

Brussels, D(2015)

Opinion

Title

DG ENER – Impact Assessment on a Review of the Gas Security of Supply Regulation 994/2010

(resubmitted version of 19 November 2015)*

(A) Context

The Gas Security of Supply Regulation 994/2010 aims to ensure that each Member State puts in place appropriate tools to prepare for and to manage the effects of a gas shortage caused by either a supply disruption or exceptionally high demand. On 16 October 2014, the Commission published the results of a Stress Test analysing the effects of a possible partial or complete disruption of gas supplies from Russia. It concluded that increased cooperation and coordination can substantially mitigate the impacts of a disruption. A risk of a large disruption of gas supplies to the EU is not equal in all parts of Europe. In defining appropriate measures for ensuring secure gas supply, it is necessary to take into account the different level of exposure to a supply crisis. This impact assessment supports a review of the Gas Security of Supply Regulation 994/2010, which is part of the Energy Union Strategy.

(B) Overall opinion: POSITIVE

While the IA Report has been significantly improved in line with the Board's recommendations, it should further clarify the following key aspects:

- 1) To what extent has the current Regulation resulted in improved security of gas supply? Why have the current rules not resulted in a greater regional cooperation?
- 2) What is the impact on different groups of Member States: who will face additional investment costs and who will receive the benefits of a more secure gas supply?

(C) Main recommendations for improvements

(1) Clarify the scope of the report. While the report describes how the Regulation has been implemented up to date, it should also explain in more detail to what extent it has resulted in improved security of gas supply. In particular, it should better explain why the current Regulation has not brought about greater regional cooperation across the EU. For example, some Member States (e.g. Finland) who are heavily affected in the Russian gas supply disruption scenario do not seem to benefit from the cooperative scenario while other Member States seem even worse off (e.g. Latvia). The report should explain if the

^{*} Note that this opinion concerns a draft impact assessment report which may differ from the one adopted.

problems related to national approaches to security of supply result mainly from the design of the Regulation or its application.

- (2) Clarify options and impacts on different groups of Member States. When describing the options, the report should always explain who will implement the changes proposed (e.g. guidance on commercial contracts in option 1), as well as who will be affected and how (e.g. is peer review of national Preventative Action Plans and Emergency Plans in option 2 limited to Member States or also include other stakeholders such natural gas undertakings, industrial gas customers, etc.). The report should describe the impact on different groups of Member States in terms of who will face additional investment costs and who will receive the benefits of a more secure gas supply. It should make a greater effort in quantifying impacts, such as costs of measures proposed and administrative burdens.
- (3) Clarify the groups of stakeholders who have expressed opinions. When referring to stakeholders' opinions, the report should better explain what kind of stakeholders are taking a certain view and not only mentioning 'majority' or 'some' stakeholders.
- (4) Elaborate the monitoring indicators. While the report lists key monitoring indicators, it should add their sources indicating whether data for those indicators are already available or need to be collected. It should also include a more precise timeline and the baseline values for the monitoring indicators.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The report should compare the options to the baseline rather than to one another. It should number figures and graphs for easier reference in the text.

(E) RSB scrutiny process	
Reference number	2015/ENER/017
External expertise used	No
Date of RSB meeting	Written procedure An earlier version of this report was submitted to the RSB in 21 July 2015, for which the Board issued an opinion on 18 September 2015.