Security of gas supply: 
Regulation (EU) 2017/1938 in the Energy Community

Energy Community Secretariat │ Gas Unit
Vienna, 5 July 2018
Security of gas supply: legal framework

**Directive 2004/67/EC**
- Policies for securing gas supply
- Specific (protected) customers
- Supply standards
- **National** emergency measures
- Community mechanism
- Gas Coordination Group / Security of Supply Coordination Group
- Reporting & monitoring

**Regulation (EU) 994/2010**
- Competent authority
- Protected customers
- Supply & infrastructure standards
- Risk assessment
- Preventive Action Plans
- Emergency Plans
- National emergency measures / voluntary joint plans & measures
- Crisis levels
- Commission’s role
- Community mechanism
- Gas Coordination Group
- Information exchange, reporting, monitoring

**Regulation (EU) 2017/1938**
- Competent authority
- Protected customers (harmonised)
- Supply standards
- Improved infrastructure standards
- Risk assessment (regional): content & template
- Preventive Action Plans: content & template
- Emergency Plans: content & template
- National emergency measures / mandatory regional plans & measures
- Crisis levels
- **Strong Commission’s role**
- Community mechanism
- **Solidarity**
- Gas Coordination Group
- Information exchange, reporting & monitoring

**Energy Community: mandatory since 2009**

**European Union: 7 years of practice**
Security of gas supply: infrastructure

Gas networks of CPs are better connected with EU MSs than with each other* (*special case of Georgia)

Decisive factor for security of gas supply (procedural & actual)
Revision of the Regulation & adaptation for EnC


Aim was to create a fully operational framework for security of gas supply based on 4-years implementation experience and stress test in 2014

An ambitious process - revision and adaptation of the Regulation for the Energy Community Contracting Parties and ECS were involved in the process to the extent possible

Commission’s proposal for inclusion of EnC CPs in revised Regulation:

<table>
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<tr>
<th>RECIPROCAL OBLIGATIONS</th>
<th>SWITCH-ON</th>
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<td>• Extension of the application of the regulation to the Contracting Parties of the Energy Community (Article 15)</td>
<td>• Joint Act of the Ministerial Council of the Energy Community introducing reciprocal obligations on the side of Contracting Parties in the relations with the Member States</td>
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<tr>
<td>✓ Risk assessment, preventive action plans, emergency plans</td>
<td>• Contracting Parties of the Energy Community implement the Joint Act including a request for the application of the provisions</td>
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<td>✓ Enabling reverse flows</td>
<td>• Energy Community Secretariat notifies the implementation and a request to the Commission to confirm the applicability of reciprocal obligations</td>
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<td>✓ Commitment not to take measures that negatively impact security of supply of the neighbours</td>
<td>• Commission confirms the reciprocal character of the obligations by a decision</td>
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<td>✓ Participation in solidarity</td>
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Covering cross-border cooperation between EU MSs and CPs: from “Reciprocity & Switch-on” clauses proposed by the Commission to the finally adopted text of Article 16:

“Cooperation with the Energy Community Contracting Parties

1. Where the Member States and the Energy Community Contracting Parties cooperate in the process of the establishment of risk assessments and preventive action plans and emergency plans, such cooperation may include, in particular, identifying the interaction and correlation of risks and consultations with a view to ensuring consistency of preventive action plans and emergency plans across the border.

2. With respect to paragraph 1, Energy Community Contracting Parties may participate in the GCG upon invitation by the Commission on all matters of mutual concern.”
Regulation (EU) 2017/1938 in the Energy Community

- Competent authority
- Protected customers (harmonised)
- Supply standards
- Improved infrastructure standards
- National Risk Assessment: content & template
- National Preventive Action Plans: content & template
- National Emergency Plans: content & template
- National emergency measures
- Crisis levels
- Community mechanism
- Gas Coordiantion Group / Security of Supply Coordination Group
- Information exchange, reporting & monitoring

Transposition without difficulties

- Potentially complicated transposition
- Mandatory regional risk assessments, preventive action plans & emergency plans
- Regional risk groups
- Strong EC role / strong ECS role
- Solidarity
Annex I – regional risk groups – inclusion of CPs?

1. Eastern gas supply risk groups:
   (a) Ukraine: Bulgaria, Czech Republic, Germany, Greece, Croatia, Italy, Luxembourg, Hungary, Austria, Poland, Romania, Slovenia, Slovakia; **Ukraine, Serbia, Bosnia and Herzegovina, Moldova, fYR of Macedonia**
   (b) Belarus: Belgium, Czech Republic, Germany, Estonia, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Slovakia; **Ukraine**
   (c) Baltic Sea: Belgium, Czech Republic, Denmark, Germany, France, Luxembourg, Netherlands, Austria, Slovakia, Sweden;
   (d) North-Eastern: Estonia, Latvia, Lithuania, Finland;
   (e) Trans-Balkan: Bulgaria, Greece, Romania. **Ukraine, Moldova, fYR of Macedonia**

4. South-East gas supply risk groups:
   (a) Southern Gas Corridor — Caspian: Bulgaria, Greece, Croatia, Italy, Hungary, Malta, Austria, Romania, Slovenia, Slovakia; **Albania, Georgia, fYR of Macedonia**
   (b) Eastern Mediterranean: Greece, Italy, Cyprus, Malta.
Annex I – regional risk groups – inclusion of CPs? (cont.)

Ukraine
Serbia
Bosnia and Herzegovina
fYR of Macedonia
Moldova
Albania
Georgia
Montenegro
Kosovo *

But only:
Ukraine – Moldova &
Serbia – BiH
are connected
**Dream legal possibility:**
Annex I amended by EC to include Contracting Parties in relevant groups

**Hope of the year:**
Energy Community Treaty amendments to allow reciprocity in general

**Compromise solution:**
Adaptation to fit national measures and voluntary cooperation

**Actually ongoing:**
Voluntary transposition and implementation of certain elements (e.g. RA, PAP, EP) by individual CPs (Ukraine) with the help of JRC (UA, RS, MK, BiH... MD to come)
CPs invited to EU Gas Coordination Group
Thank you for your attention!

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