



Newsletter

► Eurogas Welcomes New Members: Electricité de France and Polish Oil and Gas Company

At its meeting of 7 March 2007 the Eurogas Board approved the membership of Electricité de France (EdF) as new full company member and the change of status of the Polish Oil and Gas Company from associate to full company member.

The Polish Oil and Gas Company is opening a representation office in Brussels this month. This reflects the growing participation of Central European companies in the European area. EdF participation in Eurogas activities is an additional signal of the

opening of the gas markets in EU member states. EdF is present in natural gas activities mainly in France, Italy, Germany and the United Kingdom.

The Board members reviewed in depth the Commission package of 10 January 2007 and the work of the European Council in this concern. In a discussion with Mr. Heinz Hilbrecht, Director of the European Commission's DG Transport and Energy, the Board highlighted the role of the EU Gas Coordination Group and confirmed Eurogas support in the continuous dialogue on security of supply matters.

► Eurogas Response to the Energy Package of 10 January 2007

Following the publication of the "Energy Package" on 10 January 2007 by the European Commission, Eurogas reiterated its full commitment to the realisation of a secure, sustainable and competitive European energy market.

In a letter to the COREPER released on 30 January, Eurogas responded to the following points:

Eurogas:

- promotes and encourages the achievement of a well functioning internal energy market;
- supports the proposal of a much improved supra-national regulatory approach on well defined issues such as cross border trade;
- expresses concern on the Commission proposal of forced ownership unbundling and underlines that options based on legal and functional unbundling should be considered combined with an enhanced

and effective regulation and compliance system;

- insists that all investments roads should be kept open;
- recalls that for ensuring secure and competitive supplies to Europe, diversification of transport routes and energy sources are of paramount importance and that large investments have to be made;
- insists on the importance of European level dialogues with producer and transit countries;
- endorses the efforts to combat climate change and stresses the key role of natural gas in the future sustainable energy mix and in low carbon economies;
- calls for effective impact assessment to accompany future EU legislative proposals.

For more information visit our homepage: <http://www.eurogas.org>

► Eurogas Comments on the Conclusions of the Energy Council of 15 February 2007

Eurogas published comments on the outcome of the 15 February 2007 EU Energy Council discussion on the Strategic European Energy Review and

on the Action Plan for Energy Policy for Europe.

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- welcomes the Council's conclusions on the achievement of the internal market and security of supply and its invitation to the Commission to elaborate a set of measures that take into account the characteristics of the gas sector and the national and regional markets;
- agrees on the importance of effective separation of supply and production activities from network operations, based on independently run and adequately regulated network operation systems which guarantee equal and open access to transport infrastructures and underlines the fact that solutions should be proportionate to the type and importance of the objective to be addressed;
- supports full and timely implementation of existing EU legislation, regulations and voluntary agreements;

- welcomes the idea of harmonization of powers and the strengthening of the independence of national regulators and possible measures to create an independent coordination mechanism for national regulators;
- encourages an increased cooperation between Transmission System Operators.

The diversification of transport routes and energy sources as well as the importance of investments are also underlined. Eurogas is therefore happy to note the Council's point on effective diversification of energy sources and transport routes which will contribute to a more competitive internal energy market.

For more information visit our homepage: <http://www.eurogas.org/>

► High Level Group (HLG) Meeting on 27 February 2007

The HLG on Competitiveness, Energy and Environment met on 27 February 2007 under the chairmanship of European Commissioner for Enlargement Günter Verheugen. Three other Commissioners also took part in this meeting: Mr. Andris Piebalgs (Energy), Mr. Stavros Dimas (Environment), and Ms. Neelie Kroes (Competition). The meeting was widely attended by Industry, Commission and other stakeholders, including Member States and regulators. Eurogas was represented by its President Mr Willy Bosmans and Secretary General Mr. Jean-Marie Devos.

The focus of the meeting was threefold: the report of Sir Nicholas Stern "The Economics of Climate Change", the Third Report of the HLG on the work plan and the mandates of two new ad hoc groups and finally the planned closing conference of 4 December 2007.

The third report entitled "*Helping energy intensive industries to adapt to the energy and climate change challenges; incentives, innovation and technology policies*", was adopted during this meeting.

► Eurogas Participation at the Gas Coordination Group Meeting on 30 January 2007

A Eurogas delegation attended the meeting of the Gas Coordination Group which took place in Brussels on 30 January 2007.

The group approved its working programme for 2007 which contains six planned activities: the exchange of information on the current and future security of supply situation, the exchange of information on the implementation of security of supply measures taken under the security of supply directive, the common

understanding of the definition of a major supply disruption, the scenarios for the management of a major supply disruption, the definition of a compensation mechanism in line with the EU security of supply directive and finally the creation of a database for relevant information on security of gas supply. Most of these points were addressed during the meeting.

Mr. Jean-Marie Devos, presented a general overview of the main aspects in relation with security of supply.

► Eurogas Participation at the 12th Meeting of the European Gas Regulatory Forum

The 12th Gas Regulatory Forum took place on 20-21 February 2007 in Madrid. Eurogas was represented by a delegation.

On the item "Gas Regional Initiatives", which are strongly supported by Eurogas, the following issues were underlined as overall priorities: hub development, investments mainly in interconnection capacities, transparency, enhanced transmission system co-operation and improved regulatory cooperation on cross-border questions. Eurogas, underlined the following concerns:

- The work of the Gas Regional Initiatives should lead to concrete results and focus on regional issues

leaving general European issues for the Madrid Forum.

- Stakeholders should adequately be involved and consulted.
- It might not be possible for all the regions to make progress at the same speed therefore there has to be a strong coordinating role for the European Regulators Group for Electricity and Gas (EREG) to minimize divergence.
- The regional markets development should not lead to barriers to an integrated market.

In addition Eurogas presented issues on the European Commission's January package, transparency issues, open season and balancing.

► Eurogas Participation at the Conference "Russian LNG", 15-16 February 2007

The conference "Russian LNG" took place on 15 and 16 February in Brussels.

This two days conference shed light on the strategic development of the Russian LNG market, on pilot projects in LNG, on Russian LNG projects with foreign investments on projected and potential Russian LNG exports, on financing and investment strategies and finally on LNG shipping transport.

Eurogas was represented by Mr. Pedro Moraleda, Gas Natural, and chairman of the Eurogas System Users Task Force on Liquefied Natural Gas.

He presented the subject "Serving Europe's future natural gas market – what role for LNG". In his speech he underlined the promising future for LNG in Europe, that LNG clearly contributes to the EU energy objectives and the fact that Russia can obtain important benefits from the LNG business.

► EU Sustainable Energy Week, 29 January to 2 February 2007

The Eurogas secretariat and Eurogas members participated in the EU Sustainable Energy Week and at some of its workshops which took place from 29 January to 2 February 2007 in Brussels.

Eurogas is committed to be fully involved in the programme of this high level event in January/February 2008.

For more information on the seminars and workshops which took place during that week: www.eusew.eu

► 17th Session of UNECE on 23-24 January 2007 in Geneva

Eurogas participated in the 17th session of the United Nation Economic and Social Council Working Party on Gas on 23-24 January 2007 in Geneva. The meeting gathered representatives from industry, ministries and international organizations.

This year the Working Party organized a Round Table on securing reliable natural gas supply in the context of the sustainable development in the UNECE region, with the participation of Gazprom, Hydro, Ukrtransgas and the Energy Charter.

The other topics discussed included a round table with country by country presentations on the latest developments in the natural gas sector as well as a general overview of the

natural gas vehicles developments in the region. All the presentations are available on the UNECE web site: <http://www.unece.org/ie/se/wpgas.html>

► European Investment Bank Conference on Security of Supply on 25 January 2007 in Luxembourg

Eurogas participated in the conference "An Efficient, Sustainable and Secure Supply of Energy for Europe", organized by the European Investment Bank on the 25 January in Luxembourg. The participants were mainly academics, but also industry representatives, Commission officials, MEPs and representatives from international organizations.

As the European Investment Bank is planning to play an even more important

role in the energy sector, the conference was aiming at providing an academic point of view on the three main topics identified, namely energy, sustainability and security of supply. Amongst the speakers were Mr. Dieter Helm, New College, Oxford and Ms. Coby Van Der Linde, Director of the Clingendael International Energy Programme.

The presentations are available on the web site of the EIB: <http://www.bei.eu.int/>

► Eurogas Enhances Relations with CEDIGAZ

Eurogas invited Ms. Marie-Françoise Chabrelie, Director of Cedigaz, the Paris-based international association dedicated to natural gas information, to make a presentation at the Statistic, Forecasting and LNG Committees meeting of Eurogas on 15 February 2007, in Brussels.

She presented the latest study published by the organization on the "*Major trends in the gas industry in 2006*" as well as the preliminary results of the CEDIGAZ's ongoing study on the supply/demand projections to 2015 with a special focus on LNG.

► Eurogas Report "Energy Taxation in the European Economic Area as of 1st January 2006"

Eurogas has recently published a report which provides an up to date overview of the national energy taxation systems and the latest fiscal developments in energy in the European countries in which Eurogas has company or federation members.

It provides factual description of national energy tax systems and taxes in the residential, commercial, industrial and power generating sectors as of 1 January 2006.

The first part provides an overview and a comparison in tables and graphs of the aggregated factual data on energy taxes applied for the six most important sources of energy in the four main energy sectors in the countries where Eurogas has members.

The second part contains detailed descriptions of each of the individual national energy taxation systems.

All types of energy taxes (directly levied on the energy sold/consumed) are covered, regardless of their labels and professed objectives, except for taxes on motor fuels.

The following countries contributed to this report: Austria, Belgium, Czech Republic, Denmark, Germany, Finland, France, Greece, Hungary, Italy, Spain, Sweden, Switzerland, Poland, the Netherlands and the United Kingdom.

The report is available on our homepage: www.eurogas.org and on hard copy upon request.

► Natural Gas Consumption in EU25 in 2007

Eurogas has published this week natural gas consumption figures in EU 25 for the year 2006.

According to these preliminary data from Eurogas, total natural gas consumption in EU25 has decreased by 1,1% in 2006 compared to 2005. Factors like the weather conditions, natural gas prices and energy efficiency played a role.

In 2006, natural gas consumption in EU25 amounted to 18 963 peta joule

(PJ), i.e. 486 billion cubic meters (BCM), which means 408 million tons of oil equivalent (MTOE) when in 2005 it had reached 19 182 PJ/495 BCM/412 MTOE.

At the end of 2006, the total number of gas customers connected to the EU 25 natural gas grid rose by 1,6% in comparison to 2005, to reach 105 124 million customers. For more information visit our homepage www.eurogas.org

► Eurogas Annual Report 2006

The Eurogas annual report listing the main activities, achievements and the work of its committees during 2006 and statistical data on primary and final energy consumption on inland deliveries,

supply reserves, LNG imports, storage facilities and general figures is available on hard copy. If you are interested in receiving copies please send your request to eurogas@eurogas.org

► Agenda

06.03.2007	ETUC (European Trade Union Confederation) Congress on Energy - Brussels Presentation by Eurogas Secretary General
07.03.2007	Eurogas Board – Brussels
08-09.03.2007	ECCP Working Group on Emissions Trading (DG ENV) - Brussels Eurogas participation
15.03.2007	Meeting of the Sectoral Committee for Social Dialogue (DG EMPLOI) - Brussels Social partners: Eurogas, EMCEF, EPSU
28.03.2007	ERREG Conference on “Regional Initiatives” - Brussels Eurogas participation.
19.04.2007	Gas Coordination Group (Security of Supply Directive 2004/67/EC) - Brussels Eurogas participation
26-27.04.2007	ECCP Working Group on Emissions Trading (DG ENV) Brussels Eurogas participation
21-22.05.2007	ECCP Working Group on Emissions Trading (DG ENV) Brussels Eurogas participation
23-24.05.2007	Berlin Russian Gas Society Conference with Eurogas support Eurogas participation
11.06.2007	High Level Group on Competitiveness Energy and Environment Brussels Eurogas participation
14-15.06.2007	ECCP Working Group on Emissions Trading (DG ENV) Brussels Eurogas participation
14.06.2007	Eurogas Board – Bologna (Italy)
15.06.2007	Eurogas General Assembly – Bologna (Italy)
21.09.2007	Eurogas Annual Policy Conference - Brussels
10.10.2007	Eurogas Board – Brussels
20.11.2007	High Level Group – Sherpas Brussels Eurogas President and Secretary General
04.12.2007	High Level Group - Brussels
04.12.2007	Eurogas Board – Brussels
05.12.2007	Eurogas General Assembly – Brussels