



European Federation
of Energy Traders

EFET comments on the next gas transmission tariff structure in France

The European Federation of Energy Traders (EFET¹) appreciates the opportunity to submit our comments on the preparatory work for the gas transmission tariff structure for the regulatory period 2024-27 (ATRT8), as recently presented in a thematic workshop organised by CRE.

The deviation of the French network from the CWD methodology is discriminatory for cross-border flows.

We are not supportive of the point-to-point distance calculation methodology across all three flow scenarios assessed by CRE, including scenario A currently used for the ATRT7. The deviation of the French transmission network from the standard CWD benchmark methodology under article 8 NC TAR leads to higher tariffs associated to specific points.

In particular, maintaining the Dunkirk PIR as a reference point for cross-border exit flows, as per scenario A, results in a 49% increase in tariffs at IPs for the next ATRT 8 period². As one of the furthest entry points for both PIRs Oltingue and Pirineos, Dunkirk is not representative of the flow owing to the long distances involved.

To assess the cost-reflectivity of additional cost drivers and of the RPM, recital 3 and article 26(1)(a)(v) NC TAR requires a comparison of the RPM with the CWD reference methodology. As Member States with a transmission network similar to the French one, like Belgium, have enforced CWD methodologies with entry-exit splits, we believe that CRE should follow suit and abandon the point-to-point approach to the definition of import/ export routes.

The wide differences between IP and PITTM tariffs in the flow scenarios risk making the French market less attractive.

The tariff forecasts presented by CRE under all three flow scenarios indicate high increases of entry point tariffs for pipeline gas compared to entry point tariffs for regasification facilities, notably under scenario A. This may lead to potential cross subsidisations between IP entry points and PITTM ones, hence being detrimental to attracting pipeline gas in France. Consequently, the French market may become overall less attractive. Moreover, entry points of gas into the transmission network should be treated on an equal footing, be it from pipelines or LNG terminals.

We remain at the disposal of CRE to further discuss our points, including in the context of upcoming consultations.

¹ The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent and liquid wholesale markets, unhindered by national borders or other undue obstacles. We build trust in power and gas markets across Europe, so that they may underpin a sustainable and secure energy supply and enable the transition to a carbon neutral economy. EFET currently represents more than 140 energy trading companies, active in over 27 European countries. For more information: www.efet.org

² Slide 26 of the presentation shared by CRE on 5 May.