THE MISSING PIECE IN THE TURKEY’S GAS HUB AMBITIONS
Agenda

What is a “Gas Trading Hub”?  
Why is a Turkish Hub beneficial for Turkey?  
Why is a Turkish Hub beneficial for Turkey’s natural gas suppliers?  
Why is a Turkish Hub beneficial for demanding markets?  
Four Pillars of a Well-Functioning Natural Gas Hub
What is a “Gas Trading Hub”?

Physical Gas Hub
- The hub is existing in a certain location
- Trade is affected by its environment like weather conditions
- Arbitrage on the prices can be observed due to physical constraints in transmission system
- Henry Hub (USA) and Zeebrugge (Belgium) are prominent examples

Natural Gas Hub
is a platform in which natural gas can be traded by both adequate number of buyers and sellers at fair prices in a reliable environment

Virtual Gas Hub
- Whole trade has done in a hypothetical location
- Adequate stability must be ensured to be recognized as a hub with a hypothetical system
- Arbitrage opportunities between markets occur much less, since the hypothetical system has lack of physical problems
- National Balancing Point (UK) and Title Transfer Facility (the Netherlands) are prominent examples
Why is a Turkish Hub beneficial for Turkey?

- Energy Security Objectives
- Macroeconomy Related Benefits
- Environmental Performance
- New Services and Other Value Add from a New Business in Turkey
Why is a Turkish Hub beneficial for Turkey’s natural gas suppliers?

- Rebranding of gas molecules
- Regional market for suppliers
- Increased market activity
- More demand is better than restrictive contracts
- Hedging and risk management by means of a liquid growth market
Why is a Turkish Hub beneficial for demanding markets?

- Increased competition in European Gas Markets
- Increased availability and flexibility of Gas in SEE
Four Pillars of a Well-Functioning Natural Gas Hub

- Commercial Issues
- Physical Infrastructure
- Regulatory Issues
- Network Operations

Four Pillars of a Well-Functioning Natural Gas Hub
- Thank You -

/in/keremtopuz   @Keereeeem
ktopuz@mncmconsulting.com
www.mncmconsulting.com

Disclaimer:
This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License. The licensor permits others to copy, distribute, display, and perform the work, as well as make and distribute derivative works based on it but only under the same or compatible license. The licensor permits others to copy, distribute, display, and perform the work, including for commercial purposes.