

# German Gas Market 2010

*This document includes a report summary, a table of contents, report format and price information, and an order form.*

## **Report Summary**

*This 123 page report covers the physical and commercial aspects of the German natural gas market, and its role in the wider European gas market. Key market trends, including the growth of trading liquidity, are highlighted in 33 tables, 24 charts and 9 maps. The report is structured as follows:*

❖ **Chapter 1 – The Trading Market:** this chapter reviews the development and state of trading liquidity in Northern European gas markets, and specifically at the NetConnect Germany and GASPOOL market areas and other German trading points. Recent developments in the German gas market are reviewed, and the level of trading activity, both OTC and exchange-based, is assessed. Trading of capacity and control energy, and the use of long-term contracts are also discussed. The chapter concludes with a review of price formation in the German market, and the development of both wholesale and end-user gas prices.

❖ **Chapter 2 – Gas Market Fundamentals:** this chapter provides an introduction to the fundamentals of German gas supply and demand. The production of gas from German onshore and offshore reserves is reviewed. The chapter reviews the consumption of gas within Germany, including analysis of current gas-fired power projects. It concludes with a review of import and export flows.

❖ **Chapter 3 – Infrastructure:** this chapter describes the infrastructure for gas import, transmission and storage in Germany, including the forthcoming Nord Stream pipeline and associated infrastructure, and proposed LNG terminal development projects. The chapter also describes the system of tariffs and balancing requirements for third party access to the infrastructure. It concludes with a discussion of the German gas storage system's role in seasonal flexibility for north-west Europe.

❖ **Chapter 4 – Regulatory Framework:** this chapter reviews European and German energy legislation and regulation. The EU framework of directives and regulations is described, including the third energy legislative package. Germany's structure of energy laws, regulations and agreements is described. The regulatory bodies

at state, federal and European level, and their involvement in German energy markets, are discussed.

❖ **Chapter 5 – Market Participants:** this chapter provides profiles of the key players in the German gas market, including analysis of the types of company involved in trading. It profiles the major traders and German gas suppliers and reviews the role of traditional utility companies and new market entrants in wholesale and end-user markets. It includes a review of important mergers and acquisitions over the past few years.

❖ **Chapter 6 – Appendix:** this chapter describes the different qualities and types of natural gas, and explains the units, unit conversion factors and rounding conventions used in this report.

*In 2009, more gas changed hands at Germany's virtual trading points than in the Dutch TTF market – previously mainland Europe's largest gas market – and growth continued strongly into 2010.*

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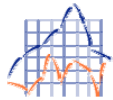
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## About the Authors

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**Kingston Energy**  
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Mary Jackson and Nigel Harris are independent energy market consultants. Each has over 15 years experience of working with energy traders, providing analysis, training, information and technology services to companies engaged in the oil, gas and electricity markets. Mary and Nigel regularly write, speak and lecture on the gas markets and energy trading.

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e-mail: [info@kingstonenergy.com](mailto:info@kingstonenergy.com)

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