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Distrigas and GasTerra are negotiating a prolongation of gas supply from the Netherlands

Today, Distrigas NV and GasTerra BV signed a Letter of Intent concerning the continued supply of low-calorific gas (L-gas) after the end of the current supply agreement. In that respect parties commence negotiations concerning the prolongation of gas deliveries and related conditions.

Erwin Van Bruysel, CEO of Distrigas: "The purpose of the additional gas purchase from the Netherlands is to ensure the continuity of the low-calorific gas supply to Belgium until after 2020. The current contract has been in place for 40 years and has already been extended several times. We are cooperating constructively with GasTerra, our supplier, in order to accomplish another prolongation of the supplies in the interest of the Belgian consumers. This prolongation would allow to postpone once again the high investment cost linked to a conversion from low to high calorific gas (H-gas) for Belgian clients and to continue to benefit from the secure supplies of the nearby gigantic Slochteren field. Moreover, the supply flexibility offered by this contract also implies that upon prolongation our need for additional underground storage - which can only be found outside Belgium - will be reduced substantially."

Gertjan Lankhorst, CEO of GasTerra : "The Netherlands still has more than 1,400 billion m³ of natural gas at its disposal. Our current long-term contract with Distrigas still continues into the second half of the next decennium. The importance of long-term security makes that GasTerra is taking actual initiatives to negotiate a new long-term contract with Distrigas for the period up to 2020, and beyond. The relationship with Distrigas for the supply of Dutch natural gas to Belgium already dates from 1966 and has proven to be extremely successful for the entire chain from production to consumption. GasTerra is confident that these supplies could still be continued for many years."

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Other languages

The press release is available in Dutch and French. You may also read it on the Distrigas website: www.distrigas.eu.