

9th Security of Supply Coordination Group - Gas Subgroup meeting

Ljubljana

19 September 2017

Update on Europe's security of supply policy; responses in emergency

1. The Commission presented the **progress on the adoption of new security of supply gas** regulation. It was adopted by the European Parliament last week, and in the beginning of October the Council shall adopt the regulation. It is foreseen that the Regulation will enter into the force on 1 December 2017, but the actual implementation has already started – ENTSOG is working on supply and infrastructure disruption scenarios and the EC drafted Guidelines on Solidarity that are being discussed with the Member States.
2. The Secretariat updated the sub-group on progress in security of supply framework by Albania, Kosovo * and Ukraine, as well as on cooperation with JRC/EC (technical assistance in risk assessment and emergency measures) and ENTSOG (inclusion of the Energy Community Contracting Parties in supply scenarios). The Secretariat presented an overview of Security of Supply Statements, this year submitted by 4 out of 9 Contracting Parties. The content of the Statements is still focused on general legislative framework, supply sources, data for the past heating season and future investments, whereas forecast on supply and demand for the next seasons and description of protected customers and emergency measures mainly missing.
The Group urged the Contracting Parties which did not submit the annual Security of Supply Statements for 2017 to do so as soon as possible.
3. ENTSOG presented a concept of the proposed methodology for simulation of EU-wide disruption scenarios, which will be a basis for the common and national risk assessment, and it has been required by revised SoS Regulation by 1 November 2017. Additional interesting topic presented by ENTSOG is Regional Cooperation Teams to act in emergency situations, formed by 30 TSOs, grouped along the supply routes. ENTSOG confirmed that there are no obstacles for TSOs from the Contracting Parties to participate in those Teams and invited those to join.
ACER shared its views as to how to implement solidarity clause, stressing that similar tools exist in developed gas markets, such as so called call options (market based tool). However, it is only a part of the solution in an emergency.
4. Based on the Group's last conclusions, the Secretariat provided for arrangements to facilitate transfer of JRC's knowledge and know-how to other Contracting Parties in similar manner to one delivered to Ukraine. The Group welcomed that the next project focused on the Energy Community Western Balkan members with existing gas markets (Serbia, Bosnia and Herzegovina, FYR of Macedonia) – these parties will gain all needed technical expertise to lay grounds for preliminary risk assessment and corresponding security of supply plans. JRC will organise a training WS on 6-7 November 2017 in Belgrade open to all Contracting Parties, followed with a kick off meeting on 8 November to start mentioned support project with Serbia, Bosnia and Herzegovina and FYR of Macedonia.
5. Ukraine presented the results of the on-going long term technical assistance work with JRC Directorate- Energy, Transport and Climate. With such assistance Ukraine gained needed

technical expertise to lay grounds for exhaustive risk assessment and corresponding security of supply plans. Following the risk assessment results, Ukraine updated secondary rules and procedures. The presentation by Ukraine was followed by an update of all other Contracting Parties in regards to recent relevant gas sector developments preparedness for the next heating season.

Next steps

6. Next regular meeting is planned for the first quarter of 2018, in Vienna.