

PRESS RELEASE – Brussels, 09 April 2019

GREEN GAS INITIATIVE (GGI) and Net4Gas publish study: “The Value of Gas Infrastructure in a Climate Neutral Europe”

Today, the CEO’s of the Green Gas Initiative (GGI) and Net4Gas presented a study undertaken by Frontier Economics to European Union (EU) stakeholders. The study focuses on the value of gas infrastructure as an enabler of cross-sectorial emission reductions and is underpinned by a system-wide approach in terms of methodology. The study seeks to enrich the ongoing debate on sector coupling and future European gas market reform by focusing on the role and potentials of infrastructure coupling on the path to a climate-neutral Europe, with a specific regional focus on Belgium, the Czech Republic, Germany, Denmark, France, the Netherlands, Sweden and Switzerland.

Existing gas infrastructure is well positioned to help overcome the challenges of decarbonisation

The transition to a climate-neutral economy based on renewable energy sources comes with significant challenges in terms of generation, storage and transportation of energy. Existing gas infrastructure is extensive and already helps address many of these challenges:

- *Storage*: The gas storage capacity currently available in the eight countries analysed (550TWh) is sufficient to cover today’s average gas demand in these countries for more than three months. In comparison, today’s total electricity storage of less than 0.6TWh suffices only to meet average electricity demand in these countries for less than four hours.
- *Transport*: Gas infrastructure has historically been designed to bridge long distances between points of production and consumption at low cost and with minimal energy losses. As a result, there is a well-established Europe-wide gas transportation system, with gas transmission capacity largely exceeding electricity transmission capacity, not only nationally but also across borders.

Use of renewable gas via existing infrastructure saves €30-49 billion per year and increases security of supply

Continued use of gas networks avoids substantial investments related to electrifying end-user appliances and expanding electricity networks. Calculations show that the eight countries analysed together can save €30-49 bn per year in 2050 through the continued use of gas networks. Indeed, there are various renewable and low-carbon gases available which can be transported via the gas grid and contribute to decarbonisation efforts. These gases include biomethane, green hydrogen and synthetic (green) methane from electrolysis (power-to-gas) and blue hydrogen, i.e. hydrogen produced from natural gas with the related carbon output either stored or re-used. Such gases could serve as reliable fuel for electricity generation and thus serve as back-up to balance intermittency of renewable supply, cover seasonal heating demand, contribute towards decarbonising the transport sector (particularly heavy-duty), and provide a low-carbon solution for high temperature heat and feedstock needs in industry.

“In this new energy world, complementarity between electricity and gas systems will play a key role. Spurred by research & development, new energy solutions and technologies are evolving rapidly, driving down costs. Policymakers should keep as many options open as possible to allow for intense competition of technologies and innovative concepts that will make the energy transition happen in a cost efficient manner, for the benefit of EU citizens, industry and EU competitiveness” says Thierry Trouvé, GRTgaz Gas CEO and currently chairing GGI.

About GGI and Net4Gas :

GGI comprises seven independent gas infrastructure companies who committed themselves to achieve a 100% carbon-neutral gas supply in their transport infrastructure by 2050: Energinet (Denmark), Fluxys (Belgium), Gaznat (Switzerland), Gasunie (the Netherlands), GRTgaz (France), ONTRAS Gastransport (Germany) and Swedegas (Sweden). Net4Gas, the Czech gas TSO, has joined this group of companies for the purpose of conducting the above-mentioned study.

Press contact**Energinet**

Jeppe Bjerg
Tel: +45 23338897
Mail: jbg@energinet.dk

Fluxys

Nicolas Gielis
Tel: +32 (0)2 282 62 25
Mail: nicolas.gielis@fluxys.com

Gasunie

Mark Wiekens
Tel: +31 6 3103 7124
Mail: M.G.Wiekens@gasunie.nl

Ontras

Dr. Niko Bosnjak
Tel: +49 341 27111-2095
Mail: Niko.Bosnjak@ontras.com

Gaznat

Gilles Verdan
Tel: +41 58 274 04 11
Mail: g.verdan@gaznat.ch

GRTgaz

Jean Marc Brimont
Tel: +33 (0)6 89 87 16 23
Mail: jeanmarc.brimont@grtgaz.com

Swedegas

Tomas Lundkvist
Tel: +46 701 916614
Mail: Tomas.Lundkvist@swedegas.se

NET4GAS

Michal Slabý
Tel: +420 220 22 5310
Mail: michal.slaby@net4gas.cz