

# How to safeguard the use of L-gas storages after Groningen phase-out?

25 March 2020

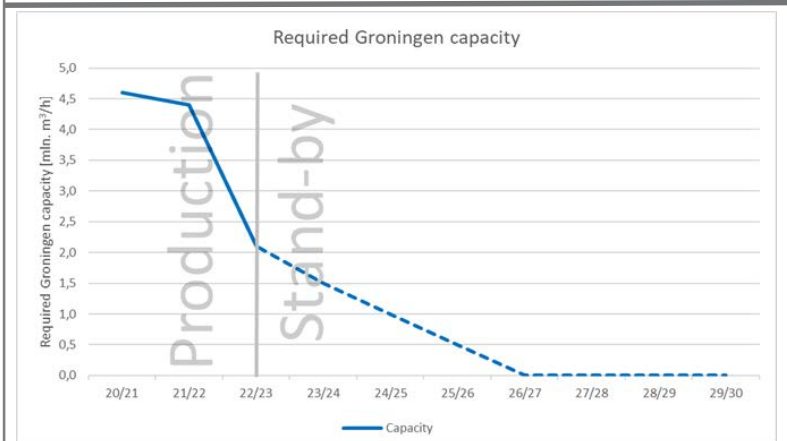
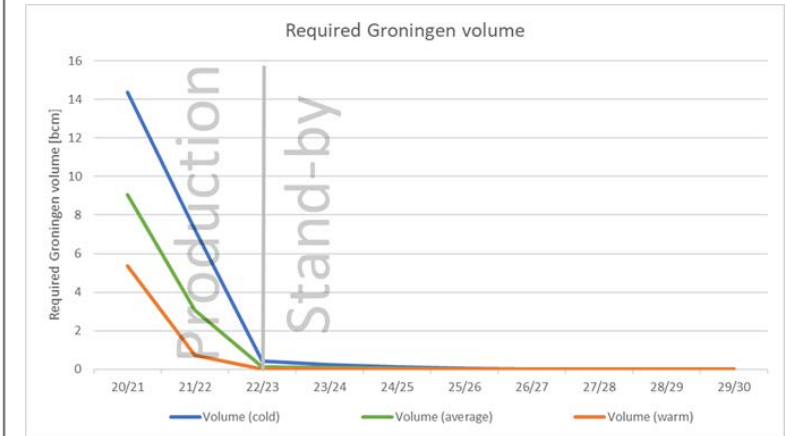
GTS, Anne Spijkstra

# Groningen production developments

- See also GTS letter to Minister of Economic Affairs:

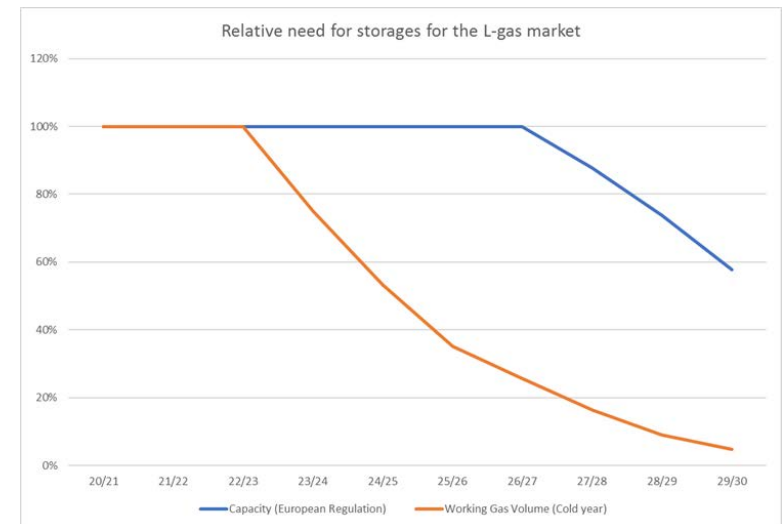
<https://www.rijksoverheid.nl/documenten/kamerstukken/2020/01/31/advies-leveringszekerheid-voor-benodigde-groningenvolumes-en-capaciteiten>

- New nitrogen plant at Zuidbroek will be operational Q2 2022
- After winter of gas year 2022/2023, Groningen in standby modus
- Groningen capacity necessary till 2026 for back-up in case of outages.
- L-gas market, after standby Groningen only supplied with H-gas:
  - directly via QC
  - and
  - additional supply in winter with send-out of L-gas storages (filled in summer with H-gas via QC)
- Maintaining quality neutral market

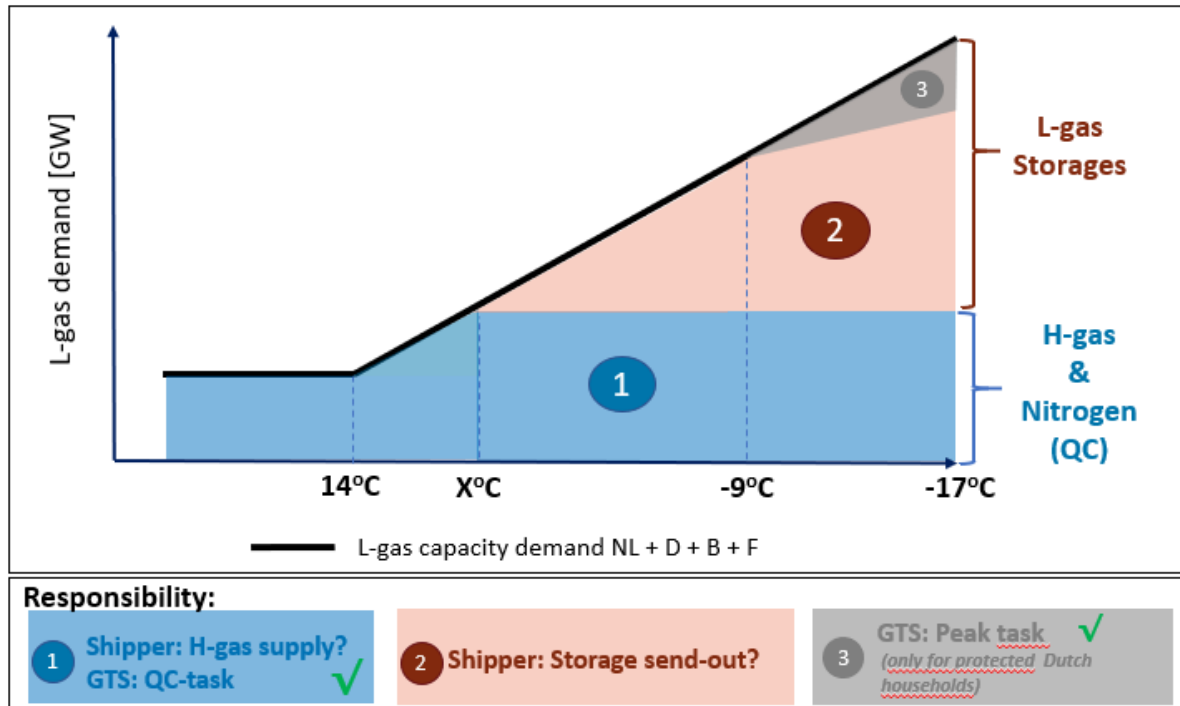


# L-gas storages remain crucial till at least 2030

- L-gas (seasonal) storages necessary till at least 2030 for winter supply in the L-gas market (incl. export)
- The required storage volume decreases due to decreasing L-gas export
- Current planning takes into account potential closure of two L-gas caverns, but rest of current L-gas send-out capacity necessary until and including gas year 2026/2027.
- Storage capacity calculated incorporating formal EU SoS obligations



# How to safeguard the use of L-gas storages after Groningen phase-out?



- Temperature driven L-gas demand (illustrative).
- Baseload L-gas supply via H-gas from shippers and QC by GTS, but QC possibilities are maximized (No Groningen volume anymore).
- Therefore: in case temperature lower than X°C, L-gas storages are needed to send out in order to meet extra L-gas demand above QC possibilities
- How to safeguard the use of the L-gas storages when needed?

# Way Forward

Conclusion: The use L-gas storages crucial till at least 2030

- We are happy to receive your thoughts on:
  1. How to safeguard sufficient H-gas supply for QC till -17°C, see 1
  2. How to safeguard L-gas storage send-out once QC is all used, see 2
- GTS will initiate talks with representative organizations and other relevant stakeholders on this topic.

You can send your suggestions, questions, remarks etc. to the following email adres:

[gasmarket@gastransport.nl](mailto:gasmarket@gastransport.nl)