



MARKET CONSULTATION DOCUMENT

MARKET CONSULTATION ON INTENDED CHANGES IN THE TERMS FOR CAPACITY ALLOCATION IN THE OPEN SEASON 2020 FOR GREEN GAS LOLLAND FALSTER

Energinet intends to make changes in the terms for the capacity allocation in the Open Season 2020 for "Green Gas Lolland Falster" and invites the market actors to provide feedback on whether the intended changes give rise to comments or concerns.

Energinet conducted an Open Season in 2020 (OS2020) to allocate capacity for the upcoming Green Gas Lolland Falster connection (GGLF). This process allowed shippers to bid for capacity in the potential new gas pipeline linking southern Zealand to Lolland-Falster. The primary objective was to gather long-term investment signals for the Green Gas Lolland-Falster project before finalizing any investment decisions. The OS2020 resulted in bids from very few shippers.

During the OS2020 tender process, it was initially proposed to establish two new temporary points in the Danish gas market model, named "Exit Zone Lolland-Falster" and "RES Entry Lolland-Falster," for GGLF capacity allocation.

After thorough consideration, Energinet has concluded that establishing these two new temporary points would introduce unnecessary complexity into the market model, incurring implementation costs on Energinet, e.g. with regards to IT and administration. To mitigate these issues, Energinet intends to revise the terms of the OS2020 capacity allocation. Specifically, Energinet intends to convert the capacity allocated at the virtual point "Exit Zone Lolland-Falster" to capacity at the existing virtual point "Joint Exit Zone," while the capacity at the virtual point "RES Entry Point Lolland Falster" is intended to be converted to the existing point "RES Entry."

By refraining from establishing the two new temporary points, the acquired capacity from OS2020 becomes available for utilization in the "Joint Exit Zone" and the "RES Entry Zone", rather than being restricted solely to the designated points of "Exit Zone Lolland-Falster" or "RES Entry Point Lolland-Falster." This decision enhances flexibility for the shippers, allowing their capacity to be deployable toward more actors in the wholesale market.

Similarly, shippers who did not bid for capacity during the OS2020 also stand to benefit from the non-establishment of the two temporary virtual points. This is due to the fact that the capacity they have already acquired, or intend to acquire in the future, can be utilized in the “Joint Exit Zone” and “RES Entry”, which, with the intended change, will also designate in the GGLF segment of the gas system. This ensures a more efficient and competitive gas market.

Energinet invites market actors to provide feedback on whether the intended changes to the terms for capacity allocation in the OS2020 raise any questions or concerns.

Please forward your comments to JIO@energinet.dk before the 3rd of April 2024