



International
Association
of Oil & Gas
Producers

Gas Quality

INT NC & EN 16726

ENTSOG workshop on INT NC
amendment for Gas Quality
Cologne, 28 April 2016
Kees Bouwens, ExxonMobil, Chair EMSC



ENTSOG workshop INT NC amendment for Gas Quality

- IOGP welcomes ENTSOG's invitation to stakeholders to participate in the task ENTSOG received from the Commission
- IOGP have contributed to the work on the CEN standard EN 16726
 - This was developed as a non-binding technical standard
- The Commission's intention to make the new standard binding creates a number of issues/challenges that require a thorough impact assessment
 - We welcome the invitation to ENTSOG to “**prepare a detailed analysis** – focusing on the entire natural gas value chain in all relevant Member States – on the impacts and issues associated with codifying the standard...”
 - However, this activity should not be underestimated
- It is not clear that amendment of the INT NC is really necessary

Challenges for the Impact Assessment

- Earlier studies raised the issue that good quality data is lacking
- IA should look at impact of later including Wobbe Index range
 - What would happen if Gas Quality Pilot II succeeds?
- Impact on safe operations, appliances and security of supply
- There is no uniform legal and regulatory framework related to responsibility for gas quality
- In addition to technical issues, there are also legal issues
 - Status of the A-Deviations
 - Status of “off spec” gas
 - Scope of the INT NC, and of the Regulation 715/2009

NC on Interoperability & Data Exchange

- INT NC shall apply to TSOs (Article 1.2)
 - Adjacent TSOs should cooperate where differences in gas quality at IPs might create a barrier to market integration (preamble 4)
 - Provisions in NC should provide effective solutions ahead of adoption of CEN Gas Quality standard (preamble 5)
- Article 15 (and 19) provides a mechanism to avoid / remove restrictions to cross-border trade due to gas quality differences
 - So far, there is no compelling evidence that restrictions exist ...
 - which this existing mechanism cannot effectively address ...
 - and that EN 16726 would resolve
- First step should be to identify the objective / issue to be solved

The way forward

- Identify whether there are gas quality issues at IPs that the existing INT NC cannot resolve, and for which EN 16726 could provide help
- If positive, consider potential impact on the entire gas value chain
 - Stakeholder consultation is good start, but may not reveal all potential consequences due to lack of good quality data
- Any amendment of INT NC should not introduce new barriers
 - Gas that meets standard should not be rejected;
 - Standard should not be used to reject gas at entry points and
 - Should not prevent regional gas quality specs at exit points
- UK and NL use national/regional gas quality specs to manage quality at end user offtake points, while not restricting gas from producing fields at entry points, and without restrictions to cross-border trade



International
Association
of Oil & Gas
Producers

For more information please contact:

kees.bouwens@exxonmobil.com

or

Christian Schwarck,
Deputy Director EU Affairs
cs@iogp.org

www.iogp.org

| Registered Office

Level 5

209-215 Blackfriars Rd
London SE1 8NL

United Kingdom

T +44 (0)20 3763 9700

F +44 (0)20 3763 9701

reception@iogp.org

| Brussels Office

Bd du Souverain, 165

4th Floor

B-1160 Brussels

Belgium

T +32 (0)2 566 9150

F +32 (0)2 566 9159