UNITED
NATIONS



Economic and Social Council

Distr. GENERAL

ECE/ENERGY/WP.3/GE.5/2008/2 9 April 2008

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON SUSTAINABLE ENERGY

Working Party on Gas

Ad Hoc Group of Experts on the Supply and Use of Gas

Ninth session Geneva, 24 January 2008

REPORT OF THE AD HOC GROUP OF EXPERTS ON THE SUPPLY AND USE OF GAS ON ITS NINTH SESSION

I. ATTENDANCE

- 1. The ninth session of the Ad Hoc Group of Experts on the Supply and Use of Gas was held on 24 January 2008. It was attended by representatives from the following UNECE member countries: Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russian Federation, Serbia, Switzerland and Ukraine. Marcogaz, the Technical Association of the European Gas Industry, Belgium was also in attendance.
- 2. The officers of the session were as follows: Chairman: Mr. Alexander Karasevich (Russian Federation); Vice-Chairmen: Mr. Tamas Korosi (Hungary) and Mr. Ante Zedelj (Croatia).

II. ADOPTION OF THE AGENDA (Agenda item 1)

3. The agenda was adopted (ECE/ENERGY/WP.3/GE.5/2008/1).

III. DECISIONS OF THE EIGHTEENTH SESSION OF THE WORKING PARTY ON GAS OF CONCERN TO THE WORK OF THE AD HOC GROUP OF EXPERTS (Agenda item 2)

4. The Group of Experts took note of the decisions of the eighteenth session of the Working Party on Gas (ECE/ENERGY/WP.3/2008/2).

IV. GAS NETWORKS BALANCING (Agenda item 3)

Documentation: ENERGY/WP.3/GE.5/2004/4

5. <u>Decisions</u>:

- (a) To continue this work in view of completing it in 2008/2009;
- (b) To request the secretariat to resend the questionnaire to UNECE member States before 1 May 2008;
- (c) To invite Governments to send their replies to the rapporteur, Mr. S. Bogoly (Head of Capacity Management, MOL Hungarian Oil and Gas Plc., Tanacshaz u. 5, 8600 SIOFOK, Hungary, Tel. +36 84 505 202, Fax: +36 84 505 218, Email: sbogoly@mol.hu) with a copy to the secretariat, before 1 July 2008;
- (d) To invite the rapporteur to prepare a draft report by 1 October 2008 for consideration at the next session of the Ad Hoc Group of Experts;
- (e) To merge this activity with <u>Methods for detection of gas leakages during gas</u> <u>industry operations</u> to form a new aggregate activity entitled <u>Safety of natural gas transportation</u>;
- (f) To ask the Ukrainian delegation to coordinate the new aggregate activity on Safety of natural gas transportation and to work closely with the rapporteur and the Russian Federation delegation on this particular programme element;
- (g) To take note with appreciation of Marcogaz's suggestion to contact Gas Infrastructure Europe / Gas Transmission Europe (GTE) from Brussels, which could be helpful to the Ad Hoc Group of Experts in this area of work.

V. TECHNOLOGICAL STANDARDS AND NORMS REQUIRED FOR DESIGN AND OPERATION OF NGV FILLING STATIONS (Agenda item 4)

Documentation: (ENERGY/WP.3/GE.5/2003/6)

6. Decisions:

(a) To request the secretariat to resend the questionnaire to UNECE member States before 1 May 2008;

- (b) To invite Governments to send their replies to Mr. A. Koposov (Russian Federation), with a copy to the secretariat, by 1 July 2008;
- (c) To invite Mr. Koposov to prepare a draft report by 1 October 2008 for consideration at the next session of the Ad Hoc Group of Experts.

VI. DIAGNOSTICS OF GAS TRANSPORTATION LINES AND RISK MANAGEMENT (Agenda item 5)

Documentation: (ECE/ENERGY/WP.3/GE.5./2006.5)

7. Decisions:

- (a) To request the secretariat to resend the questionnaire to UNECE member States before 1 May 2008;
- (b) To invite Governments to send their replies to the questionnaire to the rapporteur, Mr. J. Filippi (Ministry of Industry and Trade of the Czech Republic, Na Frantisku 32, 110 15 Prague 1, Czech Republic, Fax: 420 2 2485 3345 and E-mail: filippi@mpo.cz), with a copy to the secretariat, before 1 July 2008;
- (c) To invite the rapporteur to cooperate with Marcogaz, Brussels in collecting answers from UNECE countries in particular from European Union member States as well as sharing the data from non-EU countries;
- (d) To invite the rapporteur to prepare a draft consolidated report for consideration at the next session of the Group of Experts before 1 October 2008;
 - (e) To continue this work in view of completing it in 2008/2009;
 - (f) To thank the rapporteur for his comprehensive methodological presentation;
 - (g) To thank Marcogaz, Belgium, for his offer to provide support to this activity.

VII. METHODS FOR DETECTION OF GAS LEAKAGES DURING GAS INDUSTRY OPERATIONS (Agenda item 6)

8. Decisions:

- (a) To thank the rapporteur from Ukraine, for the progress report;
- (b) To request the secretariat to send to UNECE member States a revised version of the questionnaire, before 1 May 2008;
- (c) To invite Governments to send their replies to the questionnaire to Mr. Ponomarenko (Director, Foreign Relations Department, Ukrtransgas AC, 9/1, Klovsky

uzviz, Kiev, Ukrainel, Tel: 380 44 461 20 53, Fax: 380 44 461 20 89, E-mail: Ponomarenko.utg@naftogaz.net), with a copy to the secretariat, before 1 July 2008;

- (d) To invite the rapporteur to prepare a draft consolidated report for consideration at the next session of the Group of Experts before 1 October 2008;
- (e) To merge this activity with <u>Gas networks balancing</u> to form a new aggregate activity entitled <u>Safety of natural gas transportation</u>;
- (f) To ask the rapporteur to coordinate the new aggregate activity on Safety of natural gas transportation.

VIII. GAS SAVING TO REDUCE NATURAL GAS DEMAND AND ENHANCE ENERGY SECURITY (Agenda item 7)

9. <u>Decisions</u>:

- (a) To thank the rapporteurs from the Russian Federation for their comprehensive report on the Study on Gas Saving to Reduce Natural Gas Demand and Enhance Energy Security;
- (b) To take note of the progress of the project in examining the experience and mechanisms of effective energy and natural gas use in West European countries as well as in developing practical recommendations of effective natural gas and energy use in the Russian Federation, Eastern Europe and CIS countries;
- (c) To take note of the large potential in natural gas savings in the Russian Federation, which according to some estimates could amount up to 100 billion cubic metres per year, which if they materialize could favourably affect the energy security of the UNECE region;
- (d) To request the secretariat to resend the questionnaire to UNECE member States before 1 May 2008;
- (e) To invite UNECE Governments to send their replies to the questionnaire to Mr. Zorya (Deputy Director General, Promgaz OAO, 6, ul. Nametkina, 117420 Moscow, Russian Federation, Tel: 7 495 504 43 29, Fax: 7 495 504 43 70, E-mail: zorya@promgaz.ru and s.skvortsova@promgaz.ru) with a copy to the secretariat, before 1 July 2008;
- (f) To invite Mr. Zorya to prepare a draft consolidated report for consideration at the next session of the Group of Experts before 1 October 2008;
- (g) To request the secretariat to solicit Eurogas to take part in the study, in particular by providing data and insights on the relationships between natural gas market liberalization and trends in energy savings;
- (g) To thank Mr. Karasevich for the hospitality extended to delegates during the March 2007 meeting in Moscow of the Task Force on the Gas Savings Study as well as for

fostering participation of the Working Party delegates at the International Week of Rational Use and Distribution of Gas, held in Moscow in September 2007.

IX. ROLE OF GEODYNAMIC MODELLING IN ENHANCING PIPELINE SAFETY (Agenda item 8)

10. Decisions:

(a) To invite Mr. A. Shabarov to present a lecture on this topic for consideration in-depth at the next session of the Group of Experts;

X. PROGRAMME OF WORK (Agenda item 9)

11. Decisions:

- (a) To approve the programme of work of the Ad Hoc Group of Experts, as annexed to this report;
- (b) To include the questionnaire on Underground gas storage facilities operating in gas hydrostatic overpressure proposed by the Czech Republic in the work on updating the underground gas storage study to be carried out under the auspices of the Working Party on Gas;
- (c) To foster the timely execution of the programme of work of the Ad Hoc Group of Experts on the Supply and Use of Gas, to accept the suggestion made by the Chairman of Working Party on Gas that regular consultations, preferably every three months, be held between the Chairman and the rapporteurs.

XI. ELECTION OF OFFICERS (Agenda item 10)

12. Mr. Tamas Korosi (Hungary) was elected Chairman, Messrs. Ante Zedelj (Croatia), Alexey Zorya (Russian Federation) and Pavel Cizek were elected Vice-Chairmen for the next session.

XII. DATE OF THE NEXT SESSION (Agenda item 11)

13. The tenth session of the Ad Hoc Group of Experts will be held on Thursday, 22 January 2009.

XIII. ADOPTION OF THE REPORT (Agenda item 12)

14. The Ad Hoc Group of Experts adopted its report on 24 January 2008.

ANNEX

PROGRAMME OF WORK 2008-2009

PROGRAMME ELEMENT 06.5.6

GAS TRANSPORTATION SYSTEMS, STORAGE AND RATIONAL USE OF GAS (continuing)

06.5.6.1 Construction, management and maintenance of gas transmission systems:

diagnostics of gas transmission lines - Diagnostics of Gas Transportation Lines
and Risk Management (2004-2009)

<u>Description</u>: Study of various methods and techniques applied in the diagnostics of high-pressure gas pipelines in different countries.

<u>Work to be undertaken</u>: To consider a draft consolidated report at the next session of the Ad Hoc Group of Experts.

O6.5.6.2 <u>Safety of natural gas transportation</u> (comprises previous separate activities on Methods for detection of gas leakages during gas industry operations and Gas networks balancing) (2005-2009)

<u>Description</u>: Review of new methods and techniques used for detection of gas leakages during its production, transport, storage and use as well as in enhancing pipeline safety and exchange of experience in balancing of gas transportation networks as an instrument to enhance security of gas supply.

<u>Work to be undertaken</u>: Consideration of replies to the questionnaires and draft reports and to decide on future work on this topic

06.5.6.3 <u>Technological and ecological norms required for the design and operation of gas</u> distribution networks

<u>Description</u>: Review of existing norms, standards and techniques related to the design, construction and operation of gas distribution networks and household gas appliances.

Work to be undertaken: To suspend work on this topic.

06.5.6.4 Existing standards and regulations on permissible concentrations of harmful components in gaseous fuels and gaseous fuels combustion products

Description: Review and study of standards and regulations applied in countries.

Work to be undertaken: To suspend work on this topic.

ECE/ENERGY/WP.3/GE.5/2008/2 page 8

06.5.6.5 <u>Technological standards and norms required for design and operation of NGV</u> filling stations (2002-2009)

<u>Description</u>: Inventory of existing standards (national and international) on compressed natural gas filling stations.

<u>Work to be undertaken</u>: To invite Mr. A. Koposov (VNIIGAZ, Russian Federation) to present a draft report on this topic at the next session.

O6.5.6.6 Gas saving to reduce natural gas demand and enhance energy security (2007-2009)

<u>Description</u>: Assessment of the potential for gas saving through technical, economic and regulatory mechanisms and its influence on gas demand elasticity and energy security in UNECE countries in cooperation with Eurogas.

<u>Work to be undertaken</u>: To review progress achieved in the implementation of the study at the next session of the Ad Hoc Group of Experts.

06.5.6.7 <u>Update of the WPG Study on "Underground Gas Storage In Europe and Central Asia"</u> elaborated in 1996-1999 by the special Task Force set up by the WPG and the Gas Centre (2008-2011)

<u>Description</u>: To prepare the work on the update of the Study on <u>"Underground Gas Storage In Europe</u> and Central Asia"

Work to be undertaken: To create conditions for the launch of the update of the Study on "<u>Underground Gas Storage In Europe and Central Asia</u>" and carry it out. To establish a team, which will lead this activity. To include in the new outline of the study questionnaire "Underground gas storage facilities operating in gas hydrostatic overpressure" presented by Mr. P. Cizek (Czech Republic).
