



LNG regulation updates in Spain

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In 2020 gas regulation was changed



Services



Allocation mech.



Balancing rules

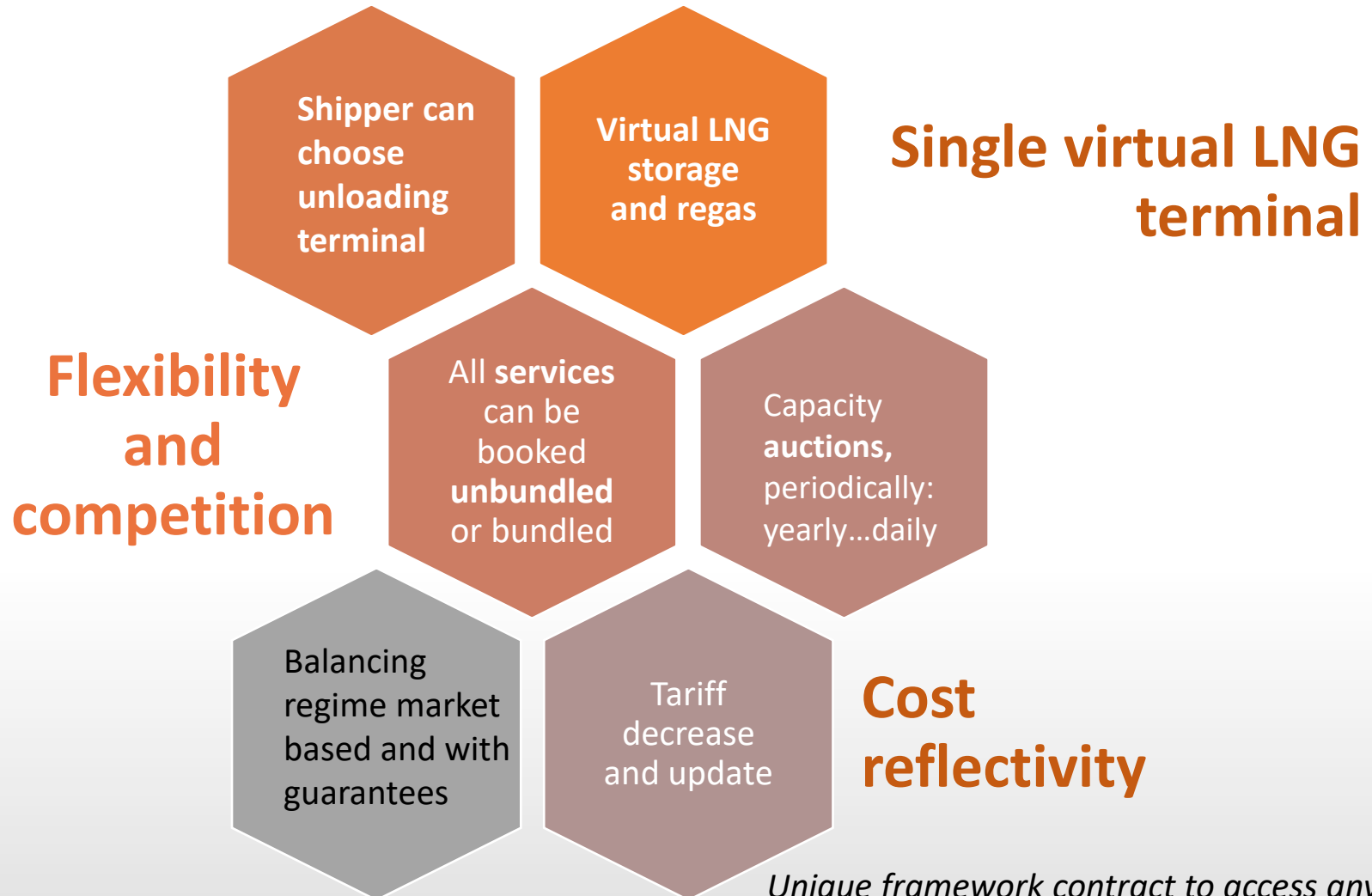


Remuneration



Tariffs

LNG main changes

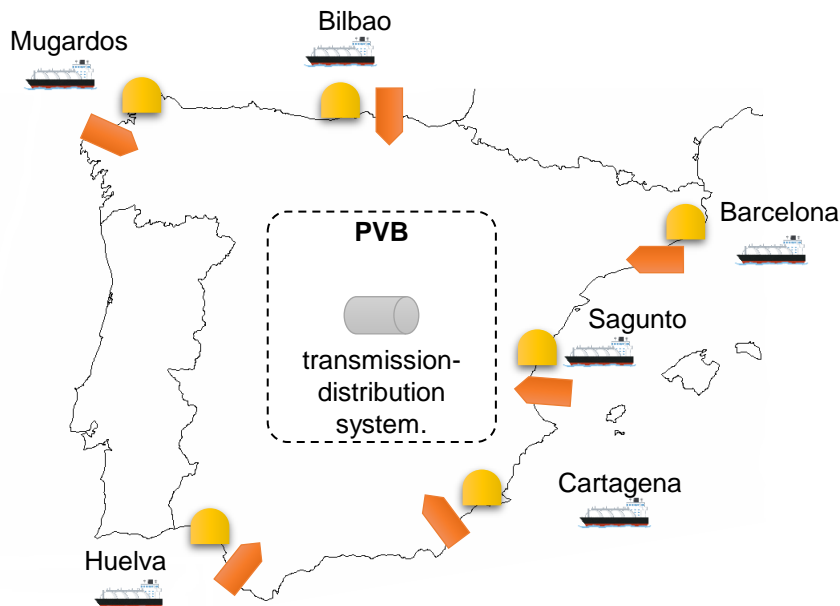


Unique framework contract to access any infrastructure of the Spanish system

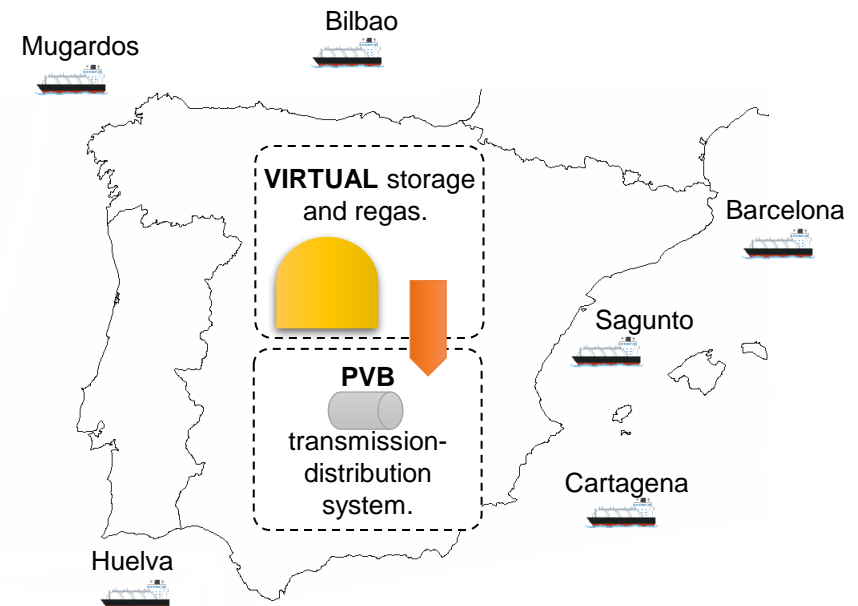
Single platform and gateway to book any service

Virtual LNG hub

From:



To:



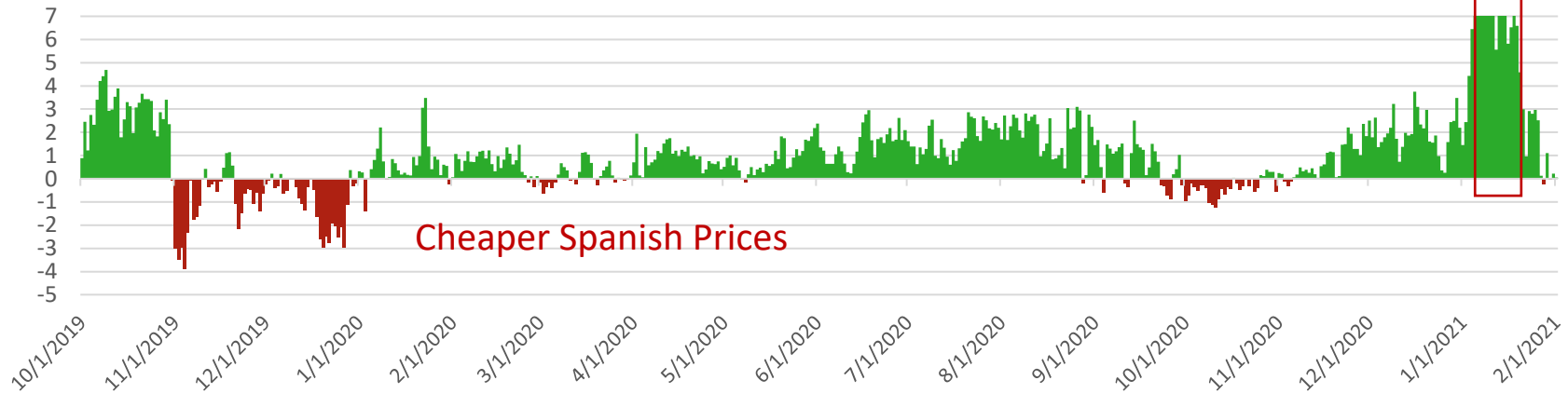
- 6 terminals for LNG loading and unloading (the user chooses)
- 6 LNG balances
- 6 LNG markets
- Regasification contracts in 6 plants
- Nominations in 6 plants

- 6 terminals for LNG loading and unloading (the user chooses)
- **1 LNG balance**
- **1 LNG market**
- Regasification contract in the virtual tank
- 1 nomination

- ❑ Since April 2020, all **LNG** in the 6 Spanish terminals is located in the **virtual storage**, where all parties can **trade** (OTC, MIBGAS Derivatives)
- ❑ In July 2020, **slots** for the next 15 years were **sold**
 - **Huge competition**, long term capacity was booked for many years, raising **auction premiums** on many months (reserved capacity for short-term)
 - More companies have capacity rights now. Shippers, traders, retailers
- ❑ In September 2020, all other services were sold: **small scale** services registered auction **premiums** in certain terminals. Increased demand for these services. Congestion.
- ❑ Does the system work? In January 2021 ...
 - ✓ LNG diverted to Asia since December decreased LNG storage
 - ✓ Winter cold spell: Increase of demand/Lower Algeria pipeline flows
 - ✓ Increase of PVB prices
 - ✓ Price signal worked: LNG was redirected to Spain

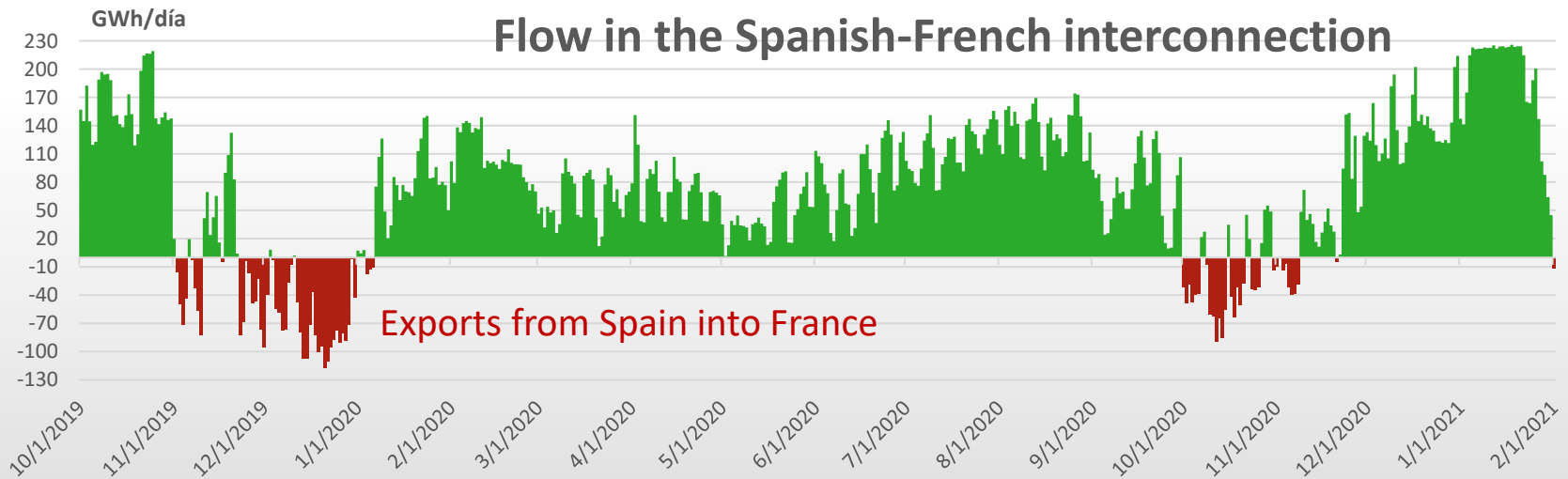
Flows in the Spanish-French interconnection follow market prices

Price comparison D+1 PVB-PEG (€/MWh)



Cheaper Spanish Prices

Flow in the Spanish-French interconnection



Exports from Spain into France



Thank you!

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