Regulation on Security of Gas Supply

Permanent High Level Group of Energy Community

DG ENER

Brussels, 16 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
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
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

RECI PROCAL 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
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!