



# Regulation on Security of Gas Supply

DG ENER

Brussels, 17 February 2016



# Enhanced regional cooperation

- **Shift from national to regional approach**
  - ✓ Regional risk assessment, preventive action plans and emergency plans
  - ✓ Introduction of templates (Annex IV and V)
  - ✓ Member States to inform the Gas Coordination Group on the agreed cooperation mechanism
  - ✓ Commission as facilitator of the regional cooperation
  - ✓ Commission may propose mechanism for regional cooperation if Member States in the region do not come to an agreement



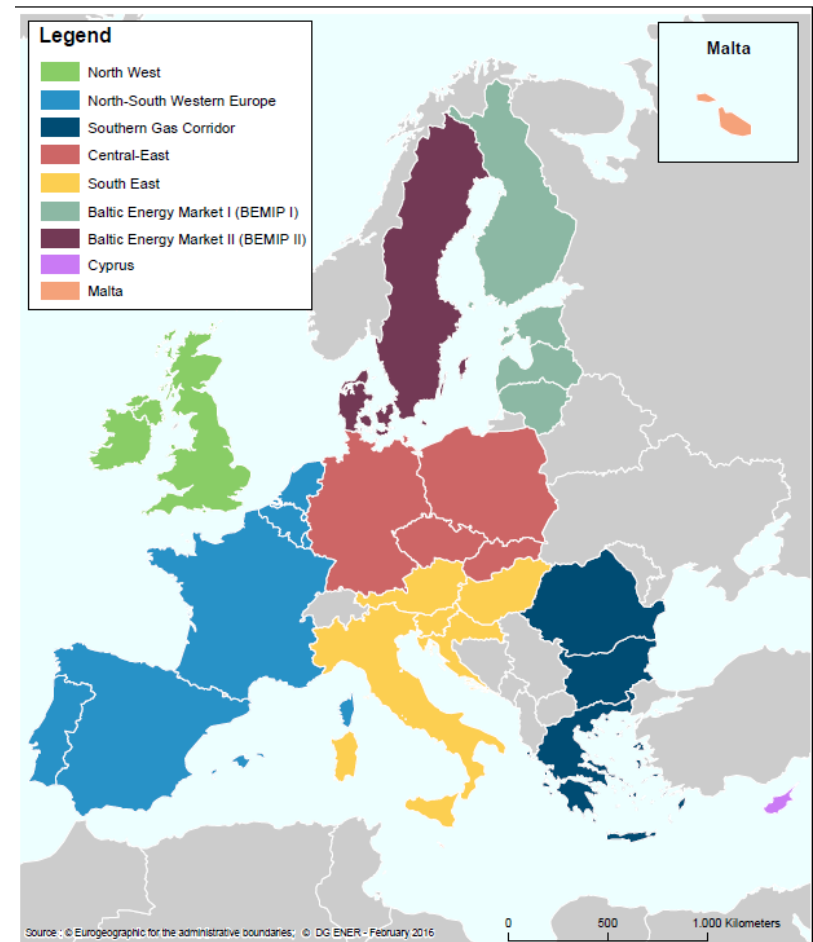
# Enhanced regional cooperation (2)

## More **effective assessment** of the plans (Article 7)

- ✓ Notification of the plans to the Commission upon adoption by all Member States in the region
- ✓ Peer review (Procedure in Annex VI)
  - ✓ One peer review team per region
  - ✓ Geographical balance and involvement of neighboring Member States
- ✓ Discussion of the plans (including peer review report) in the Gas Coordination Group
- ✓ Commission opinions with recommendations to review the plans
- ✓ Possible Commission decision requiring amendments to the plans

# Proposal for the regions

- Proposal for the design of the **regions** based on existing regional groups to the extent possible
  - ✓ Geographical proximity
  - ✓ Existing and planned interconnections
  - ✓ Possibility to pool resources and balance risks for security of supply
  - ✓ Market development and maturity
  - ✓ Manageable number of Member States in the region





# Infrastructure standards

- **N-1 calculation** is maintained but will be accompanied by **hydraulic calculations** and an EU-wide simulations carried out by ENTSOG
- Obligation to enable **reverse flow** at all interconnection point is maintained
- Streamlined **procedure** for enabling reverse flow or exemptions from the reverse flow obligation
  - ✓ **Corridor approach** – impact on all Member States affected and Energy Community countries
  - ✓ Involvement of ACER
  - ✓ Revision of existing exemption decisions

# Solidarity

- Explicit introduction of solidarity principle in the Regulation (Art.12)
  - ✓ Priority of supplies to households, essential social services, and district heating in a Member State A under emergency over consumers other than those in a (directly connected) Member State B – application from 1 March 2019
  - ✓ Need for Competent Authorities to make necessary arrangements so that gas not supplied to other customers can be supplied to Member States in the emergency
  - ✓ Need for technical and administrative arrangements between the Member States shall be agreed before hand
  - ✓ If Member States fail to agree, the Commission may propose a mechanism

# Improved risk assessment and risk prevention

- **Enhanced access to contractual information** irrespective of declaration of emergency – staged approach
  - ✓ Automatic notification of contractual information (no longer only in aggregate form, limited increase in scope)
  - ✓ Empowerment of Competent Authorities to request additional information from gas undertakings outside an emergency in duly justified circumstances
  - ✓ Automatic ex-post notification of gas supply contracts relevant for SoS (duration exceeding 1 year and covering more than 40% of annual gas consumption in the MS concerned)
- Obligation to assess **all relevant risks** (listed in the template, including control of SoS relevant infrastructures by third country entities) and address them by effective, proportionate and non-discriminatory measures



# Energy Community I

## RECIPROCAL OBLIGATIONS

- Extension of the application of the regulation to the Contracting Parties of the Energy Community (Article 15)
  - ✓ Risk assessment, preventive action plans, emergency plans
  - ✓ Enabling reverse flows
  - ✓ Commitment not to take measures that negatively impact security of supply of the neighbours
  - ✓ Participation in solidarity
  - ✓ Participation in the Gas Coordination Group on certain issues





# Energy Community II

## SWITCH-ON

- 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
- Contracting Parties of the Energy Community implement the Joint Act including a request for the application of the provisions
- Energy Community Secretariat notifies the implementation and a request to the Commission to confirm the applicability of reciprocal obligations
- Commission confirms the reciprocal character of the obligations by a decision



# Next steps for Energy Community

- ✓ **17 March: Gas Coordination Group of the EU**
  - Presentation of the proposal by the Commission
- ✓ **22 June: PHLG**
  - Information from the Commission and discussion in view of the future Joint Act
- ✓ **14 October: Ministerial Council**
  - Information from the Commission and discussion in view of the future Joint Act
- ✓ **After adoption of the EU Regulation: proposal of the Commission/EU on the Joint Act**



***Thank you for your attention!***