

Measures to safeguard the security of gas supply

2016/0030(COD) - 20/10/2016 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted the report by Jerzy BUZEK (EPP, PL) on the proposal for a regulation of the European Parliament and of the Council concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010.

The committee recommended that the European Parliaments position adopted at first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

Scope: this Regulation establishes provisions aimed at safeguarding, in the spirit of solidarity, the security of gas supply: (i) by ensuring the proper and continuous functioning of the internal market in natural gas ("gas"), based on credible gas demand trends; (ii) by allowing for exceptional measures to be implemented when the market can no longer deliver the required gas supplies to the protected customers and; (iii) by providing for a clear definition and attribution of responsibilities among natural gas undertakings, the Member States and the Union regarding both preventive action and immediate reaction to concrete disruptions of supply, either at the source or in transit.

Furthermore, this Regulation shall:

- provide for transparent mechanisms for the coordination of planning for, and response to, an emergency at Member State, regional and Union level.
- encourage preventive measures reducing gas demand, including through measures enhancing energy efficiency and increasing the share of renewable energy, in order to decrease the Union's dependence on gas imports.

Protected customer: Members proposed introducing a harmonised definition of protected customers at EU level.

According to the amended text, the national regulatory authority shall require the natural gas undertakings, that it identifies, to take measures, in close collaboration with electricity undertakings, to ensure that the supply of gas necessary for the security and health of the protected customers of the Member State is maintained in each of the cases stated in the Regulation.

Security of gas supply: the measures to ensure the security of gas supply contained in the preventive action plans and in the emergency plans shall be clearly defined, to the extent possible market based, transparent, proportionate, non-discriminatory verifiable, sustainable and compatible with the Union's climate and energy objectives.

The composition of regions for the purposes of the regional cooperation as provided for in this Regulation shall also be based on the ability to satisfy gas demand of protected consumers during interruption from the single largest gas supplier.

Infrastructure standard: Member States shall ensure that, as a first step, the market is always tested in a transparent, detailed and non-discriminatory manner, to assess whether the investment intended to fulfil the obligations set out in the Regulation is required.

Gas flow through bi-directional interconnection points to a Member State which has declared an emergency shall have priority over gas flow to other points of the system of the Member State from which the gas is supplied and which has not declared an emergency.

Risk assessment: the competent authorities of each region as listed in Annex I shall, in cooperation with any national regulatory authorities, jointly and after consulting the relevant stakeholders make an assessment:

- by taking into account and drawing appropriate conclusions from the results of the Union-wide simulation of supply and infrastructure scenarios carried out by ENTSO for Gas;;
- by taking into account all relevant national, regional and inter-regional circumstances;
- by running various scenarios of demand reduction resulting from energy efficiency measures;
- by running various scenarios of exceptionally high gas demand and supply disruption and assessing their likely consequences, such as: (i) geopolitical risks that may directly or indirectly affect the Member State by increased dependence or; (ii) the ability to satisfy the demand of protected customers in the region during supply disruption from the single largest supplier from a third country;
- by taking into account risks relating to the control of infrastructure relevant to security of gas supply by natural gas undertakings in a third country.

On the basis of the regional risks, the Commission shall carry out an EU-wide risk assessment, in cooperation with the Coordination Group, and send its conclusions to the European Parliament and the Council.

Content of the preventive action and emergency plans: the preventive action plans and the emergency plans shall take account of the Union wide simulations carried out by ENTSO for Gas for the preparation of the risk assessments, preventive action plans and emergency plans. The emergency plan shall identify the contribution of market-based measures, including voluntary demand aggregation, for coping with the situation at alert level and mitigating the situation at emergency level.

Declaration of crisis: during an emergency and on reasonable grounds, a Member State may decide to prioritise the gas supply to certain critical gas-fired power plants over the supply to certain categories of protected customers. Such critical gas-fired power plants shall be identified by the transmission system operators of the electricity system in coordination with the transmission system operators of the gas system.

Emergency Supply Corridors: as part of the Union-wide simulation, ENTSO for Gas shall identify and assess the Emergency Supply Corridors, which complement and facilitate the regional approach, along which gas can flow between regions in order to prevent fragmentation of the internal gas market.

The Union-wide simulation and the Emergency Supply Corridors shall be updated every four years.

Regional and Union emergency responses: upon receipt of a notification from a competent authority of the declaration of an early warning in a Member State, or on its own initiative, the Commission shall use appropriate external policy tools to prevent the deterioration of the situation in gas supply.

A Member State, in which an emergency has been declared and which, despite having implemented the measures provided for in the emergency plan, is not able to supply gas to protected customers, may call for solidarity measures to apply.

Information exchange: in the event of a regional or Union emergency, the Commission shall have the right to request the competent authority to provide information without delay on information on the measures planned to be undertaken and already implemented by the competent authority to mitigate the emergency, including demand-side measures.

Irrespective of a declaration of emergency, the competent authority may require natural gas undertakings to provide the information referred to in the Regulation.

The national regulatory authorities shall monitor the market supply structure and inform the relevant natural gas undertakings once the 40 % threshold of total annual gas imports from third countries to the Member State concerned is exceeded in the framework of gas supply contracts with the same supplier from a third country or from its affiliates.