PRESS-STATEMENT

INITIATIVE ENERGIEN SPEICHERN

INES

Berlin, 10th August 2023

INES analyses gas infrastructure options

As part of today's publication of the August update on the association's own gas scenarios for the coming winter 2023/24, the Initiative Energien Speichern e. V. (INES) presented an analysis of infrastructure options for reestablishing gas supply security. It showed that there is still a need for action until the winter of 2026/27 and that other infrastructures can help in the medium term in addition to further LNG terminals.

The August update on the INES gas scenarios confirms the previous findings: While storage levels are developing positively as expected and gas storage facilities in Germany now have a filling level of around 90 percent, the risk of a gas shortage in winter during extremely cold temperatures remains. Even if the gas storage facilities are once again completely filled before winter, gas demand could probably not be fully met at extremely cold temperatures and current consumption patterns. INES has therefore modeled a whole range of other gas scenarios and analyzed gas infrastructure options that could ensure gas supply security in winter in the future, even in the case of extremely cold temperatures.

The result showed that there is a need for action until the winter of 2026/27. Only after that, according to the assumptions of the European Ten Year Network Development Plan (TYNDP), gas consumption may decrease to such an extent that no further infrastructural measures are required. Until then, not only further LNG terminals, but also additional gas storage capacities or pipeline connections can help restore gas supply security.

INES Managing Director Sebastian Bleschke comments on the August update and the related gas infrastructure analysis as follows: "*Gas storages are currently filling as expected. We continue to expect that the legally required filling level targets will be exceeded. Nevertheless, the following applies: the risk of a gas shortage during cold temperatures still exists and will probably remain with us until winter 2026/27 without further infrastructural measures. Only after that, reduced gas consumption might eliminate the need for further measures. To restore gas supply security before then, not only additional LNG terminals but also additional gas storage capacities or pipeline connections are suitable. In the short term, however, i.e. for the winters 2023/24 and 2024/25, there is no way around the terminals.*"

BACKGROUND ON INES GAS SCENARIOS

INES continuously models European gas markets to assess gas supply security. Based on this and taking into account storage filling levels as of August 1st, 2023, three scenarios were considered for the upcoming storage filling and gas supply in Germany for winter 2023/2024:

- The first scenario is based on country-specific temperatures of the EU weather year 2016 to consider normal temperatures.
- Another scenario assumes "warm temperatures" like in the European winter of 2020.
- A third scenario examines gas supply for "cold temperatures" according to the European winter of 2010.

The INES scenarios for gas supply in winter 2023/24 were first published on April 19, 2023 based on data through the end of March 2023. The August update is the second update of these scenarios. This includes data through the end of the previous month of July.

During the "summer phase" (May to October 2023), INES publishes updates to the INES gas scenarios only every two months. During the winter, updates will occur monthly. The next update is scheduled for October 12, 2023 and will take a closer look at monthly gas consumption by consumption groups.

A detailed explanation of the INES scenarios and results can be found in the presentation slides for the press conference, as well as in the documentation for the presentation. In addition, all press conferences have been recorded and can be viewed anytime on the INES YouTube channel.

If you are interested in current gas storage filling levels, please visit the INES storage map.

ABOUT INES

INES is the association of gas and hydrogen storage system operators in Germany. INES' members represent over 90 per cent of German gas storage capacities and account for about 25 per cent of gas storage capacities in the European Union. INES' member companies also push the development of underground hydrogen storage in numerous projects and thereby form pioneers in this important technology field for the energy transition.

The members of INES are astora GmbH, bayernugs GmbH, Enovos Storage GmbH, Erdgasspeicher Peissen GmbH, Etzel-Kavernenbetriebsgesellschaft mbH & Co. KG, EWE Gasspeicher GmbH, HanseWerk AG, OMV Gas Storage Germany GmbH, RWE Gas Storage West, NAFTA Speicher GmbH & Co. KG, STORAG Etzel GmbH, Storengy Deutschland GmbH, Trianel Gasspeicher Epe GmbH & Co. KG, Uniper Energy Storage GmbH and VNG Gasspeicher GmbH.

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