



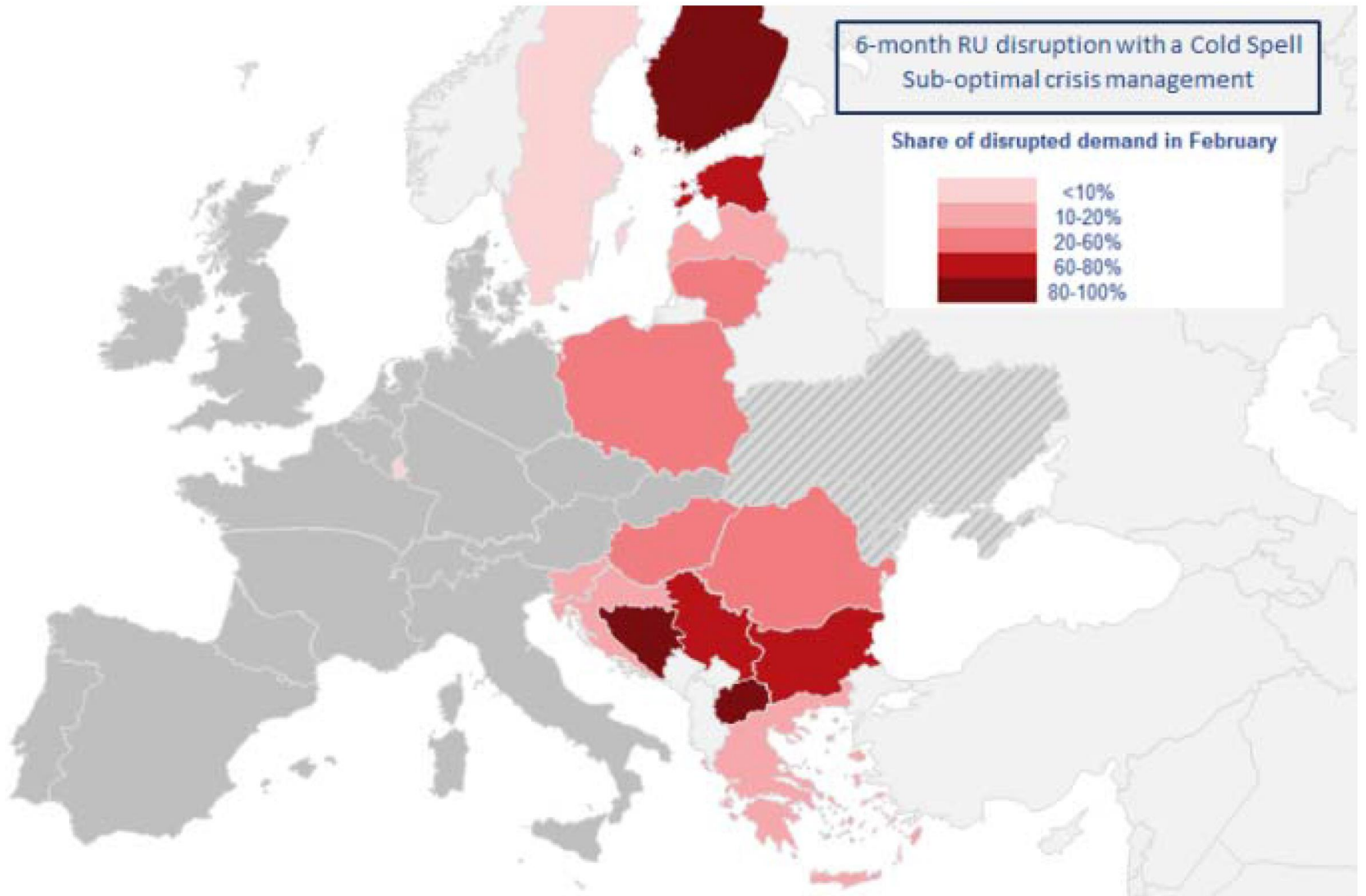
The EU's strategy for LNG and storage

5th Member States' Gas Forum

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European
Commission



Important tools for diversification and flexibility: LNG and storage

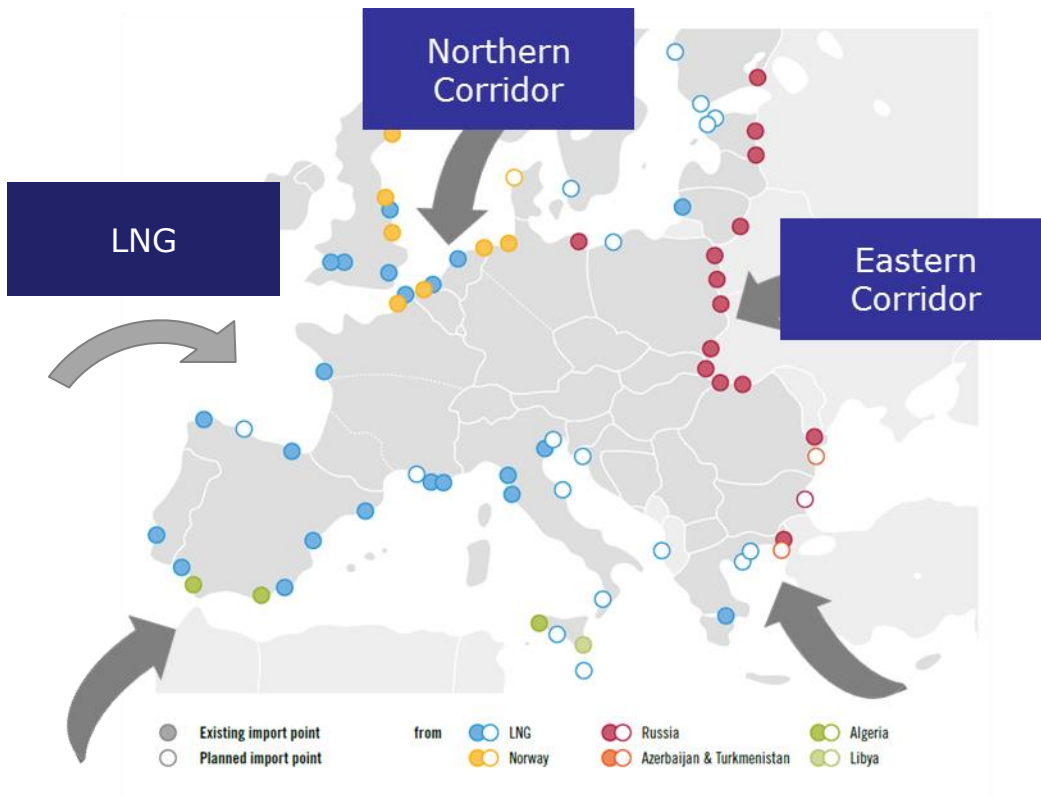


Figure 5.1: Existing and new import sources and routes²⁾

Objectives:

- To make sure all Member States have access to LNG as an additional gas source and to sufficient storage capacity, in particular in vulnerable Member States, either directly or through other countries
- To make the EU attractive for LNG

Western
Corridor

Southern
Corridor

Complete the internal gas market

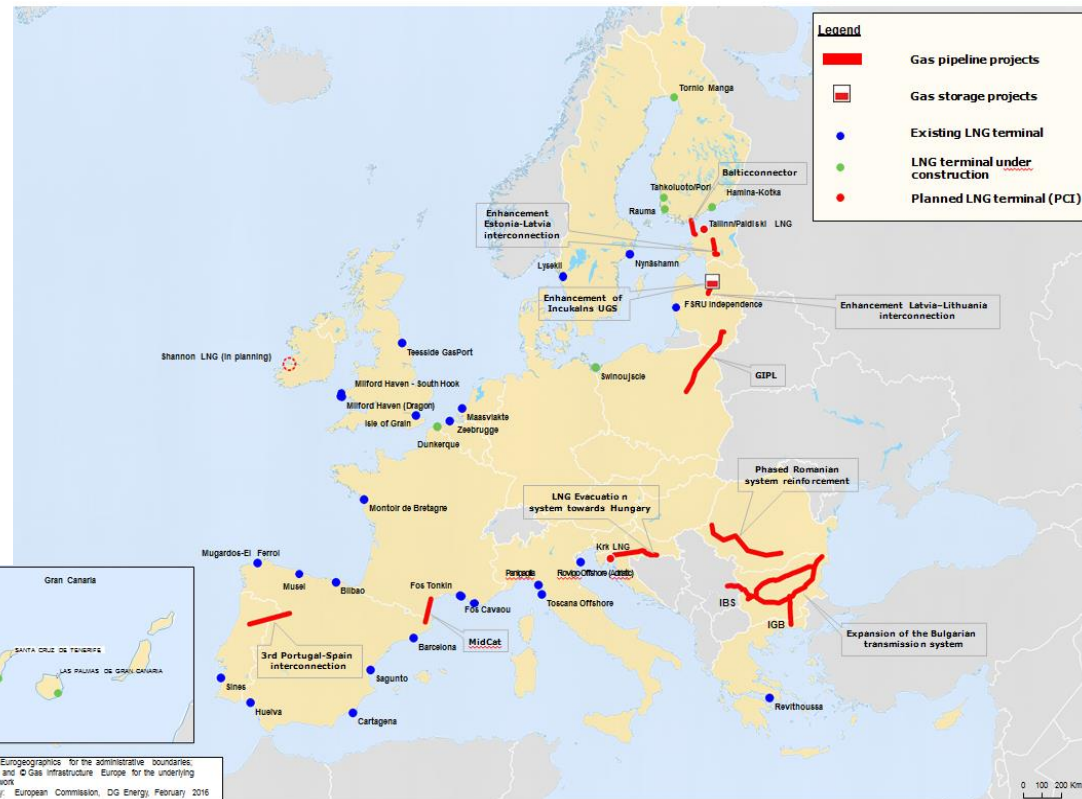
- **Build key LNG related infrastructure**

- *In particular under BEMIP and CESEC*
- *This will also allow regional access to storage*

- **Fully implement existing EU energy legislation**

- **Ensure level playing field for existing LNG terminals and flexibility instruments (incl. storage)**

- *Enable the introduction of new services and technologies*



Steps to implement the LNG strategy

- **Enhance dialogue with key international partners**
- **Take regional approach to eliminate the remaining regulatory, commercial and legal barriers**
- **Provide access for these markets to effective regional gas hubs**
- **Complete infrastructure for connecting LNG to markets**
- **Take measures for better using LNG as an alternative fuel in transport, heat and power**

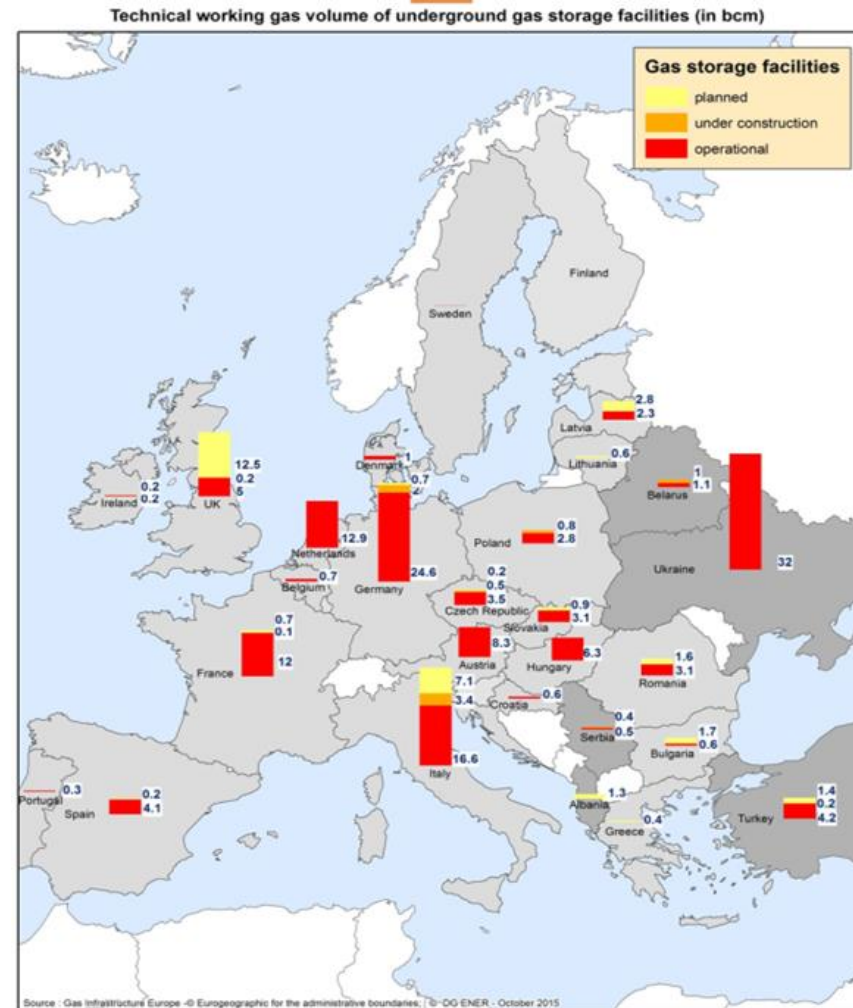
Challenges facing storage facilities

- Stress test:
 - *Important role of LNG and storage in crisis situations*
 - *Benefits of cooperation*
- Availability and type of storage varies significantly across the EU
- Restricted access to storage cross-border
- Competition from other flexibility sources



Security of supply risk

Room for better efficiency and optimisation



Steps to implement the storage strategy

- Ensure adequate **physical access** to storage, including sufficient capacity of transmission network to/from storage
- Improve effectiveness and efficiency **across borders** of Member States and on a regional level
- **Optimise** the use of storage through network codes, remove regulatory barriers
- Embed storage as a **security of supply instrument** in regional preventive action plans and in emergency plans (SOS Regulation)

What is the link between the storage strategy and the Security of Supply Regulation?

Article 5: Supply standard

Competent authority shall require the natural gas undertakings to **take measures to ensure the supply of gas to the protected customers** in each of the following cases:

- (a) **extreme temperatures** during a 7-day peak period occurring with a statistical probability of once in 20 years;
- (b) any period of at least 30 days of **exceptionally high gas demand**, occurring with a statistical probability of once in 20 years;
- (c) for a period of at least 30 days in case of the **disruption of the single largest gas infrastructure** under average winter conditions.

Article 8: preventive action plans

Article 9: emergency plans