

Energy Community Gas Action 2020

Energy Community Secretariat | Vienna, Am Hof 4

28 March 2017, 14:00 – 17:15

Meeting Summary

1. The Director of the Energy Community Secretariat ('Secretariat') welcomed the meeting participants-representatives of the European Commission, ENTSOG, ministries in charge of energy, transmission system operators (TSOs) and national regulatory authorities (NRAs) of the Energy Community Contracting Parties (CPs) and neighboring EU Member States (EU MSs) and provided background information and rationale of Secretariat's proposal for actions to be taken towards establishing functioning gas markets in the Energy Community and fostering pan-European gas market integration.
2. The Secretariat informed participants about the current status of adoption of gas Network Codes (cf presentation Mrs Grall), namely that:
 - TSOs and NRAs of the Energy Community CPs and neighboring EU MSs agreed on the texts of the Network Code on Interoperability and Data Exchange Rules (IO NC) as well as on the Guideline (GL) amending the Annex of Regulation (EC) 715/2009 related to congestion management procedures in the event of contractual congestion (CMP GL). The adapted documents are envisaged for approval by the Energy Community Permanent High level Group (PHLG) before summer. Discussions on the other NCs will follow (cf Gas Action 2020).
 - The NRAs of Greece, Romania, Bulgaria, Hungary and Poland by signature of a declaration (text see presentation Secretariat) declared their commitment to implement the NCs/GLs on their IPs to CPs provided that the relevant CP has transposed and is implementing the NC/GL in question. The NRAs were thereby acting on a provision of the NCs/GLs conceding the possibility to implement the NC/GL on borders to "third countries" subject to the decision of the EU NRA in charge. To this extent the declarations provide for reciprocity on CP-MS IPs on a voluntary basis.
 - In parallel to this, changes to the Energy Community Treaty are currently discussed, by which legally binding reciprocity should be secured.
3. The Secretariat presented the *Energy Community Gas Action 2020* outlining legal, market and infrastructure measures proposed for overcoming shortcomings of the present gas infrastructure connectivity and market structures and reaching more liquidity, competition, diversification and security of supply in the Energy Community region (cf presentation Secretariat). It was highlighted that the implementation of the proposed measures also aimed at facilitating obligations of CPs stemming from CESEC Action Plan by identifying concrete steps and timelines.
4. ENTSOG welcomed the Secretariat's strategy proposal and expressed their readiness to work closely with the Secretariat on its implementation.
5. The European Commission welcomed Energy Community Gas Action 2020 and how it interplays, complements and strengthens the CESEC process, in particular as regards the implementation on the

Action Plan 2.0. The European Commission expressed its intention and expectation to continue to cooperate closely with the Secretariat and be involved in all actions that are CESEC related so as to achieve coordination. Also as regards CESEC projects and, in particular, as regards projects that are Projects of Common Interest (PCIs), the Commission, as a driver of the PCI process, expressed its intention and expectation to be closely involved and consulted in all actions of the Secretariat so that interventions are coordinated and in line with PCI policy in the EU.

6. Albania welcomed the Gas 2020 Action and emphasized that enhanced infrastructure measures will be key for gasification of the country among which the IAP project must be considered a backbone for which financing support remains crucial.
7. Kosovo*¹ welcomed the draft strategy and the fact that the ALKOGAP pipeline has been included. Kosovo* also stressed the importance of IAP, as its realization would make the gasification of the country more realistic and the length of the proposed ALKOGAP pipeline would be shorter.
8. GA-MA pointed out that both legacy contracts and legal frameworks on both sides of the IP with Bulgaria have to be taken into account when defining deadlines for implementation of the proposed measures. The regulatory authority of FYR of Macedonia, ERC, informed that secondary legislation for implementing an entry exit tariff model was under preparation and agreed on further cooperation. The Bulgarian NRA confirmed that the action plan goals are achievable and the deadlines properly set. The representatives of Bulgaria and FYR of Macedonia further explained that no measures have been set so far by Bulgartransgaz to comply with its obligation under the CESEC Action Plan 2.0 to initiate discussions on aligning the Interconnection Agreement between Bulgaria and FYR of Macedonia with the IO NC. Both parties expressed their appreciation for the Secretariat to moderate related negotiations as foreseen in the Gas 2020 strategy and in cooperation with the European Commission.
9. ANRE of Moldova stated that 3rd Package implementation is still in progress, which might influence the fulfillment of the proposed actions and set deadlines but confirmed commitment to work towards their realization.
10. Serbia's NRA's, AERS, representative asked for clarifications regarding the link between the process of NC discussion and adoption on one hand and the market measures of the Gas Action 2020 document on the other hand. The Secretariat explained that adoption of already agreed IO NC and CMP GL is envisaged for the first half of 2017; discussions on other NCs will be initiated in line with the timeline proposed in the Gas Action 2020 using the same discussion concept with NRAs and TSOs as for the IO NC and CMP GL. The Secretariat underlined that the NC adaptation and adoption process is an integral part of the Gas Action 2020.
11. The representative of the Hungarian TSO, FGSZ, highlighted positive developments as regards the signature of interconnection agreements with neighboring TSOs and implementing NCs/GLs. FGSZ expressed readiness to join the proposed working groups to be established in the framework of the Gas Action 2020 initiative. FGSZ also emphasized that RBP is an already functioning capacity booking platform in the region, complying with the provisions of the CAM NC.
12. Ukrtransgaz (UTG) supported the implementation of the Energy Community Gas Action 2020 and expressed willingness to join the working groups that should be established for the realization of actions. UTG further noted that full unbundling will be performed in line with the unbundling action plan agreed with

¹ Throughout this document the symbol * refers to the following statement: This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Advisory Opinion on the Kosovo declaration of independence.

the Secretariat which takes into account the ongoing Stockholm Arbitration. UTG asked for support of ECS in context with the ongoing public consultation on the settlement between DG Competition and Gazprom.

13. The Polish TSO, Gaz-System, pointed out that some deadlines set by the Gas Action 2020 might be rather ambitious but in general agreed to continue working with neighboring TSOs on implementation of the proposed activities. Experience of Gaz-System related to preparation of interconnection agreements and capacity booking platform would facilitate the future work towards achieving the objectives of Energy Community Gas Action 2020.
14. The Slovakian TSO, Eustream, stated that the Secretariat's strategic document was well balanced and defined appropriate priorities. Eustream expressed readiness to cooperate further with the Secretariat in reaching the Gas Action 2020 targets.
15. The participants agreed on Secretariat's proposal for next steps (cf presentation Secretariat).
16. The Secretariat invited for written comments to the *Energy Community Gas Action 2020* within two weeks.

Way forward

1. Secretariat to make available meeting slides and meeting summary.
2. *Energy Community Gas Action 2020* open for written comments by 18 April 2017.
3. Secretariat to invite for bilateral/multilateral meetings on interconnection agreements and capacity allocation and circulate proposals for formation of related working groups.
4. TSOs and NRAs of the CPs and neighboring EU MSs to appoint members to these working groups.

Reference documents:

1. Energy Community Gas Action 2020: https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4614496/4BEFFF5692C95696E053C92FA8C05505.pdf
2. Presentations Secretariat: https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4614436/4BDC122A578457E5E053C92FA8C0B437.pdf and https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4614434/4BDC122A576257E5E053C92FA8C0B437.pdf

Annex: list of participants

Annex – List of Participants

Name	First Name	Company/Institution	Country
Backes	Markus	EC	
Balogh	Adam	ECS	
Bogoly	Sandor	FGSZ	Hungary
Boyko	Nataliya	Ministry of Fuel and Energy	Ukraine
Brzeczowski	Stanislaw	Gaz-System	Poland
Caka	Dritan	Albgaz	Albania
Cimpeanu	Anca-lulia	EC	
Dimoska- Isajlovska	Julijana	ERC	fYR of Macedonia
Dzermanova	Victoria	SEWRC	Bulgaria
Feher	Robert	FGSZ	Hungary
Grall-Edler	Nina	ECS	
Grujicic	Predrag	ECS	
Ischia	Alessandro	E-Control	Austria
Kola	Tommy	Ministry of Energy and Industry	Albania
Koller	Thomas	Poyry	Austria
Kovacs	Botond	MEKH/HEA	Hungary
Kutape	Aleksandra	Ministry of Energy	Poland
Manov	radko	GA-MA	fYR of Macedonia
Marsenic Maksimovic	Branislava	ECS	Austria
Molodih	Johanna	FGSZ	Hungary
Nikolovski	Goran	Ministry of Economy	fYR of Macedonia
Ozga	Agnieszka	Gaz-System	Poland
Saraqini	Astrit	ERO	Kosovo*
Sava	Klodian	Ministry of Energy and Industry	Albania
Sedlacek	Milan	Eustream	Slovakia
Shykerynets	Roman	Ukrtransgaz	Ukraine
Shuli	Maksim	ERE	Albania
Stratulat	Elena	ANRE MD	Moldova
Talevski	Vladimir	GA-MA	fYR of Macedonia
Taraburca	Valeriu	Moldovagaz	Moldova
Tubin-Mitrović	Branka	AERS	Serbia