



2012 Cold Spell

Lessons learnt

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European Commission

PHLG, 23 March 2012

The Cold Spell in January-February 2012



AVERAGE DAILY TEMPERATURE

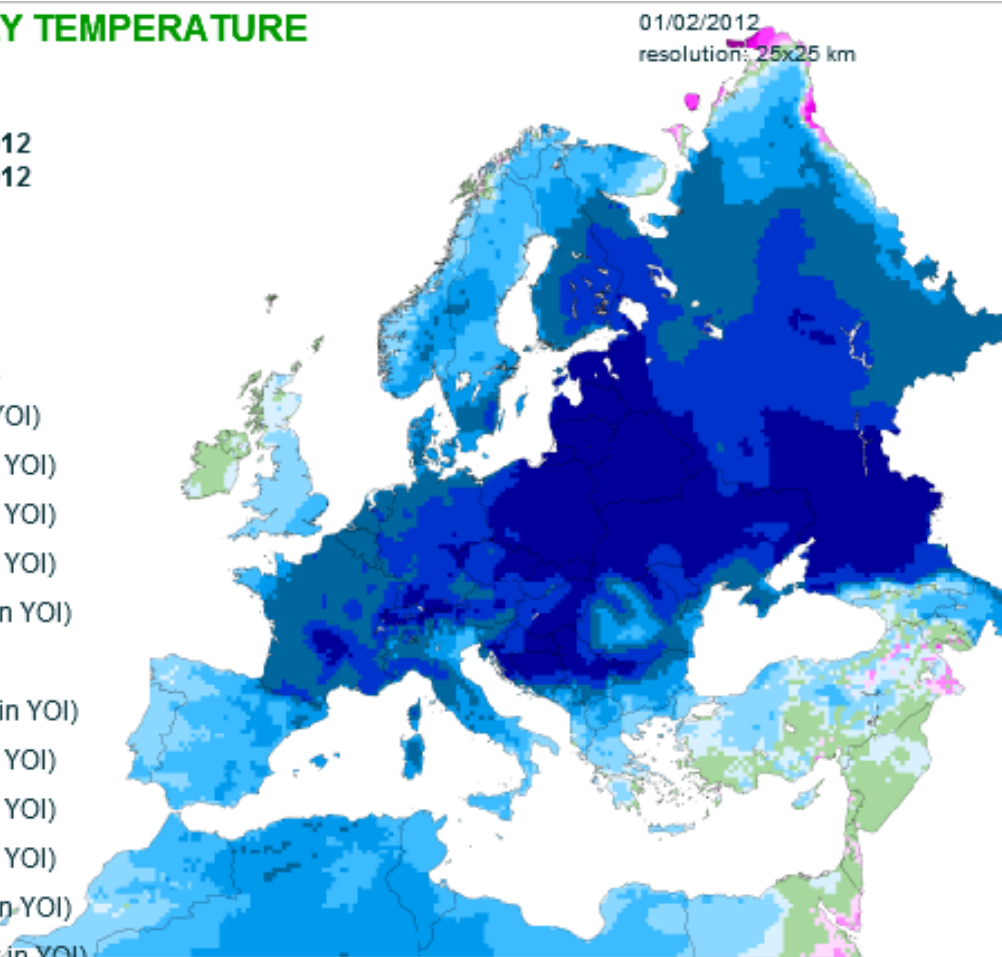
Averaged values

from : 01 February 2012
to : 10 February 2012

Deviation:

Year of interest - LTA

Unit: degrees Celsius



MARS

ies

JRC
EUROPEAN COMMISSION

Source: ECMWF analysis Deterministic Model
Processed by: ALTERRA Consortium
On behalf of: AGRU4CAST Action - MARS Unit

- Exceptionally low temperatures for a prolonged period
- Demand peaks ranging between 1-in-20 and 1-in-60
- Simultaneously in MSs, transit and supplier countries
- Reduced/curtailed supplies via pipelines, LNG
- Internal bottlenecks

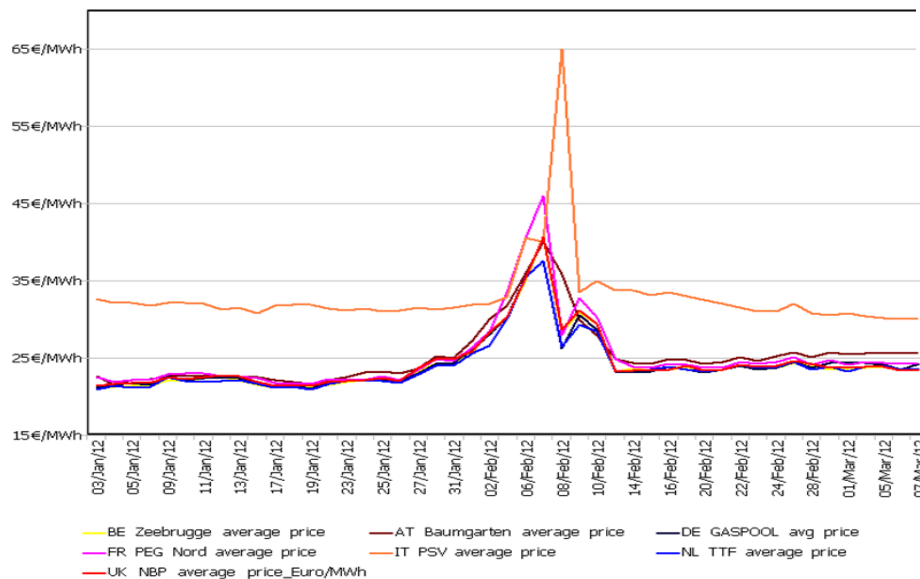
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Actions taken and developments

- Shippers optimized their portfolios – increased storage withdrawal, maximization of imports

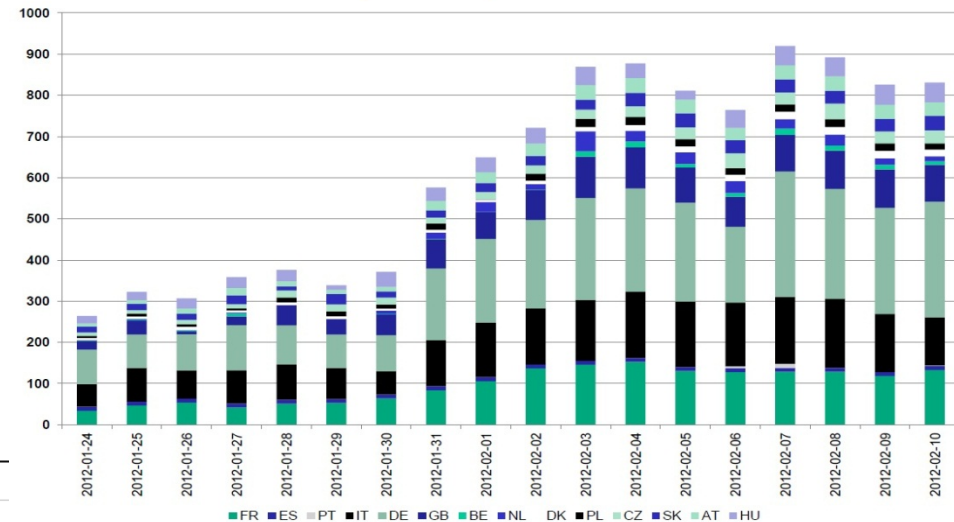
Source: Market Observatory for Energy

European hubs daily average of day-ahead gas prices



Gas Storage Europe

2012 Europe: daily withdrawal in mcm



Source: Gas Storage Europe

- Prices on hubs reacted rapidly



- The worst-case scenario can happen. In both gas and electricity
- Gas market in the EU was able to deliver, storage was important. LNG was limited help in this case.
- Close correlation between gas and electricity SoS.
- Coordinate and communicate with neighbours to assess effects of national decisions on other countries!
- Need to take lessons learnt into account at PAPs and EPs.



- Transparency requirements not fully met – information on nominations, flows, demand needed in a user friendly format.
- Always accessible, competent emergency contacts + language!
- Update of the Winter Outlook, resilience of the system.
- Bottlenecks, availability of gas on the spot market?
- Best solutions for peak shaving – new infrastructures?
Demand side measures? Need for speedy implementation of EEPR projects!



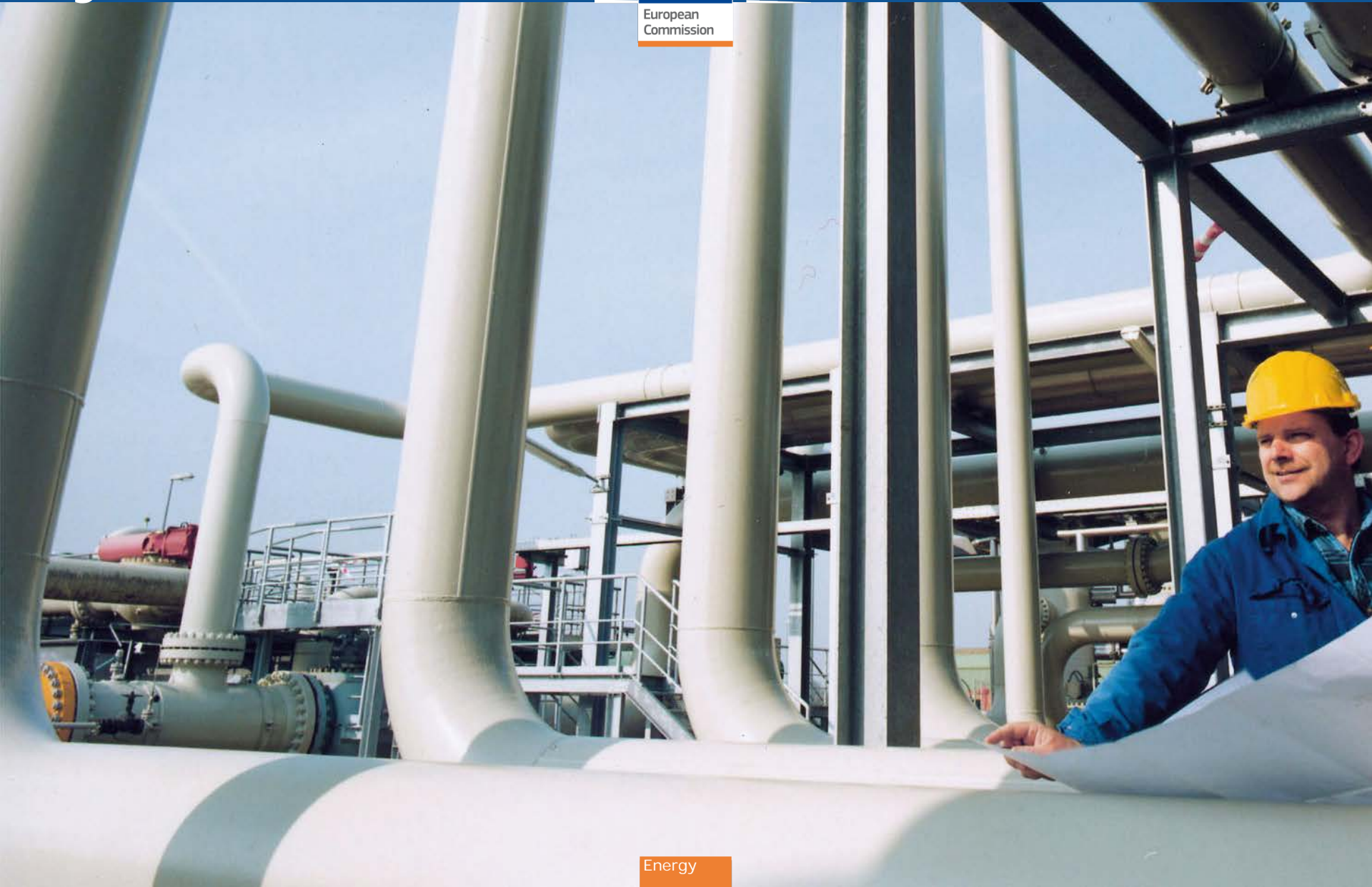
- **Exchange of information and coordination is essential**
 - On regular basis – Security of Supply Coordination Group
 - In case of crisis – SSCG and contacts with the Secretariat

- **Swift information is valuable. Late information is useless.**

- **Assessment of the February situation can help preparedness.**
 - What were the effects of the severe conditions?
 - How did the market work?
 - How were neighbours informed?

- **Useful elements of the 994/2010 SoS Regulation with minimum investment needs:**
 - Risk Assessment
 - Preventive Action Plan and Emergency Plan
 - Nomination of a Competent Authority
 - Multi-level emergency levels (Early Warning, Alert, Emerg.)

Thank you for your attention!



Energy