

2023 GAS OVERVIEW AND THE GAS TRANSITION

In 2023, gas consumption fell below 400 TWh, consumption of renewable gases and hydrogen continued to increase

- **Gas consumption in France fell by 11.4% in 2023 to under 400 TWh. This is evidence of people adopting a more conscious approach to the way in which they use gas.**
- **The inversion of flows from West to East is now firmly established: France has consolidated its key role as a point of entry for LNG in Europe, accounting for 22% of all European imports;**
- **Annual renewable gas production capacity now stands at 11.8 TWh – equivalent to 2 nuclear reactors or seven offshore windfarms;**
- **The target of increasing this to 44 TWh by 2030 looks achievable. The challenge now is to pick up the pace regarding Biomethane Production Certificates and quickly issue the pyrogasification call for projects (to produce renewable gases from solid waste);**
- **7 hydrogen transport projects and 2 CO₂ projects have been selected by the European Commission and awarded “Project of Common Interest” status.**

GRTgaz's CEO **Sandrine Meunier** said: “Gas consumption continued to fall in 2023. At the same time, increasing use is being made of biomethane which now has a prominent role in the renewable energy mix: annual production capacity stands at 11.8 TWh. This development, together with the momentum behind these hydrogen and CO₂ projects gives real impetus to the transformation of the gas system, so we can provide manageable and storable decarbonisation solutions”.

20% fall in gas consumption in France since 2021

2023 confirmed the trend that we have been seeing since 2021. Gas consumption in France fell by 20% over the two years between 2021 and 2023. This can be attributed to a milder climate (2023 was the second hottest year after 2022¹), behavioural changes to do with the energy transition and the national energy efficiency plan which is being supported by GRTgaz's Ecogaz scheme. In 2023, gas consumption in France fell 11.4% compared with 2022: 381 TWh were used, down from 430 TWh in 2022. This has happened in spite of gas prices stabilising in Europe and their returning to their pre-war levels in Ukraine (average TTF price² of €43 / MWh in 2023 versus €121 / MWh in 2022; €22 / MWh to date)

Climate-adjusted consumption in the public sector (households, tertiary sector and small-scale industry) is down by 6.5% compared with 2022 and stands at 253 TWh (13.2% lower than in 2021).

Consumption by industrial clients connected up to GRTgaz's network is down by 7.4% and stands at 103.8 TWh (18.2% lower than in 2021). In each sector, changes in manufacturers' consumption have resulted from three primary effects: changes in industrial activity, efforts to be more energy-efficient and drives to use substitute energies.

After 2022 – when gas power plants generated 10% of France's electricity mix to make up for high levels of unavailability across the country's nuclear facilities and low hydropower production – gas consumption of electricity power plants in 2023 fell back to 2021 levels: 36 TWh, down by more than 40%. The gas system continues to serve as an insurance policy, ensuring equilibrium across the system thanks to its flexibility. This way, it is able to offset the uncertainties associated with other sources of electricity generation.

¹Since the start of the 20th century (according to a Météo France report)

² TTF: Title Transfer Facility – European marketplace

GRTgaz confirms its leading role in the European gas supply

Gas flows have now changed direction in Europe. Historically they have always been East to West, but they have now switched from West to East as a result of the war in Ukraine. The flexibility and resilience of European gas infrastructure were further bolstered in 2023 with the commissioning of six floating LNG terminals.

In Europe in 2023, gas supplies fell by 14% – as a result of a fall in demand and lower injection requirements in gas stores. LNG accounts for 41% of European supplies. With five terminals, including the floating LNG port that was set up in Le Havre last year, France has confirmed its role as a major point of entry for LNG in Europe. It now accounts for 22% of all European imports.

Although the volume of French gas transported in 2023 fell by 10% to 680 TWh (down from 760 in 2022), France has continued to transit high volumes to its European neighbours: 112 TWh of gas were transported to France's border countries – mainly to Italy via Switzerland, as well as to Belgium and Germany.

As far as gas stores are concerned, some 140 TWh were withdrawn and injected in 2023. Storage levels remained very high at the beginning of 2023, and were at 100% in November. They are currently 47% full.

GRTgaz reasserts its commitment to the gas transition and is picking up the pace with the development of renewable gases

The momentum behind the development of biomethane has continued in France. 652 methanisation sites were injecting into the networks as of the end of 2023 (an increase of 138 sites), 80 of which are connected to the GRTgaz network (an increase of 17). They account for annual production capacity of 11.8 TWh/year – 2.8 TWh/year in 2023, equivalent to 2 nuclear reactors or seven offshore windfarms. 14.8 TWh's worth of methanisation projects are in development. Under such conditions, France's aim of having 44 TWh of renewable gas injected into its networks could be achieved by 2030. A number of regulatory tools now have to be put in place relatively quickly. These include the Biomethane Production Certificate scheme. And an initial call for pyrogasification projects (for using solid waste to produce renewable gas) needs to be issued. And some consistency regarding purchase tariffs needs to be maintained.

Furthermore, in 2023 the government published its proposed new National Hydrogen Strategy, which forecasts a requirement in the short term for 500 km of hydrogen networks. To support this strategy, GRTgaz is engaged in developing seven projects (six of which have been awarded PCI or "Project of Common Interest" status): HY-FEN (Rhône Valley), MosaHYc, RHYn, DHUNE, WHHYN, Hynframed and BarMar. In 2023, DHUNE (Dunkirk) and Hynframed (Fos-sur-Mer/Manosque) entered the basic engineering design phase. RHYn (Alsace) will be entering the design feasibility phase following the success of its call for expressions of interest. The MosaHYc project (Moselle/Sarre) is progressing and an investment decision is expected in 2024, with a view to its being brought into service in 2027. The BarMar-H2Med project (Marseille/Barcelona), for which GRTgaz is part of the consortium, has entered the design feasibility phase.

GRTgaz is also playing its part in addressing the challenge of reducing greenhouse gas emissions by developing transmission networks for CO₂ captured at industrial sites. The proposed project in the Dunkirk basin and the GOCO₂ project in western France have also been awarded "Project of Common Interest" status by the European Commission.



Press contact:

Valentine Leduc
valentine.leduc@grtgaz.com
+33 (0)7 64 78 26 47

GRTgaz is Europe's second-largest gas carrier, with 32,618 km of pipes and 640 TWh of gas transported. The company has 3330 employees and generated nearly €2.1 billion in turnover in 2022. GRTgaz has a [mission statement](#): "Together, we enable an energy future that is safe, affordable and climate neutral". GRTgaz is an innovative company undergoing a major transformation to adapt its network to new ecological and digital challenges. It is committed to a 100% carbon-neutral French gas mix by 2050. It supports the hydrogen and renewable gas sectors (biomethane and gas from solid and liquid waste). GRTgaz carries out public service missions to guarantee the safety of gas transmission for its 879 clients (shippers, distributors, industrial companies, biomethane plants and producers). With its subsidiaries [Eleny](#), the European leader in LNG terminal services, and [GRTgaz Deutschland](#), operator of the MEGAL transmission network in Germany, GRTgaz plays a key role on the European gas infrastructure scene. The company exports its expertise internationally, in particular services developed by its research centre, [RICE](#). Find us at <https://www.grtgaz.com/>, or on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

