

TYNDP Assessment

Wrap-up

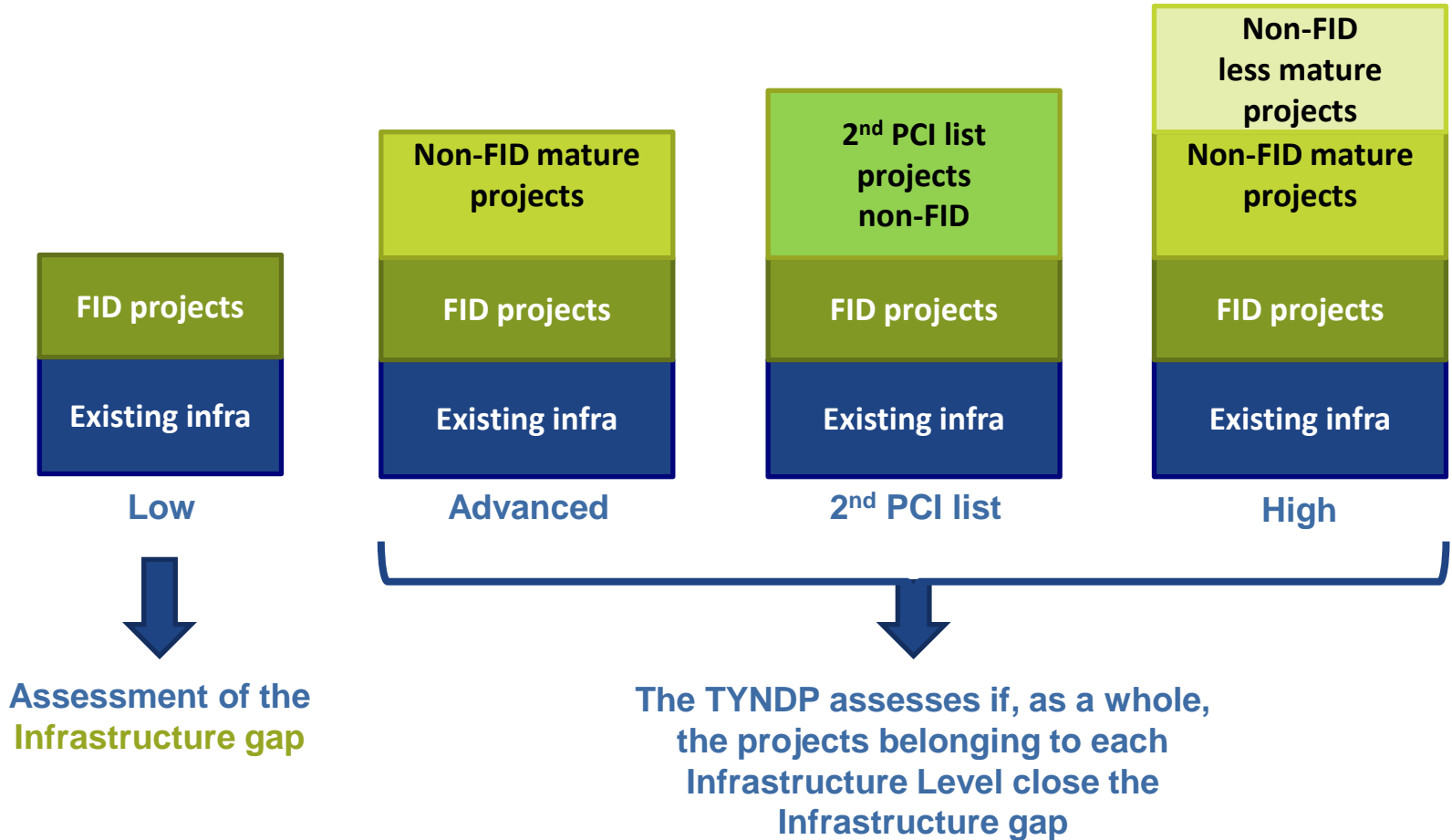
ENTSOG System Development Area



TYNDP assessment



The assessment is performed for the different Infrastructure Levels





TYNDP is a multi-criteria assessment

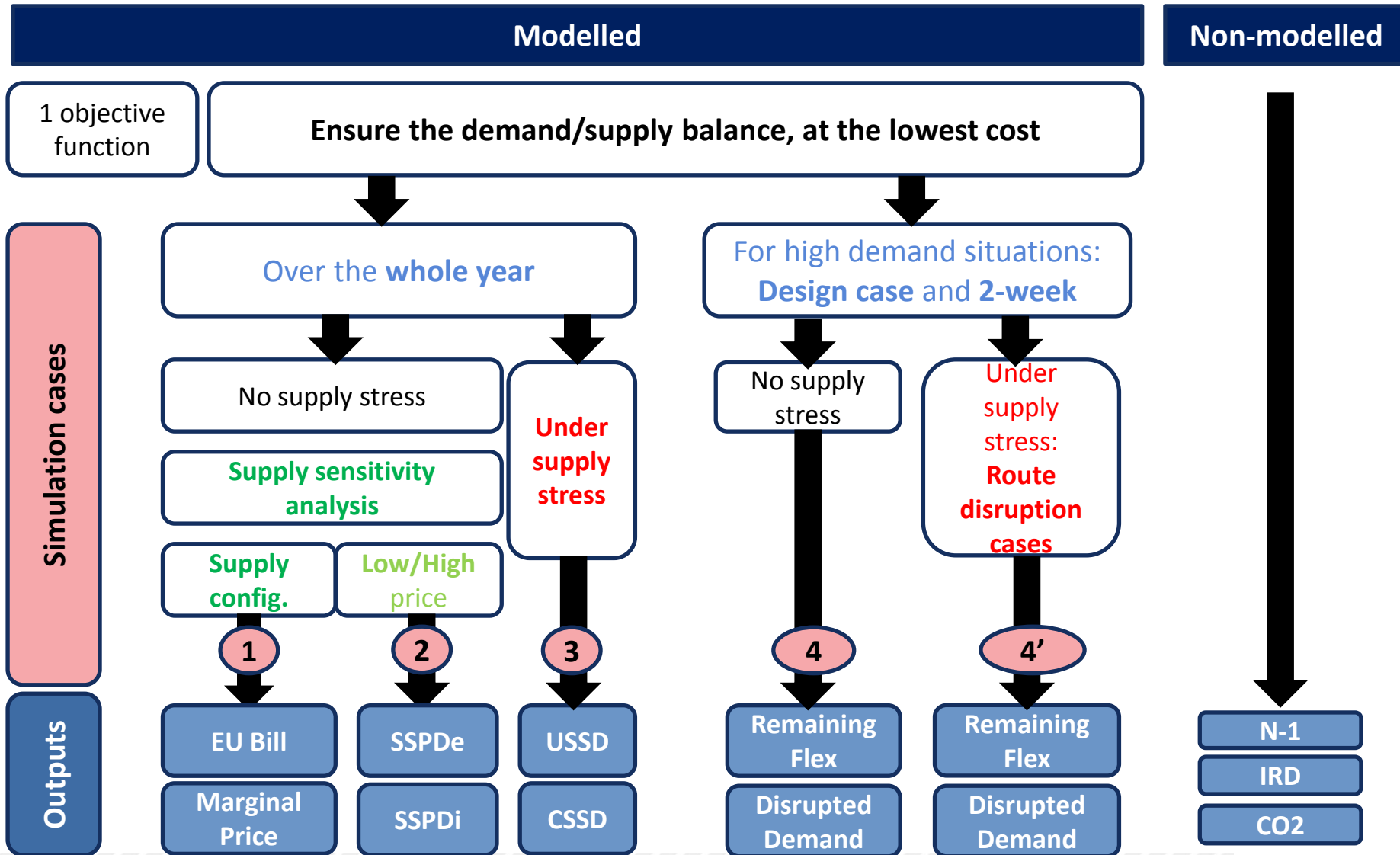


The TYNDP assessment frame is defined by the CBA methodology

*It is a **multi criteria assessment***

- > Aiming at assessing the projects along a wide range of potential benefits
- > Aiming at assessing the situation along the **criteria defined by Reg. 347**

TYNDP is a multi-criteria assessment





TYNDP is a multi-criteria assessment

A multi-criteria assessment

Reg 347
4 criteria



Indicators' contribution defined in 2nd PCI selection process

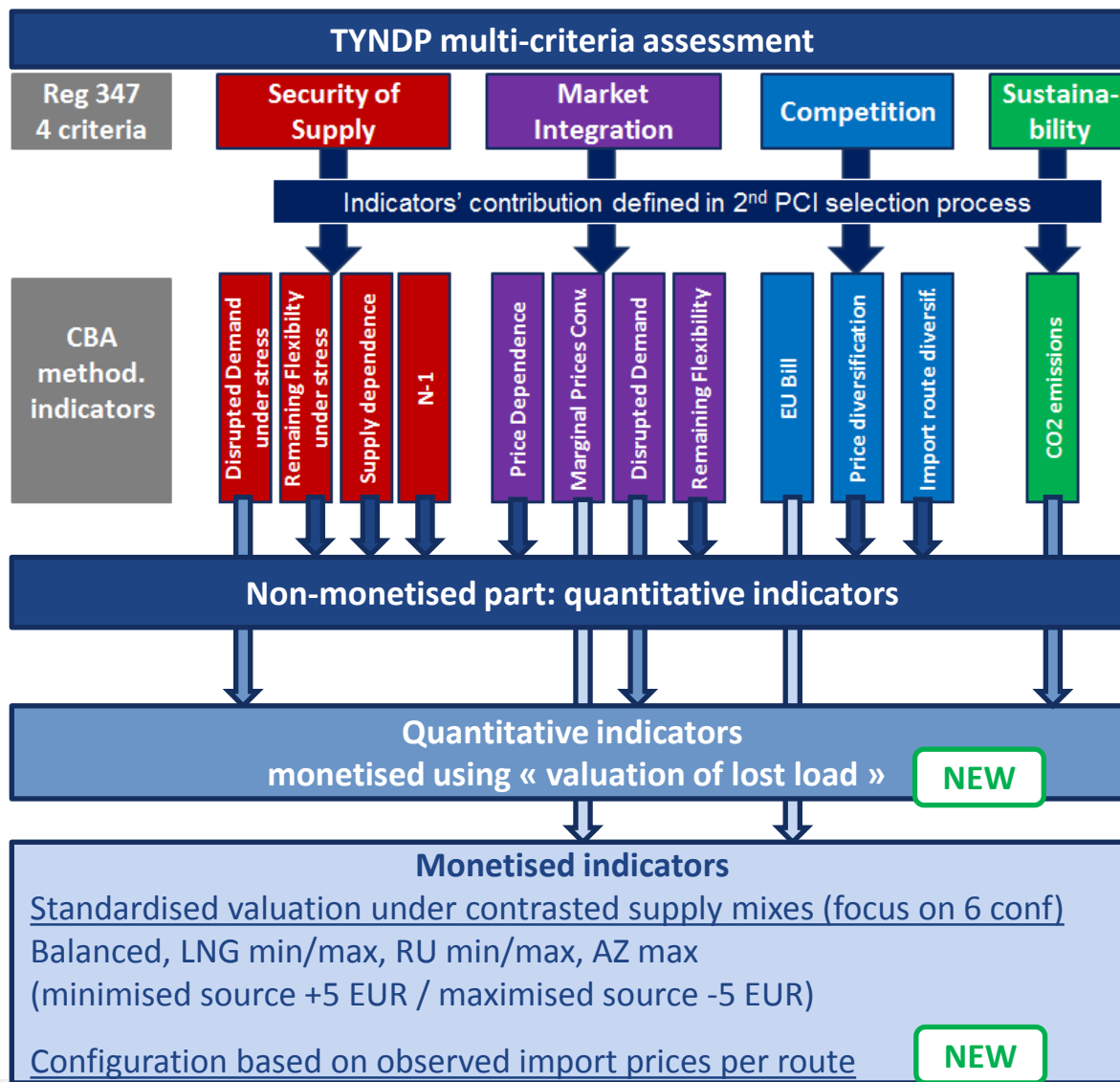
CBA
method.
indicators

Year
High demand
Non-modelled





TYNDP is a multi-criteria assessment



Monetised indicators

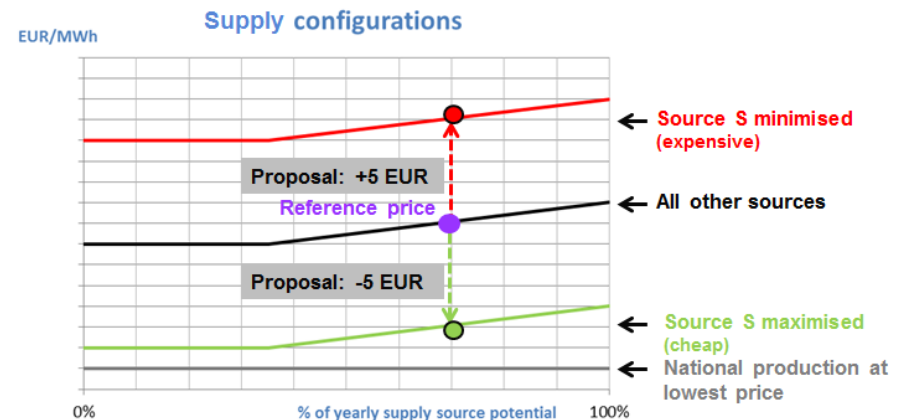
EU supply bill and Marginal Prices

Integrated Market simulations cases

> a **sensitivity analysis** on **contrasted supply mixes**

- Focus on 6 **supply configurations**

- Neutral (balanced use of sources)
- LNG maximisation
- LNG minimisation
- RU maximisation
- RU minimisation
- AZ maximisation
- cover **high use of each individual source**



- Market integration assumption: same **price per source** regardless of the import point
- Supply configurations intend at representing **short-lasting situations** (not over 20 years)
- Supply mixes do not depend on price spread assumptions**
- Monetised results directly depend on price spread assumptions: standardised results** based on standardised price spread assumptions (not a forecast)

Monetised indicators

EU supply bill and Marginal Prices

An additional « import spreads configuration »

- > It allows to reflect different supply prices depending on the import route

- > It allows to model projects' impact on monopolistic behaviour and to value associated benefits
 - It models a supplier's behaviour of preserving a sufficient market share (volume strategy) => a behaviour observed by studies (Oxford Institute) and market participants
 - When a project bring a competing supply source, the supplier will align its price rather than losing market share above a given level
 - This will impact the EU supply bill, the marginal price and the associated consumer surplus

This configuration is to be handled in addition to the « integrated market » ones



Conclusions



The TYNDP assessment frame is defined by the CBA methodology

It is a multi criteria assessment

- > Aiming at assessing the projects along a wide range of potential benefits
- > Aiming at assessing the situation along the **criteria defined by Reg. 347**

Within this multi-criteria assessment

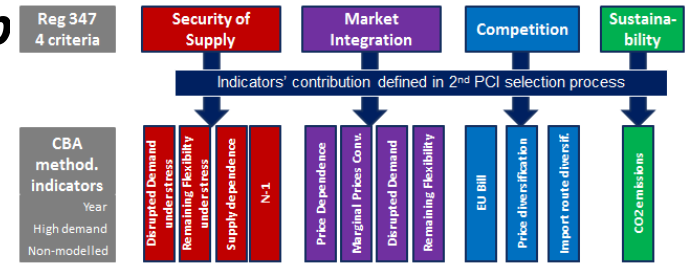
- > Some parts are modelled, other are not
- > Some parts looks at quantitative indicators that are not monetised
- > Some parts looks at quantitative indicators that could be monetised using a fixed value
- > Some parts looks at indicators that are monetised as part of the simulation

All parts are as relevant and none should be disregarded.

Conclusions

A clearer assessment of the infrastructure gap

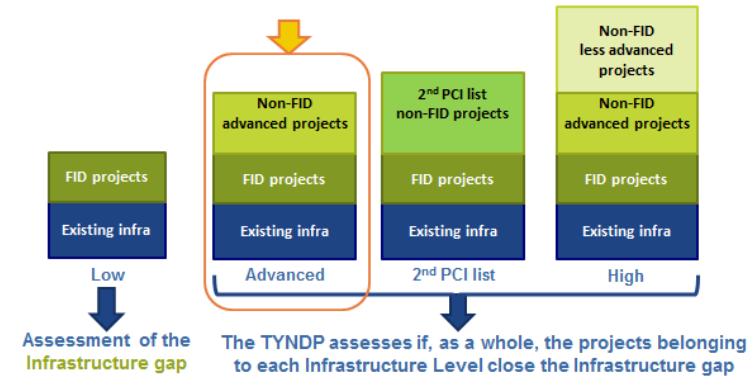
- > The TYNDP report will be re-structured with a dedicated chapter
- > structured along the criteria from Regulation 347



A better consideration of project maturity

Further monetisation of benefits

- > Disruption valuation using valuation of lost load
- > New configuration for calculation of the EU supply Bill and Marginal Prices based on observed import prices per route



Along with TYNDP: a long-term gas quality monitoring outlook (GCV and WI)

- > Using TYNDP results



Thank You for Your Attention

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Long-term gas quality monitoring outlook

- > INT NC requires the publication of the expected trend and variability range for **GCV and WI** for the next 10 years.
- > Per **region** (specific definition)
- > Analysis of **past gas quality data from** for all EU entry points and national production + assessment of new supply sources
- > **Range** calculation for different TYNDP scenarios
- > To be compared with **national standards** requirements
- > A **pilot test** carried out: variability is mostly influenced by the gas quality data collected

