

Addressing vulnerability

The EU response: internal energy policies and the critical role of infrastructure

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1st Strategic Energy Review **“20-20-20 by 2020”**

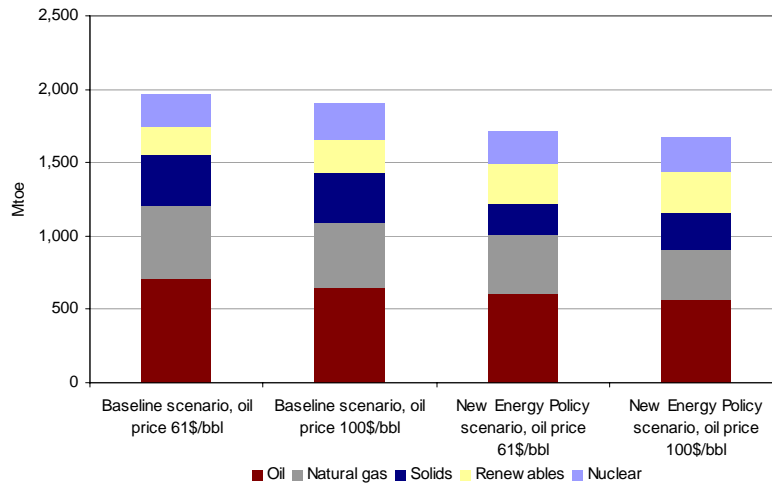
- *3rd internal energy market package*
- *Strategic Energy Technology Plan*
- *Climate and energy package*

2nd Strategic Energy Review **“a European approach to energy security”**

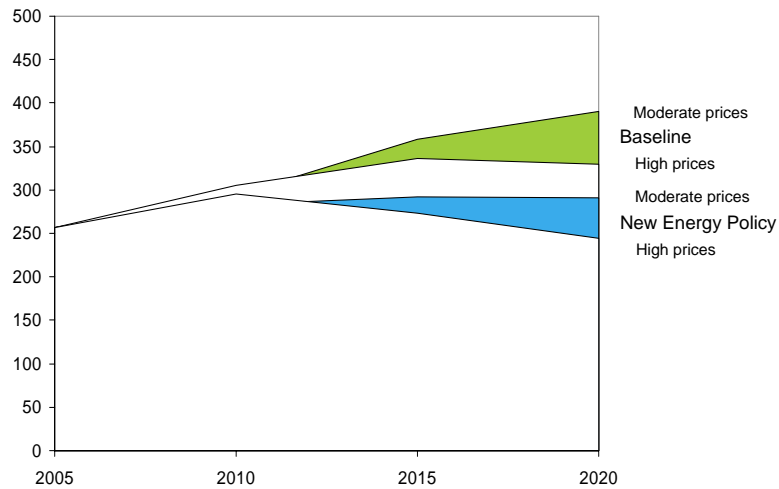
- *New internal and external context*
- *European dimension becoming more important*
- *Internal and external action*

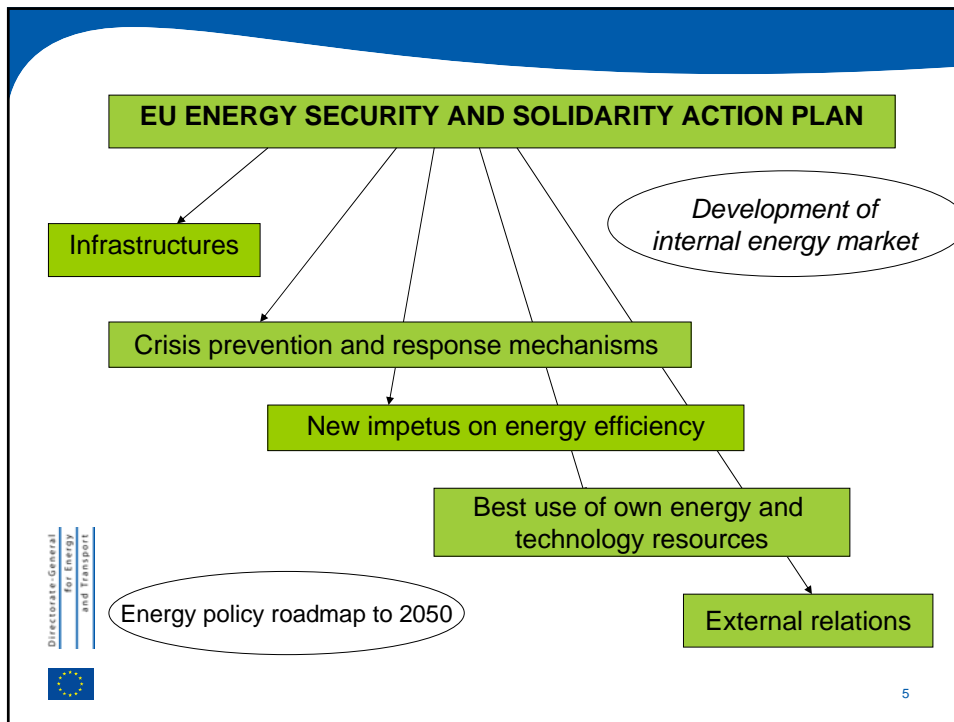


20-20-20 by 2020 – impact on energy mix (primary, Mtoe)



20-20-20 by 2020 – impact on imports of gas (net, Mtoe) – uncertainty





Infrastructures:

Internal energy market 3rd package

Energy security priorities:

- Baltic Interconnection Plan
- Southern gas corridor
- Liquefied natural gas
- Mediterranean energy ring
- North-South interconnections within Central and South-East Europe
- North Sea offshore grid

Green Paper on European energy networks,
revision of **TEN-E**

European Economic Recovery Plan

Revision of gas SoS Directive



January 2009 gas crisis

- **Internal gas market response**, limited by infrastructures, delays in establishing technical and commercial arrangements, inadequate data transparency
- **Emergency plans of MS** – not in all MS, some incoherencies
- **Community action** – Gas Coordination Group, monitoring mission, single voice

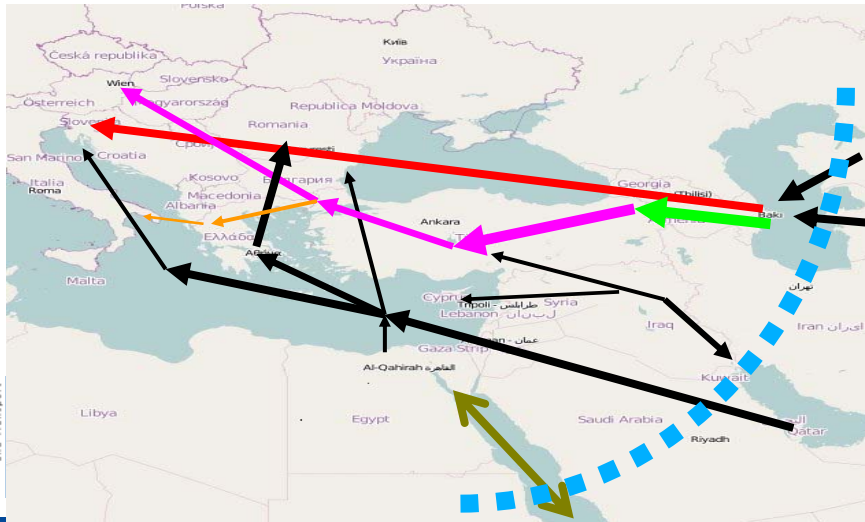


Gas security of supply Directive – *possible elements*

- Need security of supply standards relating to realistic supply disruption scenarios – “**n-1**” benchmark
- Risk assessment and **action plans** by MS, review by Commission
- Emergencies – **coherent plans** of MS, clear roles, obligation to cooperate, **EU network**
EU mechanism to increase gas volumes available to affected markets
Gas Coordination Group to develop and test crisis scenarios



Southern Gas Corridor



Towards a single voice:

Cooperation among regulators - Art 22 exemptions

Cooperation among governments – IGA, mediating role of Commission

Caspian Development Corporation:

- Conceptual development stage
- **Volume aggregation tool**, (get all the consumers together to say that X bcm will be bought), company to company, to encourage upstream investment to bring **new sources to the EU market**;
- For producers, should provide a commitment, a cast-iron financial guarantee (EIB,WB,ADB), currency and political risk diversification, technology transfer and training if necessary, transmission infrastructure in challenging environments if necessary