



Newsletter

► New Eurogas President and New Executive Committee

The General Assembly of Eurogas met in Warsaw on 11 June 2010, hosted by the Polish Oil and Gas Company. The General Assembly elected Mr. Jean-François Cirelli, Vice Chairman and President of GDF SUEZ, as President of Eurogas. Mr. Cirelli heads the newly elected Executive Committee of Eurogas consisting of Mr. Domenico Dispenza, COO ENI Gas & Power, Mr. Werner Auli, CEO, OMV Gas & Power, Mr. Antero Jännes, CEO, Gasum, Mr. Gertjan Lankhorst, CEO, GasTerra, and Dr. Bernhard Reutersberg, then Chairman of the Executive Board of E.ON Ruhrgas.

In the closing ceremony Mr. Cirelli referred to the fact that *"In the perspective of the coming EU green*

agenda, my wish is to focus Eurogas' action even more on the conditions to ensure that natural gas will have the bright future it deserves given its intrinsic properties. More than ever, the mobilization of Eurogas is absolutely necessary to support the role of natural gas in the future development, so that it becomes a reality for the coming decades. Eurogas must take the challenge for the benefit of each of its members."

EU Energy Commissioner Günther Oettinger addressed the Eurogas General Assembly via a video message. He underlined the role of natural gas as a key element in the European Energy Policy.

► New Eurogas Management as of 1 September

Eurogas Secretariat has been modified as of September 1st as follows: Mr. Jean-Marie Devos, Eurogas Secretary General from 2002 to 2010, decided to step down from the association. Until his replacement, which will occur in the coming months, Ms. Margot A. Loudon, Deputy Secretary General of Eurogas from 1990, will be Acting Secretary General.

Mr. Simon A. Blakey has joined the association as "Special Envoy" of Eurogas from 1st September 2010. Mr. Blakey will reinforce Eurogas's advocacy role. He is a well-known specialist of the gas sector and was formerly Senior Associate at IHS Cambridge Energy Research Associates.

► Gas Demand in 2010 Returning to Pre-Crisis Levels

Gas demand in the EU increased by 12 percent in the first six months of 2010. The main driver for the surge in natural gas consumption was cold weather, which boosted demand for heating in the residential and commercial sectors at the beginning of the year. However, the progressive economic recovery also stimulated gas demand. This was especially visible in energy-intensive sectors,

such as chemicals and steel. Finally in most major gas consuming countries in the EU, the improved competitiveness of natural gas prices contributed to the additional use of gas in the power sector.

An experts group of Eurogas indicates that European natural gas consumption in 2010 compared to 2009 could increase between 6 and 8



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percent. This follows the severe sales losses (of approximately 6 percent) in 2009 versus 2008. EU natural gas demand will recover to pre-crisis level faster than expected and much faster than economic growth which is

estimated to be at a rate of 1.8 percent in 2010.

For more information, please click [here](#).

► Activities of Eurogas President

Meeting with Members of the European Parliament in Strasbourg.

Mr. Jean-François Cirelli, President of Eurogas met five Members of the European Parliament on 16 June in Strasbourg. These were Mr. Alejo Vidal-Quadras, Mr. Claude Turmes, Mr. Giles Chichester, Ms. Angelika Niebler and Mr. Herbert Reul. Mr. Cirelli exchanged with them views about the natural gas business in Europe and discussed policy developments affecting natural gas. Mr. Cirelli highlighted the very important role of natural gas in a sustainable EU energy mix.

Exchange with EU Energy Commissioner Günther Oettinger and Enlargement & European Neighbourhood Policy Commissioner Stefan Füle.

Mr. Cirelli met Commissioners Oettinger and Füle on 25 June in Brussels. He was accompanied by a Eurogas delegation of company members and secretariat

representatives. The main objective of the meeting was to provide the Commissioners with industry views on the future evolution of the Ukrainian gas transmission network and its role for the supply of gas to Europe. In the discussions Mr. Cirelli introduced the activities and views of Eurogas and insisted on the importance of an enhanced EU support for natural gas.

Eurogas President addressed the Unconventional Gas Conference in Amsterdam on 16 June

This conference took place in Amsterdam on 16 and 17 June and was organised by the Gas Technological Institute. During the dinner Mr. Cirelli held a speech entitled "*Embracing the full potential of natural gas*". He focused on the place that natural gas should have in the future energy mix. "*Unconventional gas potential is good news for the gas industry and should contribute in restoring the gas image which has suffered lately*". His speech is available [here](#).

► External Activities

5th Energy Community Gas Forum

This Forum took place on 14 September 2010 in Ljubljana hosted by the regulatory agency and ministry of Slovenia. The Forum covered regulation, infrastructure and energy policy related to gas. Mr. Simon Blakey, Eurogas Special Envoy, made a presentation at this event. In his presentation he referred to the natural gas potential in the wider context of future European gas demand. He presented Eurogas members' expert views of the natural gas supply and demand outlook to 2030, confirming that recovery of gas demand will be strong in the short term 2010. The expectations are that

gas demand will be higher in the future and higher still in a low CO₂ world.

In his conclusions he summarised the benefits for supporting natural gas:

- Environmental friendliness and highly efficient technologies in all areas of energy supply give gas a key role in a realistic EU climate policy
- Imports to Europe will rise in order to compensate for the impending fall in domestic European production and supply additional gas
- The procurement challenge cannot be considered in

- isolation from global developments
- Diversification of routes and supplies is an important task of the gas industry
 - Industry driven and commercially justified projects need to be supported at national level
 - Regional dimension needs to be better explored

His presentation is available [here](#).

Green Members of the European Parliament workshop

The Greens/EFA group in the European Parliament has organized a workshop on the roadmap to a

renewable energy based system in 2050 and the ways to get there. This workshop took place at the European Parliament in Brussels on 15 September. The workshop compared the different energy scenarios, looked at implications for the European grid and discussed the role of gas in the transition towards a 100% renewable energy-based system. Mr. Simon Blakey made a presentation on the role of natural gas in the future energy mix. In his presentation he referred to the situation, abundance, environmental virtues and security of natural gas.

His presentation is available [here](#).

► Industry Consultation on Proposed Infrastructure Package

The European Commission will present an infrastructure package in November 2010 which is intended to outline the follow-on approach to the previous TEN-E programme. Energy Commissioner Oettinger has invited the gas industry to contribute to the content and quality of the package

specifically by sharing with the Commission the industry's ideas, experience, interests and business plans. A first consultation with industry representatives took place on 16 September. Eurogas was represented by Mr. Simon Blakey.

► Bucharest Forum, 6-7 July 2010

The Sustainable Energy Forum also known as the Bucharest Forum took place on 6 and 7 July 2010. The aim of this Forum is to develop policy initiatives in the area of energy efficiency and renewable energy. This event is dedicated to the new role of

national energy efficiency action plans, to the role of energy companies in the energy efficiency services market and finally to the state of the art of energy efficiency strategy. Ms. Loudon participated at this event.

► Joint Conference ERGEG-Commission, 8 July 2010

The European Regulators Group for Electricity and Gas organized on 8 July in Brussels a conference entitled "[Europe's energy policy objectives and regional market integration – the way forward](#)". It addressed energy

market integration, policy making in the regional integration and regional initiatives. Ms. Margot Loudon participated in one of the panels and addressed the issue of necessary improvements of the GRI process.

► SMI Gas Storage Conference, 28-29 June 2010

SMI's fourth edition of the Annual Gas Storage Conference took place in London on 28-29 June. Amongst topics presented by several industry experts on gas were storage capacities, storage access and security of supply. Ms Loudon chaired

this two days conference while Ms. Barassi presented regulatory developments on storage infrastructures focused on users needs.

► EU-Russia Dialogue

The 10th anniversary of the EU Russia dialogue will be marked by an event in Brussels on 22 November.

The Russian Gas Society organized the 5th International Gas Conference in Berlin last May. This event was supported by Eurogas and took as its

title the "Energy Dialogue Russia-EU - Gas Aspects".

The conference also marked the signing of the Agreement on Cooperation between the Russian Gas Society and the National Gas Union of Ukraine.

► Taxation Report 2010

The latest Eurogas tax report was published recently, presenting an updated overview of the national energy taxation systems in the European Economic Area. This publication provides information on the national energy tax regimes and describes energy taxes in different sectors such as residential, industrial and power.

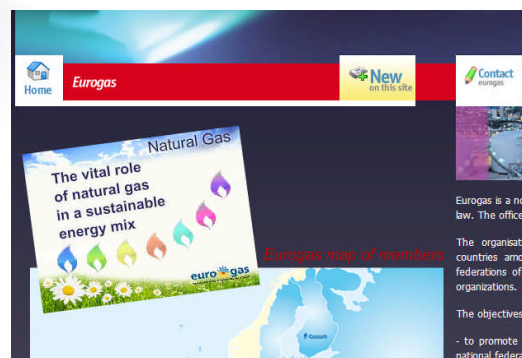
The report is available [here](#).



► Recent Publication: The Vital Role of Natural Gas in a Sustainable Energy Mix

Eurogas finalized and published recently an electronic publication entitled: "The Vital Role of Natural Gas in a Sustainable Energy Mix". This new electronic publication provides an updated vision of key aspects of natural gas:

- A robust market
- Energy efficiency and comfort
- Mitigating climate change
- Technologies for the future
- A secure supply for Europe
- Long-term Outlook for Demand and Supply



The publication can be accessed via our homepage www.eurogas.org or more directly via the following link: <http://www.eurogas.org/anim.html>

► Main Meetings and Events as of September 2010

- 14 October 2010, Brussels – Eurogas Board meeting
- 9 December 2010, Brussels – Eurogas Annual Policy Conference 2010
- 9 December 2010, Brussels – Eurogas Board meeting
- 10 December 2010, Brussels – Eurogas General Assembly