

## PRESS RELEASE

### EUROGAS WELCOMES ERGEG'S GAS REGIONAL INITIATIVE

---

**Eurogas, representing the interests of European wholesale and retail suppliers and gas network users, wishes to see steady progress towards an integrated competitive European gas market, and considers that the gas regional initiative launched by ERGEG on 25<sup>th</sup> April is a pragmatic step that will make an important contribution to this goal.**

Eurogas welcomes the declared intention on the part of ERGEG to ensure the collaboration with stakeholders, and the recognition that network users will have a central role to play in the consultative process. Eurogas members are the major users of the gas system, and Eurogas therefore looks forward to being fully involved in the process to identify barriers to regional markets and find ways of removing them.

Eurogas especially supports the aim of this initiative to facilitate the emergence and development of hubs. Well functioning hubs are critical to the success of a robust and liquid European gas market. They will offer possibilities to companies to optimize their supply portfolios and improve operating efficiencies. Their development will be among basic building blocks, additional to long term contracts, to achieve a competitive and sustainable European gas market.

In the view of Eurogas, a major objective of the initiative should be to provide the right framework elements for hub development. This will depend on a number of factors to which the Regional Initiative should turn its attention including:

- an open access regime, with transparent TPA rules;
- a sufficient number of buyers and sellers, with no single participant able to exert undue influence on prices;
- the need to address any distortions which arise from interactions between adjacent markets or network rules;
- the provision of incentives for TSOs and other interested market players to realize new infrastructure linked to hubs.

Eurogas also hopes that the Initiative will strengthen regulatory co-operation, which is necessary to underpin a more coherent regulatory approach Europe wide, and will contribute to the objective of timely implementation of existing legislation.

For more information, please contact Simona Basiu at:  
Avenue Palmerston 4, B-1000 Brussels  
Tel: +32.(02).237.11.21  
E-mail: [simona.basiu@eurogas.org](mailto:simona.basiu@eurogas.org) - Website: [www.eurogas.org](http://www.eurogas.org)