## Copenhagen Forum

Online

25 November 2021









# **EU Gas DSO: from cooperation to Entity**









Building on the existing close and fruitful cooperation among the four associations representing gas DSOs and its members, established a collaborative framework to pave the way for a Gas DSO Entity, with following objectives:

- > Speak as one formal voice for gas DSOs on regulatory and technical matters in Europe
- > Facilitate DSO/TSO cooperation and promote a coordinated operation and planning of distribution and transmission systems across gas and electricity
- > Participate in the elaboration, amendments and monitoring of network codes that are relevant to the distribution grids and the overall system
- > Work towards effective methane emissions reductions in the gas distribution grids
- > Develop best practices for gas quality management
- > Facilitate with all market players the connection of local production plants of renewable and low carbon gases and their integration into the system including the reverse flow to the TSO level
- > Develop a DSO transition plan for the decarbonization of the grids with biomethane, blends and pure H2
- → The work in the Entity shall cover of all gases including hydrogen. This is essential because at DSO level the transition will be gradually from methane to hydrogen with and without blends. In one city there might be parts on natural gas with/without biomethane or CNG, in others there can be blends of H2 and other parts might move to pure hydrogen. These processes have to be organized also with input from the DSO Entity.



#### **Prime movers Group**









Jointly launched by ENTSOG and four DSOs associations (CEDEC, GEODE, GD4S, **EUROGAS**)

Goal: develop recommendations on main principles to handle Gas Quality and Hydrogen to optimize:

- Gas supply diversification
- Decarbonization of the gas system
- Guarantee safe, efficient and low GHG usage

While facilitating knowledge sharing as well as providing necessary technical inputs to future EC proposals in 'Hydrogen and Gas Markets Decarbonisation Package'

Deliverables proposed for 2021

- During Q1 and Q2 2021: Recommendations to implement proposed WI classification system at exit points by CEN TF1 (Sub-group 1)
- ✓ For Q3: Co-developed roadmap from gas value chain based on recommendations, best practices and lessons learnt about existing and potential gas quality and H2 handling options and tools. Final deliverable seeks to sketch out cost-efficient 'step-by-step' approach to connect each individual sector or area within a future decarbonized gas system (Sub-group 2)

The group deals with both blending issues as well as hydrogen quality aspects, since each comes with distinct challenges Public material is available in the process website: prime-movers-group-gas-quality-and-hydrogen-handling



Promote a fact-based. technology-neutral, and fair discussion among stakeholder of the whole gas value chain





Assess the need for **new** 

or upgraded tools to

ensure system

interoperability, security of

supply and meet end-

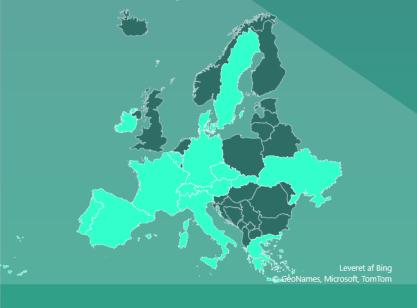
users' needs and safety

requirements





Facilitate the development of innovative and costefficient ways to handle gas quality



### European DSO study



#### 90 DSOs from 15 member countries

Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Ireland, Italy, Portugal, Slovakia, Spain, Sweden, Switzerland, Ukraine

<u>9 observer association</u>: CEDEC, Eurogas, Energy Community, GEODE, GERG, Marcogaz, ERIG, GD4S, Anigas

The Ready4H2 project aims to: combine the H2 expertise & experiences across the European gas distribution companies; create a common understanding of how distribution networks can help realize the huge growth potential and deliver carbon reduction potential H2 utilization.

The Ready4H2 project will run until February 2022 and consist of three steps:

- 1. Analysis 1: a collection of the experiences that the European gas distribution companies have with H2 projects and infrastructure. It will also investigate how the DSOs are involved in their country's H2 developments and how far the country's H2 strategy is evolved.
- 2. Analysis 2: evaluation of how gas distributors can contribute to the H2 value chain. The gas distributors' experiences and knowledge will be analyzed and converted into value propositions for the H2 value chain. It will also involve the gas distribution companies' unique positions and contribution to strategic land planning.
- 3. Analysis 3: a roadmap on how the gas distribution companies can transform into Europe's primary H2 distribution infrastructure. It will provide concrete initiatives for how the gas distribution companies at the European and national level can be a link between H2 producers and consumers. It also elaborates on possible barriers and opportunities in this development.