



## **CEER 6<sup>th</sup> Benchmarking Report on the Quality of Supply – Focus on Gas**

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## Introduction

- CEER has already published 5 Benchmarking Reports since 2001
  - ▶ BR provided an in-depth survey of the quality of electricity supply
  - ▶ Case studies show how specific aspects of quality of supply are treated in reporting countries
  - ▶ BR provides valuable information on regulatory issues in 28 EU Member States as well as Norway and Switzerland, and – since the last two editions – Energy Community contracting parties
- With this 6<sup>th</sup> BR the gas sector is also analysed for the first time
  - ▶ For the gas sector, participation of 19 countries
  - ▶ Addresses 3 major aspects of quality of supply
    - Technical Operational Quality
    - Natural Gas Quality
    - Commercial Quality



## Gas Technical Operational Quality

- Network users expect a high continuity of supply level at an affordable price
  - ▶ The gas sector generally experiences longer interruptions than the electricity sector
  - ▶ At the same time, there are considerably less interruptions in the gas sector than in electricity
  - ▶ Therefore the average customer interruption \* duration for gas customers is less than for electricity
- Technical safety plays a very important role in the gas sector
  - ▶ EU countries have adopted varying approaches and regulations for networks' safety, which are not always subject to NRA regulation
  - ▶ Currently, a specific NRA-approved financial incentive scheme aimed at improving the safety of gas networks exists only in Italy



# Gas Technical Operational Quality

- Network losses are inevitable when transporting gas across the distribution network
  - ▶ Only half of the responding NRAs use a methodology for computing network losses in gas networks and only half have a regulation in place aimed at reducing network losses
- Findings
  - ▶ The availability of continuity of supply indicators and safety indicators for gas varies noticeably across all reporting countries
- Recommendations
  - ▶ Expanded coverage of monitoring of continuity of gas supply and safety indicators
  - ▶ Defining a basic set of indicators which is adopted
  - This would enable effective comparison for more countries in the future



## Natural Gas Quality

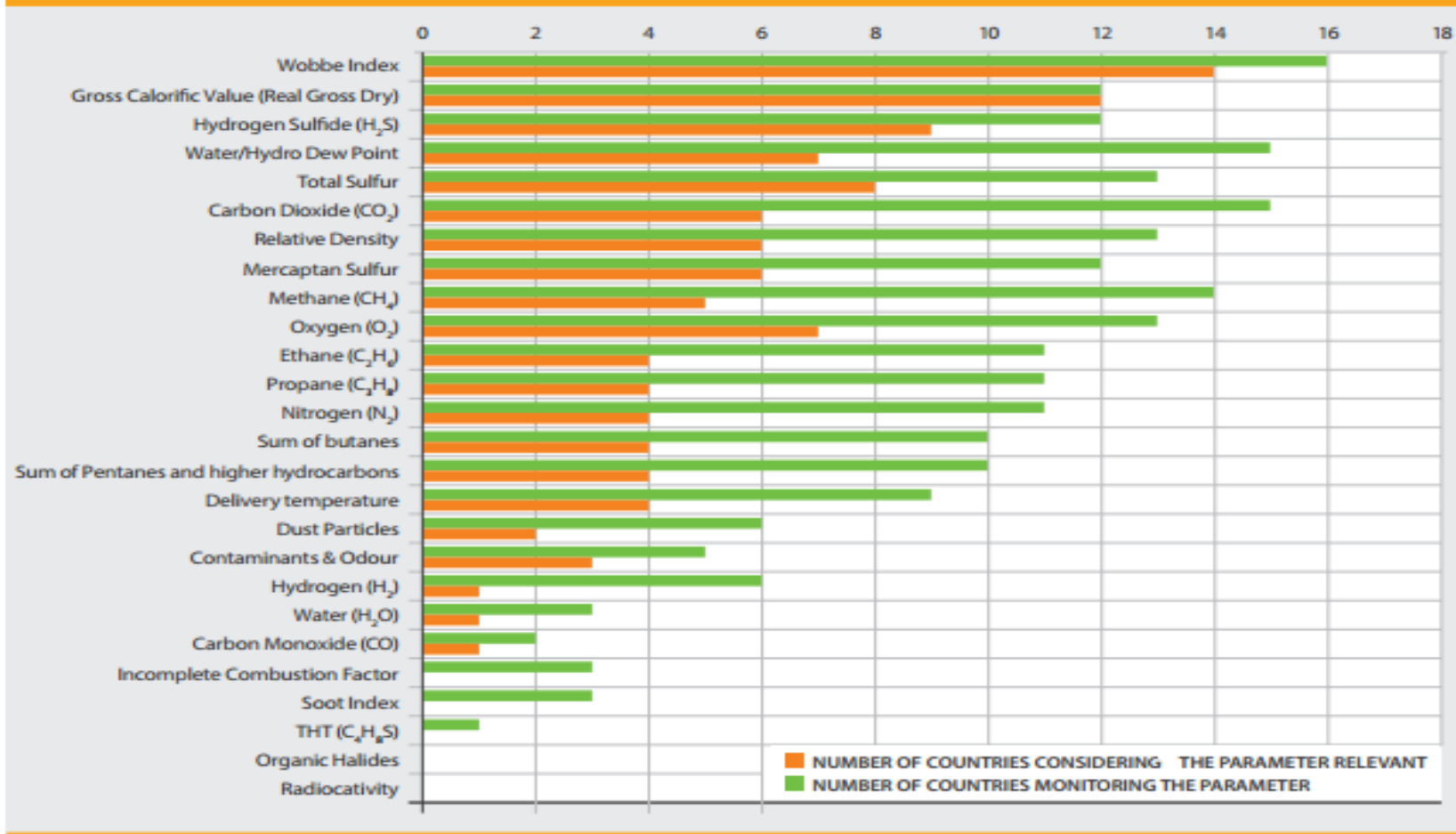
- Countries pay close attention to natural gas quality
- Wobbe Index is the most widely monitored quality parameter followed by Water/Hydrocarbon Dew Point and Methane
- For most parameters, countries are within the limit set by the European Committee for Standardisation (CEN) standard
- None of the responding countries are within the limit for total Sulphur maximum value and only a few respect the standard in relation to Hydrogen Sulphide and the Mercaptan Sulphur max value





# Natural Gas Quality

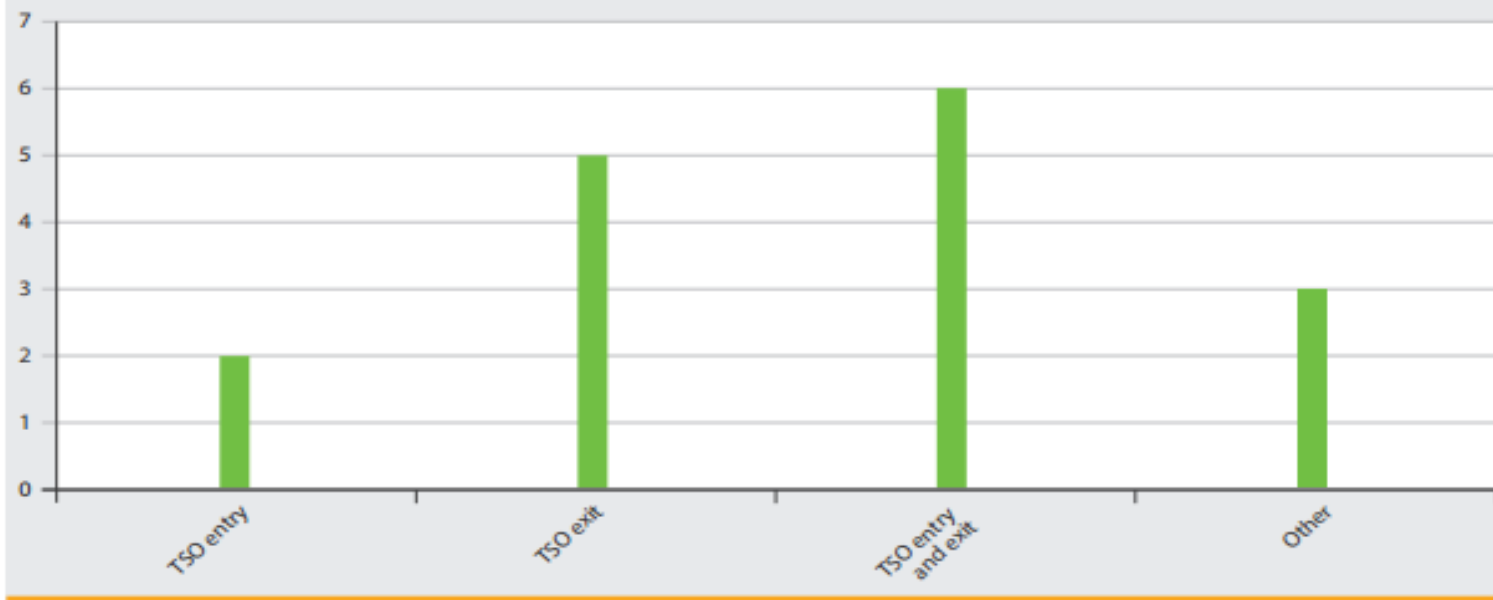
FIGURE 6.1 OVERVIEW OF THE PARAMETERS MONITORED BY EACH COUNTRY



## Natural Gas Quality

- For the majority of countries, TSOs and shippers are financially and/or legally responsible for natural gas quality
  - ▶ Question of shared responsibilities of transporters between 2 bordering countries is important

**FIGURE 6.4** SHARED RESPONSIBILITIES OF TRANSPORTERS BETWEEN 2 BORDERING COUNTRIES



## Natural Gas Quality

- The European Commission has signalled its intent to amend the Interoperability Network Code to include the CEN Standard
  - ▶ As a consequence, TSOs may need to invest in costly treatment processes
  - ▶ The alternative would tend to create future security of supply issues when refusing gas that does not meet the CEN standard
- Recommendations
  - ▶ Any attempt to harmonise gas quality firstly needs to clarify the problem at hand, then consider the impacts of making the standard binding, and lastly must avoid any unintended consequences on security of supply

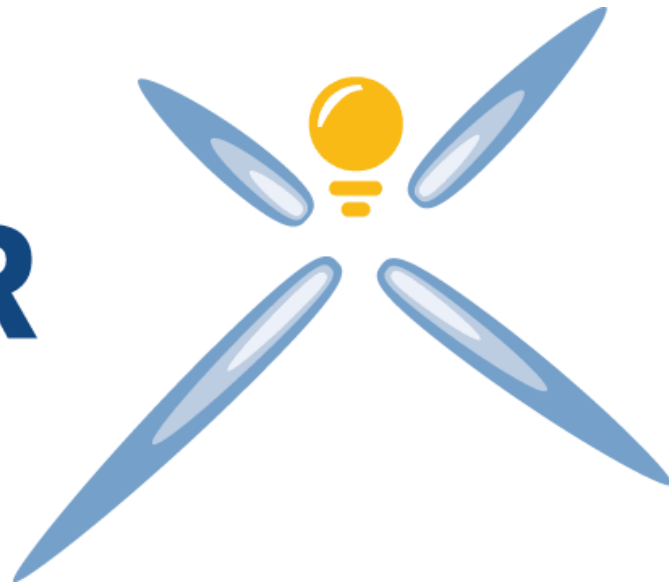




# Thank you for your attention!

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