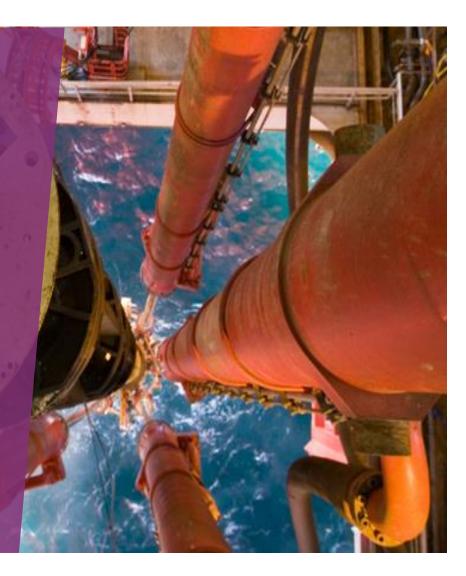


Gas quality harmonisation

3rd ENTSOG workshop on INT NC and CEN gas quality standard Intervention by IOGP Brussels, 16 November 2016 Kees Bouwens, ExxonMobil, Chair EMSC



Gas quality harmonisation

- IOGP believes that quality standards should not create unnecessary barriers for gas to enter transmission systems
- ENTSOG public consultation has identified major supply issues in case the CEN standard would be made legally binding across the EU
 - 20% of UK gas supplies could be refused
 - Denmark, Hungary, Ireland and Spain also raised issues with supplies from domestic production and imports
 - Could limit future sources of domestic supply and LNG imports
- We believe no changes should be made to the INT NC
 - No gas quality issues have been identified at IPs that the existing provisions of the INT NC has not been able to solve
 - We support the Commission's announcement at the 29th Madrid Forum not to pursue legally binding provisions at this stage



Gas quality harmonisation

- IOGP welcomes the work led by CEN to develop gas quality standards
- The regulatory framework for gas quality should:
 - Preserve the flexibility to accept 'off spec' gas at entry points;
 - Ensure the safety of appliances and user equipment at exit points
- EU gas industry has been able to handle diverse gas supplies at entry points while maintaining exit specs within narrow regional bands
- There is no EU-wide one-size-fits-all solution for gas quality
 - The mandate for CEN was to define gas quality standards that are the broadest possible within reasonable costs
 - Non-binding nature of technical CEN specs mean they don't limit the supply of gas and allow national standards that are more strict
 - Supply portfolio and ability of the system to co-mingle and blend gas from different sources varies widely across Member States





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