisions which will be implemented.

Also, a contributor questioned the relevance of the development of infrastructures allowing countdown flows, seeing their high cost and encourages the study of the overall economy of injection of gas of renewable origin projects.

2.3.4 Development of capacities within the ten-year plans

2.3.4.1 Projects decided by the TSOs

The contributors made few remarks concerning the projects decided upon. The main remark concerns the Power to Gas project: a contributor, if he has no objection regarding the financing of the pilot project, is unfavourable to the financing by the transmission tariff of other projects of this nature.

2.3.4.2 Undecided projects

With regard to the interconnection between France and Spain, the three contributors to the public consultation consider that existing capacities are enough, and that a development of new capacities would not match need expressed by the market. They are unfavourable to these projects, both in their extensive and partial version (South Transit East Pyrenees STEP¹¹), whose costs would weigh on the users of French networks without making a profit. A sender stresses in particular that the STEP project only provides for interruptible capacities, which would be, after his analyses, interrupted in situations where it may be advantageous for the market to use them (the South-North flows in a context of abundant LNG would not be possible in the case of the high emission of the Fos terminal). A contributor recalls that in all the adopted scenarios, the demand for natural gas from now to 2035 is declining, which justifies a certain caution on the investments of the TSOs.

In addition, a contributor asks more justification of the need for strengthening the AGU station on the Lussagnet storage site.

2.4 Analysis of CRE

2.4.1 Consultation procedures

CRE notes that TIGF, in accordance with the request made in its deliberation of 17th December 2015, presented its guidelines during a consultation organized at the end of June 2016. It also welcomes the joint organization of this event by the two TSOs and DSOs.

It encourages TIGF to submit as soon as possible its finalised gas consultation project, to allow sufficient time for the market players to appreciate the details, and formulate their remarks as accurately as possible.

2.4.2 Hypothesis of the development of the consumption within the scope of the ten-year plans

CRE notes that TIGF has adopted the same development consumption trajectories in its ten-year plan only in the forecast balance developed with GRTgaz and the DSOs:

- scenario A (central trajectory) foresees a stagnation of consumption, compared with 2015: TIGF announces the absence of demand for gas linked to the production of electricity on its network;
- scenario B (high trajectory): increase of the consumption of 21% by 2025, compared with 2015, with a hypothesis of economic recovery; in this scenario, TIGF anticipates the construction of a gas-fired power plant, raising the consumption of gas on its network by 4 TWh from 2020;
- scenario C (low trajectory): decline in the consumption by 9% compared with 2015, with low growth and regulations unfavourable to natural gas; as in scenario A, TIGF foresees the absence of demand for gas linked with the production of electricity on its network.

¹¹ The project consists in a pipe of 120 km between Le Perthuis and Barbaira.

CRE observes that the scenarios presented by TIGF aim to consider the uncertainties on the development of gas consumption: production of electricity from gas, industrial consumption, new uses of gas, energy efficiency measures.

Over the period 2012-2023, these scenarios lead to a decline in the consumption of gas from 5.5% to 11.0% at the TIGF perimeter. Scenario B leads to an increase of 12.4%. Only scenario B is consistent with the objective of reducing consumption from 9 to 16% by 2023 as intended by the PPE.

2.4.3 Development of capacities within the ten-year plans

2.4.3.1 Developments of capacities on the TIGF network

CRE observes that, in accordance with its deliberation of 17th December 2015, TIGF has indicated for each project whether it was decided upon or not.

CRE recalls that over the last ten years, GRTgaz and TIGF have significantly developed their networks, by the creation of new interconnection capacities with the neighbouring countries, and the development of input capacities from LNG terminals and the strengthening of the national network to remove congestion and reduce the number of market places. These developments have enabled consumers to benefit from diversified sources of supply and have strengthened the integration of France within the European gas market. In view of the level of transmission tariffs, the existing interconnection capacities, national objectives and European prospects for reducing the consumption of gas, it is appropriate for the TSOs to limit their investments, in the years to come, to the projects for which it has been demonstrated that they generate a real benefit for the community.

With regard to the Midcat project (in its full version or in its partial version), CRE has stressed in its Report 2016 on the interconnections¹² that, considering the capacity of the French system to face crises of supply, additional interconnection capacities with Spain (*a fortiori* if they are interruptible) are not necessary to ensure safe supply from France. CRE also considers that the current interconnection capacities allow meeting the needs of the market, as evidenced by the existence of capacities not subscribed in both directions, as well as the non-use of a significant share of the subscribed capacity, in particular in the Spain to France direction. Accordingly, unless it is to make consumers assume unjustified expenditure, the developments of interconnection capacities between France and Spain could be considered only in the context of a cross-border allocation of costs, as laid down by the European Regulation no. 347/2013¹³ and, where appropriate with European subsidies.

2.4.3.2 Developments of the network related to biomethane

In accordance with the deliberation of CRE of 17th December 2015, GRTgaz and TIGF have studied the consequences of the development of the biomethane chain on the needs for investment of transport operators. The TSOs anticipate no decline in investment linked with the development of injections of biomethane and observe the possible emergence of new investment needs.

In particular, the TSOs anticipate the need to invest in solutions allowing the reverse of gas flows from the distribution network to the regional transmission network, or the regional transmission network towards the main transmission network, to feed back the surplus production in the cases where the injection would be more than local consumption. On the TIGF network, the implementation of countdown would begin in 2023 and would continue with the implementation of one unit per year up to the end of the plan.

CRE observes that TIGF has not evaluated, in its development plan, the costs of development on the transmission networks that could be avoided through the injection of gas of renewable origin. It asks the TSO to deepen its analysis on this point, to provide an estimate in its next plan.

2.4.4 Consistency of the ten-year plan of TIGF with that of the ENTSOG

The development plan (TYNDP) 2015¹⁴ of the ENTSOG was published on 13th April 2015, and submitted to the ACER on 23rd July 2015. The ACER published its opinion on the document on 13th October 2015¹⁵.

The ENTSOG is currently working on the development of its TYNDP 2017, which it will submit for public consultation in December 2016.

None of the contributors in the public consultation of CRE has reported any inconsistency between the ten-year plan of TIGF and the ENTSOG development plan with respect to the projects for the development of networks. With regard to the forecasts of consumption, a contributor regrets the existing gap between the financial years.

¹² [The electrical and gas interconnections in France - A tool at the service of the construction of an integrated European market](#)

¹³ Regulation (EU) No. 347/2013 of the European Parliament and the Council of 17th April 2013 concerning guidelines for Trans-European energy infrastructures

¹⁴ [The 2015 Development Plan of the ENTSOG](#)

¹⁵ [Opinion of the ACER on the 2015 Development Plan of the ENTSOG](#)

2.4.4.1 Hypotheses on the development of the consumption of natural gas in Europe

The ENTSOG has not published any new TYNDP compared with what was examined in 2015. In its deliberation of 17th December 2015, CRE emphasised that TIGF had included only one scenario of growth of consumption in its ten-year plan. CRE had asked TIGF to include several scenarios of the growth of consumption in its ten-year plan.

In its work on the TYNDP 2017 project, the ENTSOG envisages four scenarios¹⁶, corresponding with differentiated levels of growth and penetration of gas. The ENTSOG presented these scenarios in May and July 2016:

- These scenarios provide, over the period 2017-2035 an increase of European consumption in the "Vision 3" scenario and a decline of 2% to 12% in the other scenarios;
- the demand for gas in the production of electricity increases in three scenarios out of four.

In accordance with the deliberation of CRE of 17th December 2015, the scenarios presented by the TSOs in their ten-year plans have been sent to the ENTSOG in the framework of the work of the 2017 Plan. The TYNDP will be submitted for consultation in December 2016.

2.4.4.2 Hypotheses on the development of the injection of gas of renewable origin

CRE notes that TIGF has not sent the biomethane injection trajectories in the framework of the work of the TYNDP 2017. It asks TIGF to transmit to the ENTSOG a biomethane injection trajectory in the framework of the TYNDP 2018, so that they can be taken into account in the European forecasts.

2.4.4.3 Projects for development of capacities

As regards the characteristics of the projects for the development of capacities, the noted differences concern implementation dates and can be explained by the schedule developments of projects from the launch of the work of the most recent plan of the ENTSOG.

CRE considers that the ten-year plan of TIGF is consistent with the development plan of the ENTSOG.

3. THE INVESTMENT PROGRAMME OF TIGF

TIGF sent CRE in September 2016 its investment programme for 2017 and its revised programme for 2016.

The investment costs of TIGF are broken down into five major purposes: Development of the main network, Development of the regional network, Safety/maintenance, Connections, and General investments.

3.1 Observations of CRE on the balance of the implementation of the 2015 investment programme

The investment programme as amended for 2015 and approved by CRE in its deliberation of 22nd July 2015 amounted to 132 M€. The implementation review of the investment programme of TIGF for 2015 amounts to 131 M€, a decrease of 1% compared with the approved programme.

The artery project of the Adour came into service on 15th December 2015, with an excess cost of 30 M€ compared with the initial budget of 130 M€ approved by CRE, from the fact, according to TIGF, of unfavourable climatic conditions, welding quality problems and geotechnical difficulties. CRE commissioned an external audit to ensure that the artery project of the Adour was conducted effectively by TIGF, which is not completed as of the date of this deliberation.

Concerning the Gascogne-Midi project, necessary for the creation of a single gas market place in France, TIGF foresees a cost on completion of 152 M€₂₀₁₆, stable in relation to the budget approved by CRE in its deliberation of 30th October 2014¹⁷. TIGF does not at this stage report any delay of commissioning of the Gascogne-Midi project.

3.2 Observations of CRE on the state of fulfilment of the 2016 investment programme

¹⁶ [TYNDP 2017 scenarios](#)

¹⁷ [Deliberation of CRE of 30th October 2014 on the decision on the incentive regulation mechanism of the Val de Saône and Gascogne/Midi projects](#)

The investment programme approved for 2016 by CRE in its deliberation of 17th December 2015 amounted to 110 M€. TIGF presented the implementation review of this programme at the end of June 2016, which shows a decrease of 4 M€, the new estimated budget of investments for 2016 amounting to 106 M€.

This decline is mostly explained by investment expenditure over the regional network under the approved budget by 5 M€. The manufacture and installation of the necessary equipment for the strengthening of Parentis were less expensive than expected.

CRE has verified that the differences between the revised programme and the investment programme approved for 2016 are predominantly related to savings on purchases of materials and work of installing or to carry-overs of work and that they are without consequence on the schedule and the overall cost of the projects.

3.3 Main elements of the TIGF investment programme for 2017

The investment programme presented by TIGF for 2017 amounts to 108 M€, an increase of 2 % compared to the revised budget for 2016 of 106 M€.

The amount asked for by TIGF for 2017 considers the investment expenditures of the research and innovation (R&I) project at 1.3 M€, which strengthens the capacity of TIGF to participate in the energy transition and adapt its activities to energy market developments in future years.

The breakdown by purpose of the investment for 2017 is the following:

Purpose	2017 programme (M€)
Development of the main network	56
Security and holding	31
Connections	2
Development of the regional network	2
General investments	17
TOTAL	108
<i>Including R&I</i>	<i>1.3</i>

Table 1: breakdown by purpose of the request for TIGF for 2017

Also, the budget of the investment program for 2017 corresponds with the amount of expenditure defined for 2017 by the tariff deliberation ATRT6¹⁸.

3.3.1 Development of the main network

Expenditure relating to projects of development of the main network amounted to 56 M€ in the TIGF investment programme. They represent more than half of the planned spending for 2017.

Most of these expenditures result from the Gascogne-Midi project (40 M€ in 2017), necessary for the creation of the single market place whose commissioning is scheduled on 1st November 2018.

TIGF also anticipates expenditures related to the construction of the third compressor at the level of the compression station of Sauveterre (8 M€), which is expected to enter into service in 2017, and to the project on the reinforcement of the compression station of AGU (5 M€). Concerning this last project CRE had, in its deliberation of 17th December 2015, asked TIGF to submit, in mid-2016, a justifying folder of this project. TIGF sent the CRE, on 4th May 2016, a study on the need for additional compression on the AGU station. This study concludes that in a diagram of the flow where the gas goes back to Spain to supply the GRTgaz area, a deficit of compression of 12.5 MW to the peak P2 and 2 MW in winter average does not allow TIGF to ensure its offer.

TIGF finally anticipates an amount of 2 M€ for the completion of a preliminary study, in coordination with Enagas, for the STEP project. This study is done at the request of the European Commission, for a total budget of 8 M€ for TIGF, 50% subsidised by the European Commission.

3.3.2 Safety and maintenance spending

The safety and maintenance investment costs represent 31 M€ within the forecast programme of TIGF for 2017.

¹⁸ [Deliberation of the CRE of 17th November 2016 on the draft decision rate for using the natural gas transport networks of GRTgaz and TIGF](#)



These amounts are primarily related to the improvement of the safety and the renewal of obsolete assets, in particular the isolating valves (15 M€) and delivery stations (4 M€). The refurbishment of the network represents 6 M€.

3.3.3 General investments

TIGF foresees a general investment expenditure of 17 M€ for 2017, essentially linked to developments of information systems (15 M€). These particularly include the development of new upgrades of the commercial tool, the recasting of the commercial SI and the development of a tool to optimize the use of compression stations.

A sum of 2 M€ of expenses of the real estate investment is planned and partly concerns the completion of the construction of the single headquarters of TIGF.

3.3.4 Other investment expenses

The investments on the regional network amount to 2 M€ in 2017. These investments correspond with the strengthening of some antennas in capacity limit (for example Landes Sud and Capens-Pamiers).

TIGF also provides for expenditures related to the connection of new customers (2 M€).

TIGF has developed, from the end of 2015, a research and innovation (R&I) programme. This represents, in 2017, investment expenditure of 1.3 M€ and especially includes investment expenditure of 1.0 M€ corresponding with the *Power to gas* pilot project, the purpose of which is to enable the conversion or storage of electricity in the form of hydrogen or methane, which would be subsequently injected into the gas network. The investment expenditure relating to this project, in which GRTgaz also participates, have been approved by CRE by deliberation of 22nd July 2015¹⁹ for a total amount of 1.8 M€ for TIGF.

3.4 Analysis of CRE on the TIGF investment programme for 2017

3.4.1 Debottlenecking investments of the main network

CRE notes that TIGF provides a commissioning of infrastructures linked with the Gascogne-Midi project on 1st November 2018, in coherence with the forecast schedule for the establishment of the single market place decided by CRE in its deliberations of 7th May 2014 and 30th October 2014²⁰. CRE also notes that the budget of the Gascogne-Midi project is in line with the target budget (152 M€₂₀₁₄).

Concerning the project to strengthen the compression of AGU, CRE had considered, in its deliberation of 17th December 2015, that it did not have the elements allowing it to approve the project. The study submitted by TIGF to CRE in May 2016 shows that the operator is not able to ensure his offer in cases of large flows from Spain, due to a deficit of compression of 12.5 MW in peak P2 and 2 MW in an average winter.

TIGF had planned, in its initial programme of work for the Artère de Guyenne project, approved by CRE in its deliberation of 8th December 2005²¹, the installation of an additional compressor on the AGU station. However, TIGF has not proceeded with this installation in the course of work, wishing firstly to ensure the real need to install this additional compressor.

TIGF told CRE that the power of additional compression is used only to ensure the flow of the western part of its network (PIR Pirineos - Lussagnet - Castillon). CRE considers that the TIGF project to build an additional compressor with a power of 8 MW will respond to the essential needs. The TSO will thus be able to ensure its offer in the event of a cold snap.

3.4.2 Expenditure related to safety and maintenance and the regulatory requirements

CRE notes that the expenditure for renewal and safety is maintained at a stable level, and anticipates the continuation of this trend.

3.4.3 Investments related to the R&I programme

CRE welcomes investments related to the R&I project, because they allow the involvement of the TSO in the energy transition and in the preparation of the future of gas transmission networks. These expenditures will be the

¹⁹ [Deliberation of CRE of 22nd July 2015 relating to the achieved results of the 2014 investment plan and approving the modified investment programme for 2015 of TIGF.](#)

²⁰ [Deliberation of CRE of 7th May 2014 on the guidelines for the creation of a place of the single market in France in 2018 et Deliberation of CRE of 30th October 2014 on the decision on the of incentive regulation mechanism of the Val de Saône and Gascogne/Midi projects](#)

²¹ [Deliberation of CRE on the attribution of an increased rate of remuneration to the project for strengthening the Artère de Guyenne](#)

subject of particular follow-up, in the framework of the report which will be published by TIGF on its activities of R&D.

4. DECISION OF THE CRE

4.1 Examination of the TIGF ten-year development plan

CRE observes that the ten-year plan of TIGF correctly reflects the needs expressed by the market players, and is consistent with the development plan of ENTSOG.

Concerning the forecasts of renewable origin gas injection into the natural gas networks, CRE asks TIGF:

- to study the decreases in investment costs in the development of networks which could result from these injections;
- to transmit the ENTSOG a biomethane injection trajectory in the framework of the TYNDP 2018.

4.2 Decision concerning the investment programme for 2015

CRE considers that the implementation of the investment programme for 2015 is consistent with the approved programme.

Category	Programme approved 2015	Programme revised 2015	Programme completed 2015
Development of the main network	68	74	77
Development of the regional network	5	5	5
Security and holding	42	30	29
Connections	3	2	1
General investments	15	21	18
TOTAL	133	132	131

Table 2: breakdown by purpose of approved programmes, revised and completed by TIGF for 2015

4.3 Decision concerning the investment programme as amended for 2016

CRE notes that the state of implementation of the TIGF investment programme is consistent with the approved programme. It notes that the investment programme was reassessed by TIGF for 2016 and approves this amendment.

Accordingly, the budget approved by CRE of TIGF expenditures for 2016 amounts to 106 M€, distributed as follows:

Category	Programme approved 2016	Programme revised 2016
Development of the main network	49	48
Development of the regional network	9	4
Security and holding	34	35
Connections	4	3
General investments	13	16
TOTAL	110	106

Table 3: breakdown by purpose of approved programmes approved and revised by TIGF for 2016



4.4 Decision concerning the investment programme for 2017

CRE approves the investment programme for 2017 which was submitted to it by TIGF. The breakdown by purpose of approved investments is the following:

Purpose	2017 programme (M€)
Development of the main network	56
Security and holding	31
Connections	2
Development of the regional network	2
General investments	17
TOTAL	108

The approval of the investment programme does not call into question the tariff treatment of these expenditures. In particular, it does not change the trajectory of "off-network" CCN adopted in the ATRT6 tariff decision.

Any modification of the investment programme will have to be submitted to CRE for approval.

CRE asks TIGF to submit, before July 2017, a balance of intermediate execution of this decision, including a point of progress of the main projects committed.

Paris, 15th December 2016.

For the Energy Regulatory Commission,
The Chairman,

Philippe de LADOUCKETTE

5. ANNEXES**5.1 Main development projects of the network commissioned from 2017 (> 20M€)**

Project	Date of the deliberation	Target budget	Cost on completion	Date of commissioning
Gascogne-Midi	30th October 2014	152 M€ ₂₀₁₄	152 M€ ₂₀₁₆	2018
Strengthening compression of AGU	15th December 2016	25.5 M€	25.5 M€	2019