

PRESS RELEASE
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Outlook for the gas system, winter 2020/2021:
**Following an atypical gas spring, the security of the gas supply
should be guaranteed this winter.**

Thierry Trouvé, CEO of [GRTgaz](#) and Dominique Mockly, Chairman and chief executive officer of [Teréga](#), have today presented the “Winter Outlook 2020/2021”, setting out the main prospects for the gas system for the coming winter.

GRTgaz, which provides gas transport across the whole of the country except for the far South-West, and Teréga, which provides gas transport and storage in the far South-West, suggest that the gas system should be able to meet demand for all French gas consumers throughout the coming winter, even in the event of an extreme cold snap.

The health situation should not have any impact on gas supplies in France and Europe. Furthermore, despite the crisis, teams from GRTgaz and Teréga have carried out all the work to enable their installations to run at 100% availability over the winter.

Subscriptions covering the totality of French storage capacity, amounting 128 TWh with a fill rate verging on 100% on 1st November 2020, bring real flexibility to the French transport grid, reinforcing gas supply security.

This means the grid is ready to deal with high consumption over the winter, including in a lockdown situation, and including a scenario in which combined cycle gas power plants face high demand for electricity generation. This situation illustrates the role of gas as an essential component of the energy mix, one which enables the whole energy system to be balanced.

This year, once again, the two transporters have reiterated that security of the gas supply also relies on balanced use of the different gas infrastructures in France throughout the winter: the use of different transport grid entry points, the wise management of stocks across the whole winter, and imports of liquefied natural gas (LNG) at methane terminals. The congestion management mechanisms provided by the French market (TRF¹) and monitoring carried out by the gas transporters underpin this security of supply.

¹ *Trading Region France (TRF): as part of a process to simplify the gas market, since November 2018 France has been enjoying the benefits of a single gas marketplace: Trading Region France, managed by GRTgaz and Teréga.*

A closer look at a “gas spring” marked by a drop in consumption and an historic fall in the price of gas

During the spring 2020 lockdown, GRTgaz and Teréga maintained the continuity of their gas supply activities and services, with teams hard at work on the ground and complying with health measures.

The drop in consumption, coupled with the abundance of LNG, caused gas prices to fall to historic levels. Thus the wholesale market price in France (PEG²) reached a **record intraday low of €2.57 /MWh on 23 May**. Similarly, across the year from October 2019 to September 2020 it was €8.7 /MWh, an historic low for a rolling twelve-month period.

The COVID-19 health crisis had a perceptible effect on gas consumption. A drop was observed during the first lockdown (low point of -20% in April 2020 compared with April 2019), with some industrial sectors being affected more particularly (automotive-tyres, glass and non-metal materials).

Industrial consumption then picked up in May, recovering to normal levels from September 2020. Gas-fired power stations, idle during the lockdown last spring, were back online again to deal with sustained demand from the summer onwards.

GRTgaz

GRTgaz is one of the European leaders in gas transport and a world authority on gas systems. In France, the company operates more than 32,000 km of underground pipelines to transport gas from suppliers to consumers connected to its grid (public distribution managers serving communes, power plants and more than 700 industrial sites). GRTgaz fulfils a public service mission aimed at guaranteeing the continuity of gas transmission and offers its customers grid access and energy performance improvement services. With its subsidiaries Elengy, a European leader in methane terminal services, and GRTgaz Deutschland, which operates the MEGAL transport grid in Germany, GRTgaz plays a key role on the European gas infrastructure stage and exports its expertise internationally, thanks in particular to the services developed by its research centre RICE (Research & Innovation Center for Energy). An actor in energy transition, GRTgaz invests in innovative solutions to welcome as many renewable gases as possible to its grid, including hydrogen, to support these new sectors, and thus make a contribution to achieving carbon neutrality. Find us at grtgaz.com, energiesdespossibles.fr, [@GRTgaz](https://www.instagram.com/GRTgaz), [Instagram](https://www.facebook.com/GRTgaz) and [Facebook](https://www.linkedin.com/company/grtgaz), and [LinkedIn](https://www.linkedin.com/company/grtgaz)

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TEREGA

Established in South-West France, at the crossroads between major European gas flows, Teréga has shared exceptional know-how for over 75 years in the development of gas transport and storage infrastructure. Today, it continues to develop innovative solutions to overcome the major energy challenges facing France and Europe. A true accelerator of the energy transition, Teréga operates over 5,000 km of pipelines and 2 underground storage reservoirs representing 15,8% of the French gas transport network and 25,7% of national storage capacities. In 2019, the company generated revenues of €500 million and had more than 650 employees.

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² PEG: a Gas Exchange Point is a virtual marketplace where all actors in the gas supply chain can meet to conduct their wholesale gas sales and purchases. Since November 2018 France has had a single PEG.