

EUROGAS STATEMENT ON THE COMMISSION'S COMMUNICATION "ENERGY INFRASTRUCTURE PRIORITIES FOR 2020 AND BEYOND - A BLUEPRINT FOR AN INTEGRATED EUROPEAN ENERGY NETWORK"

Eurogas has examined closely the Commission initiative regarding the "Infrastructure Package" as presented in its communication on "Energy Infrastructure priorities for 2020 and beyond - A Blueprint for an integrated European energy network" on 17th November.

Eurogas shares the Commission views that natural gas will continue to play a key role in the future EU energy mix for numerous decades and will further gain importance as a back-up fuel for intermittent electricity generation. Therefore, we welcome the proposals to support and facilitate the developments of the natural gas infrastructure. We further underline that the EU should facilitate and support the significant additional investments that are necessary to keep the high flexibility requested from the back-up role of gas (such as gas storages).

Infrastructure investments generally require a stable, coherent and predictable political and regulatory framework on the long term. Eurogas supports the Commission views making it easier to build infrastructure, with regard to permitting procedures, further clarification on effective costs allocation between users and beneficiaries (in particular for cross-border projects) and, if appropriate, further regional coordination using the right platforms gathering the relevant stakeholders and decision makers. Eurogas believes that these aspects of facilitation of investment should be available and applicable to all infrastructure projects, whether or not projects are considered as priority corridors or labelled as "projects of European interest".

With regard to the further definition and clarification on priority corridors and on the methodology to select projects of European interest, we strongly believe that the strength of an infrastructure project, assessed on market basis, should be recognised as a key criterion to identify those projects that can be of European interest. Other criteria such as diversification and interconnection should follow. Furthermore, any market distortion shall be avoided, as keeping a level-playing field for infrastructure investors and users is key for the good long-term functioning of the integrated EU gas market.

Finally, on the major issue of the Southern Corridor, Eurogas considers that the Infrastructure package should solely address the issue of the related transmission investments, and not endeavour to address in parallel the issue of supply and related sale and purchase agreements.

Eurogas is currently preparing its detailed position paper presenting the shippers' views on the Infrastructure Package. Eurogas believes that a large stakeholders' involvement and a general common understanding between the gas industry and relevant EU institutions will be essential for the successful and effective realisation of a European scale gas infrastructure.