

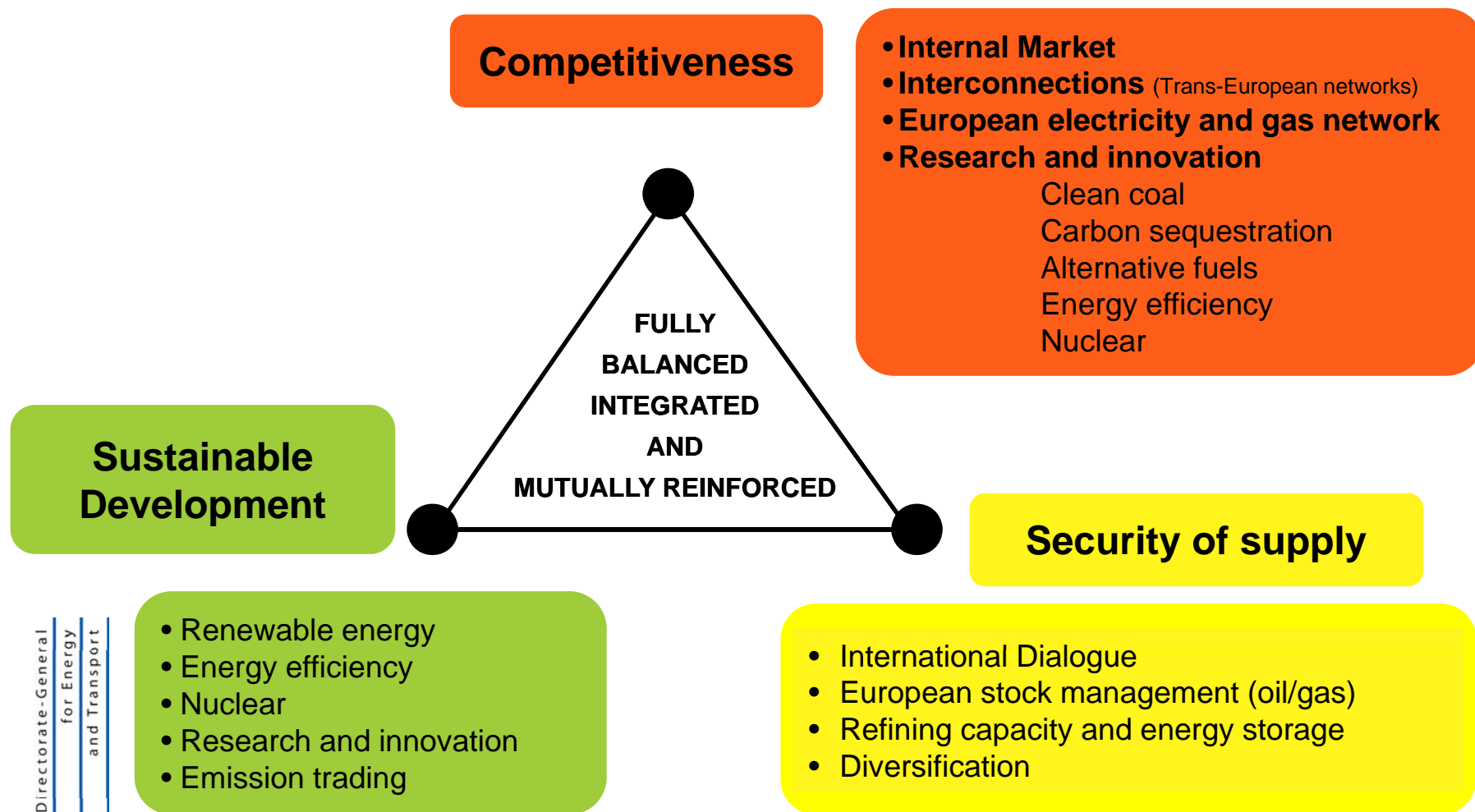
Security of gas supply: Gas Coordination Group

Jean-Arnold Vinois

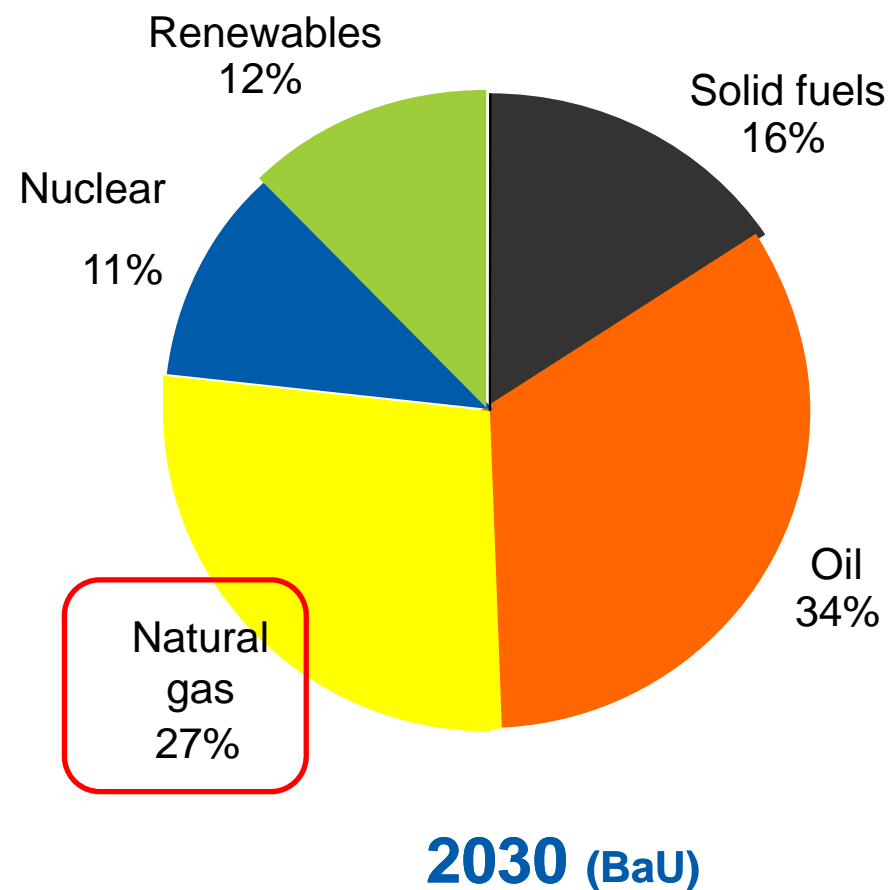
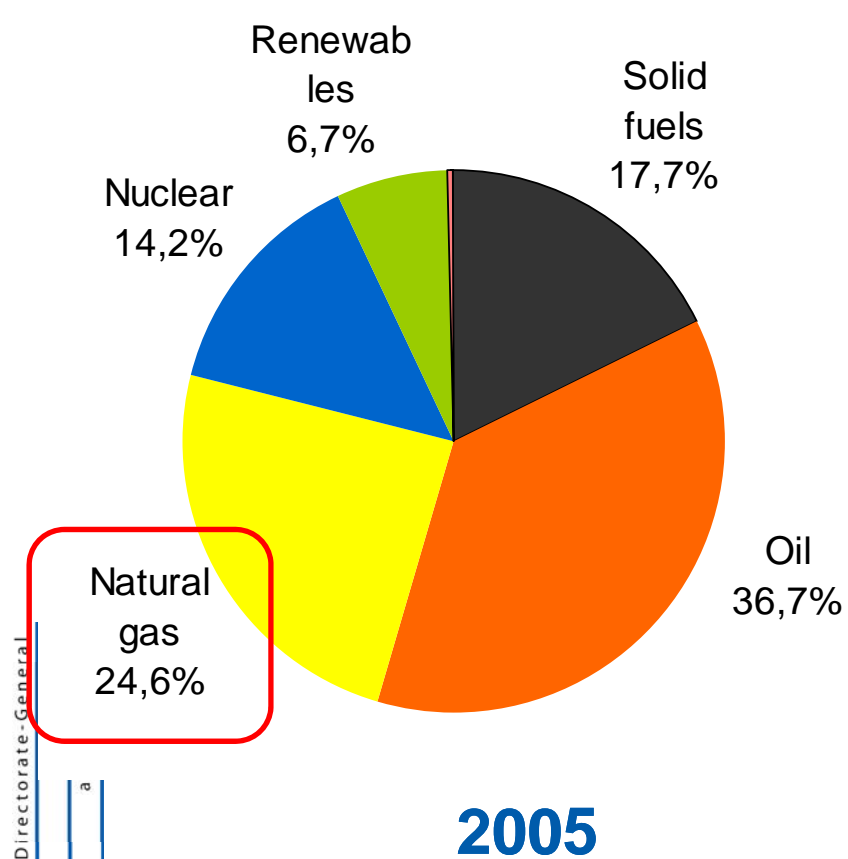
Head of Unit Energy Policy and Security of Supply
Directorate General for Energy and Transport

**European Energy Forum Dinner Debate
Brussels 27th February 2008**

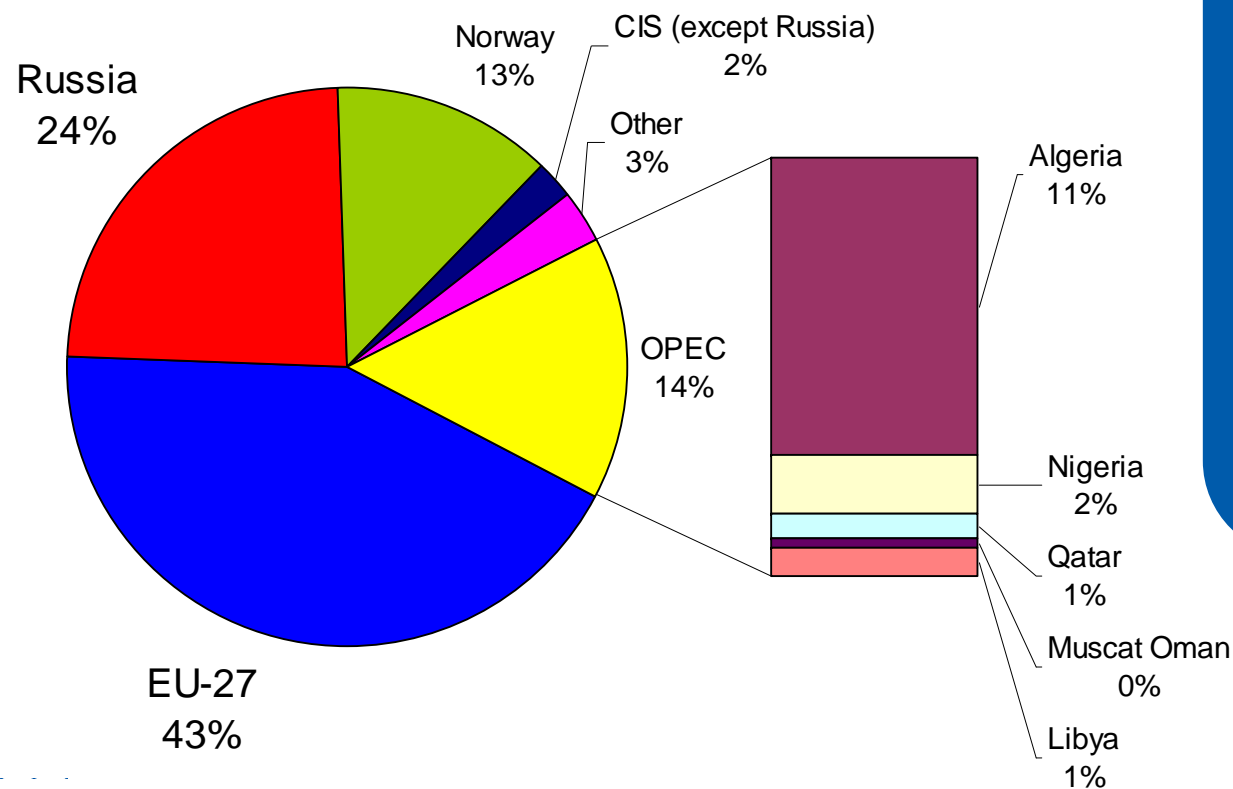
● Triple challenge



● The EU energy mix



● EU-27 ORIGIN OF GAS



- Growing gas demand
- Decreasing EU27 production
- Import by 2010 – 62%
- Import by 2030 – over 80%

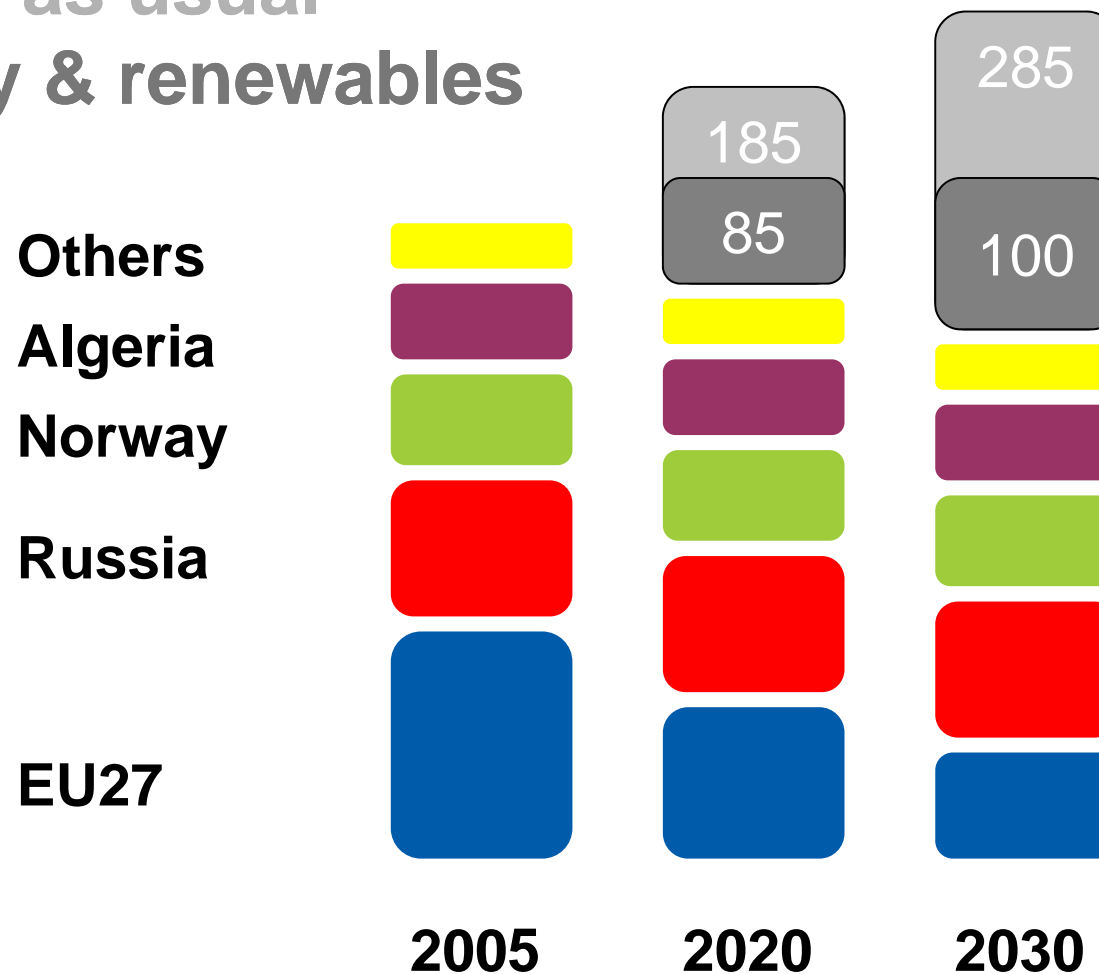


Source : European Commission, Eurostat 2005

● EU-27 ORIGIN OF GAS – Future outlook

Business as usual

Efficiency & renewables



● Elements for security of gas supply – the instruments

- Internal market
- Solidarity
- Security of gas supply directive
 - » Gas Coordination Group
- Diversification of sources and supply routes
 - » Infrastructure
- LNG
- Storage
- Energy efficiency
- A common international energy policy
 - » Cooperation with current supply countries
 - » Opening up to new supply countries
- Co-ordination of TEN-E

**3rd package
IEM**

**Second
Strategic
Energy
Review**

TEN-E coordinators

● **Second Strategic Energy Review – Nov. 2008**

- Focus on **Security of Supply** (of all fuels)
- Green paper on **TEN-E guidelines**
- **Evaluation report of Directive 2004/67/EC on Security of Gas Supply**
- Study on **Gas Storage** in the EU – is there a need for a common approach on **strategic stocks**?
- Development of **indigenous production**
- Update on the state of **implementation** of the first Strategic Energy Review
- Communication on **external energy policy**

The Gas Coordination Group

- The Gas Coordination Group was established by Gas Security of Supply directive (2004/67/EC) and Decision (2006/791/EC) in order to **facilitate the coordination of security of supply measures between European Union Member States.**
- Its **members** are:
 - » senior officials of **25 Member States'** administration (Malta and Cyprus exempt)
 - » **Industry** representatives: Eurogas, GIE and OGP
 - » representative of **consumer** associations: Eurelectric, BEUC, IFIECI

Gas Coord Group Work program 2008

1. **Exchange of information:**
 - » On the current and future security of supply situation,
 - » On the implementation of security of supply measures taken under Article 3 and 4 of Directive 2004/67/EC
 - » With producing and transit countries
2. **Evaluation report on Directive 2004/67/EC**
3. **Scenarios for the management of major supply disruption**
4. Definition of a **compensation mechanism** in line with Article 9(6) of Directive 2004/67/EC
5. **Database for relevant information** on security of gas supply
6. **Solidarity arrangements**
7. Study on **natural gas storage** in the EU

● Gas Storage – need for a common approach?

- Study by the Commission – timing: July 2008

Objective:

To provide a comprehensive picture of the gas storage situation throughout the EU

- » Assessing **cost and availability** of existing and planned gas storage in the EU, in each member state and along main pipelines
- » Overview of **access rules and ownership**
- » Experience of countries with **strategic stocks**
- » Recommendation on **common approach**

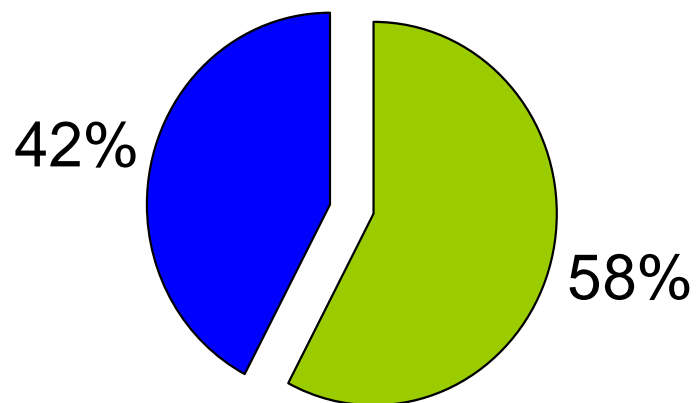


Solidarity cooperation in the 3rd Internal Energy Market package

- In proposed Gas Directive
- Member States should cooperate in order to promote **regional and bilateral solidarity mechanisms**
- Cooperation intended to cover situations which are likely to result in **severe disruptions** of gas supply
- Examples of this coordination are
 - » **streamlining of national measures** to deal with emergencies
 - » elaboration of **practical modalities for mutual assistance**
- Shall not serve as excuse not to invest in security of supply infrastructure e.g. storage

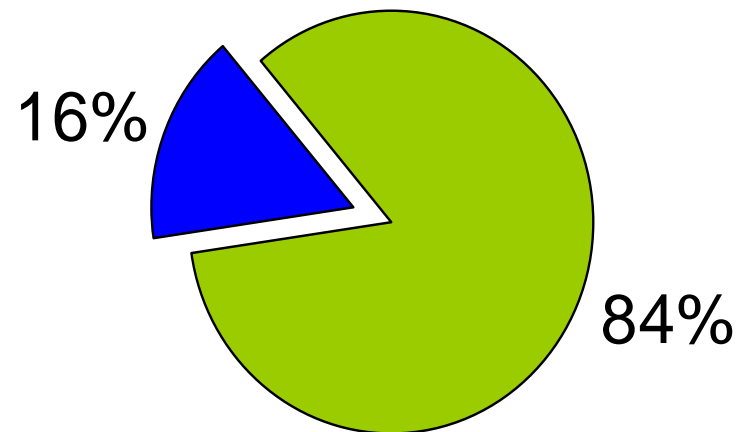
● Origin of natural gas

**EU27 Gas consumption
2005**



■ EU27 production
■ Import

**EU27 Gas consumption
2030**



**Need for a common EU
external energy policy**

- **The external energy policy**
 - to be defined by end 2008 (SEER2)



INFORMATION & DOCUMENTATION

All documents on the climate and energy package are available on:

http://ec.europa.eu/energy/energy_policy/index_en.htm

Documents on the internal market package:

http://ec.europa.eu/energy/electricity/package_2007/index_en.htm

Documents on TEN-E:

http://http://ec.europa.eu/ten/energy/index_en.htm



THANK YOU FOR YOUR ATTENTION