

GRTgaz prepares to implement the order defining the conditions under which gas load-shedding might be introduced in France

As France's main gas transport operator, GRTgaz has a public service remit: to ensure the daily balancing of the network and of gas flows coming onto the French market. The COMPANY has not encountered any particular difficulties in fulfilling this remit since the start of the conflict in Ukraine. Gas inputs via pipelines from north-eastern France have continued, albeit at levels lower than in previous years. The LNG terminals, on the other hand, are under a great deal of strain, operating close to their maximum technical capacity. Furthermore, gas started being injected into French stores in preparation for next winter in mid-March – around two weeks earlier than normal, when their level had reached a low point of 19%, comparable to the historical average observed.

Should supplies from Russia stop, simulations conducted by GRTgaz show that France, whose gas mix is made up of around 17% of Russian gas, will be less hard-hit than its European neighbours. Nevertheless, it should still prepare for reduced consumption, particularly in the event of a harsh winter or a cold snap.

Thierry Trouvé, Chief Executive Officer of GRTgaz said: “We have been implementing measures since the end of February in France and Europe to bolster the resilience of the gas system. 11 TWh of additional LNG storage capacity will be added to the Fos Cavaou terminals at the end of September of this year; and at the Dunkirk LNG terminal, additional unloading capacity should be brought into service in 2022. GRTgaz has also been given approval by the French Energy Regulatory Commission to begin investigating options for connecting up a floating LNG terminal and acquiring the necessary equipment. Discussions about potential locations are under way with the authorities. A collective effort will be needed if this new point of entry is to be brought into service as soon as possible.

Starting now, in accordance with the publication of this order, I would like to encourage shippers to fill up as much of their underground storage facilities as possible. That way, we will be well prepared for next winter. I would also recommend doing everything possible to speed up production of renewable gas: we already have renewable gas production capacity equivalent to one nuclear reactor, and France can increase this to two nuclear reactors between now and 2024 if it has the resources to do so”.

The order that has just been published supplements existing measures designed to secure gas supplies to sensitive sites (hospitals, schools, military facilities, etc.). It also ensures that members of the public have enough gas for their heating requirements, while at the same time managing the impact that any load-shedding might have on major French consumers.

Major gas consumers in France – whose consumption is in excess of 5 GWh annually – are primarily affected in the following order of load-shedding:

- Gas-fired power plants of more than 150 MWe, provided that the safety of the electric grid is maintained;
- Major industrial sites (chemicals, refinery, petrochemicals, glassmaking, etc.) and large tertiary buildings, such as shopping centres, auditoriums, stadiums, etc.

Other gas consumers which consume less than 5 GWh (communal residential buildings, individual homes, tertiary, shops, small industrial facilities, etc.) will only be affected as a last resort.

Based on gas supply-demand balance in France, GRTgaz may issue gas consumption reduction or interruption orders and require them to be implemented within two hours, targeting major consumers connected up to its network, and then ask distribution system operators to do the same thing with their own connected clients. The public authorities may levy financial sanctions in the event of these requests from system operators not being complied with.

Implementation methods

The order requests that GRTgaz and other system operators conduct annual “load-shedding surveys” of its major clients who consumed more than 5 GWh last year. The aim is to find out what economic consequences load-shedding would have.

The elected representatives of each region will then be tasked, based on the answers collected by GRTgaz and other system operators, with drawing up lists (by decree) of clients who will be afforded additional protection in the event of a load-shedding operation.

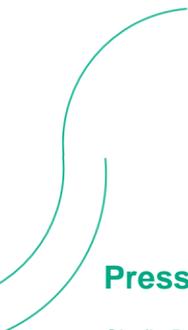
The aim is to be ready at the earliest, specifically before next winter. The answers to the questionnaires provided by the 650 GRTgaz clients concerned will therefore be sent to regional government officials between now and the summer.

A last resort to supplement existing schemes

This new scheme will only be used once all other available options for ensuring continuity of supply have been exhausted.

GRTgaz has a number of other levers that it can use before implementing a load-shedding plan. It can encourage people to reduce their gas consumption, it can use all available stocks, it can interrupt the supply of certain industrial clients who have signed a commitment to reduce their consumption on request in return for financial compensation (interruptibility contracts). Of the 650 major consumption sites connected directly to its network, 71 sites have entered into such contracts. That represents potential curtailment of around 45 GWh per day – or 5% of their consumption.

To provide market stakeholders with visibility, GRTgaz will share information about how the situation is evolving before this summer, specifically about the conditions for properly filling up storage facilities before the start of next winter.



Press contact:

Chafia Baci
Tel.: +33 (0)6 40 48 54 40
chafia.baci@grtgaz.com

GRTgaz is Europe's second-largest gas carrier, with 32,500 km of pipes and 640 TWh of gas transported. The company has 3,000 employees and generated nearly €2.3 billion in turnover in 2020. GRTgaz has a mission statement: “Together, we enable an energy future that is safe, affordable and climate neutral”. GRTgaz is an innovative company undergoing a major transformation to adapt its network to new ecological and digital challenges. It is committed to a 100% carbon-neutral French gas mix by 2050. It supports the hydrogen and renewable gas sectors (biomethane and gas from solid and liquid waste). GRTgaz carries out public service missions to guarantee the safety of gas transmission for its 945 clients (shippers, distributors, industrial companies, biomethane plants and producers). With its subsidiaries Elengy, the European leader in LNG terminal services, and GRTgaz Deutschland, operator of the MEGAL transmission network in Germany, GRTgaz plays a key role on the European gas infrastructure scene. The company exports its know-how internationally, in particular services developed by its research centre, RICE. Find us at <https://www.grtgaz.com/>, on Twitter, on LinkedIn, Instagram and on Facebook.