



MINISTER
MINISTRY OF ECONOMIC AFFAIRS AND CLIMATE POLICY

H.E. Dr. Robert Habeck
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Dear Minister,

On December 9th 2021, the Dutch Transmission System Operator (GTS) received a notification from the German authorities, which stated an additional demand for Dutch low calorific gas (L-gas) following the adjusted projections of the German demand for L-gas for the current and coming gas years. Following this notification, our respective ministries have been in contact with each other, but have not yet been able to reach an understanding.

I send this letter, to express my concern in relation to your notification and to ask you to maintain our close collaboration, in line with established practice, in order to mitigate the risks and consequences that arise from the new projections. More specifically, I would like to draw your attention to the urgent need to end the production from the Groningen field as soon as possible in order to lower the risk of severe earthquakes. In light of this risk, which at the moment remains indisputably high, I would like to stress the importance of avoiding any increases in the demand for gas from the Groningen field.

The news on the increase in the German demand for Dutch L-gas has come as an unpleasant surprise for the Netherlands. Mainly because it also concerns the demand in the *current* gas year: an increase in the German demand in this gas year forms a risk for the Dutch security of supply and could make it necessary to revise the production decision for the Groningen field which was taken in September. The Dutch conversion facilities alone have insufficient capacity to meet the additional German demand for L-gas. As you can



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imagine, any increase in the production from the Groningen field would be very hard to explain to the people in Groningen, who today still experience the consequences of the past production from the field.

In order to limit and eventually end the safety risks as a result of the production from the Groningen field, Dutch legislation regulating the production from the Groningen field was amended in 2019. In accordance with Dutch law, I can only decide to revise a production decision or take a temporary measure allowing for an increase of production from the Groningen field if this is necessary in order to safeguard the security of supply. In my decision I have to take into account the safety of the people living in the area of the Groningen field, the safety of the people affected by a shortage of gas and also other consequences of a shortage of gas, such as the impact on economic interests and the wellbeing of people affected by a shortage of gas.

What, in light of the limited possibilities for the Dutch authorities to increase production from the Groningen field, further complicates the issue is that the German L-gas storages have not been completely filled in the last injection season. Compensating for that during an ongoing gas year will, in all likelihood, by media, citizens and politicians be seen as a measure at the expense of the Dutch security of supply and the safety of the people in Groningen. What makes it even more complicated is that we are currently involved in a discussion with the government of Lower Saxony on the exploration of a gas field in the North Sea below the Dutch-German border which contains about 60 bcm of L-gas. Up until now the government of Lower Saxony is unwilling to issue the necessary permits to allow for production. Although I realize that those permits cannot be issued in time to have an impact on the current gas year, it will be difficult for me to explain and defend an increase in the Groningen production while at the same time Germany has been unwilling to increase its own L-gas production.

Although I realize and appreciate that Germany has actively supported the phasing out of gas production from the Groningen field for many years now, it is of *vital importance* for the Dutch government to prevent additional Groningen production as much as possible. An increase in production from the Groningen field is our last resort and can only be used when there is a severe risk for the security of supply and there is absolutely no other option available.

With this in mind I would like to ask you to send me a formal notification of the adjusted forecast in Germany for the current gas year. I would also like to ask you to inform me on any measures Germany could take in order to lower the upwards adjustment in the German demand for Dutch L-gas as much as possible. Finally, in order for me to meet our Dutch legal requirements, I would need information on the risk for the security of supply in Germany. What are the risks when there is insufficient L-gas in order to meet the increase of approximately 1 bcm in the German demand? And what are the



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risks when the low levels in the German L-gas storages cannot be compensated during the current gas year with Dutch L-gas?

I appreciate your consideration in this matter and look forward to your response.

Yours sincerely,

Stef Blok
Minister of Economic Affairs and Climate Policy