

July 2011

Eurogas has a new Secretary General

Ms Beate Raabe joined Eurogas as the association's Secretary General on 16 May. Previously she was Director EU Affairs at the



International Association of Oil & Gas Producers (OGP) where she headed the association's Brussels office. Ms Raabe has broad experience in EU Affairs and in-depth knowledge of the oil and gas industry. Asked about her new leadership role, Ms Raabe said 'I look forward to working with Eurogas

members and staff in a joint effort to confirm the sustainability of gas in a well-functioning market'. The Press Release is available [here](#).

Board and General Assembly advise way forward

Meeting in Milan and enjoying the excellent hospitality of Edison, the Board decided on a number of joint industry views and action.

Eurogas to prepare own Energy Roadmap 2050

The Board accepted a proposal from the Chair of the Forecasting Task Force Laurent David (GDF SUEZ) to contribute to the forthcoming discussion on an EU Energy Roadmap 2050 by elaborating a report exploring four avenues along which gas is likely to play a major role in the future energy mix: technical innovation,

higher energy efficiency, support for variable output from renewables, and low-carbon substitution. The Forecasting Task Force, supported by a consultant, is engaged in detailed analysis of the power generation, housing, industry and transport sectors and will provide a quantified vision of a low-carbon Europe in which natural gas plays a significant role.

Eurogas contributes to debate on EU External Energy Policy

'The paper adopted by the Board stresses the industry and market perspective, and provides an excellent basis for discussion as the Commission prepares a Communication for publication in September', says Eurogas Special Envoy Simon Blakey.

The paper, which is owed to the diligent work of the External Energy Policy Task Force led by Antoni Flos (Gas Natural Fenosa), emphasizes the importance of ensuring consistency and coordination amongst the industry and Member States' action by building on existing priority areas of engagement in external energy policies. Policy should be coherent and reassuring towards external suppliers of gas on the key role of natural gas in the future EU energy mix. The Commission should grant the maximum degree of support to the approach of intergovernmental agreements but should not engage in commercial agreements. Finally, the point is made that gas purchasing should continue to follow established commercial practices, respecting the requirements of EU competition law. The paper can be downloaded [here](#).

Joining forces with other associations on gas advocacy

The Board welcomed a proposal presented by the Chair of the External Communications Task Force Anton Buijs (GasTerra) to work with other European and global gas associations to elaborate a strategy geared to enhance the recognition of the important role of gas in a low-carbon energy mix and, in the short term, to the political discussion about the EU Energy Roadmap 2050, which the Commission is expected to propose in November this year. The Board sees a leading role for EUROGAS in this and asked the External Communications Committee to agree joint and coordinated action and its timing with the other associations. Communication should focus on the "green" aspects of gas and its complementarity to renewables.

General Assembly debates with leading energy officials and WWF

The General Assembly addressed three important issues related to gas: sustainability, external energy policy and the internal market. This was done in panel discussions supported by high-ranking external participants from DG ENER, ACER, Italian Ministries and WWF. EUROGAS thanks Fabrizio Barbaso (Deputy Director General, DG Energy, European Commission), Alberto Pototschnig (Director of the EU Agency for the Cooperation of Energy Regulators ACER), Alfredo Mantica (Undersecretary for Foreign Affairs, Italy), Corrado Clini (Director General, Ministry of Environment, Italy), Professor Sergio Garribba (Senior Government Adviser on Energy, Italy) and Jason Anderson (Head of Climate Change and Energy Policy, WWF European Policy Office).



Eurogas President Jean-François Cirelli stressed the important role that gas is expected to play in the future energy mix and the complementarity between renewables and gas, but he pointed out that 'A cost-effective low-carbon energy future is in the hands of the industry, consumers and policy makers

alike. European industry and citizens should not be burdened with price rises. Gas is certainly a cost-effective low-carbon fuel and EUROGAS members stand ready to supply it.'

Eurogas provides input to infrastructure discussion

The EU's objective is to see the continuing development of an infrastructure network that enables the internal market to function well while preserving enough capacity to maintain supplies to customers in times of emergency, such as extreme weather or in the event of supply disruption.

New infrastructure is expected to be needed in the coming years to contribute to these goals. In this context the Infrastructure Task Force elaborated a response to a Commission consultation.

More recently, the Infrastructure Task Force has also prepared a paper on the selection of projects of common interest, which has been submitted to DG ENER.

Draft Energy Tax Directive to be scrutinised

Eurogas has started work on the Commission's proposal for a revised Energy Tax Directive. The Taxation Committee is meeting in September to check the points made by Eurogas in the run-up to the Commission's proposals against the draft Directive.

Eurogas expresses view on Energy Market Integrity & Transparency

The draft Regulation on Energy Market Integrity and Transparency (REMIT) addresses the wholesale gas and power markets. It covers issues such as insider information, market manipulation, transaction reporting, monitoring and investigations, and penalties. 'The legislation was proposed in December 2010 and since then the Transparency & Market Integration Task Force has been active in developing textual amendment proposals and working with EFET, Eurelectric and others to communicate them', says Deputy Secretary General Margot Loudon. The final text will be formally approved by the Council and Parliament in the autumn.

Developing a Gas Target Model

Eurogas is actively involved in the CEER consultation process on the Gas Market Target Model and the ENTSOG process for drafting the network code for capacity allocation. 'The non-binding target model should serve as a useful steer for work to be realised on the market, and technical rules and codes required by the Third Package, says Ralf Presse (RWE), Chair of the System Users Committee. 'The model should build on the current work on these rules, reflecting a consensus among stakeholders and providing guidance for future Framework Guidelines and Codes. A balanced approach is needed between emphasis on short-term liquidity and meeting long-term industry needs, especially to realise necessary investments. The vision should be to implement a competitive internal gas market. The outcome of the gas market target model discussion should provide a consensus-based understanding of goals and of the costs and benefits of choices.'

Eurogas supports EU-Russia conference on innovative uses of natural gas

On 23 and 24 June, a major exhibition and a high level conference on the "Innovative Uses of Natural Gas" took place in Brussels under the auspices of the EU-Russia Dialogue. The events took place in the European Commission

Berlaymont building, on the esplanade in front of the Berlaymont, and in a nearby hotel.



The members of Eurogas, Marcogaz, GERG and the NGVA supported the exhibition, which showed innovative natural gas technology that will contribute to a lower carbon future. This includes micro-CHP, fuel cells, gas heat pumps, natural gas vehicles and biogas. The conference featured high level speakers from both industry and government and from Russia and Europe. The topics addressed included: natural gas in the transport sector, infrastructure challenges and natural gas perspectives to 2050.



Vehicle fuelled by compressed natural gas

The press release and the conclusions on the event can be read [here](#). The agenda and presentations can be downloaded [here](#).

Russian Gas Society meets Eurogas in Berlin

Relations between Russia and Europe and the impact of energy regulation on the European and Russian gas market development formed

the focus of key note speeches and panel discussions at the VIth edition of the International Conference "Energy Dialogue: Russia-European Union, Gas Aspect", which took place on 19 May in Berlin. It was organised by the Russian Gas Society (RGS) with the participation of Eurogas.

The conference gathered senior speakers from the EU and Russia, from public and private entities. The conference was opened by Valery Yazev, Deputy Chairman of the Russian State Duma and President of the RGS. Further key note speakers were Jean-François Cirelli (President of Eurogas), Anatoly Yanovsky (Deputy Minister of Energy of the Russian Federation) and Philip Lowe (Director General of DG Energy, European Commission).

In his keynote speech, Eurogas President Jean-François Cirelli said 'We are experiencing today a crucial moment in the history of the gas industry. The fundamentals of our business have deeply changed since the past two or three years. Cooperation between gas suppliers and gas buyers is, and will remain, a central feature of the European gas market. However, this business relationship cannot stay as it was in the past. It has to adapt to new challenges brought by market developments.'

Cooperating with Academic Institutes & International Organisations

FEEM Workshop in Milan

This workshop addressed "A New EU Gas Security of Supply Architecture", involving high-level academics and experts and debating on international gas issues, in particular the relationship of the EU with gas suppliers and gas infrastructure. Representatives from the Clingendael International Energy Programme in the Netherlands, the Loyola de Palacio Chair of the Robert Schuman Centre for Advanced Studies and the Florence School of Regulation at the European University Institute (EUI) participated. So did Eurogas Deputy Secretary General Margot Loudon.

'It is part of a process of meetings that will prepare a report on gas supply with a focus on the important role that gas should have in the future energy mix. A report will be prepared and presented to the European Commission and Parliament by the end of this year' says Ms Loudon.

In a related context, Wilton Park, also one of the report sponsors, Ms Loudon took part in the debate at a conference on "New Energy Frontiers: What Role for Hydrocarbons in Global Energy Security". This took place on 15-16 June in Wilton Park, United Kingdom.

International Gas Union Marketing Summit in Munich

'This summit's purpose was to analyse the re-positioning of natural gas in a carbon-constrained world and the improvement of its image. It took place in Munich on 12-13 May. Possible strategies and advocacy messages were discussed' says Ms Loudon, who represented Eurogas. She gave a presentation on how Eurogas as an association approaches the improvement of the image of natural gas. Her presentation is available [here](#).

Eurogas supports GIE Annual Conference

The role of infrastructure in a low carbon economy, facilitation of investments and permitting of new infrastructure, development of new projects, storage, LNG and cooperation of cross-border transmission system operators- these are all issues that were addressed at the annual conference of Gas Infrastructure Europe (GIE) in Edinburgh on 23-24 June. Ms Loudon chaired a session on the different possibilities of facilitating investments in gas infrastructure.

Secretary General speaks at Annual Conference of the Florence School of Regulation

"Future Trends in Energy Market Design" were in the spotlight of the Florence School of Regulation Annual Conference, which took place in Florence on 25 May. Eurogas Secretary General Beate Raabe took part in the session "Future Trends in the Energy Sector: What it will look like in 10 years - The European Energy Outlook to 2025". She spoke on factors that will influence the energy market to 2025 and beyond, and referred to the Eurogas Economic Energy Outlook to 2025, which includes an EU 27 supply/demand outlook.

Eurogas attends European Regulators' Workshop on Gas Target Model

The purpose of this event, which took place in Brussels on 28 June, was to discuss a vision for a conceptual model for the European gas market. Eurogas Deputy Secretary General Margot Loudon presented the suppliers' position, exchanging views with producers, ENTSO, infrastructure operators, distribution system operators, gas exchanges, traders, local energy companies, and the electricity industry.

Expressing the industry's views at other events

IV Central European Gas Congress in Budapest

In front of a large audience of central European industry and politicians, Eurogas Secretary General Beate Raabe delivered a key note speech at the IV Central European Gas Congress on 15 June in Budapest. This event was organised by the Hungarian Gas Association. In her speech Ms Raabe focused on the sustainable aspects of natural gas and pointed out the big wins that gas technology offers in electricity generation, transportation, and home heating. She stressed the importance of investments in the gas sector. Her presentation is available [here](#).

16th European Gas Conference in Oslo

Eurogas Special Envoy Simon Blakey moderated a session on gas sources, origin and use at the 16th European Gas Conference in Oslo, organised by the Norwegian Gas Association. The event took place on 6-7 June.

Relations with the Energy Charter Industry Advisory Panel taken up again

The Industrial Advisory Panel of the Energy Charter met on 15 June in Brussels. BP representatives presented the company's new Statistical Review. Mr Blakey, who has been confirmed as the Eurogas permanent representative in this panel, presented on current market and policy issues for the gas industry.

Main meetings and events as of July 2011

- 13 October: Eurogas Annual Conference in Brussels
- 14 October: Eurogas Board meeting in Brussels
- 22 November: European Energy Forum dinner debate "Unconventional gas, energy security, sustainability: gas a solution for the future" at the European Parliament in Brussels
- 8 December: Eurogas Board meeting in Brussels

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