

GASMARKNADSRÅDET

Energinet informerar

Göteborg, 19 Juni 2019

Camilla Mejdahl Mikkelsen

AGENDA

- Short news
- TYRA
- Baltic Pipe
- Power to X





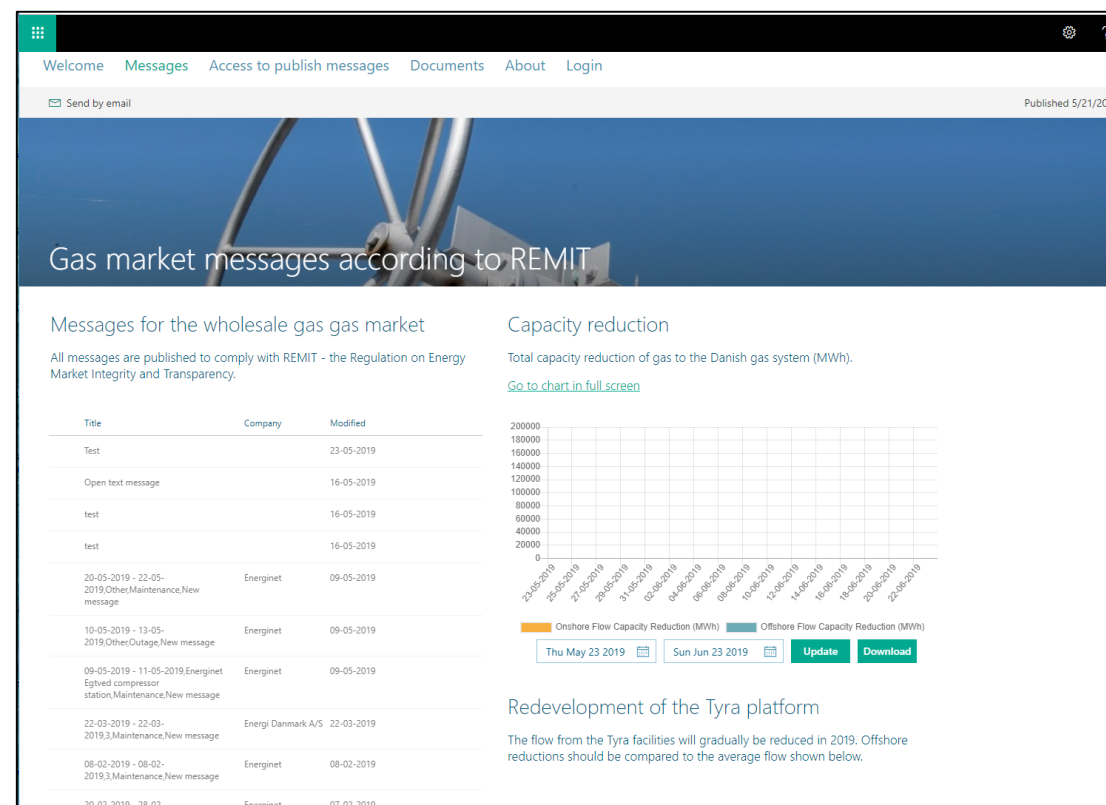
SHORT NEWS

NEW REMIT PORTAL GO LIVE IN JUNE 2019

<https://gasmarketmessage.dk>

New features:

1. Gas market message agreement only for publishing purposes
2. Public subscription feature open for all
3. Information before launch:
 - Through gasmarketmessage.dk and our website
 - How to subscribe and how to access the portal to publish messages.



TARIFFS: SEASONAL FACTORS

Seasonal factors proposed for Ellund capacity during the Tyra Redevelopment

- Not possible for the Danish Utility Regulator (DUR) to process proposal in due time for gas year 2019/20
- Seasonal factors not to be introduced in 2019/20
- DUR is still processing the proposal regarding gas year 2020/21 and 2021/22



Revised proposal: <https://en.energinet.dk/Gas/Gas-news/2019/03/15/Seasonal-tariffs>

TARIFFS: IMPLEMENTATION OF TAR NC

The implementation of TAR NC have been subject of User Groups and Shipper Task force for more than 4 years and have now been approved by DUR.

The approval DUR in short:

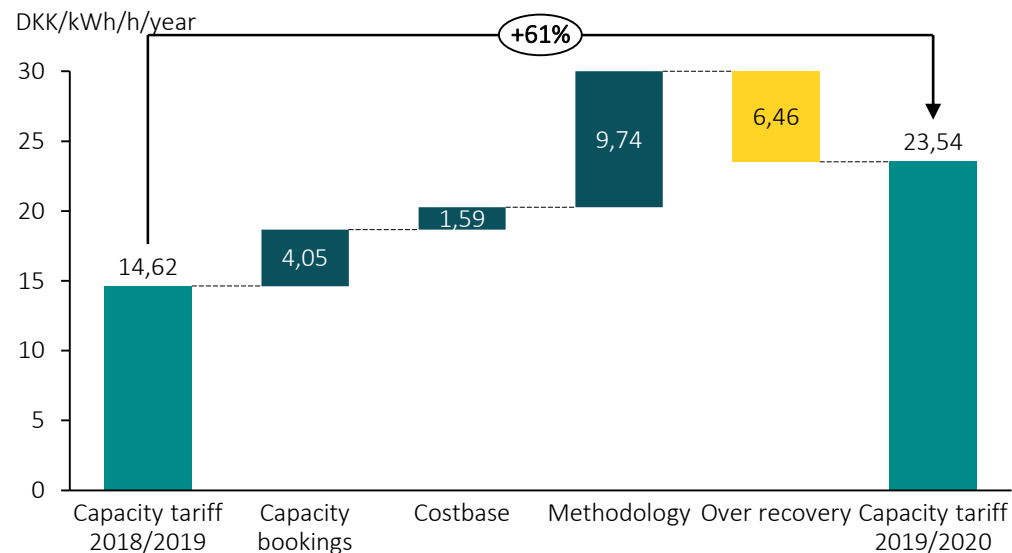
- **Uniform tariff principle**
- There will be transmission **tariffs at zero at the storage point**
- The cost base will be split in a **70%/30% ratio** between capacity and commodity tariffs
- The **long-term multiplier** will not be implemented by 1 October 2019
- The **seasonal factor** will not be implemented by 1 October 2019
- **1/3 of the CAPEX** related to the pipeline and compressor station in Ellund-Egtved will be covered by the Emergency Tariffs
- **Balancing Charge**, approved as a part of JBZ, will be handle as a non-transmission tariff

RESULTING TARIFFS – TRANSPORT

The main tariff driver is the redistribution between capacity and commodity tariff and the over recovery of 88 mDKK

Capacity tariff:

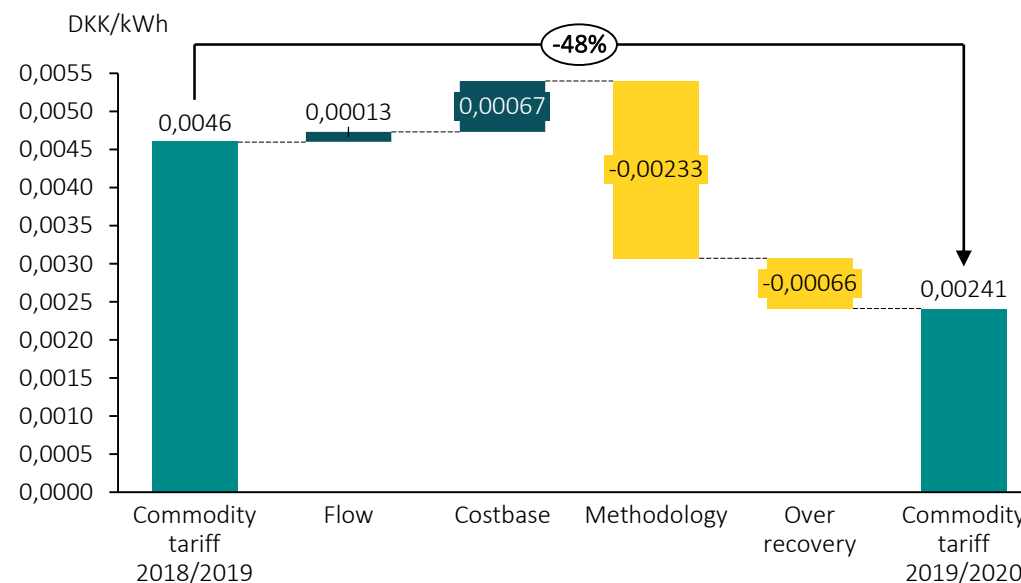
- Decrease in capacity bookings, increase in cost base and change of methodology leads to increase in the capacity tariff
- Over recovery mitigates the increase



Balancing charge: 0.00016 DKK/kWh

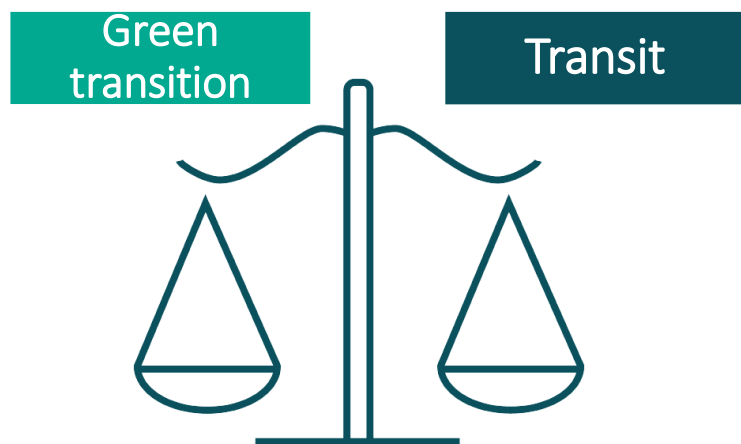
Commodity tariff:

- Decrease in flow, increase in cost base leads to increase in the commodity tariff
- Change of methodology and over recovery mitigates the increase

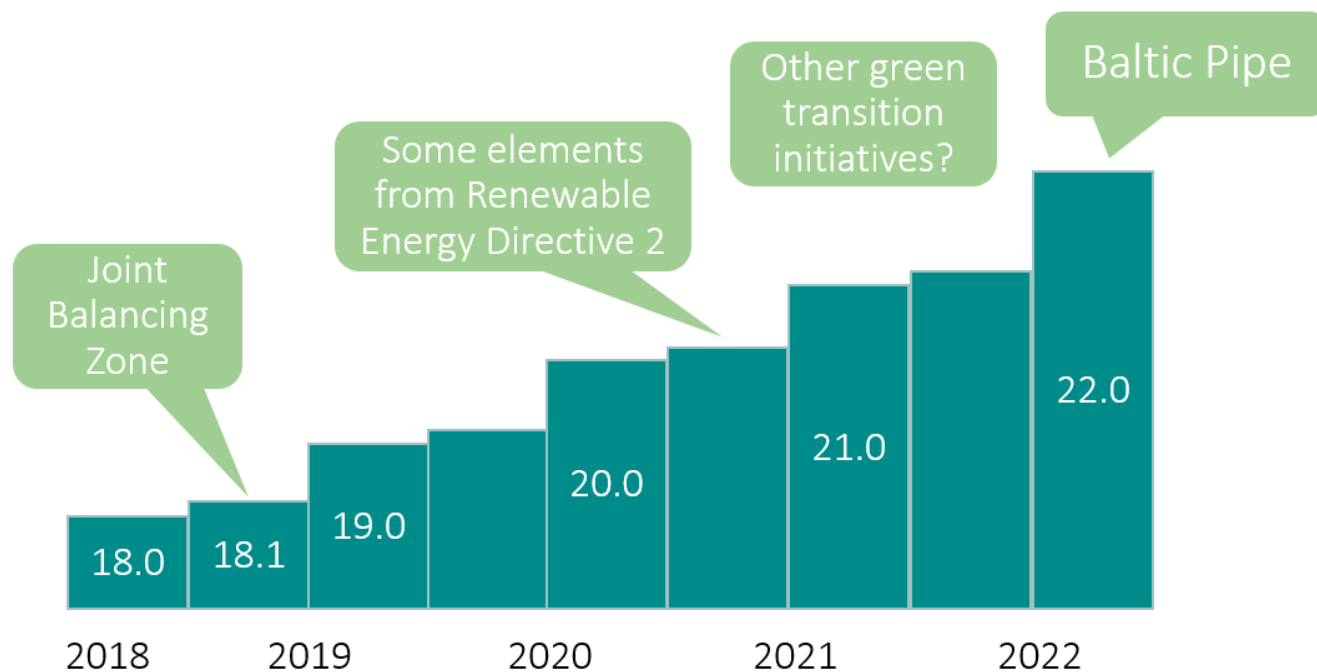


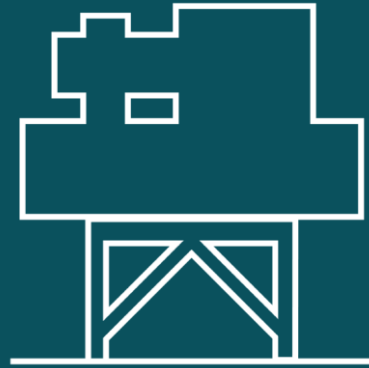
DEVELOPING THE FUTURE GAS MARKET MODEL

Facilitate the green transition and ensure efficient use of Danish gas transmission



Expected updates to the Rules for Gas transport





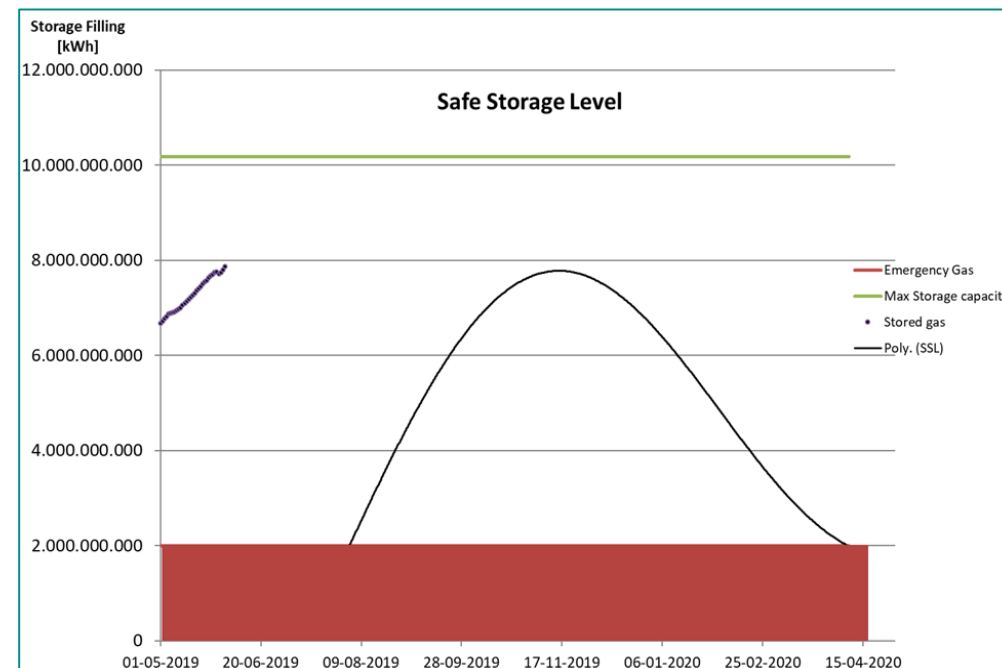
TYRA REDEVELOPMENT

SAFE STORAGE LEVEL

- The Safe Storage Level graph is expected to be ready on 1 July 2019
- Will be available at our webpage at: <https://en.energinet.dk/Gas/Tyra/Safe-storage-level>

With the prototype, it is "safe" to say that we have a "safe storage level" right now, due to the high inventory level for the season...

Prototype of SSL from webpage



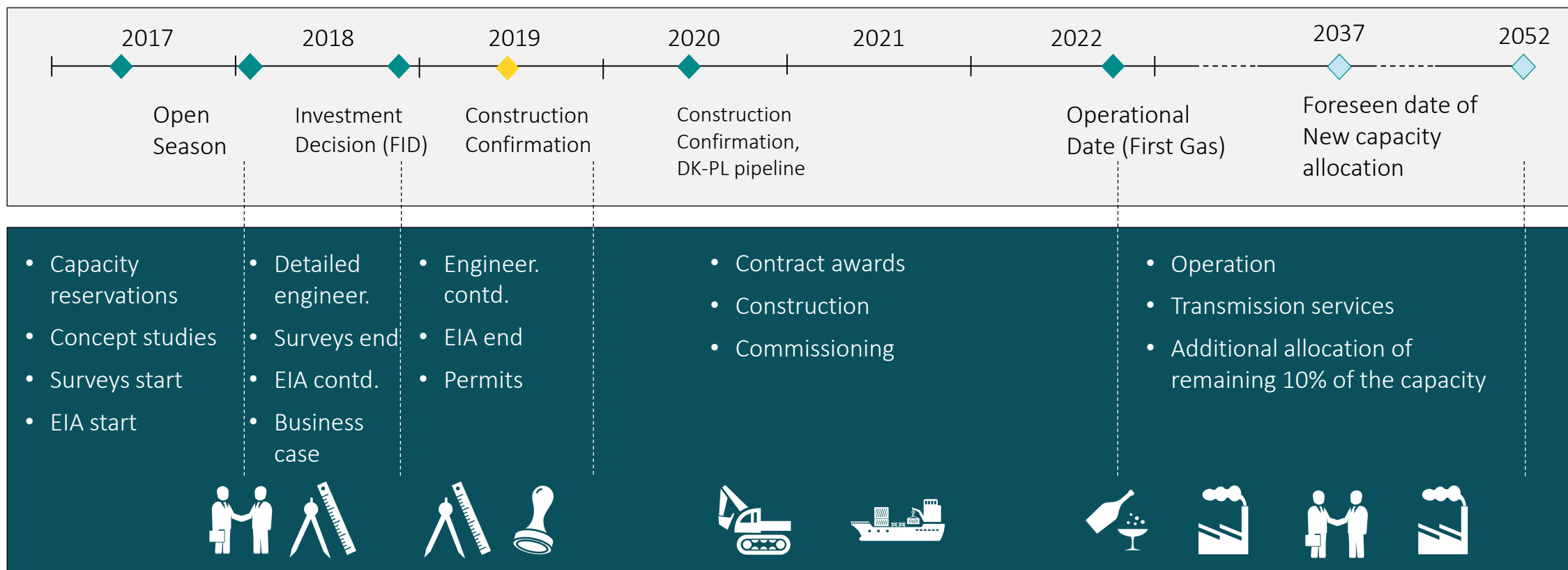
PRISMA AUCTION 1 JULY 2019

- Capacity offer for 1 July 2019
 - Please note:
 - GUD offers no firm capacity exit Ellund entry Germany both during and after the Tyra redevelopment period.
 - If capacity towards Denmark is not booked, the German TSO's may remove capacity from Ellund, if demand is registered elsewhere
- Interruptible capacity Ellund entry (and exit)
 - Interruptible capacity is offered day-ahead, with a 10 per cent rebate
 - Within-day, interruptible capacity is offered as an over-nomination procedure, with the same price principle as for the overrun charge in the Joint Exit Zone
 - Both are only offered if firm is sold out on the Danish side



STATUS ON BALTIC PIPE

BALTIC PIPE PROJECT



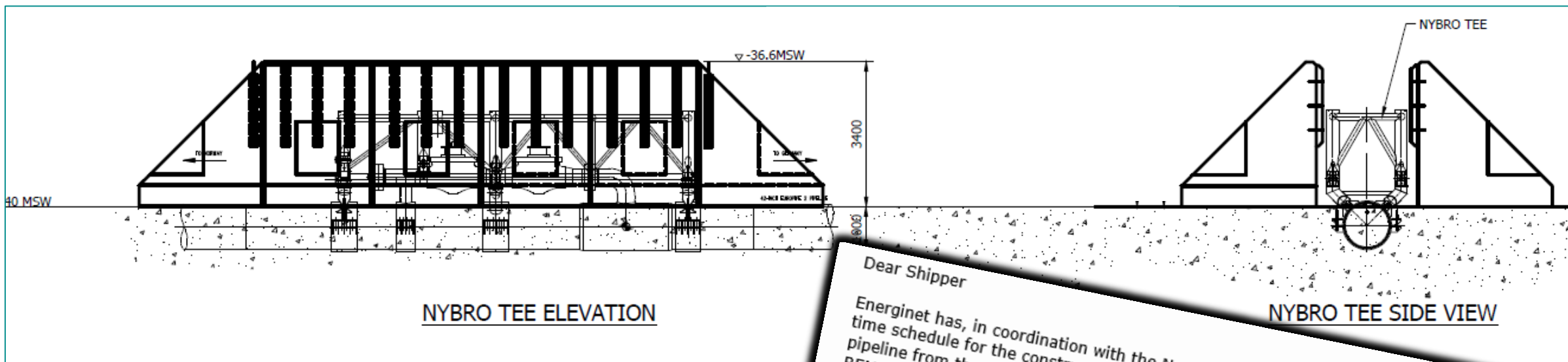
GENERAL ELECTIONS

Adjustments of permitting work plan



REMIT ON NORTH SEA TIE-IN

Reverting to original plan



Dear Shipper

Energinet has, in coordination with the Norwegian system operator Gassco, revised the time schedule for the construction of the tie-in of the EPII pipeline and the new offshore pipeline from the tie-in towards Nybro, which was previously communicated via a general REMIT message (ID 93).

According to the revised time schedule, the completion of the tie-in and of the new pipeline is now expected at 1 October 2022, which is equal to the timeline for completion of the Baltic Pipe project.

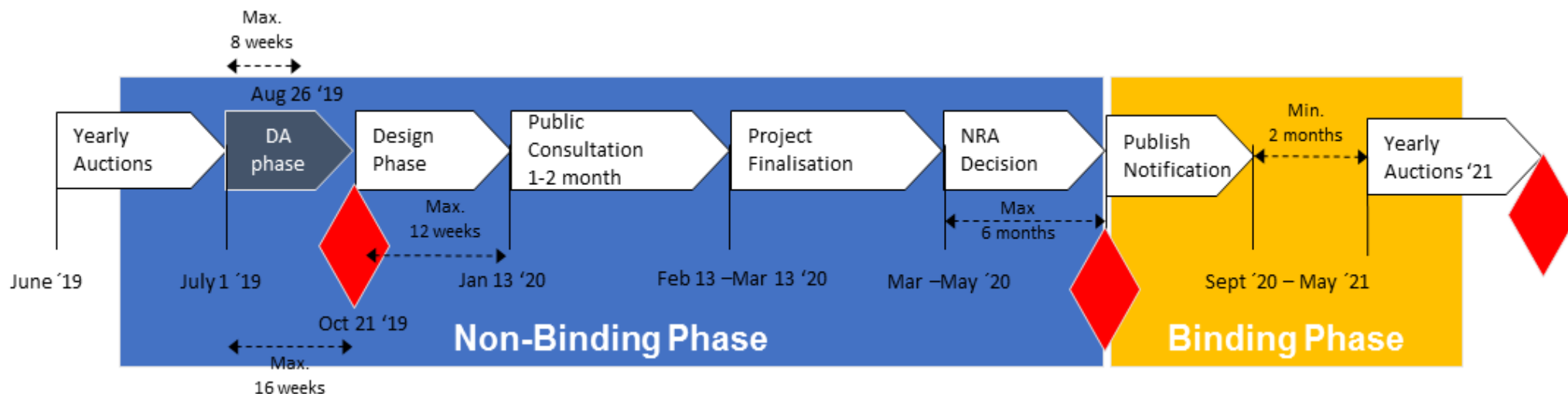
Kind regards

Energinet

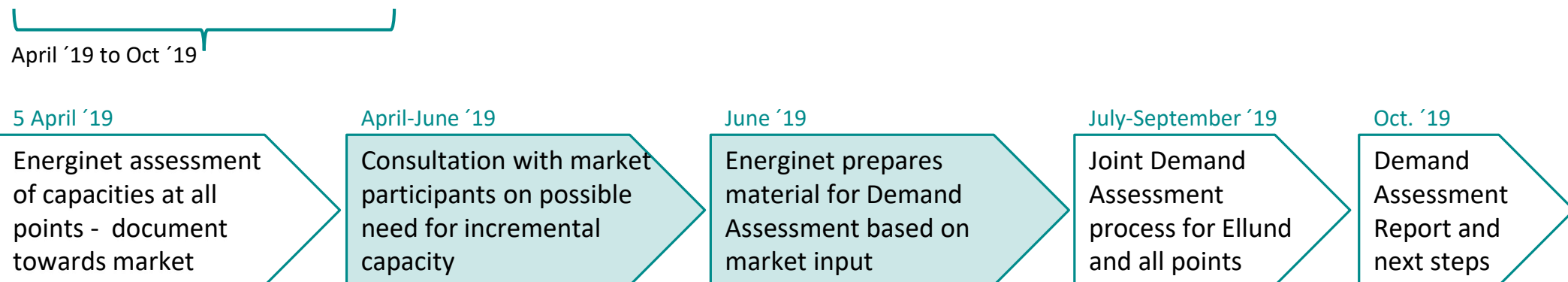
INCREMENTAL CAPACITY PROCESS – TIMELINE

European and Danish approach

European
incremental
process at
interconnection
points (Ellund)
– Together with
GUD and OGE



Danish
incremental
process (all
capacity points)



INFORMATION PACKAGE AND ENTRY/EXIT POINTS

Information shared on 5 April 2019



Expected possible capacities

Point	Explanation	Expected possible capacity (GWh/h)
Entry Europipe 2	Imports from Norway	13.4
Entry Nybro	Imports from Norway + Danish North Sea	20.3
Entry Faxe	Imports from Poland	3.8
Entry Ellund	Imports from Germany	7.7
Entry RES	Biomethane injection	According to socioeconomic valuation
Entry storage	Withdrawal from Danish storage	8.2
Exit Faxe	Exports to Poland	13.4
Exit Ellund	Exports to Germany	10.0
Exit storage	Injection to Danish storage	4.2

<https://en.energinet.dk/Gas/Shippers/Incremental-capacity>

INCREMENTAL CAPACITY PROCESS

Next steps

- Energinet will share table for non-binding indications by Tuesday 2 July 2019
- Indications must be received by Energinet Monday 26 August 2019





POWER TO X

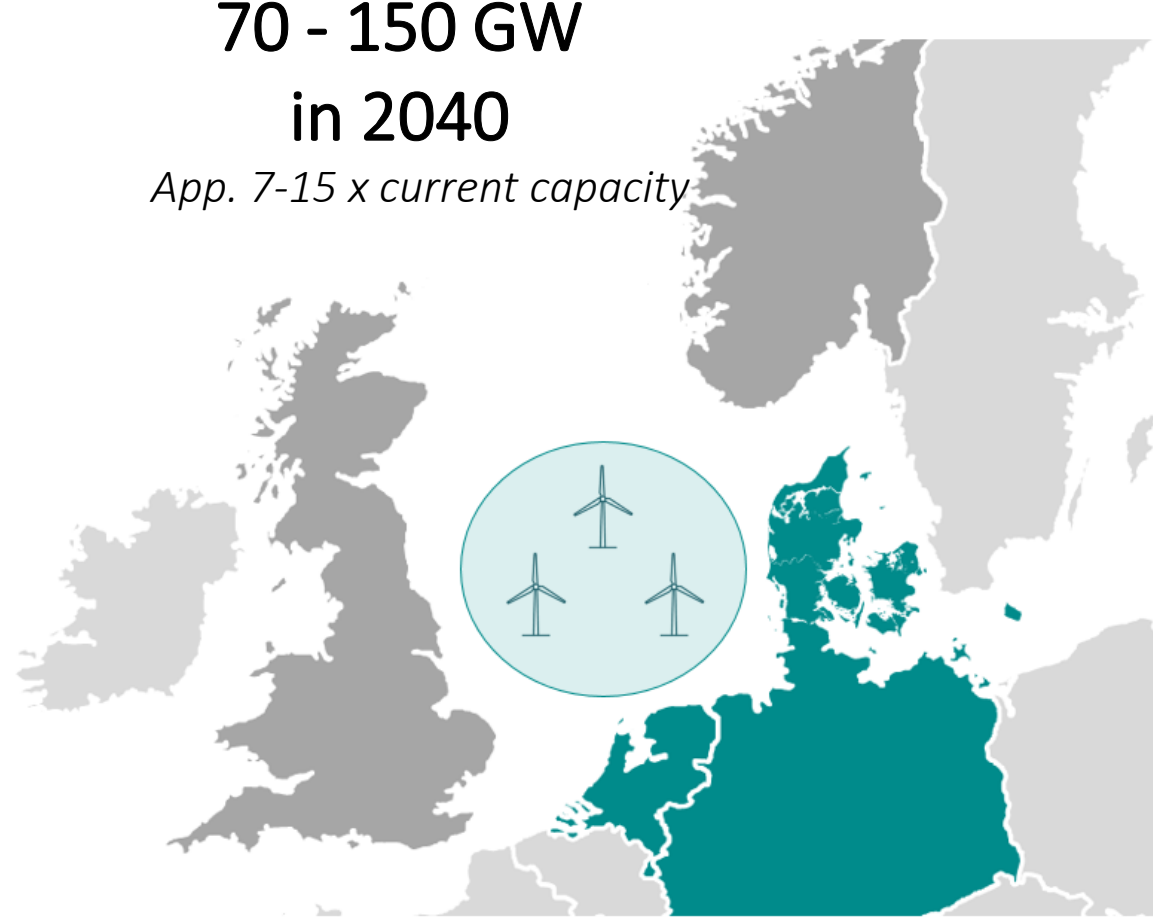
INCREASED FOCUS ON HYDROGEN

Integration of wind and solar power

- The existing energy system cannot deliver without change
- The North Sea is an important resource
- Historic low cost of wind and solar power
- Beginning industrialization of electrolyzers
- Increasing value of green fuels
- New measures needed – storage possibilities

**70 - 150 GW
in 2040**

App. 7-15 x current capacity

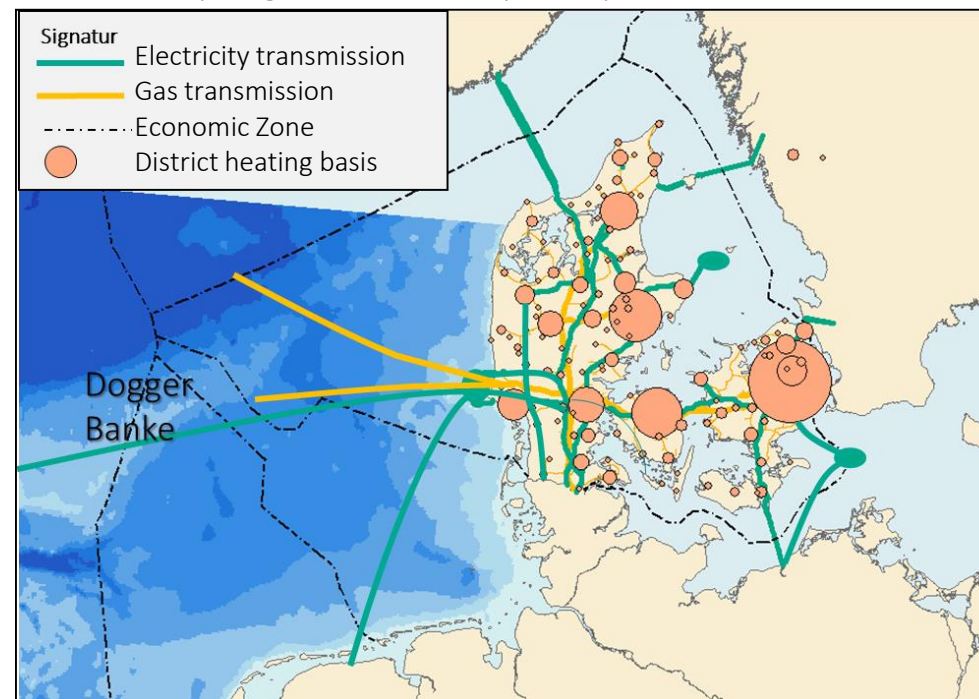


NEW ANALYSIS

Power to X (PtX) in Denmark before 2030



Sector coupling via PtX as key component in the future energy system



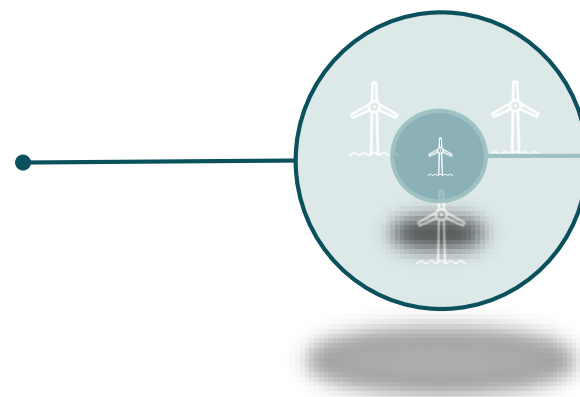
<https://energinet.dk/Analyse-og-Forskning/Analyser/RS-Analyse-April-2019-PtX-i-Danmark-foer-2030>

NORTH SEA WIND POWER HUB

TenneT NL, TenneT DE, Gasunie, Port of Rotterdam and Energinet

Step 1: Vision

Coordinated international deployment of in the North Sea



Step 2: Project

First concepts to a common project



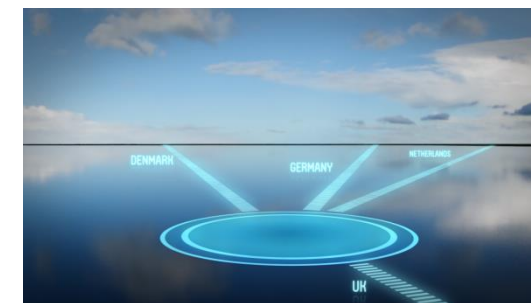
Offshore wind power



Platform or island



Trade connections



Modular construction

QUESTIONS



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