Gas infrastructure framework for the Contracting Parties

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Gas market to be developed....
National gas network development plans

Development of national network
Being part of big international projects
Interconnectors with (all) neighbours

To use huge existing transit capacity
To diversify supply
Projects of Energy Community Common Interest

- Energy Community Strategy adopted by the Ministerial Council in 2012
- Energy Strategy Task Force to prepare a list of Projects of Energy Community Interest (PECIs)
- TF was assisted by the Consultant
- Similar methodology as for PCI in EU; CBA in line with (proposed) Regulation 347/2013
- The List adopted by the Ministerial Council in 2013
- 23 gas projects submitted – 10 listed as PECIs
Projects of Energy Community Interest – Gas Infrastructure

Map source: ENTSOG
CESEC – development steps

- October 2014 – stress test report
- December 2014 – political declaration
- February 2015 – terms of reference
- July 2015 – MoU signed
  - EU | AL | AT | BG | FYROM | GR | HR | HU | IT | ROM | SI | SK | SRB | UA | MD
- Implementation Phase
- Spring 2016 – 3rd High-Level wrap-up
CESEC – missing infrastructure and market elements for security of supply

- Based on 2014 stress test: (7) **6 priority projects** to increase SoS via strengthened interconnection
  - TAP
  - Interconnector GR-BG (IGB)
  - Interconnector BG-SRB
  - System reinforcement BG
  - System reinforcement ROM
  - LNG Terminal HR
  - LNG evacuation system towards HU
CESEC – Action Plan

A) Selection of a limited number of key projects benefiting the CESEC region

B) Identification and addressing of project-specific challenges

C) The financing aspects, including the role of EIB and EBRD

D) Addressing the market integration challenges
   On access rules
   On free flow of gas
   On competition and the role of the State in markets
# CESEC – translating into practical progress

<table>
<thead>
<tr>
<th>MoU criteria</th>
<th>National relevance</th>
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<tbody>
<tr>
<td><strong>Ensuring transparent and non-discriminatory third-party access</strong></td>
<td>Establish capacity allocation mechanisms and congestion management rules allowing TPA in forward and reverse flow</td>
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<td>Establish market-based balancing mechanisms</td>
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<td>Develop transparent and non-discriminatory tarification rules that do not distort trade across borders</td>
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<td><strong>Ensuring free flow of gas and provision of competitive framework</strong></td>
<td>Remove legal or contractual barriers to competition</td>
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<td>Ensure barrier-free market entry</td>
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<td>Optimise actual capacity use in both directions, including backhaul</td>
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<td><strong>Infrastructure related measures</strong></td>
<td>Adopt interconnection agreements</td>
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<td>Provide a cross-border cost allocation mechanisms in line with Regulation (EU) 347/20</td>
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<td>Ensure harmonised framework of operation of interconnected EU MS-EnC CP systems</td>
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<td><strong>Measures required for market integration</strong></td>
<td>Discuss possibilities to integrate gas markets with neighbouring EU and EnC gas markets</td>
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<td><strong>Cross-cutting measures</strong></td>
<td>Ensure independence of national energy regulatory authorities based on pre-defined indicators</td>
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<td>Unbundle and certify transmission system operator in line with the Third Energy Package</td>
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<td>Apply for observer status in ACER based on a positive opinion of the European Commission</td>
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<td>Increase effectiveness of national administrative authorities, including for competition and State aid</td>
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Regulation 347/2013 adopted for the Energy Community by the Ministerial Council in October 2015

Preparation for PECI list update
Gas infrastructure framework

Third Energy Package – to be implemented
TSO-TSO cooperation in different frameworks
RA-RA cooperation in different frameworks
Cross border issues
SoS cooperation
Regional initiatives, EU initiatives
EU legislative framework spread over the Energy Community
IFIs and their views/support
Gas in national energy mix
Gas in global picture
Thank you for your attention!

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