



5th Joint Working Group on
Gas Infrastructure Investment and Regulation

**Austrian's Long Term Planning (LTP) of gas transmission capacity
- how does it work in reality**

Belgrade, 13 September 2007



Content

- ▶ Gas Market in Austria
- ▶ Who is AGGM?
- ▶ Long Term Planning - process
- ▶ Long Term Planning 2007 - results



Gas market in Austria

- ▶ International Transit regulated
 - ▼ TAG Italy, Slovenia
 - ▼ WAG Germany
-
- ▶ Domestic market regulated
 - ▼ **control area East** ← **AGGM**
 - ▼ control area Tirol
 - ▼ control area Vorarlberg



What is AGGM?

▶ AGGM

- ▼ Is the **AGGM Austrian Gas Grid Management AG**
- ▼ Is the **control area manager** of the control area East
- ▼ Is a 100% subsidiary company of OMV Gas GmbH
- ▼ Operates since 1 January 2003
- ▼ Is a consequence of the liberalisation of the gas market
- ▼ Responsible for the domestic market (no transit)
- ▼ Has 32 employees
- ▼ The headquarters are in Vienna



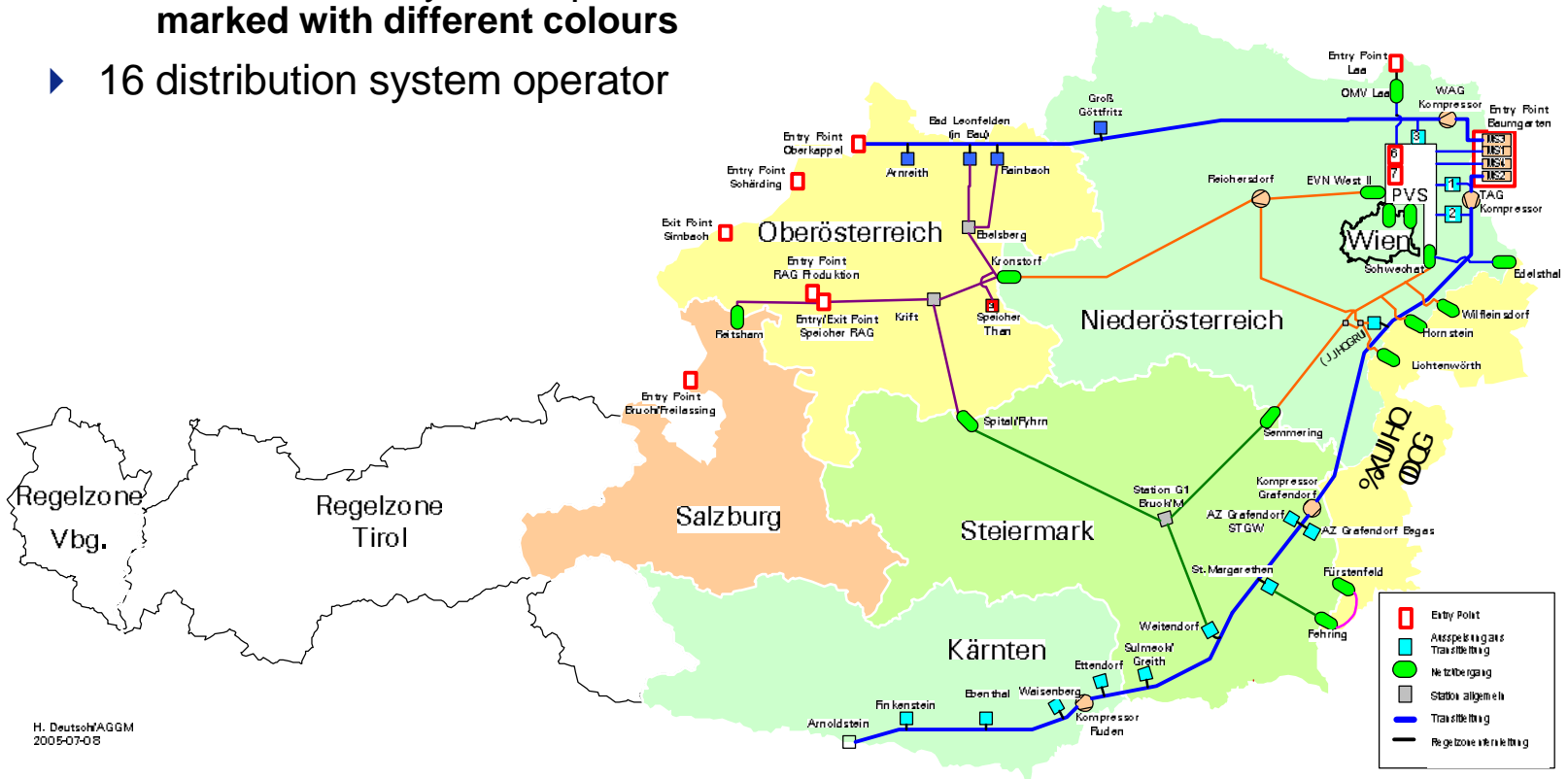
main duties of the control area manager

- ▶ Control of the transmission lines in the control area
- ▶ Balancing the control area
- ▶ Work out the strategic Long Term Plan (LTP) for the transmission lines
- ▶ Managing the system access
- ▶ In the Austrian Gas Act there are 21 duties defined



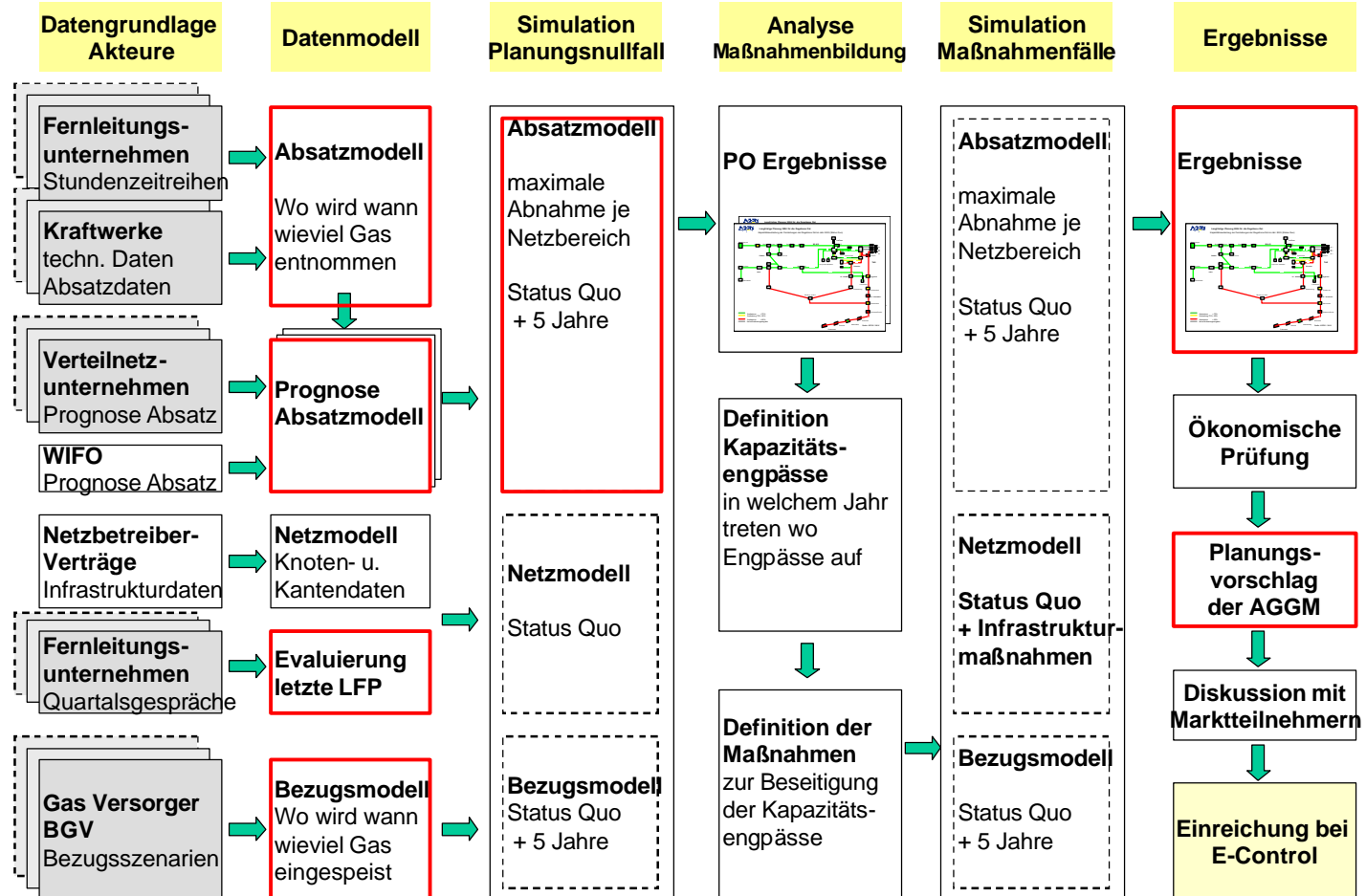
transmission system

- ▶ 5 transmission system operator marked with different colours
- ▶ 16 distribution system operator



H. Deutsch/AGGM
2005-07-08

- ▶ Target according to Austrian gas act
 - ▼ Supply of gas to customers
 - ▼ Security of supply
 - ▼ Supply for not customer transports (from/to storages)
- ▶ Coordination of the infrastructure extension of the domestic transmission system operator
 - ▼ Global optimum for the whole control area and not just for one transmission system operator
- ▶ Information for gas traders
 - ▼ Status Quo and enlargement programs
 - ▼ Reduction of uncertainty

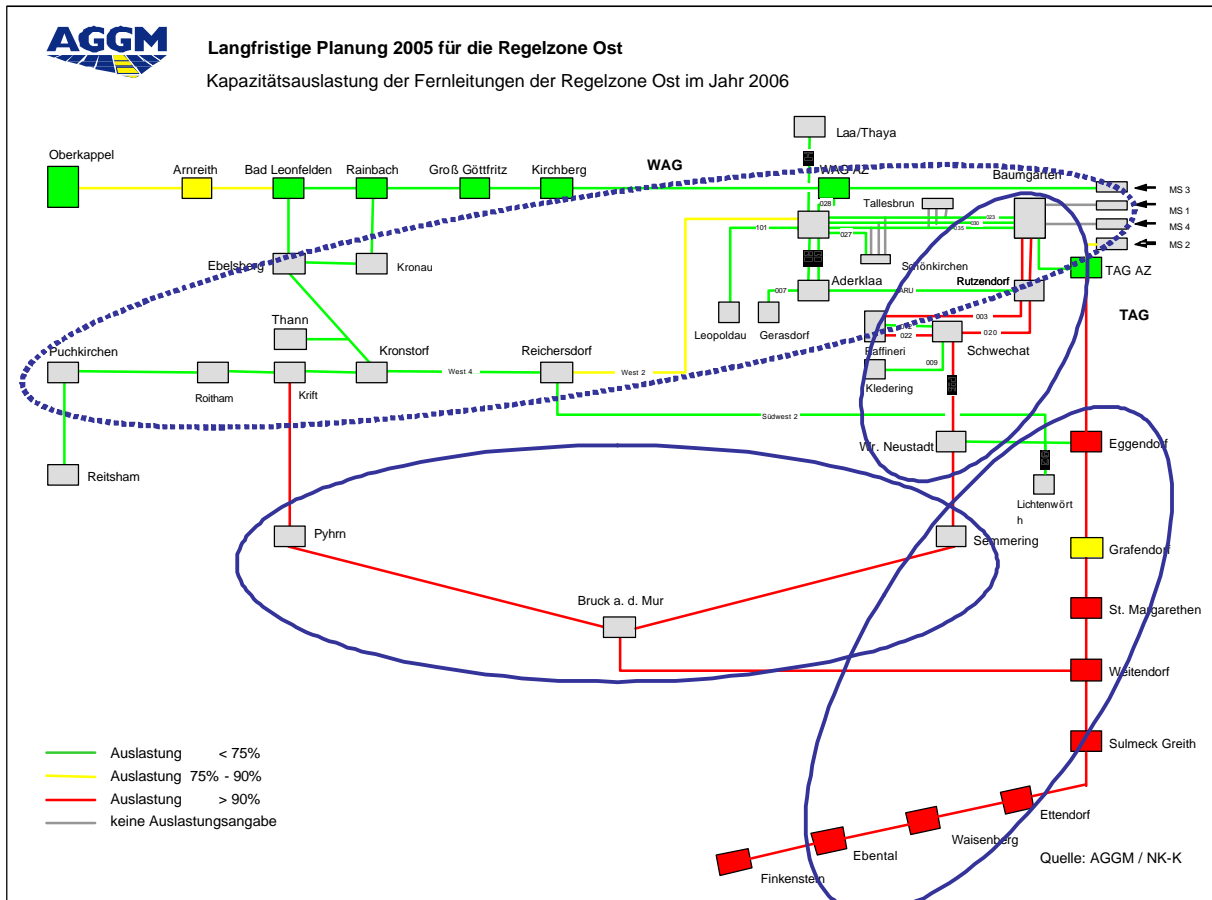




Why does LTP works

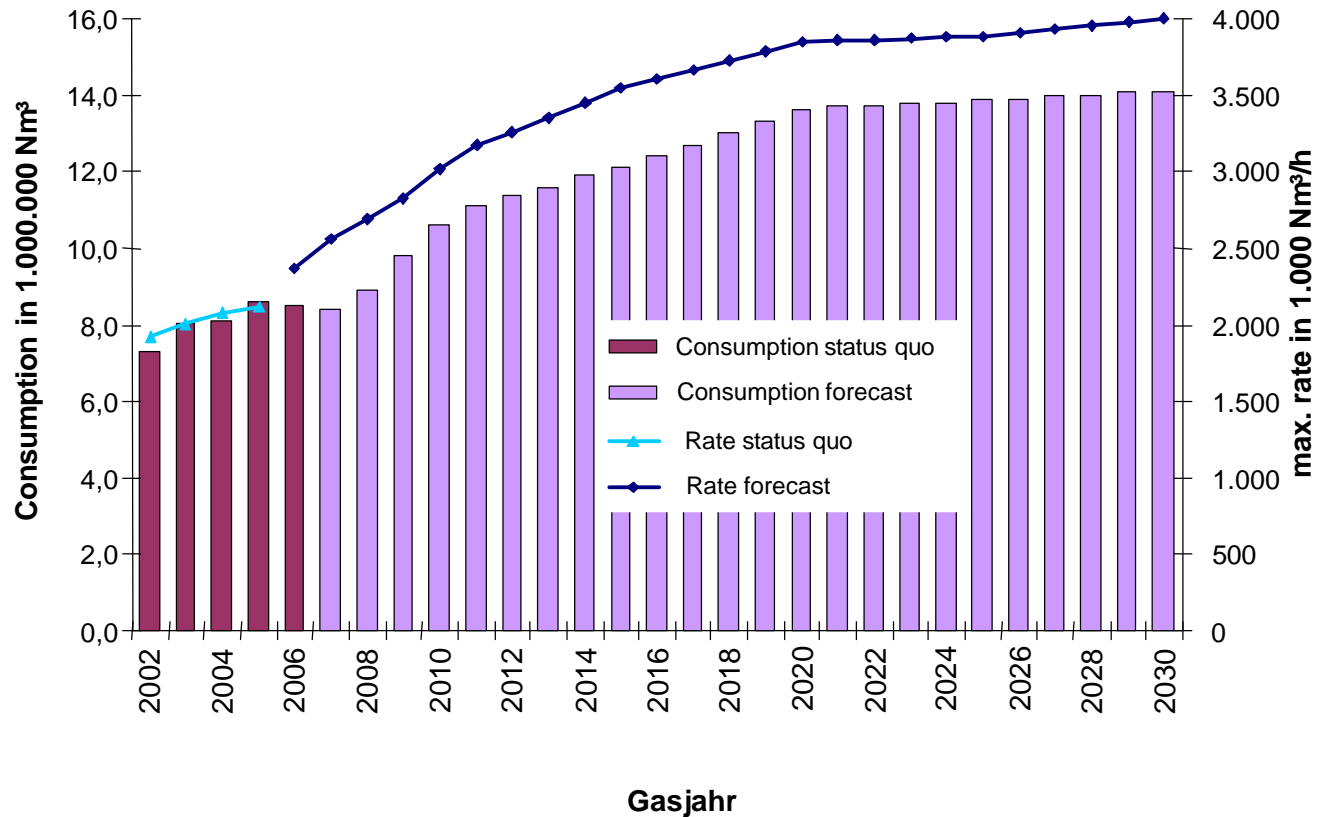
- ▶ AGGM = ISO (Independent System Operator)
 - ▼ Equal treatment to all market participants
- ▶ Cooperation duty by Austrian gas act
 - ▼ Transmission + distribution system operator, storage operator, gas traders, producers
- ▶ Incentive for the cooperation for the transmission system operator
 - ▼ Investment costs for the projects which are listed in the LTP are accepted by the regulatory authorities
 - ▼ Projects listed in LTP = public interest (condemnation)
- ▶ Incentive for the cooperation for traders
 - ▼ Information platform

- ▶ **Planning databases**
 - Previous measurement data
 - Forecasts of market participants
 - Scenario administration
 - Planning data (consumption & supply data)
 - Effect of temperature to consumption / power plant load curve
- ▶ **Hydraulic network simulation**
 - Status Quo network / planning network
- ▶ **Net present value calculation of investments**
 - For each infrastructure scenario
 - Standard costs – construction difficulties – special constructions
- ▶ **Evaluation model**
 - Effectiveness analysis





Consumption forecast



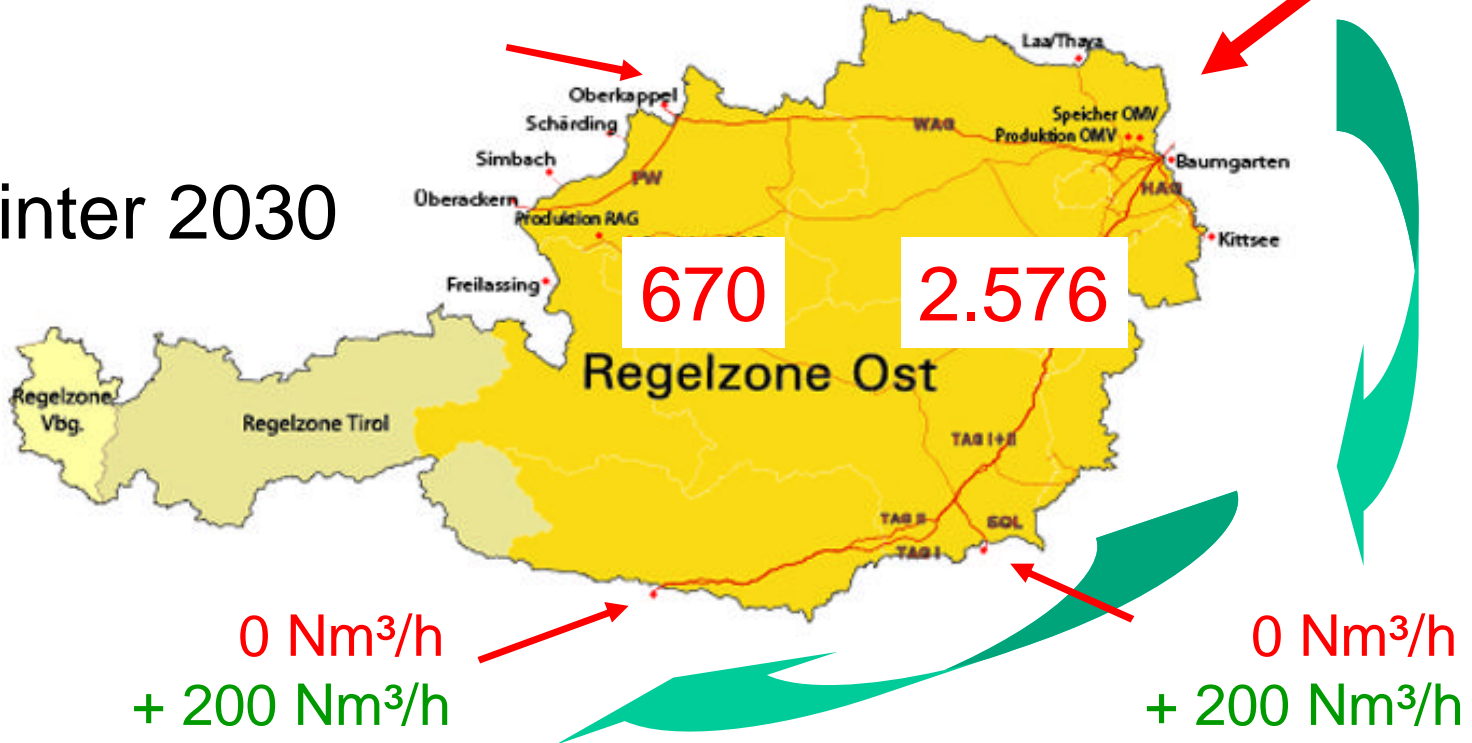


Supply forecast

Standard Szenario 100 Nm³/h
Extreme Szenario +200 Nm³/h

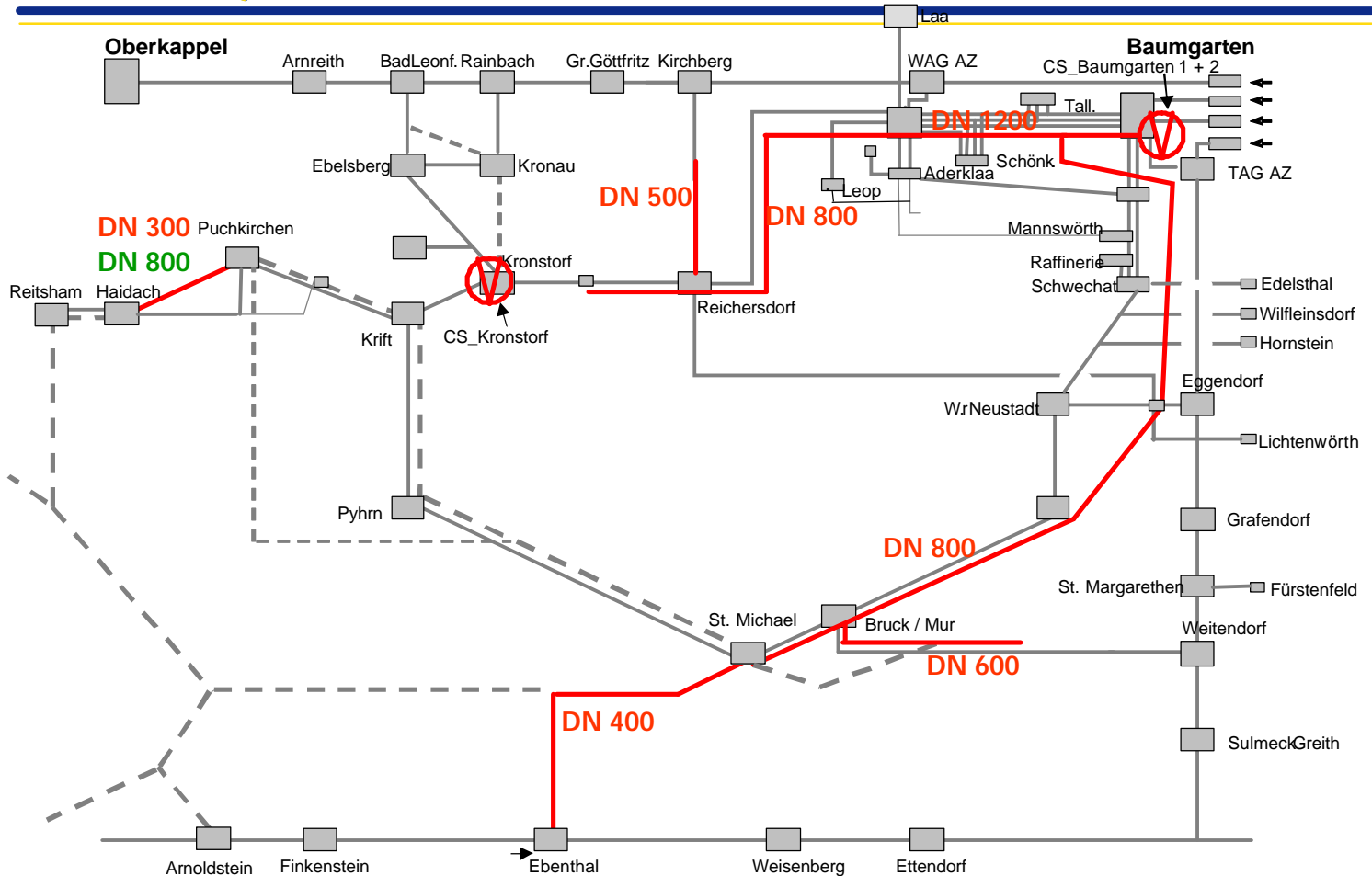
1.015 Nm³/h
- 600 Nm³/h

Winter 2030





Long Term Planning 2007: Results





future challenge

- ▶ Realisation of major projects
 - ▼ Contract for network enlargement
 - AGGM – transmission network operator
 - AGGM – distribution network operator
 - ▼ Contract for capacity enlargement
 - Distribution network operator – large customer



Thank you for your
attention!