



Council of the  
European Union

Brussels, 27 January 2017  
(OR. en)

9739/7/16  
REV 7

---

---

**Interinstitutional File:  
2016/0030 (COD)**

---

---

**ENER 234  
CODEC 804**

#### **NOTE**

---

From:	General Secretariat of the Council
To:	Permanent Representatives Committee
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 - Preparation for the first informal trilogue

---

#### **I. INTRODUCTION**

On 16 February 2016, the Commission submitted to the Council a proposal for a Regulation of the European Parliament and of the Council concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010<sup>1</sup>.

#### **II. PRESIDENCY PROPOSAL FOR A NEGOTIATING MANDATE**

The Energy Working Party has considered the proposal of the Commission and related Presidency compromise suggestions during the course of 2016. Following these discussions, a number of extensive modifications were inserted in the text by the Presidency.

---

<sup>1</sup> 6225/16 ADD 1, ADD 2, ADD 3

With the view to the first informal trilogue with the European Parliament, scheduled for 6 February, delegations will find the final consolidated text reflecting the current state of play of discussions in the Council Working Party.

The Presidency has examined carefully all the comments provided by delegations and considered that the text as it stands, represents a careful balance between those Member States who supported the initial Commission proposal and those Member States who wanted further clarity within the text.

### III. CONCLUSION

On that basis the Permanent Representatives Committee is invited to:

- confirm the agreement reached by the Working Party on the text as set out in Annex I to this Note,
- give the Presidency a general mandate on the entire regulation for negotiating towards a first-reading agreement with the European Parliament on the basis of the compromise as set out in Annex I to this Note.

The Presidency will report to the Committee on the outcome of the informal trilogue meeting and submit, where necessary, an adjusted text for analysis and possible agreement by this Committee.

Deletions compared to the original Commission proposal are indicated by ■, new text is **bold**.

---

2016/0030 (COD)

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**concerning measures to safeguard the security of gas supply and repealing Regulation (EU)  
No 994/2010**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 194 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee<sup>1</sup>,

Having regard to the opinion of the Committee of the Regions<sup>2</sup>,

Acting in accordance with the ordinary legislative procedure,

Whereas:

---

<sup>1</sup> OJ C , , p. .

<sup>2</sup> OJ C , , p. .

- (1) Natural gas (gas) remains an essential component of the energy supply of the Union. A large proportion of such gas is imported into the Union from third countries.
- (2) A major disruption of the gas supply can affect all Member States, the Union as a whole and Contracting Parties to the Treaty establishing the Energy Community, signed in Athens on 25 October 2005. It can also severely damage the Union economy and can have a major social impact, particularly on vulnerable groups of customers.
- (3) This Regulation aims to ensure that all the necessary measures are taken to safeguard an uninterrupted supply of gas throughout the Union, in particular to protected customers in the event of difficult climatic conditions or disruptions of the gas supply. These objectives should be achieved through the most cost-effective measures and in such a way that **gas** markets are not distorted.
- (4) Regulation (EU) No 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply has already had a significant positive impact on the Union situation as regards the security of the gas supply, both in terms of preparation and mitigation. Member States are better prepared to face a supply crisis now that they are required to draw up plans including preventive and emergency measures, and they are better protected now that they have to meet a number of obligations regarding infrastructure capacity and gas supply. However, the **Commission's** implementation report of Regulation (EU) No 994/2010 of October 2014 highlighted areas in which improvements to that Regulation could further bolster the Union supply security.
- (5) The Commission's Communication on the short-term resilience of the European gas system from October 2014<sup>1</sup> analysed the effects of a partial or complete disruption of gas supplies from Russia and concluded that purely national approaches are not very effective in the event of severe disruption, given their scope, which is by definition limited. This stress test showed how a more cooperative approach among Member States could significantly reduce the impact of very severe disruption scenarios in the most vulnerable Member States.

---

<sup>1</sup> COM(2014) 654 final

- (6) The Commission Communication 'Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy'<sup>1</sup> from February 2015, highlights the fact that the Energy Union rests on solidarity and trust, which are necessary features of energy security. This regulation should aim to boost solidarity and trust between the Member States and should put in place the measures needed to achieve these aims, thus paving the way for implementing the Energy Union.
- (7) An internal gas market that operates smoothly is the best guarantee of security of energy supply across the Union and to reduce the exposure of individual Member States to the harmful effects of supply disruptions. Where a Member State's security of supply is threatened, there is a risk that measures developed unilaterally by that Member State may jeopardise the proper functioning of the internal gas market and damage the gas supply to customers in other Member States. To allow the internal gas market to function even in the face of a shortage of supply, provision must be made for solidarity and coordination in the response to supply crises, as regards both preventive action and the reaction to actual disruptions of supply.
- (8) So far, the potential for more efficient and less costly measures through regional cooperation has not been fully exploited. This has to do not only with better coordination of national mitigation actions in emergency situations, but also **with** ■ national preventive measures, such as national storage or policies related to liquefied natural gas (LNG), which can be strategically important in certain regions **of the Union**.
- (9) In a spirit of solidarity, regional cooperation, involving both public authorities and natural gas undertakings, should be the guiding principle of this Regulation, to ■ **mitigate the identified risks** ■ and optimise the benefits of coordinated measures to mitigate them and to implement the most cost-effective measures for Union consumers.

---

<sup>1</sup> Communication from the Commission to the European Parliament and the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, COM(2015) 80 final.

- (10) Certain customers, including households and customers providing essential social services, are particularly vulnerable and may need **■** protection **against the negative effects of a supply disruption**. A definition of such protected customers should not conflict with the Union solidarity mechanisms.
- (11) Responsibility for security of gas supply should be shared by natural gas undertakings, Member States, acting through their competent authorities, and the Commission, within their respective remits. Such shared responsibility requires very close cooperation between these parties. However, customers using gas for electricity generation or industrial purposes may also have an important role to play in security of gas supply, as they can respond to a crisis by taking demand-side measures such as interruptible contracts and fuel switching, which have an immediate impact on the supply/demand balance. **Moreover, security of gas supply to certain customers using gas for electricity generation may also be considered to be essential in some cases. It should be possible for a Member State to prioritise gas supply to such customers under certain conditions even over the gas supply to the protected customers. This specific measure should leave Regulation 2005/89/EU concerning measures to safeguard security of electricity supply and infrastructure investment unaffected.**
- (12) As stipulated by Directive 2009/73/EC of the European Parliament and of the Council<sup>1</sup>, the competent authorities should cooperate closely with other relevant national authorities, in particular national regulatory authorities, when carrying out the tasks specified in this Regulation.

---

<sup>1</sup> Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L 211, 14.8.2009, p.94).

- (13) The infrastructure standard should oblige Member States to maintain a minimum level of infrastructure such as to ensure a degree of redundancy in the system in the event of a disruption of the single largest infrastructure. As an analysis **done on the basis of** ■ the N-1 indicator constitutes a purely capacity-based-approach, the results of N-1 should be complemented with a detailed analysis that also captures gas flows.
- (14) Regulation (EU) No 994/2010 requires transmission system operators to enable permanent **physical** bi-directional capacity on all cross-border interconnections unless an exemption has been granted from this obligation. It aims to ensure that the possible benefits of permanent **physical** bi-directional capacity are always taken into account when a new interconnector is planned. However, bi-directional capacity can be used to supply gas both to the neighbouring Member State and to others along the gas supply corridor. The benefits for security of supply of enabling permanent bi-directional capacity thus need to be seen in a broader perspective, in a spirit of solidarity and enhanced cooperation. A cost-benefit analysis that takes account of the whole transportation corridor should therefore be conducted when considering whether to implement bi-directional capacity. The competent authorities should accordingly be required to re-examine the exemptions granted under Regulation (EU) 994/2010 on the basis of the results of the **common** ■ risk assessments.
- (15) Council Directive 2008/114/EC<sup>1</sup> lays down a process with a view to enhancing the security of designated European critical infrastructure, including certain gas infrastructure, in the Union. Directive 2008/114/EC together with this Regulation contributes to creating a comprehensive approach to the energy security of the Union.

---

<sup>1</sup> Directive 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection (OJ L 345, 23.12.2008, p. 75).

- (16) The Regulation lays down security of supply standards that are sufficiently harmonised and cover at least the situation that occurred in January 2009 when gas supply from Russia was disrupted. These standards take account of the difference between Member States, public service obligations and customer protection measures, as referred to in Article 3 of Directive 2009/73/EC. Security of supply standards should be stable, so as to provide the necessary legal certainty, should be clearly defined, and should not impose unreasonable and disproportionate burdens on natural gas undertakings. They should also guarantee equal access for the Union natural gas undertakings to national customers. **Member States should establish measures that will in an effective and proportionate manner ensure that natural gas undertakings comply with such a standard, including the possibility to establish fines on suppliers, where they consider it appropriate.**
- (17) A **risk-based** approach to assess **the security of supply situation** and define preventive and mitigating measures enables efforts to be coordinated **and brings** significant benefits in terms of the effectiveness of measures and optimisation of resources. This applies particularly to measures designed to guarantee a continued supply, under very demanding conditions, to protected customers, and to measures to mitigate the impact of an emergency. Assessing correlated risks **jointly in risk groups** which is both more comprehensive and more precise, will ensure that Member States are better prepared for any crises. Moreover, in an emergency, a coordinated and pre-agreed approach to security of supply ensures a consistent response and reduces the risk of negative spill-over effects that purely national measures could have in neighbouring Member States.



- (18) **■ For the purpose of the risk-based approach risk groups should be defined based on the major transnational risks for the gas supply to the European Union. Such risks have been identified on the basis of the Communication from the Commission to the European Parliament and the Council on the short term resilience of the European gas system of October 2014<sup>1</sup> and the assessment included in the latest Ten-Year Network Development Plan (TYNDP). To allow for a more precise and better focused assessment for the purposes of this Regulation, the risk groups should be composed on the basis of the main gas supply sources and supply routes.**
- (19) **■ The Commission should be empowered to update the composition of the risk groups by means of delegated acts based on the evolution of the major transnational risks for security of gas supply to the European Union and its impact on Member States, taking into account the result of the Union-wide simulations of supply and infrastructure disruption scenarios carried out by ENTSO for Gas and should also reflect the discussion within the Gas Coordination Group.**
- (20) In order to make the regional cooperation feasible, Member States should establish a cooperation mechanism within each **■ risk group**. Such mechanism or mechanisms should be developed sufficiently in time to allow for conducting the **common** risk assessment and **■ discussing and agreeing on possible meaningful cross-border measures to be included in the regional chapters in the national preventive action and emergency plans**. Member States are free to agree on a cooperation mechanism best suited for a given **■ risk group**. The Commission should have a facilitating role in the overall process and share best practises for arranging regional cooperation such as a rotating coordination role within the **■ risk groups** for the preparation of the different documents or establishing dedicated bodies. In absence of an agreement on the cooperation mechanism, the Commission may propose a suitable cooperation mechanism for a given **■ risk group**.

---

<sup>1</sup> **Communication from the Commission to the European Parliament and the Council on the short term resilience of the European gas system. Preparedness for a possible disruption of supplies from the East during the fall and winter of 2014/2015,**

- (21) When conducting **the common** risk assessment **competent authorities should assess the major transnational risks which could materialize including the disruption of the supplies from the single largest supplier. The risks should be addressed by appropriate cross-border measures agreed by the competent authorities of the Member States concerned. The cross-border measures should be included in the regional chapters of the preventive action and emergency plans. In addition, the competent authorities should conduct a comprehensive national risk assessment and** assess natural, technological, commercial, financial, social, political and market-related risks, and any other relevant ones **. All risks should be addressed by effective, proportionate and non-discriminatory measures to be developed in the preventive action plan and the emergency plan. The results of the national and common risk assessments should also contribute to the all hazard risk assessments foreseen under article 6 of Decision No 1313/2013/EU<sup>1</sup> and should be fully taken into account in the national risk assessments.**
- (22) To provide input to the **common and national** risk assessments, the European Network of Transmission System Operators for Gas ('ENTSO for gas'), in consultation with the Gas Coordination Group and with the European Network of Transmission System Operators for Electricity (ENTSO-E), should carry out Union-wide simulations **. ENTSO for Gas shall ensure an appropriate level of transparency and access to its modelling assumptions used in its scenarios.**
- (23) To ensure maximum preparedness, so as to avoid a supply disruption and mitigate its effects should it nevertheless occur, the competent authorities of a given **risk group must after consulting stakeholders draw up national preventive action plans and emergency plans that will contain regional chapters.** **They should be so designed as to address national risks in a way that takes full advantage of the opportunities provided by regional cooperation. The plans should be technical and operational in nature, their function being to help prevent the occurrence or escalation of an emergency and to mitigate its effects. The plans should take the security of electricity systems into account and be consistent with the Energy Union's strategic planning and reporting tools.**

---

<sup>1</sup> Decision No 1313/2013/EU of the European Parliament and of the Council of 17 December 2013 on a Union Civil Protection Mechanism (OJ L 347, 20.12.2013, p. 24).

- (24) The roles and responsibilities of all natural gas undertakings and competent authorities should therefore be defined precisely in order to keep the internal gas market functioning properly, particularly in the event of supply disruptions and crises. Such roles and responsibilities should be established in such a way as to ensure that a three-level approach is respected which would involve first the relevant natural gas undertakings and industry, then Member States at national or regional level, and then the Union. This Regulation should enable natural gas undertakings and customers to rely on market mechanisms for as long as possible when coping with disruptions. However, it should also provide for mechanisms that can be deployed when markets alone are no longer able to deal adequately with a gas supply disruption.
- (25) In the event of a supply crisis, market players should be given sufficient opportunity to respond to the situation with market-based measures. Where market measures have been exhausted and they are still insufficient, Member States and their competent authorities should take measures to remove or mitigate the effects of the supply crisis.
- (26) Whenever Member States plan to introduce non-market-based measures, such measures should be accompanied by a description of their economic impact. This ensures customers have the information they need about the costs of such measures and ensures that the measures are transparent, especially as regards their share in the gas price.
- 
- (28) Demand-side measures, such as fuel switching or reducing the gas supply to large industrial consumers in an economically efficient order, may have a valuable role to play in ensuring energy security, if they can be applied quickly and significantly reduce demand in response to a supply disruption. More should be done to promote efficient energy use, particularly where demand-side measures are needed. The environmental impact of any demand and supply-side measures proposed must be taken into account, with preference being given, as far as possible, to measures that have least impact on the environment. At the same time, security of supply and competitiveness aspects must be taken into account.

(29) When drawing up and implementing the preventive action plan and the emergency plan, the competent authorities should, at all times, take account of the safe operation of the gas system at regional and national levels. They must address and set out in those plans the technical constraints affecting the operation of the network, including any technical and safety reasons for reducing flows in the event of an emergency.

■

(31) It is necessary to ensure the predictability of the action to take in the event of an emergency, allowing all market participants sufficient opportunity to react and also prepare for such circumstances. As a rule, the competent authorities should therefore abide by their emergency plan. In duly justified exceptional circumstances, they should be allowed to take action which deviates from those plans. It is also important to make the way in which emergencies are announced more transparent and predictable. Information on the system balancing position (the overall status of the transmission network), the framework for which is set out in Commission Regulation (EU) No 312/2014<sup>1</sup>, may play an important role in this regard. That information should be available to competent authorities and the national regulatory authorities, if the latter are not the competent authority on a real time basis.

(32) The preventive action plans and emergency plans should be updated regularly and published. ■

■ *(to be joined with recital (32))* To ensure that the emergency plans are always up-to-date and effective, Member States should carry out tests between the updates of the plans by simulating high and medium-impact scenarios and responses in real time. The competent authorities should present the test results at the Gas Coordination Group.

(34) Mandatory comprehensive templates including all the risks to be covered by the risk assessment and all the components of the preventive action plans and emergency plans are needed to facilitate the risk assessment and preparation of the plans ■ and their assessment by the Commission.

---

<sup>1</sup> Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks (OJ L 91, 27.3.2014, p.15).

- (35) To facilitate communication between Member States and the Commission, the risk assessments, the preventive action plans, the emergency plans and all other documents and information exchanges covered by this Regulation must be notified using a standard electronic notification system.
- (36) As demonstrated by the October 2014 stress test, solidarity is needed to ensure security of supply across the Union. **Solidarity permits the overall costs of the impact of a gas crisis to be limited to the minimum. At the same time, solidarity is a measure of last resort that applies only in an emergency and once all market based measures, and the non-market based measures of the national emergency plan have been exhausted by the Member State requesting solidarity. Therefore, if an emergency is declared in a Member State, a gradual approach should be applied to ensure security of gas supply.** Firstly, **the Member State that declared the emergency should implement all emergency measures provided for in its emergency plan in order to ensure gas supply to its households, essential social services and district heating installation. At the same time all Member States which have introduced an increased supply standard should reduce it to the normal supply standard to make the gas market more liquid, in the event that the Member State declaring the emergency indicates that cross-border action is required.** If the previous two sets of measures fail to provide the necessary supply, **solidarity measures by directly connected Member States should then be taken to ensure gas supply to households, essential social services and district heating installations in the Member State experiencing the emergency ('solidarity measures of last resort'). Such solidarity measures of last resort should consist in reducing gas consumption in the Member States providing solidarity in order to free up gas volumes that should be supplied to households, essential social services and district heating installations in the Member State requesting solidarity.**

- (36a) When solidarity measures of last resort are taken, it is preferable that the gas consumption in the Member State providing solidarity is as a first step reduced on voluntary basis, i.e. by means of market-based measures, such as demand-side measures or reversed auctions, in which certain consumers such as industrial consumers would indicate to the Transmission System Operator or another authority in charge the price at which they would reduce or stop their gas consumption. If market-based measures are found to be insufficient to address the deficit of gas supply, should the Member State providing solidarity as a second step be able to make use of non-market based measures, including curtailment of certain groups of consumers, in order to comply with its solidarity obligations.**
- (36b) Solidarity measures of last resort should be provided on the basis of compensation. In particular, this Regulation should ensure that the Member State, economic actors and other entities involved in the provision of solidarity are paid promptly a fair compensation. Solidarity measures of last resort should hence be subject to the condition that the Member State requesting solidarity commits to fair and prompt compensation for the gas delivered into its territory and all other relevant and reasonable costs incurred when providing solidarity. However, this Regulation does not harmonise all aspects of compensation. Member States receiving and providing solidarity should implement the provisions of this Regulation related to compensation in conformity with the Treaties and the Charter of Fundamental Rights of the European Union and the applicable international obligations.**
- (36ba) Since there may be more than one Member State which are to provide solidarity to a requesting Member State there should be a burden sharing mechanism. Under this mechanism, the Member State requesting solidarity should seek supplies of gas from the different helping Member States on the basis of the gas prices and other costs that would lead to the lowest overall compensation to be paid to the helping Member States, unless a different solution is justified by reasons such as speed of delivery, reliability and diversification of supply across the potentially helping Member States.**

**However, there should be a derogation from this burden sharing mechanism in order not to put an undue burden on a particular Member State. This derogation should allow a Member State providing solidarity which has delivered a total of 40% of the annual amount of gas consumed by its customers not protected under the solidarity mechanism according to the most recently available data to suspend its gas deliveries to any Member State requesting solidarity. This derogation should not apply if the Member State requesting solidarity cannot find another effective solution. Neither should such a derogation affect the provision of gas deliveries from the remaining Member States providing solidarity under the burden sharing mechanism.**

- (36c) Member States should adopt the necessary measures that make the implementation of solidarity possible, including by directly connected Member States agreeing on technical, legal and financial arrangements. Member States should describe the details of these arrangements in their emergency plans. In the agreed technical, legal and financial arrangements, Member States should be able to limit or suspend the obligation to provide gas in the framework of solidarity. The Commission should prepare guidance concerning the key elements that should be included in such arrangements.**
- (36d) For as long as a Member State can cover the gas consumption of its customers who are protected in the framework of solidarity from its own production and will therefore not be in need to ask for solidarity, it should to this extent be exempted from the obligation to conclude technical, legal and financial arrangements with directly connected Member States for the purpose of receiving solidarity. This should not affect the obligation of such a Member State to provide solidarity to other Member States.**

- (37) European solidarity should also, where needed, take the form of civil protection assistance provided by the Union and its Member States. Such assistance should be facilitated and coordinated by the Union Civil Protection Mechanism established by Decision No 1313/2013/EU of the European Parliament and of the Council<sup>1</sup> aiming to strengthen the cooperation between the Union and the Member States and to facilitate coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for, and responding to natural and man-made disasters.
- (38) To assess the security of supply situation of a given Member State or **part of or in** the Union **as a whole**, access to the relevant information is essential. In particular, Member States and the Commission need regular access to information from natural gas undertakings regarding the main parameters of the gas supply as a fundamental input in the design of the security of supply policies. Under duly justified circumstances, irrespective of a declaration of emergency, access should also be possible to additional information needed to assess the overall gas supply situation. That additional information would typically be non-price-related gas delivery information, **such as** minimum and maximum gas volumes, delivery points or **conditions for the suspension of gas deliveries.**

---

<sup>1</sup> Decision No 1313/2013/EU of the European parliament and of the Council of 17 December 2013 on a Union Civil protection Mechanism (OJ L 347, 20.12.2013, p. 24).



(39) In March 2015, the European Council concluded that gas supply contracts with suppliers from third countries should be made more transparent and compatible with the Union energy security provisions. In this context an efficient and targeted mechanism for Member States' **and the Commission's** access to key gas supply contracts should ensure a comprehensive assessment of relevant risks that can lead to a supply disruption or interfere with the necessary mitigating measures should a crisis nevertheless occur. Under that mechanism certain key gas supply contracts should be automatically notified, **irrespective of the origin of the gas, within or outside the EU**, immediately after their conclusion, to the **competent authority of the most affected** Member State. ■ **A Member State should be considered most affected if a given long-term gas supply contract has delivery points in this Member State, or if a contract party of the long-term contract has most of its sales of gas or customers located in this Member State.**

(39a) ■ Any obligation to notify a contract automatically needs to be proportionate. Applying this obligation to contracts between a supplier and a buyer covering **the equivalent of 40% or more** of the national market strikes the right balance in terms of administrative efficiency and lays down clear obligations for market participants. This does not mean that other gas supply contracts are not relevant to security of supply. Accordingly, **where the competent authority or the Commission considers that a gas supply contract, which is not subject to automatic notification under Article 13(6) might, due to its specificity, customer group served, or security of gas supply relevance, put at risk the security of gas supply of a Member State, part of or the Union as whole, the competent authority or the Commission should be able to request relevant parts of this contract in order to assess its impact on security of gas supply. It could, for example, be requested in the event of changes in the pattern of the gas supply to a given buyer or buyers in a Member State which would not be expected if the markets were functioning normally and which could affect the gas supply of the Union or parts of it. Such mechanism will ensure that the access to other key gas supply contracts relevant for security of supply will be guaranteed. Such a request should be properly justified, taking into account the need to limit the administrative burden of this measure as much as possible.** ■ The Commission may call on the Member States to amend the **risk assessments and the preventive action and emergency** plans so as to take account of the information obtained from the contracts. The confidentiality of commercially sensitive information should be ensured. ■ The provisions of this Regulation should be without prejudice to the right of the Commission to launch infringement proceedings in accordance with Article 258 of the

Treaty on the Functioning of the European Union (TFEU) and to enforce competition rules, including state aid.

- (40) The Gas Coordination Group should act as an adviser to the Commission to help coordinate security of supply measures in the event of a Union emergency. It should also monitor the adequacy and appropriateness of measures to be taken under this Regulation, including the consistency of preventive action plans and emergency plans drawn up by different **risk groups**.
- (41) **A gas crisis might extend beyond Union borders comprising also Energy Community countries. Pending further amendments to the Energy Community Treaty, in order to ensure in the meantime an efficient crisis management on borders between the Member States and the Contracting Parties, they are invited to closely cooperate when preventing, preparing for and handling a gas crisis.**
- (42) Since gas supplies from third countries are central to the security of the Union gas supply, the Commission should coordinate action with regard to third countries, work with supplying and transit countries on arrangements to handle crisis situations and ensure a stable gas flow to the Union. The Commission should be entitled to deploy a task force to monitor gas flows into the Union in crisis situations, in consultation with **Member States and** the third countries involved, and, where a crisis arises from difficulties in a third country, to act as mediator and facilitator. **The Commission should report regularly to the Gas Coordination Group.**
- (43) Where there is reliable information on a situation outside the Union that threatens the security of supply of one or several Member States and that may trigger an early warning mechanism involving the Union and a third country, the Commission should inform the Gas Coordination Group without delay and the Union should take appropriate action to try to defuse the situation.
- (44) The Member States acting on their own cannot satisfactorily achieve the objective of this Regulation, namely to guarantee a secure gas supply within the Union. Given the scale or effects of the action, it is better achieved at Union level. The Union may therefore adopt measures, in accordance with the principle of subsidiarity set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality set out in that Article, this Regulation does not go beyond what is necessary to achieve that objective.

- (45) **In order** to allow for a swift Union response to changing circumstances as regards security of gas supply, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of **the composition of the risk groups as well as** templates for **the** risk assessment and **for the preventive action and emergency** plans. It is **of** particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, **and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.**
- (45a) **Member States' right to determine the conditions for exploiting their energy resources in accordance with Article 194(2) TFEU are not affected by this Regulation.**
- (46) Regulation (EU) No 994/2010 should be repealed. To avoid **legal uncertainty**, the preventive action plans and emergency plans drawn up under Regulation (EC) No 994/2010 should remain in force until the new preventive action plans and emergency plans drawn up under this Regulation are adopted for the first time.

HAVE ADOPTED THIS REGULATION:

*Article 1*

**Subject matter**

This Regulation establishes provisions aimed at safeguarding ■ security of gas supply by ensuring the proper and continuous functioning of the internal market in natural gas ("gas"), by allowing for exceptional measures to be implemented when the market can no longer deliver the required gas supplies, **including solidarity measures as a last resort**, and by providing for a clear definition and attribution of responsibilities among natural gas undertakings, the Member States and the Union regarding both preventive action and the reaction to concrete disruptions of supply. This Regulation also provides transparent mechanisms **concerning**, in a spirit of solidarity, ■ the coordination of planning for, and response to, an emergency at Member State, regional and Union levels.

*Article 2*

**Definitions**

For the purposes of this Regulation, the definitions in Article 2 of Directive 2009/73/EC<sup>1</sup> and Article 2 of Regulation (EC) No 715/2009 of the European Parliament and of the Council<sup>2</sup> shall apply.

The following definitions shall also apply:

- (1) 'protected customer' means a household customer connected to a gas distribution network and, in addition, where the Member State concerned so decides, may also mean one or more of the following:

---

<sup>1</sup> Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L 211, 14.8.2009, p. 94).

<sup>2</sup> Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (OJ L 211, 14.8.2009, p. 36).

- (a) a small or medium-sized enterprise, provided that it is connected to a gas distribution network, or an essential social service, provided that it is connected to a gas distribution or transmission network, and provided that such enterprises or services do not represent jointly more than 20 % of the total annual final gas consumption in that Member State;
  - (b) a district heating installation to the extent that it delivers heating to household customers or to the enterprises or services referred to in point (a) provided that such installation is not able to switch to other fuels and is connected to a gas distribution or transmission network;
- (2) 'essential social service' means ■ healthcare, essential social care, emergency, ■ security ■, educational or public administration service;
  - (3) 'national regulatory authority' means a national regulatory authority designated in accordance with Article 39(1) of Directive 2009/73/EC;
  - (4) '**competent authority**' means a national governmental authority or a national regulatory authority designated by a Member State to ensure the implementation of the measures provided for in this Regulation.

### *Article 3*

#### **Responsibility for security of gas supply**

1. Security of gas supply shall be a shared responsibility of natural gas undertakings, Member States, notably through their competent authorities, and the Commission, within their respective areas of activities and competence.
2. Each Member State shall designate a ■ competent authority ■. Competent authorities shall cooperate with each other in the implementation of this Regulation. Member States may allow the competent authority to delegate specific tasks set out in this Regulation to other bodies. Delegated tasks shall be performed under the supervision of the competent authority and shall be specified in **preventive action plan and the emergency plan** ■ referred to in Article 7. The declaration of any of the crisis levels referred to in Article 10(1) may be only delegated to a public authority **or to the transmission / distribution system operator**.

3. Each Member State shall notify to the Commission without delay the name of the competent authority and any changes thereto. Each Member State shall make the name of the competent authority public.
4. When implementing the measures provided for in this Regulation, the competent authority shall establish the roles and responsibilities of the different actors involved in such a way as to ensure ■ a three-level approach ■ which involves first the relevant natural gas undertakings and industry, then Member States at national or regional level, and then the Union.
5. The Commission shall, where appropriate, coordinate the action of the competent authorities at regional and Union levels, as set out in this Regulation, inter alia, through the Gas Coordination Group referred to in Article 14 or the crisis management group referred to in Article 11(4), in particular in the event of a regional or Union emergency as defined in Article 11(1).
- 5a. The transmission system operators shall in the event of a regional or Union emergency crisis cooperate and exchange information using the Regional Coordination System for Gas (RCSG) where already established by ENTSO for Gas . ENTSO for Gas will inform the Commission and the competent authorities of the Member States concerned.**
6. The measures to ensure the security of supply contained in the preventive action plans and in the emergency plans shall be clearly defined, transparent, proportionate, non-discriminatory and verifiable, shall not unduly distort competition and the effective functioning of the internal market in gas and shall not endanger the security of gas supply of other Member States or of the Union as a whole.
7. ■ **This Regulation identifies major transnational risks that may impact security of gas supply of the Union and establishes on this basis risk groups. These risks groups shall serve as the basis for enhanced regional cooperation to increase security of gas supply and shall enable agreements on possible cross-border measures between Member States within and outside the risk groups.**

**The list of such risk groups and their composition are set out in Annex I. The composition of these risk groups shall not prevent any other form of regional cooperation benefiting security of supply.**

The Commission **is** empowered to adopt delegated acts in accordance with Article 18 to **update the composition of the risk groups set out in Annex I by amending that Annex. Such update shall reflect the evolution of the main transnational risks for security of gas supply to the European Union and its impact on Member States, taking into account the result of Union wide simulations of supply and infrastructure disruption scenarios carried out by ENTSO for Gas in accordance with Article 6(1). Before proceeding to the update, the Commission shall consult the Gas Coordination Group in the setting provided for in Article 14(4 new) on the draft update.**

#### *Article 4*

#### **Infrastructure standard**

1. Each Member State or, where a Member State so provides, the competent authority shall ensure that the necessary measures are taken so that in the event of a disruption of the single largest gas infrastructure, the technical capacity of the remaining infrastructure, determined according to the  $N - 1$  formula as provided in point 2 of Annex II **to this Regulation**, is able, without prejudice to paragraph 2 of this Article, to satisfy total gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years. **This shall be done taking into account gas consumption trends, long-term impacts of energy efficiency measures and the utilisation rates of existing infrastructure.** This is without prejudice to the responsibility of system operators to make the corresponding investments and to the obligations of transmission system operators as laid down in Directive 2009/73/EC and Regulation (EC) No 715/2009.
2. The obligation to ensure that the remaining infrastructure has the technical capacity to satisfy total gas demand, as referred to in paragraph 1, shall also be considered to be fulfilled where the competent authority demonstrates in the preventive action plan that a supply disruption may be sufficiently compensated for, in a timely manner, by appropriate market-based demand-side measures. For that purpose, the formula provided in point 4 of Annex II shall be used.



3. Where appropriate, **■ in accordance with** the risk assessment referred to in Article 6, the competent authorities of neighbouring Member States may agree to jointly fulfil the obligation set out in paragraph 1 of this Article. In such case the competent authorities shall provide in the **risk assessment ■** the calculation of the N-1 formula together with an explanation **in the regional chapters of the preventive action plans** how the agreed arrangements fulfil this obligation. Point 5 of Annex II shall apply.
4. The transmission system operators shall enable permanent physical capacity to transport gas in both directions ("bi-directional capacity") on all interconnections **■** between Member States, except:
  - (a) in the case of connections to production facilities, to LNG facilities and to distribution networks; or
  - (b) where an exemption from that obligation has been granted, **after detailed assessment and after consulting other Member States and with the Commission in accordance with Annex III.**

For the procedure to enable or enhance **■** bi-directional capacity on an interconnection **■** or to obtain or prolong an exemption from that obligation Annex III shall apply. **The Commission shall make public and update the list of exemptions.**

- 4a. (moved from Annex 3.2) The proposal for enabling or enhancing ■ **bi-directional** ■ capacity or the request for granting or prolongation of an exemption shall be based on an assessment of market demand, projections for demand and supply, the possible economic impact on existing infrastructure, feasibility study, the costs of ■ **bi-directional** capacity including the necessary reinforcement of the transmission system and the benefits for security of supply taking into account, the possible contribution of ■ **bi-directional** capacity to meeting the infrastructure standard set out in this Article. The proposal shall include a cost-benefit analysis prepared on the basis of the methodology pursuant to Article 11 of Regulation (EU) No 347/2013 of the European Parliament and of the Council<sup>1</sup>.
5. National regulatory authorities shall take into account the efficiently incurred costs of fulfilling the obligation set out in paragraph 1 **of this Article** and the costs of enabling ■ bi-directional capacity so as to grant appropriate incentives when fixing or approving, in a transparent and detailed manner, the tariffs or methodologies in accordance with Article 41(8) of Directive 2009/73/EC and Article 13 of Regulation (EC) No 715/2009.
6. In so far as an investment for enabling or enhancing ■ bi-directional capacity is not required by the market **but deemed necessary for security of supply purposes** and where that investment incurs costs in more than one Member State or in one Member State for the benefit of another Member State, the national regulatory authorities of all Member States concerned shall **take a coordinated decision** ■ on cost allocation before any investment decision is taken. The cost allocation shall **take into account the principles described and the elements contained in Article 12(4) of Regulation (EU) No 347/2013**, in particular take into account the proportion of the benefits of the infrastructure investments for the increase of **the security of supply** of the Member States concerned as well as investments already made in the infrastructure in question. **The cost allocation shall not unduly distort competition and the effective functioning of the internal market and shall seek to avoid any undue distortive effect on the market.**

---

<sup>1</sup> Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC and amending Regulations (EC) No 713/2009, (EC) No 714/2009 and (EC) No 715/2009 (OJ L 115, 25.4.2013, p. 39).

7. The competent authority shall ensure that any new transmission infrastructure contributes to the security of supply through the development of a well-connected network, including, where appropriate, by means of a sufficient number of cross-border entry and exit points according to market demand and the risks identified. The competent authorities shall assess in the risk assessment whether internal bottlenecks exist and whether national entry capacity and infrastructures, in particular transmission networks, are capable of adapting the national and cross border gas flows to the scenario of the disruption of the single largest gas infrastructure at national level and the single largest gas infrastructure of common interest to the **■ risk group** identified in the risk assessment.
8. Luxembourg, Slovenia and Sweden shall, by way of exception, not be bound by, but shall endeavour to meet, the obligation set out in paragraph 1 of this Article, while ensuring the gas supplies to protected customers in accordance with Article 5. That exception shall apply for as long as:
- (a) in the case of Luxembourg: it has at least two interconnectors with other Member States, at least two different sources of supply and no gas storage facilities on its territory;
  - (b) in the case of Slovenia: it has at least two interconnectors with other Member States, at least two different sources of supply and no gas storage facilities or an LNG facility on its territory;
  - (c) in the case of Sweden: it has no gas transit to other Member States on its territory, an annual gross inland gas consumption of less than 2 Mtoe and less than 5 % of total primary energy consumption from gas.

Luxembourg, Slovenia and Sweden shall **■** inform the Commission of any change in respect of the conditions **■ in this paragraph**. The exception laid down in **■ this paragraph** shall cease to apply where at least one of those conditions is no longer fulfilled.

■ **As part of the risk assessment carried out in accordance with Article 6(3new)** Luxembourg, Slovenia and Sweden shall ■ describe ■ the situation with respect to the respective conditions set out in **paragraph 8 of this Article** ■ and the prospects for the compliance with the obligation in paragraph 1 **of this Article**, taking into account the economic impact of meeting the infrastructure standard, ■ the gas market development and gas infrastructure projects in the ■ **risk group**. On the basis of the ■ **information provided in the risk assessment** and if the respective conditions set out in ■ **paragraph 8 of this Article** are still met, the Commission may decide that the exception can continue to apply for four more years. In the event of a positive decision, the procedure set out in this subparagraph shall be repeated after four years.

#### *Article 5*

#### **Supply standard**

1. The competent authority shall require the natural gas undertakings, that it identifies, to take measures to ensure the supply of gas to the protected customers of the Member State in each of the following cases:
  - (a) extreme temperatures during a 7-day peak period occurring with a statistical probability of once in 20 years;
  - (b) any period of ■ 30 days of exceptionally high gas demand, occurring with a statistical probability of once in 20 years;
  - (c) for a period of ■ 30 days in case of the disruption of the single largest gas infrastructure under average winter conditions.

No later than **3 months after entry into force of this Regulation** ■ Member States shall notify the Commission their definition of protected customers, the annual gas consumption volumes of the protected customers and the percentage they represent of the total annual final gas consumption in that Member State. Where a Member State includes in its definition of protected customers the categories referred to in point (a) or (b) of Article 2 (1) it shall specify in the notification to the Commission the gas consumption volumes corresponding to consumers belonging to those categories and the percentage that each of those groups of consumers represents in ■ **total annual final gas consumption**.

The competent authority shall identify the natural gas undertakings referred to in the first subparagraph **of this paragraph** and specify them in the preventive action plan. Any new measures envisaged to ensure the supply standard shall comply with the procedure established in Articles 8(4) to **8(5)**.

Member States may comply with the obligation laid down in the first subparagraph **through the implementation of energy efficiency measures or** by replacing the gas with a different source of energy, **inter alia renewable energy sources**, to the extent that the same level of protection is achieved.

2. Any increased supply standard going beyond the 30-day period referred to in points (b) and (c) of paragraph 1 or any additional obligation imposed for reasons of security of gas supply shall be based on the risk assessment ■, shall be reflected in the preventive action plan and shall:
  - (a) comply with Article 3(6);
  - (b) not impact negatively on the ability of any other Member State to supply its protected customers in accordance with this Article in the event of a national, regional or Union emergency; and
  - (c) comply with the criteria specified in Article 11(5) in the event of a regional or Union emergency.

**The Commission may require a justification of the compliance of any measure** ■ referred to in the first subparagraph **of this paragraph** with the conditions set out ■ **therein. Such justification shall be made public by the competent authority of the Member State that introduces the measure.**

Additionally, any new measure, **to be adopted after the entry into force of this Regulation**, referred to in the first subparagraph **of this paragraph** shall comply with the procedure established in Articles 8(4) **to 8(5).**

3. After the periods defined by the competent authority in accordance with paragraphs 1 and 2, or under more severe conditions than those defined in paragraph 1, the competent authority and natural gas undertakings shall endeavour to maintain, as far as possible, the gas supply, in particular for protected customers.
4. The obligations imposed on natural gas undertakings for the fulfilment of the supply standards laid down in this Article shall be non-discriminatory and shall not impose an undue burden on those undertakings.
5. Natural gas undertakings shall be allowed to meet their obligations **based on this** ■ Article at a regional or Union level, where appropriate. The competent authorities shall not require the standards laid down in this Article to be met based on infrastructure located only within its territory.
6. The competent authorities shall ensure that conditions for supplies to protected customers are established without prejudice to the proper functioning of the internal energy market and at a price respecting the market value of the supplies.

## Article 6

### Risk assessment

1. *(ex paragraph 6)* By 1 November 2017 ENTSO for Gas shall carry out a Union wide simulation of supply and infrastructure disruption scenarios. **The simulation shall also identify which Member States can provide a solution to address identified risks, including in relation to LNG.** The scenarios **and the methodology** shall be defined by ENTSO for Gas in **cooperation** with the Gas Coordination Group. **ENTSO for Gas shall ensure an appropriate level of transparency and access to its modelling assumptions used in its scenarios.** **The Union-wide simulation of supply and infrastructure disruption scenarios shall be updated every four years unless circumstances warrant intermediary updates.**
  
2. *(ex paragraph 1)* The competent authorities of each **risk group** as listed in Annex I shall **together** make an assessment at the **risk group** level (“**common risk assessment**”) of all **relevant risk factors such as natural disasters, technological, commercial, social, political and other (risks), which could make the major transnational risk materialise for which the risk group was created.** The competent authorities shall take into account the results of the simulations referred to in paragraph 1 of this Article for the preparation of the risk assessments, preventive action plans and emergency plans. **Each competent authority shall within its risk group(s) share and update one year before the deadline for the notification of the common risk assessment, all national data necessary for the preparation of the common risk assessment, notably for running the various scenarios referred to in point (c) of paragraph 4.**
  
3. **new** The competent authorities of each Member State shall make a national assessment of all relevant risks affecting the security of gas supply. Such assessment shall be fully consistent with the assumptions and results of the common risk assessment(s) carried out at risk group level.

4. *(ex parts of paragraph 1)* **The risk assessments referred to in paragraphs 2 and 3new of this Article shall be carried out by, as relevant:**

- (a) using the standards specified in Articles 4 and 5. The risk assessment shall describe the calculation of the N – 1 formula at national level and **where appropriate** include a calculation of the N-1 formula at regional level. The risk assessment shall also include the assumptions used, including **where applicable** those for the calculation of the N – 1 formula at regional level, and the data necessary for such calculation. The calculation of the N-1 formula at national level shall be accompanied by a simulation of the disruption of the single largest infrastructure using ■ hydraulic modelling **for the national territory** as well as **by** a calculation of the N-1 formula considering the level of gas in storages at 30% and 100% of the ■ **maximum working volume**;
- (b) taking into account all relevant national and ■ **transnational** circumstances, in particular market size, network configuration, actual flows, including outflows from the Member States concerned, the possibility of physical gas flows in both directions including the potential need for consequent reinforcement of the transmission system, the presence of production and storage and the role of gas in the energy mixes, in particular with respect to district heating and electricity generation and for the operation of industries, and safety and gas quality considerations;
- (c) running various scenarios of exceptionally high gas demand and supply disruption, taking into account the history, probability, season, frequency and duration of their occurrence and assessing their likely consequences, such as:
  - (i) disruption of the infrastructure relevant for the security of supply, notably transmission infrastructure, storages or LNG terminals, including the largest infrastructure identified for the calculation of N-1 formula, and
  - (ii) disruption of supplies from third country suppliers, as well as, where appropriate, geopolitical risks;



- (d) identifying the interaction and correlation of risks among the Member States in the **risk group** and with other Member States, as appropriate, including, inter alia, as regards interconnections, cross-border supplies, cross-border access to storage facilities and bi-directional capacity;
- (e) taking into account the maximal interconnection capacity of each border entry and exit point and various filling levels for storage.

**5.** *(ex paragraph 2)* The competent authorities within each **risk group** shall agree on a cooperation mechanism to conduct the **common** risk assessment within the deadline provided for in paragraph **8** of this Article. Competent authorities shall report to the Gas Coordination Group on the agreed cooperation mechanism for conducting the **common** risk assessment **15** months before the deadline for the adoption of the **common** risk assessment and **its** updates **.** **At the request of a competent authority** the Commission may have a facilitating role overall in the preparation of the **common** risk assessment, in particular for the establishment of the cooperation mechanism. If competent authorities within a **risk group** do not agree on a cooperation mechanism, the Commission **shall propose** a cooperation mechanism for that **risk group, after consulting with the competent authorities concerned. The Member States concerned shall agree on a cooperation mechanism for that risk group taking utmost account of the Commission's proposal.**

Within the agreed cooperation mechanism each competent authority shall share and update one year before the deadline for the notification of the **common** risk assessment **or its updates** all **national** data necessary for the preparation of the **common** risk assessment, notably for running the various scenarios referred to in point (c) of paragraph **4**.

**6.** *(ex paragraph 3)* The risk assessments **referred to in paragraph 2 and 3**new shall be prepared in accordance with the **relevant** template in Annex IV. **If necessary Member States may add additional information.** The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates, **after consulting the Gas Coordination Group, in order to reflect the experience gained in the application of this Regulation, while reducing the administrative burden on Member States.**

- 7. (*ex paragraph 4*) Natural gas undertakings, industrial gas customers, the relevant organisations representing the interests of household and industrial gas customers as well as Member States and the national regulatory authority, where it is not the competent authority, shall cooperate with the competent authorities and provide it upon request with all necessary information for the risk assessments **referred to in paragraph 2 and 3new**.
- 8. (*ex paragraph 5*) The **common** risk assessment once agreed by all Member States in the **risk group and the national risk assessments** shall be notified to the Commission for the first time no later than on 1 September 2018. The risk assessments shall be updated every four years unless circumstances warrant more frequent updates. The risk assessments shall take account of progress made in investments needed to cope with the infrastructure standard defined in Article 4 and of country-specific difficulties encountered in the implementation of new alternative solutions. ■ They shall also build on the experience acquired through the simulation of the emergency plans contained in Article 9 (2).

#### Article 7

##### Establishment of a preventive action plan and an emergency plan

1. The competent authority ■ of ■ each Member State ■ **after consulting the natural gas undertakings, the relevant organisations representing the interests of household and industrial gas customers, including electricity producers, electricity transmission system operators, and the national regulatory authority ■ where ■ it is not the competent authority ■, shall establish:**
  - (a) a preventive action plan containing the measures ■ **needed to** remove or mitigate the risks identified ■ **in the risk assessments undertaken pursuant to article 6(2) and (3)new and established** in accordance with ■ article 8. **Such plan shall also contain a regional chapter agreed with all Member States in the risk group or several regional chapters where a Member State pertains to different risk groups as defined in Annex I.**

- (b) an emergency plan containing the measures to be taken to remove or mitigate the impact of a gas supply disruption ■ in accordance with article 9. **Such plan shall also contain a regional chapter agreed with all Member States in the risk group as defined in Annex I.**

**The measures in the preventive action and emergency plans shall not unduly distort competition and the effective functioning of the internal market in gas and shall not endanger the security of gas supply of other Member States, the risk group, or the Union as a whole.**

■

- 2.new The regional chapter(s) of a preventive action plan and of an emergency plan shall contain possible cross-border measures, including in relation to LNG, agreed among the Member States from the same or different risk groups concerned by the measure on the basis of the simulation referred to in Article 6(1) and the risk assessment referred to in Article 6(2).**
3. *(part of ex paragraph 2)* Competent authorities shall regularly report to the Gas Coordination Group on the progress achieved on the preparation and adoption of the preventive action plans and the emergency plans, **in particular the regional chapters.** In particular competent authorities shall **agree on a cooperation mechanism for the preparation of the preventive action and emergency plans, including the exchange of draft plans, and** report to the Gas Coordination Group on ■ **such** agreed cooperation mechanism 18 months before the deadline for the ■ **agreement on** these plans and the updates of these plans.

The Commission may have a facilitating role overall in the preparation of the **preventive action and emergency** plans, in particular for the establishment of the cooperation mechanism. If competent authorities within a **risk group** do not agree on a cooperation mechanism, the Commission **shall propose** a cooperation mechanism for that **risk group**. **The Member States concerned shall agree on the cooperation mechanism taking utmost account of the Commission's proposal. The competent authorities** shall ensure the regular monitoring of the implementation of **the preventive action and emergency** plans.

- 4.** *(ex paragraph 3)* The preventive action plan and the emergency plan **referred to in paragraph 1** shall be developed in accordance with the templates contained in Annex V. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates, **after consulting the Gas Coordination Group, in order to reflect the experience gained in the application of this Regulation, while reducing the administrative burden on Member States.**
- 5.** **The competent authorities of neighbouring Member States shall in due time consult each other with a view to ensuring consistency of the preventive action and emergency plans across the risk group concerned.**

**The competent authorities of each risk group shall exchange draft national plans with proposals for cooperation, at the latest 6 months before the deadline for submission of the plans.**

**The final versions of the regional chapters referred to in paragraph 1 shall be agreed by all Member States in the risk group. The plans shall also contain the national measures necessary to implement and enforce the cross-border measures in the regional chapters.**

■ 6. (*ex. paragraph 4*) The preventive action plans and the emergency plans shall be ■ made public and notified to the Commission no later than on 1 March 2019. ■ The Commission shall inform the Gas Coordination Group about the notification of the plans and publish them on the Commission's website.

(*ex. paragraph 5*) Within four months of the notification by the competent authorities, the Commission shall assess ■ **the plans** duly taking into account ■ the views expressed in the Gas Coordination Group. ■

The Commission shall issue an opinion to the competent authority ■ with the recommendation to review the relevant preventive action plan or emergency plan if the plan is considered to contain one of the following elements:

- (a) **it** is not effective to mitigate the risks as identified in the risk assessment;
- (b) **it** is inconsistent with the risk scenarios assessed or with the plans of another ■ **Member State or a risk group**;
- (c) **it** may distort competition or hamper the functioning of the internal energy market;
- (d) **it** does not comply with the provisions of this Regulation or other provisions of Union law; **or**
- (e) **it** endangers the security of gas supply of other Member States or of the Union as a whole.

■ 7. (*ex. paragraph 6*) Within three months of notification of the Commission's opinion referred to in paragraph ■ 6, the competent authority ■ concerned shall notify the amended plan to the Commission, or shall inform the Commission of the reasons for which ■ **it does not** agree with the recommendations.

In the event of disagreement, the Commission may, within three months of the reply of the competent authority ■, **withdraw its request or convene the competent authority ■ and, where the Commission deems it necessary, the Gas Coordination Group, in order to consider the issue. The Commission shall set out its detailed reasoning for requesting any amendments to the plan. The competent authority concerned shall take full account of the detailed reasoning of the Commission.**

**Where the final position of the competent authority concerned diverges from the Commission's detailed reasoning, that competent authority shall provide and make public, together with its position and the Commission's detailed reasoning, the justification underlying its position within 2 months of receipt of the detailed reasoning of the Commission.**

**Where applicable, the competent authority concerned shall without delay make the amended plan public and adapt any national plan accordingly and make it public.**

**7a. For new non-market based measures adopted after entry into force of this regulation, the procedure provided for in Article 8(4), 8(4b) and 8(5) shall apply.**

■ **8. (*ex paragraph 7*)** The confidentiality of commercially sensitive information shall be preserved.

■ **9. (*ex paragraph 8*)** The preventive action plans and emergency plans developed under Regulation (EU) No 994/2010, updated as appropriate, shall remain in force until the preventive action plans and emergency plans referred to in paragraph 1 ■ are established for the first time.

## Article 8

### Content of the preventive action plans

1. The preventive action plan shall contain:
  - (a) the results of the risk assessment and a summary of the scenarios considered as laid down in point (c) of Article 6(4). **Critical information from the risk assessments that, if revealed, could endanger the security of gas supply may be excluded;**
  - (b) the definition of protected customers and the information described in the second subparagraph of Article 5(1);
  - (c) the measures, volumes and capacities needed to fulfil the infrastructure and supply standards as laid down in Articles 4 and 5, including where applicable, the extent to which demand-side measures can sufficiently compensate, in a timely manner, for a supply disruption as referred to in Article 4(2), the identification of the single largest gas infrastructure of common interest in the case of application of Article 4(3), the necessary gas volumes per category of protected customers and per scenario as referred to in Article 5(1) and any increased supply standard under Article 5(2), including a justification of the compliance with the conditions set in Article 5(2) and a description of a mechanism to temporarily reduce any increased supply standard or additional obligation in accordance with Article 12;
  - (d) obligations imposed on natural gas undertakings and other relevant bodies likely to have an impact on security of gas supply, such as obligations for the safe operation of the gas system. **Critical information that, if revealed, could endanger the security of gas supply may be excluded;**

- (e) the other preventive measures designed to address the risks identified in the risk assessment, such as those relating to the need to enhance interconnections between neighbouring Member States and the possibility to diversify gas routes and sources of supply **and the regional utilization of existing storage and LNG capacities**, if appropriate, to address the risks identified in order to maintain gas supply to all customers as far as possible;
- (f) information on the economic impact, effectiveness and efficiency of the measures contained in the plan, including the obligations referred to in point (k);
- (g) description of the effects of the measures contained in the plan on the functioning of the internal energy market as well as national markets, including the obligations referred to in point (k);
- (h) description of the impact of the measures on the environment and on consumers;
- (i) the mechanisms to be used for cooperation with other Member States, including the mechanisms for preparing and implementing preventive action plans and emergency plans;
- (j) information on existing and future interconnections **and infrastructure**, including those providing access to the **internal market**, cross-border flows, cross-border access to storage and LNG facilities and the bi-directional capacity, in particular in the event of an emergency;
- (k) information on all public service obligations that relate to security of gas supply.

2. The preventive action plan, in particular the actions to meet the infrastructure standard as laid down in Article 4, shall take into account the Union-wide 10-year network development plan to be elaborated by the ENTSO for Gas pursuant to Article 8(10) of Regulation (EC) No 715/2009.



3. The preventive action plan shall be based primarily on market measures and shall not put an undue burden on natural gas undertakings, or negatively impact on the functioning of the internal market in gas.
4. The Member State ■, **and in particular the competent authorities**, shall ■ **ensure that all new preventive non-market based measures, such as those mentioned in Annex VII, ■ adopted after the entry into force of this Regulation, irrespective if they are part of the plan or adopted subsequently, ■ comply with the criteria laid down in Article 5(2)(a) to (c).**
  - 4a. **The competent authority shall make public any measure referred to in paragraph 4 which has not yet been included in the preventive action plan, and notify to the Commission the description of such measure and of its impact on the national market and, to the extent possible, on the markets of other Member States.**
  - 4b. **If the Commission has doubts that a measure referred to in paragraph 4 complies with the criteria laid down in Article 5(2)(a) to (c), it shall request from the Member State concerned the notification of an impact assessment.**
  - 4c. *(ex part of paragraph 4)* An ■ impact assessment pursuant to paragraph 4b shall cover at least the following:
    - (a) **the potential impact ■ on the development of the national gas market and competition at national level;**
    - (b) **the potential impact ■ on the internal gas market;**
    - (c) **the potential impact on the security of gas supply of neighbouring Member States, notably for those measures that could reduce the liquidity in regional markets or restrict flows to neighbouring Member States;**
    - (d) **the costs and benefits ■, assessed against alternative market based-measures;**
    - (e) **an assessment of necessity and proportionality ■ in comparison with possible market based measures;**

- (f) **an appreciation of its openness** ■, in order to ensure equal possibilities for all market participants;
- (g) **a phase-out strategy, the expected duration of the envisaged measure and an appropriate review calendar.**

The analysis referred to in points (a) and (b) shall be carried out by the national regulatory authority ■. **The impact assessment shall be published by the competent authority and shall be notified to the Commission.**

5. ■ **Where the Commission, based on the impact assessment:**

- i. **considers that the measure is likely to jeopardize the security of supply of other Member States or the Union as a whole it shall take a decision within four months of the notification of the impact assessment requiring the amendment or withdrawal of the measure.** *(last sentence moved from original paragraph 5)* The adopted measure shall only enter into force when it is approved by the Commission or has been amended in accordance with the Commission decision.
- ii. **considers that the measure does not comply with the other conditions in Article 5(2) (a) to (c) it may issue an opinion within 4 months of the notification of the impact assessment. The procedure of Article 7(7) shall apply.**

■ **The 4 months period** shall begin on the day following the receipt of a complete notification. The period may also be extended with the consent of both the Commission and the ■ **competent authority.**

■

- 6. The preventive action plan shall be updated every four years after 1 March 2019, unless circumstances warrant more frequent updates or at the Commission's request. The updated plan shall reflect the updated risk assessment and the results of the tests carried out in accordance with Article 9 (2). Article 7 ■ shall apply to the updated plan.

## *Article 9*

### **Content of the emergency plan**

1. The emergency plan shall:
  - (a) build upon the crisis levels set out in Article 10(1);
  - (b) define the role and responsibilities of natural gas undertakings and of industrial gas customers including relevant electricity producers, taking account of the different extent to which they are affected in the event of gas supply disruptions, and their interaction with the competent authorities and where appropriate with the national regulatory authorities at each of the crisis levels defined in Article 10(1);
  - (c) define the role and responsibilities of the competent authorities and of the other bodies to which tasks have been delegated as referred to in Article 3(2) at each of the crisis levels defined in Article 10(1);
  - (d) ensure that natural gas undertakings and industrial gas customers including relevant electricity producers are given sufficient opportunity to respond at each crisis level;
  - (e) identify, if appropriate, the measures and actions to be taken to mitigate the potential impact of a gas supply disruption on district heating and the supply of electricity generated from gas;
  - (f) establish detailed procedures and measures to be followed for each crisis level, including the corresponding schemes on information flows;
  - (g) designate a crisis manager ■ and define its role;
  - (h) identify the contribution of market-based measures for coping with the situation at alert level and mitigating the situation at emergency level;

- (i) identify the contribution of non-market based measures planned or to be implemented for the emergency level, and assess the degree to which the use of such non-market based measures is necessary to cope with a crisis. The effects of the non-market based measures shall be assessed and procedures for their implementation defined. Non-market based measures are to be used only when market-based mechanisms alone can no longer ensure supplies, in particular to protected customers, or for the application of Article 12;
- (j) describe the mechanisms used to cooperate with other Member States for each crisis level **and information exchange arrangements between the competent authorities**;
- (k) detail the reporting obligations imposed on natural gas undertakings at alert and emergency levels;
- (l) describe the technical or legal arrangements in place to prevent undue gas consumption of non-protected customers who are connected to a gas distribution or transmission network. **In order to prevent such undue consumption during emergency or for the application of the provisions contained in Article 12, the competent authority shall inform those consumers that they have to stop or reduce their gas consumption without creating technically unsafe situations.**
- (m) describe the technical, **legal** and financial arrangements in place to apply the solidarity obligations laid down in Article 12;
- (ma) an estimation of gas volumes that could be consumed by consumers covered under the solidarity provisions contained in Article 12(2) covering at least scenarios described in Article 5(1).**
- (n) establish a list of predefined actions to make gas available in the event of an emergency, including commercial agreements between the parties involved in such actions and the compensation mechanisms for natural gas undertakings where appropriate, taking due account of the confidentiality of sensitive data. Such actions may involve cross-border agreements between Member States and/or natural gas undertakings.

2. The measures, actions and procedures contained in the emergency plan shall be tested at least **once** between its regular four-year updates referred to in paragraph 3. In order to test the emergency plan, **the competent authority** shall simulate high and medium impact scenarios and responses in real time in accordance with their emergency plan. The results of the tests shall be presented at the Gas Coordination Group by the competent authorities.
3. The emergency plan shall be updated every four years after 1 March 2019, unless circumstances warrant more frequent updates or at the Commission's request. The updated plan shall reflect the updated risk assessment and the conclusions of the tests carried out in accordance with paragraph 2 **of this Article**. Article 7(3) to (7) shall apply to the updated plan.
4. The emergency plan shall ensure that cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible in the event of an emergency and shall not introduce any measure unduly restricting the flow of gas across borders.

#### *Article 10*

#### **Declaration of crisis**

1. The three crisis levels shall be as follows:
  - (a) early warning level (early warning): when there is concrete, serious and reliable information that an event may occur which is likely to result in significant deterioration of the supply situation and is likely to lead to the alert or the emergency level being triggered; the early warning level may be activated by an early warning mechanism;
  - (b) alert level (alert): when a supply disruption or exceptionally high gas demand occurs which results in significant deterioration of the supply situation, but the market is still able to manage that disruption or demand without the need to resort to non-market measures;

(c) emergency level (emergency): in the event of exceptionally high gas demand, significant supply disruption or other significant deterioration of the supply situation and in the event that all relevant market measures have been implemented but the supply of gas is insufficient to meet the remaining gas demand so that non-market measures have to be additionally introduced with a view, in particular, to safeguarding supplies of gas to protected customers according to Article 5.

2. When the competent authority, **or where the competent authority so provides according to Article 3(2), the transmission system operator or the distribution system operator,** declares any of the crisis levels referred to in paragraph 1 **of this Article**, it shall immediately inform the Commission **as well as the competent authorities of the Member States with which it is directly connected** and provide **them** with all the necessary information, in particular with information on the action it intends to take. In the event of an emergency which may result in a call for assistance from the Union and its Member States, the competent authority of the Member State concerned shall without delay notify the Commission's Emergency Response Coordination Centre.
  3. When the competent authority, **or the transmission/distribution system operator if it is allowed to do so according to Article 3(2),** declares an emergency it shall follow the pre-defined action as set out in its emergency plan and shall immediately inform the Commission and the competent authorities in the **█ risk group as well as the competent authorities of the Member States with which it is directly connected** in particular of the action it intends to take. In duly justified exceptional circumstances, the competent authority may take action deviating from the emergency plan. The competent authority shall immediately inform the Commission and the competent authorities in **its █ risk group as listed in Annex I as well as the competent authorities of the Member States with which it is directly connected** of any such action and shall provide a justification therefore.
- 3a. new [Transmission system operators shall ensure that when crisis level referred to in Article 10 of this Regulation is declared in the Member State or an adjacent Member State, █ capacity at interconnection points has priority over █ capacity at exit points into storage facilities. The beneficiary of the prioritisation shall reimburse the user of firm capacity being interrupted as result of the prioritisation.]**

4. The Member States and, in particular, the competent authorities shall ensure that:
- (a) no measures are introduced which unduly restrict the flow of gas within the internal market at any time;
  - (b) no measures are introduced that are likely to endanger seriously the gas supply situation in another Member State; and
  - (c) cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible, in accordance with the emergency plan.

**4a. new During an emergency and on reasonable grounds, upon a request of the relevant electricity or gas transmission system operator a Member State may decide to prioritise the gas supply to certain critical gas-fired power plants over the supply to certain categories of protected customers. That measure shall be based on the risk assessment and shall only apply where the lack of gas supply to such critical gas-fired power plants could result in severe damages in the functioning of the electricity system or would hamper the production and/or transportation of gas. Such critical gas-fired power plants should be clearly defined together with the possible gas volumes that would be subject to such a measure and included in the regional chapters of the preventive action and emergency plans. Their identification should be carried out in the close cooperation with transmission system operators of the electricity system and the gas system of the Member State concerned.**

5. The Commission shall verify, as soon as possible, but in any case within five days **■** after receiving the information **referred to in paragraph 2 from ■** the competent authority **■**, whether the declaration of an emergency is justified in accordance with point (c) of paragraph 1 and whether the measures taken follow as closely as possible the actions listed in the emergency plan and are not imposing an undue burden on natural gas undertakings and are in accordance with paragraph 4. The Commission may, at the request of **another** competent authority, natural gas undertakings or on its own initiative, request the competent authority to modify the measures where they are contrary to the conditions referred to in the first sentence of this paragraph. The Commission may also request the competent authority to lift the declaration of emergency where it **■** **concludes** that such declaration is not or no longer justified according to point (c) of paragraph 1.

Within three days of the notification of the Commission request, the competent authority shall modify the measures and notify the Commission thereof, or shall inform the Commission of the reasons for which it does not agree with the request. In that case, the Commission may within three days amend or withdraw its request or, in order to consider the issue, convene the competent authority or, where appropriate, the competent authorities concerned, and, where the Commission deems it necessary, the Gas Coordination Group. The Commission shall set out its detailed reasoning for requesting any changes to the action. The competent authority shall take full account of the position of the Commission. Where the final decision of the competent authority diverges from the Commission position, the competent authority shall provide the reasoning underlying such decision.

**6.new. When the competent authority, or where the competent authority so provides according to Article 3(2), the transmission system operator or the distribution system operator lifts the declaration of any of the crisis levels, including at the request of the Commission according to paragraph 5 of this Article, it shall inform the Commission as well as the competent authorities of the Member States with which it is directly connected.**



*Article 11*

**Regional and Union emergency responses**

1. At the request of a competent authority that has declared an emergency and following the verification in accordance with Article 10(5), the Commission may declare a regional or Union emergency. At the request of at least two competent authorities that have declared an emergency and following the verification in accordance with Article 10(5), and where the reasons for these emergencies are linked, the Commission shall declare, as appropriate, a regional or Union emergency. In all cases, the Commission, using the means of communication most appropriate to the situation, shall gather the views of, and take due account of all the relevant information provided by the other competent authorities. When it assesses that the underlying basis for the regional or Union emergency no longer justifies a declaration of emergency, the Commission shall declare an end to the regional or Union emergency. In all cases, the Commission shall give its reasons and inform the Council of its decision.
2. The Commission shall convene the Gas Coordination Group as soon as it declares a regional or Union emergency. ■
3. In a regional or Union emergency, the Commission shall coordinate the action of the competent authorities, taking full account of relevant information from, and the results of, the consultation of the Gas Coordination Group. In particular, the Commission shall:
  - (a) ensure the exchange of information;
  - (b) ensure the consistency and effectiveness of action at Member State and regional levels in relation to the Union level;
  - (c) coordinate the actions with regard to third countries.

4. The Commission may convene a crisis management group composed of the crisis managers referred to in point (g) of Article 9(1), of the Member States concerned by the emergency. The Commission, in agreement with the crisis managers, may invite other relevant stakeholders to participate. The Commission shall ensure that the Gas Coordination Group is regularly informed about the work undertaken by the crisis management group.
5. The Member States and in particular the competent authorities shall ensure that:
  - (a) no measures are introduced which unduly restrict the flow of gas within the internal market at any time, notably the flow of gas to the affected markets;
  - (b) no measures are introduced that are likely to endanger seriously the gas supply situation in another Member State; and
  - (c) cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible, in accordance with the emergency plan.
6. Where, at the request of a competent authority or a natural gas undertaking or on its own initiative, the Commission considers that, in a regional or Union emergency, an action taken by a Member State or a competent authority or the behaviour of a natural gas undertaking is contrary to paragraph 5, the Commission shall request that Member State or competent authority to change its action or to take action in order to ensure compliance with paragraph 5, informing it of the reasons therefor. Due account shall be taken of the need to operate the gas system safely at all times.

Within three days of notification of the Commission request, the Member State or the competent authority shall change its action and notify the Commission or shall set out to the Commission the reasons for which it does not agree with the request. In that case, the Commission may within three days amend or withdraw its request or convene the Member State or the competent authority and, where the Commission deems it necessary, the Gas Coordination Group in order to consider the issue. The Commission shall set out its detailed reasoning for requesting any changes to the action. The Member State or the competent authority shall take full account of the position of the Commission. Where the final decision of the competent authority or the Member State diverges from the Commission position, the competent authority or the Member State shall provide the reasoning underlying such decision.

7. The Commission, after consulting the Gas Coordination Group, shall establish a permanent reserve list for a monitoring task force consisting of industry experts and representatives of the Commission. This monitoring task force may be deployed outside the Union when necessary and shall monitor and report on the gas flows into the Union, in cooperation with the supplying and transiting third countries.
8. The competent authority shall provide to the Commission's Emergency Response Coordination Centre (ERCC) the information on any need for assistance. ERCC shall assess the overall situation and advise on the assistance that should be provided to the most affected Member States, and where appropriate to third countries.

*Article 12*

**Solidarity**

1. Where a Member State has declared **an emergency** in accordance with Article 10(1)(c) any increased supply standard or additional obligation imposed on natural gas undertakings in other Member States **in the same risk group** under Article 5(2) shall be temporarily reduced to the level established in Article 5(1) **in the event that the Member State declaring the emergency indicates that cross-border action is required.**
2. **Without prejudice to the technically safe and reliable operation of the gas system of a Member State, a Member State or, where the Member State so provides, its competent authority or its transmission system operator or distribution system operator shall as far as possible without creating unsafe situations, take necessary actions in order to ensure that the gas supply to customers in its territory other than households, essential social services and district heating installation shall not continue to the extent necessary and for as long as the supply to households, essential social services and district heating installations in the directly connected Member State which has requested the application of solidarity in accordance with paragraph 3 is not satisfied.**

**In exceptional circumstances and upon a duly justified request by the relevant electricity or gas transmission system operator, the gas supply may also continue to certain critical gas-fired power plants in the Member State providing solidarity where the lack of gas supply to such plants would result in severe damages in the functioning of the electricity system or would hamper the production and/or transportation of gas.**

**A Member State shall, provide the solidarity measure referred to in this paragraph to another Member State to which it is connected through a connection with a third country unless flows are restricted through the third country. Such extension of the measure shall be subject to mutual agreement of the relevant Member States who shall involve, as appropriate in view of implementing the first subparagraph, the third country through which they are connected.**

**For the purpose of this Article:**

- a) **district heating installations shall be covered to the extent that it is a protected customer and delivers heat to households and essential social services,**
  - b) **essential social services shall be covered to the extent that it is a protected customer, but shall in any event exclude educational and public administration services.**
- 3. The solidarity measure referred to in paragraph 2 is of last resort, and shall apply provided that the following conditions are fulfilled:**
- (a) **an explicit request for solidarity of the Member State which declared the emergency has been received by all the Member States concerned as defined in point (c) below,**
  - (aa) **the deficit in gas supply referred to in paragraph 2 in the Member State that requested solidarity has not been met despite the application of the measure in paragraph 1,**
  - (b) **the Member State that requests solidarity has exhausted all market based measures and all measures foreseen in its emergency plan,**
  - (c) **the Member State concerned is either directly connected to the Member State which requested solidarity as provided for in the first subparagraph of paragraph 2, or the Member State concerned is connected to the Member State via a third country which requested solidarity and both Member States have mutually agreed to apply the solidarity measure in accordance with paragraph 2;**

- (d) the Member State that requested solidarity commits to fair and prompt compensation for the gas delivered into its territory and all other relevant and reasonable costs incurred when providing solidarity, including, where appropriate, costs of such measures that may have been established in advance. This shall include the commitment to reimburse for any compensation resulting from judicial proceedings, arbitration proceedings and settlements and related costs of such proceedings involving the Member State providing solidarity vis-a-vis entities involved in providing such solidarity.**

**The request for solidarity referred to in point (a) shall be notified by the competent authority of the requesting Member State to the Commission and to the Competent Authorities of the Member States concerned by the request. Such request shall be accompanied by a description of the measures already introduced to mitigate the impacts of the emergency in accordance with point (b).**

**The competent authority of the Member State that requested the application of the solidarity measure shall immediately inform the Commission and the Competent Authorities of the Member States concerned when gas supply to households, essential social services and district heating as referred to in paragraph 2 is satisfied or where the obligations under paragraph 2 are, based on its needs, reduced or suspended at the request of the receiving Member State.**

**3a new. For the purpose of applying paragraphs 2 and 4 of this Article, if there is more than one Member State that could provide solidarity to a requesting Member State, the requesting Member State, shall seek supplies of gas from the different helping Member States on the basis of the gas prices and other costs that would lead to the lowest overall compensation to be paid to the helping Member States, unless a different solution is justified by reasons such as speed of delivery, reliability, diversification of supply across the potentially helping Member States.**

By way of derogation from the first subparagraph, any Member State providing solidarity which has delivered a total of 40% of the total annual amount of gas consumed by its customers not protected under this Article according to the most recently available data, may suspend its gas deliveries to any Member State requesting solidarity. This shall not apply if the requesting Member State cannot find another effective solution, and shall not affect the provision of gas deliveries from the remaining Member States concerned in accordance with the first subparagraph.

- 4. (*ex paragraph 3*) The competent authorities shall adopt the necessary measures, **including those agreed in technical, legal and financial arrangements**, so that gas not supplied to customers other than households, essential social services and district heating installations in the ■ territory of the Member State providing solidarity in the situation described in paragraph 2 can be supplied to the Member State **which has requested the application of solidarity in accordance with paragraph 3 ■** for the supply to households, essential social services and district heating installations in that Member State **as required by paragraph 2 of this Article**. The Member State that requested the application of solidarity in accordance with paragraph 3 shall also ensure that the relevant volume of gas is effectively delivered to households, essential social services and district heating installations in its territory.

**4aa new.** The obligations of paragraphs 2 to 4 shall apply subject to the limit of the maximum interconnection export capability of the relevant Member State infrastructure towards the Member State that requested solidarity. Technical legal and financial arrangements may reflect such circumstances in particular those under which the market will deliver up to maximum interconnection capacity.

**4a new.** In order to address the deficit in gas supply referred to in paragraph 2 of this Article, the Member State to which the request for solidarity has been addressed shall as a first step, have exhausted market-based measures such as auctions. As a second step, and where such market-based measures are insufficient to address the deficit in gas supply referred to in paragraph 2 of this Article, the Member State to which the request for solidarity has been addressed may introduce non-market based measures in order to comply with the obligations laid down in paragraph 2 of this Article.

■ 5. *(ex paragraph 4)* The technical, legal and financial arrangements for the application of paragraph ■ 4 shall be agreed among the Member States which are directly connected to each other and **shall be** described in their **respective** emergency plans ■. Such arrangements may cover, among others, ■ **the following elements:**

- (a) **operational safety of networks,**
- (b) **gas prices to be applied and the methodology for their setting, taking into account the impact on the functioning of the market,**
- (c) **use of interconnections, including bi-directional capacity and underground gas storage,**
- (d) **gas volumes or the methodology for their setting,**
- (e) **a list of elements that will have to be covered by a fair and prompt compensation that may include damages for curtailed industry.**

**Solidarity under this regulation shall only be provided on the basis of compensation. The Member State requesting solidarity shall promptly pay or ensure prompt payment to the Member State or relevant entity providing solidarity a fair compensation that covers the gas delivered into the territory of the requesting Member State and all other relevant and reasonable costs incurred when providing solidarity, including, where appropriate, costs of such measures, that may have been established in advance. This shall include reimbursement for any compensation resulting from judicial proceedings, arbitration proceedings and settlements and the judicial costs of such proceedings involving the Member State providing solidarity.**

**The Member State providing solidarity shall ensure that the received compensation be promptly passed on to the relevant entities involved. Member States receiving and providing solidarity shall implement the provisions of this Article concerning compensation in conformity with the Treaties, the Charter of Fundamental Rights of the European Union and the applicable international obligations.**



The financial arrangement agreed between Member States in advance of solidarity being requested and referred to in subparagraph 1 shall contain provisions that allow for the calculation of the compensation of all relevant and reasonable costs incurred when providing solidarity and an undertaking that such compensation will be paid. Any compensation mechanism shall provide incentives to participate in market-based solutions such as auctions and demand response mechanisms. It shall not create perverse incentives, including financial terms, for market players to postpone their action until non-market based measures are applied. All compensation mechanisms or at least their summary shall be included in the emergency plans.

For as long as a Member State can cover the gas consumption for its customers protected under paragraph 2 from its own production, it shall to this extent be exempted from the obligation to conclude technical, legal and financial arrangements with directly connected Member States for the purpose of receiving solidarity. This shall not affect the obligation of such a Member State to provide solidarity to other Member States pursuant to this Article.

■

6a. new The Commission shall by 1 December 2017 and after consulting the Gas Coordination Group provide for legally non-binding guidance for the key elements of the technical, legal and financial arrangements especially on how to apply the elements described in paragraph 5 in practice.

7. *(ex paragraph 6)* ■ Where Member States do not agree on the necessary technical, legal and financial arrangements by 1 November 2018, the Commission may in consultation with the competent authorities concerned propose ■ a framework for such measures setting out the necessary principles to make them operational which shall build on the Commission's guidance set out in paragraph 6a *new* of this Article. Member States shall finalise their arrangements by the 1st March 2019 taking utmost account of Commission's proposal.

**The application of this Article shall not be affected if Member States fail to agree or finalise their technical legal and financial arrangements. In such a situation the Member States concerned shall agree on the necessary ad hoc measures and the Member State requesting solidarity shall make a commitment in accordance with paragraph 3(d).**

- 8. The obligations laid down in paragraphs 1 and 2 of this Article will cease to apply immediately when the declaration of emergency is lifted or the Commission concludes, in accordance with the first subparagraph of Article 10(5), that the declaration of an emergency is not or no longer justified.**

### Article 13

#### Information exchange

- 1. ■ In case a Member State has declared ■ any of the crisis levels in accordance with Article 10(1), the natural gas undertakings concerned shall make available in particular the following information to the competent authority ■ of this Member State on a daily basis:**
  - (a) daily gas demand and supply forecasts for the following three days in million cubic meters per day (mcm/d);**
  - (b) daily flow of gas at all cross-border entry and exit points as well as all points connecting a production facility, a storage facility or an LNG terminal to the network, in million cubic meters per day (mcm/d);**
  - (c) the period, expressed in days, for which it is expected that gas supply to the protected customers can be ensured.**
- 2. In the event of a regional or Union emergency, the Commission ■ may request that the competent authority referred to in paragraph 1 provide it without delay with at least:**
  - (a) the information set out in paragraph 1;**
  - (b) information on the measures planned to be undertaken and already implemented by the competent authority to mitigate the emergency, and information on their effectiveness;**

- (c) the requests made for additional measures to be taken by other competent authorities;
- (d) the measures implemented at the request of other competent authorities.

3. After an emergency, the competent authority **referred to in paragraph 1** shall, as soon as possible and at the latest six weeks after the lifting of the emergency, provide to the Commission a detailed assessment of the emergency and the effectiveness of the implemented measures, including an assessment of the economic impact of the emergency, the impact on the electricity sector and the assistance provided to or received from, the Union and its Member States. Such assessment shall be made available to the Gas Coordination Group and shall be reflected in the updates of the preventive action plans and the emergency plans.

The Commission shall analyse the assessments of the competent authorities and shall inform the Member States, the European Parliament and the Gas Coordination Group of the results of its analysis in an aggregated form.

4. **Where the competent authority considers that the gas supply situation may lead to the declaration of one of the crisis levels mentioned in Article 10(1), it** ■ may require natural gas undertakings to provide the information referred to in paragraph 1 or additional information necessary to assess the overall situation of the gas supply in the Member State or other Member States, including contractual information, **other than price information**. The Commission may request from the competent authorities the information provided by natural gas undertakings **provided that the same information has not been transmitted already to the Commission**.
5. Where the Commission considers that the gas supply in ■ **part of** or **in** the Union as whole is ■ **at risk** or is likely to be ■ **at risk that may lead to the declaration of one of the crisis levels mentioned in Article 10(1)**, it may require the competent authorities **concerned** to collect and submit to the Commission information necessary to assess the situation of the gas supply ■. The Commission ■ **shall** share its assessment with the Gas Coordination Group.

6. In order for the Competent Authorities and the Commission to assess the situation of the security of supply at national, regional and Union level, **each** natural gas undertaking shall notify:

- (a) to the competent authority ■ concerned the following details of gas supply contracts with a duration of more than 1 year **which they have concluded to procure gas**:
  - (i) contract duration;  
■
  - (iii) contracted maximum daily volumes in the event of an alert or emergency;
  - (iv) contracted delivery points;
  - (v) minimum daily **and** monthly ■ gas volumes;
  - (vi) conditions for the suspension of gas deliveries.
- (b) to the competent authority **of the most affected Member State** ■ immediately after their conclusion or modification ■ **its** gas supply contracts with a duration of more than 1 year concluded or modified after [*OP: Please insert the date of entry in force of this Regulation*] that individually or cumulatively with **its** ■ contracts with the same supplier or its affiliates **is equivalent to** ■ **40% or more** of yearly natural gas consumption in this Member State ■ **to be calculated on the basis of the most recent available data**. The notification obligation shall not apply to the modifications related only to the gas price. The notification obligation shall also apply to all commercial agreements relevant for the execution of the gas supply contract.

The competent authority shall notify the data listed in point (a) of the first subparagraph **in aggregated form** to the Commission. **In the event of new contracts being concluded or changes being made to existing contracts, the whole set of data shall be notified again in aggregated form** by the end of September ■ **of the corresponding year**. **In case the competent authority has doubts whether a given contract obtained in point (b) of the first subparagraph puts at risk the security of gas supply of a Member State or a region, it shall notify the contract to the Commission.**

7. **■ In circumstances duly justified by the need to guarantee transparency of key gas supply contracts relevant for security of supply, and** where the competent authority or the Commission considers that a gas supply contract **■ may jeopardise** the security of supply of a Member State, region or of the Union as a whole, the competent authority of the Member State where the natural gas undertaking who has concluded the contract operates or the Commission may request the natural gas undertaking to provide the **details of the contract relevant** for the assessment of its impact on security of supply, **exclusive of price information**. The request **shall be justified and** may cover also **details of** any other commercial agreements relevant for the execution of the gas supply contract. **The justification shall include the proportionality of the administrative burden involved.**
- 7a. *(paragraph modified and moved from the end of this article)* **The competent authorities that receive information on the basis of paragraphs 6b or 7 of this Article shall assess the received information for security of supply purposes within 3 months and-submit the results of their assessment to the Commission.**
8. The competent authority shall take into account the information received under this article in the preparation of the risk assessment, preventive action plan and emergency plan or their respective updates. The Commission may adopt **■ an opinion proposing to** the competent authority to amend the **risk assessments or** plans on the basis of the information received under this article. **The competent authority concerned shall review the risk assessment and the plans concerned by the request according to the procedure set out in Article 7(7).**
9. **■**

## Article 13a

### Professional secrecy

- 1. Any commercially sensitive information received, exchanged or transmitted pursuant to Article 13(4),(5), (6) and (7), excluding the results of the assessment referred at paragraph 5 and 9, shall be confidential and subject to the conditions of professional secrecy laid down in this Article.**
- 2. The obligation of professional secrecy shall apply to:**
  - (a) persons who work or who have worked for the Commission;**
  - (b) auditors and experts instructed by the Commission;**
  - (c) persons who work or who have worked for the national competent and regulatory authorities or for other relevant authorities;**
  - (d) auditors and experts instructed by competent and national regulatory authorities or by other relevant authorities who receive confidential information in accordance with this Regulation.**
- 3. Confidential information received by the persons referred to in paragraph 2 in the course of their duties may not be divulged to any other person or authority, except in summary or aggregate form such that an individual market participant or market place cannot be identified, without prejudice to cases covered by criminal law, the other provisions of this Regulation or other relevant Union legislation.**
- 4. Without prejudice to cases covered by criminal law, the Commission, national competent and regulatory authorities, bodies or persons which receive confidential information pursuant to this Regulation may use it only in the performance of their duties and for the exercise of their functions. Other authorities, bodies or persons may use that information for the purpose for which it was provided to them or in the context of administrative or judicial proceedings specifically related to the exercise of those functions.**

*Article 14*

**Gas Coordination Group**

1. A Gas Coordination Group is established to facilitate the coordination of measures concerning security of gas supply. The Group shall be composed of representatives of the Member States, in particular of their competent authorities, as well as the Agency for the Cooperation of Energy Regulators (the "Agency"), the ENTSO for Gas and representative bodies of the industry concerned and those of relevant customers. The Commission shall, in consultation with the Member States, decide on the composition of the Group, ensuring it is fully representative. The Commission shall chair the Group. The Group shall adopt its rules of procedure.
2. The Gas Coordination Group shall be consulted and shall assist the Commission in particular on the following issues:
  - (a) security of gas supply, at any time and more specifically in the event of an emergency;
  - (b) all information relevant for security of gas supply at national, regional and Union levels;
  - (c) best practices and possible guidelines to all the parties concerned;
  - (d) the level of security of supply, benchmarks and assessment methodologies;
  - (e) national, regional and Union scenarios and testing the levels of preparedness;
  - (f) the assessment of the preventive action plans and the emergency plans, **the coherence across the various plans**, and the implementation of the measures foreseen therein;

- (g) the coordination of measures to deal with an emergency within the Union, with **the Energy Community** ■ Contracting Parties ■ and with other third countries;
  - (h) assistance needed by the most affected Member States.
3. The Commission shall convene the Gas Coordination Group on a regular basis and shall share the information received from the competent authorities whilst preserving the confidentiality of commercially sensitive information.
- 4. new The Commission may convene the Gas Coordination Group in a setting which is restricted to the representatives of the Member States and in particular of their competent authorities. The Commission shall convene the Gas Coordination Group in this restricted setting if so requested by one or more of the representatives of the Member States and in particular of their competent authorities. In this case, article 15(2) shall not apply.**

#### *Article 15*

#### **Cooperation with the Energy Community Contracting Parties**

1. **Where the Member States and the Energy Community Contracting Parties cooperate in the process of the establishment of risk assessments and preventive action and emergency plans, such cooperation may include, in particular, identifying the interaction and correlation of risks and consultations with a view to ensuring consistency of preventive action and emergency plans across the border.**
2. **In this respect, Energy Community Contracting Parties may participate in the Gas Coordination Group upon invitation by the Commission on all matters of mutual concern.**



## Article 16

### Monitoring by the Commission

The Commission shall carry out continuous monitoring of the security of gas supply measures and report regularly to the Gas Coordination Group.

The Commission, on the basis of the assessments referred to in Article 7(5) shall, **by 1 September 2023 at the latest**, draw conclusions as to possible means to enhance security of supply at Union level and report to the European Parliament and the Council on the **application** of this Regulation, including, where necessary, recommendations for improvement of this Regulation.

## Article 17

### Notifications

The risk assessments, the preventive action plans, the emergency plans and all other documents shall be notified to the Commission electronically through the CIRCABC platform.

All correspondence in connection with a notification shall be transmitted electronically.

## Article 18

### Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 3(7), Article 6(6) and Article 7(4) shall be conferred on the Commission for **a period of five years** from the [*OP: please insert the date of entry into force of the this Regulation*]. **The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.**

3. The delegation of power referred to in Article 3(7), Article 6(6) and Article 7(4) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

**3a. new Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law Making of 13 April 2016.**

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Article 3(7), Article 6(6) and Article 7(4) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

*Article 19*

**Derogation**

1. This Regulation shall not apply to Malta and Cyprus for as long as no gas is supplied on their respective territories. For Malta and Cyprus the obligations laid down in, and the choices those Member States are entitled to make pursuant to, the following provisions shall be fulfilled and made within the specified time after the date when gas is first supplied on their respective territories:
  - (a) for point (1) of the second paragraph of Article 2, Article 3(2), Article 6(6) and point (a) of Article 13(6): 12 months;

- (b) for Article 5(1): 18 months;
  - (c) for Article 7(4): 24 months;
  - (d) for Article 4(4): 36 months;
  - (e) for Article 4(1): 48 months. **In order to fulfil the obligation contained in Article 4(1), Malta and Cyprus may apply the provisions contained in Article 4(2), including by using non-market based demand-side measures.**
- 2. Obligations related to the work of the risk groups provided for in Article 6 and 7 with regard to the Southern Gas Corridor and Eastern Mediterranean risk groups shall start applying as of the date when the major infrastructure / pipeline enters the test operation.**
- 3. For as long as Sweden has access to gas via interconnections exclusively from Denmark as its only source of gas and its only possible provider of solidarity, Denmark and Sweden shall be exempted from the obligation in Article 12(4) to conclude technical, legal and financial arrangements for the purpose of Sweden receiving solidarity from Denmark. This shall not affect the obligation of Denmark to provide solidarity and to conclude the necessary technical, legal and financial arrangements to this effect pursuant to Article 12.**

*Article 20*

**Repeal**

Regulation (EU) No 994/2010 is repealed.

References made to the repealed Regulation shall be construed as references to this Regulation and read in accordance with the correlation table in Annex VIII.

*Article 21*

**Entry into force and application**

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

**It shall apply from....., with the exception of Article 12 (2) and (3), which shall apply from 1 March 2019.**

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the European Parliament*

*The President*

*For the Council*

*The President*

## ANNEX I

The risk groups of Member States that serve as the basis for risk associated cooperation as referred to in Article 3(7) are the following:

### 1. Eastern gas supply risk groups:

- **Ukraine:** Austria, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Italy, Luxembourg, Poland, Romania, Slovenia, Slovakia
- **Belarus:** Czech Republic, Belgium, Estonia, Germany, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Slovakia
- **Baltic Sea:** Austria, Belgium, Czech Republic, Denmark, France, Germany, Luxembourg, Netherlands, Slovakia, Sweden
- **North-Eastern:** Estonia, Finland, Latvia, Lithuania
- **Trans-Balkan:** Bulgaria, Greece, Romania

### 2. North Sea gas supply risk groups:

- **Norway:** Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom
- **Low calorific gas:** Belgium, France, Germany, Netherlands
- **Denmark:** Denmark, Luxembourg, Netherlands, Germany, Sweden
- **United Kingdom:** Belgium, Germany, Ireland, Luxembourg, Netherlands, United Kingdom,

### 3. North-African gas supply risk groups:

- **Algeria:** Austria, Croatia, France, Greece, Italy, Malta, Portugal, Slovenia, Spain
- **Libya:** Austria, Croatia, Italy, Malta, Slovenia

### 4. South-East supply risk groups:

- **Southern Gas Corridor - Caspian:** Austria, Bulgaria, Croatia, Greece, Hungary, Italy, Malta, Romania, Slovakia, Slovenia
- **Eastern-Mediterranean:** Cyprus, Greece, Italy, Malta

## ANNEX II

### Calculation of the N-1 formula

#### 1. DEFINITION OF THE N-1 FORMULA

The N – 1 formula describes the ability of the technical capacity, as defined in **point 18 of Article 2(1)** of Regulation (EC) No 715/2009, of the gas infrastructure to satisfy total gas demand in the calculated area in the event of disruption of the single largest gas infrastructure during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.

Gas infrastructure shall cover the gas transmission network including interconnectors as well as production, LNG and storage facilities connected to the calculated area.

The technical capacity of all remaining available gas infrastructure in the event of disruption of the single largest gas infrastructure shall be at least equal to the sum of the total daily gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.

The results of the N – 1 formula, as calculated below, shall be at least equal to 100 %.

#### 2. CALCULATION METHOD OF THE N-1 FORMULA

$$N - 1 [\%] = \frac{EP_m + P_m + S_m + LNG_m - I_m}{D_{max}} \times 100, N - 1 \geq 100 \%$$

The parameters used for the calculation shall be clearly described and justified.

For the calculation of the EP<sub>m</sub>, a detailed list of the entry points and their individual capacity shall be provided.

### 3. DEFINITIONS OF THE PARAMETERS OF THE N-1 FORMULA

‘Calculated area’ means a geographical area for which the N – 1 formula is calculated, as determined by the competent authority.

#### *Demand-side definition*

‘ $D_{max}$ ’ means the total daily gas demand (in mcm/d) of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.

#### *Supply-side definitions*

‘ $EP_m$ ’: technical capacity of entry points (in mcm/d), other than production, LNG and storage facilities covered by  $P_m$ ,  $LNG_m$  and  $S_m$ , means the sum of the technical capacity of all border entry points capable of supplying gas to the calculated area.

‘ $P_m$ ’: maximal technical production capability (in mcm/d) means the sum of the maximal technical daily production capability of all gas production facilities which can be delivered to the entry points in the calculated area.

‘ $S_m$ ’: maximal technical storage deliverability (in mcm/d) means the sum of the maximal technical daily withdrawal capacity of all storage facilities which can be delivered to the entry points of the calculated area, taking into account their respective physical characteristics.

‘ $LNG_m$ ’: maximal technical LNG facility capacity (in mcm/d) means the sum of the maximal technical daily send-out capacities at all LNG facilities in the calculated area, taking into account critical elements like offloading, ancillary services, temporary storage and re-gasification of LNG as well as technical send-out capacity to the system.

‘ $I_m$ ’ means the technical capacity of the single largest gas infrastructure (in mcm/d) with the highest capacity to supply the calculated area. When several gas infrastructures are connected to a common upstream or downstream gas infrastructure and cannot be separately operated, they shall be considered as one single gas infrastructure.

#### 4. CALCULATION OF THE N-1 FORMULA USING DEMAND-SIDE MEASURES

$$N - 1 [\%] = \frac{EP_m + P_m + S_m + LNG_m - I_m}{D_{max} - D_{eff}} \times 100, N - 1 \geq 100 \%$$

##### *Demand-side definition*

‘D<sub>eff</sub>’ means the part (in mcm/d) of D<sub>max</sub> that in case of a supply disruption can be sufficiently and timely covered with market-based demand-side measures in accordance with **point (c) of Article 8(1)** and Article 4(2).

#### 5. CALCULATION OF THE N-1 FORMULA AT REGIONAL LEVEL

The calculated area referred to in point 3 shall be extended to the appropriate regional level, **where applicable, as determined by the Competent Authorities of the Member States concerned. The calculation may also extend to the regional level of the risk group, if so agreed with the competent authorities of the risk group.** For the calculation of the N – 1 formula at regional level, the single largest gas infrastructure of common interest shall be used. The single largest gas infrastructure of common interest to a **region** shall be the largest gas infrastructure in the **region** that directly or indirectly contributes to the supply of gas to the Member States of that **region** and shall be defined in the risk assessment.

The regional N – 1 calculation may only replace the national N – 1 calculation, where the single largest gas infrastructure of common interest is of major importance for the gas supply of all Member States concerned according to the **common** risk assessment.

**On the level of the risk group**, for the calculations referred to in Article 6(4), the single largest gas infrastructure of common interest to the **risk groups** as listed in Annex I shall be used.



## ANNEX III

Permanent bi-directional capacity

**1a. new For the execution of the provisions foreseen in this Annex the national regulatory authority may act as the competent authority if so decided by the Member State.**

1. To enable or enhance bi-directional capacity on an interconnection~~or~~ or to obtain or prolong an exemption from that obligation, transmission system operators on both sides of the interconnection shall submit to their competent authorities (competent authorities concerned) **and to their regulatory authorities (regulatory authorities concerned)** after consulting with all transmission system operators **potentially concerned:**
  - (a) a proposal **to enable permanent physical capacity to transport gas in both directions** for permanent bi-directional capacity concerning the reverse direction (physical reverse flow capacity); or
  - (b) a request for an exemption from the obligation to enable bi-directional capacity.

**The transmission system operators shall endeavour to submit a joint proposal or request for exemption. In the case of a proposal to enable bi-directional capacity, the transmission system operators may make a substantiated proposal for a cross-border cost allocation.** Such submission shall take place no later than 1 December 2018 for all interconnections **that existed at the day of entry into force of this Regulation, and after completing the feasibility study phase but before start of detailed technical design phase for new interconnectors.**

2. ■
3. Upon receipt of the proposal or the exemption request the competent authorities concerned shall without delay consult the competent authorities **of the Member State that could, according to the risk assessment, benefit from the reverse flow capacity the national regulatory authorities of these Member States if they are not the competent authorities**, the Agency and the Commission on the proposal or the exemption request. The consulted authorities may issue an opinion within four months of the receipt of the consultation request.

**3a. new The national regulatory authorities shall within six months upon receipt of the joint proposal, pursuant to Articles 4(5) and 4(6) of this Regulation, after consulting the project promoters concerned, take coordinated decisions on the cross-border allocation of investment costs to be borne by each system operator of the project. Where the national regulatory authorities concerned have not reached an agreement within this deadline, they shall inform the competent authorities concerned without delay.**

4. ■ The competent authorities concerned shall on the basis of the risk assessment, the information listed in **Article 4(4a new) of this Regulation**, ■ the opinions received following the consultation according to point 3 **of this Annex** and taking into account security of gas supply and the contribution to the internal gas market take a ■ **coordinated decision. This ■ coordinated decision shall be taken within two months. The period of two months shall start after the four-month period allowed for the opinions referred to under point 3, unless all opinions have been received before, or after the six-month period referred to under point 3a new for national regulatory authorities to adopt a coordinated decision. The coordinated decision shall:**

- (a) ■ accept the proposal for **bi-directional** capacity. Such decision shall contain a cost benefit analysis, ■ a timeline for implementation and the arrangements for its subsequent use **and be accompanied by the coordinated decision on the cross-border cost allocation mentioned in paragraph 3a new and prepared by the national regulatory authorities; or;**

- (b) ■ grant or prolong a temporary exemption for a period of maximum four years, if the cost-benefit analysis included in the decision shows that the reverse flow capacity would not enhance the security of supply of any **relevant** Member State ■ or if the investment costs would significantly outweigh the prospective benefits for security of supply; **or**
- (c) ■ require the transmission system operators to amend and resubmit their proposal or exemption request **within a period of maximum 4 months**.
5. The competent authorities concerned shall submit the ■ **coordinated** decision without delay to the competent authorities **and national regulatory authorities who have submitted an opinion in accordance with point 3, the national regulatory authorities concerned**, the Agency and the Commission including the opinions received following the consultation according to point 4.
6. Within two months of receipt of the ■ **coordinated** decision, the competent authorities **mentioned in point 5** ■ may present their objections to the ■ **coordinated** decision and submit them to the competent authorities that adopted it, the Agency and the Commission. The objections shall be limited to facts and assessment, in particular cross-border cost allocation that was not subject of consultation according to point 4.
7. Within three months of receipt of the ■ **coordinated** decision according to point 5, the Agency shall issue an opinion on ■ **the** elements of the ■ **coordinated** decision taking into account any possible objection and submit the opinion to all competent authorities **concerned and the competent authorities mentioned in point 5** ■ and to the Commission.
8. Within four months of the receipt of the opinion issued by the Agency pursuant to point 7 the Commission may adopt a decision requesting modifications of the ■ **coordinated** decision. **Any such decision of the Commission shall be taken on the basis of: the criteria set out in point 4, the reasons for the decision of the authorities concerned and the opinion of the Agency. The competent authorities concerned shall comply with the request of the Commission by amending their decision within a period of 4 weeks.**

**In the event that the Commission does not act within the aforementioned four months period, it shall be deemed not to have raised objections to the decision of the competent authorities concerned.**

9. If the competent authorities concerned were not able to adopt a **coordinated** decision within the deadline indicated in point 4 **or if the national regulatory authorities could not reach an agreement on the cost allocation within the deadline indicated in point 3**, the competent authorities concerned shall inform the Agency and the Commission **at the latest** on the day of the expiry of the deadline. Within **four** months of receipt of this information, **the Commission, after possible consultation with the Agency, shall adopt a decision covering all elements of a coordinated decision listed in point 4 with the exception of a cross-border cost allocation and submit this decision to the competent authorities concerned and the Agency.**
10. **If the Commission decision pursuant to point 9 of this Annex, requires bi-directional capacity, the Agency shall adopt a decision covering the cross-border cost allocation in line with Article 4(6) of this Regulation within three months of the receipt of the Commission decision. Before taking such a decision, the Agency shall consult the national regulatory authorities concerned and the transmission system operators. The three-month period may be extended by an additional period of two months where the Agency has to request additional information. The additional period shall begin on the day following receipt of the complete information.**
11. The Commission, the competent authorities and the transmission system operators shall preserve the confidentiality of commercially sensitive information.
12. Exemptions from the obligation to enable bi-directional capacity granted under Regulation (EU) No 994/2010 shall remain valid **unless the Commission or the other concerned Member States request a revision or their duration expires**.

## ANNEX IV

### Template for **the common** risk assessment

The following template shall be completed in **█ a language agreed within the group.**

#### GENERAL INFORMATION

- Member States in the **█ risk group**
- Name of the competent authorities involved in the preparation of the present risk assessment<sup>1</sup>

#### 1. DESCRIPTION OF THE SYSTEM

##### 1.1. **█ Provide a brief description of the █ gas system of the risk group, covering:**

- (a) Main gas consumption figures<sup>2</sup>: annual final gas consumption (bcm) and breakdown per type of consumers<sup>3</sup>, peak demand (total and breakdown per category of consumer in mcm/d)
- (b) Describe the functioning of the gas system in the **█ risk group**: main flows (entry/exit/transit), entry/exit point's infrastructure capacity to and out of the **█ region** and per Member State, including utilisation rate, LNG facilities (maximal daily capacity, utilization rate and access regime), etc. **█**

---

<sup>1</sup> In case this task has been delegated by any competent authority, **█** indicate the name of the body/(ies) participating in the preparation of the present risk assessment on its behalf.

<sup>2</sup> For the first assessment, include data from the last two years. For updates, include data from the last 4 years.

<sup>3</sup> Including industrial consumers, electricity generation, district heating, residential and services and other (**█** specify the type of consumers included here). Indicate as well the volume of consumption of protected customers.

- (c) Breakdown, **to the extent possible**, of gas import sources per country of origin<sup>1</sup>
- (d) Describe the role of storage facilities relevant for the ■ **risk group**, including cross-border access:
  - (1) Storage capacity (total and working gas) compared to heating season demand
  - (2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)
- (e) Describe the role of domestic production in the ■ **risk group**:
  - (1) ■ **Volume** of production with regard to the annual final gas consumption
  - (2) Maximal daily production capacity
- (f) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)

■ *(entire point 1.2 deleted)*

## 2. INFRASTRUCTURE STANDARD (ARTICLE 4)

■ Describe the calculations of the N-1 formula(s) at regional level for the risk group, if so agreed with the competent authorities of the risk group, ■ and the existing bidirectional capacities, as follows:

■

---

<sup>1</sup> Describe the methodology applied.

N-1 formula

- (a) Identification of the single largest gas infrastructure of common interest for the **█ risk group**
- (b) Calculation of the N-1 formula at regional level
- (c) Description of the values used for all elements in the formula, including intermediate figures used for its calculation (e.g. for  $EP_m$  indicate the capacity of all entry points considered under this parameter)
- (d) Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g.  $D_{max}$ ) (use annexes for detailed explanations)

**█** (2.2 (a) *deleted*)

- (b) Bi-directional capacity
  - (1) Indicate the interconnection points equipped with bidirectional capacity and the maximal capacity of bi-directional flows
  - (2) Indicate the arrangements governing the use of the reverse flow capacity (e.g. interruptible capacity)
  - (3) Indicate interconnection points where an exemption has been granted in accordance with Article 4(4), the duration of the exemption and the grounds on which it was granted

### 3. IDENTIFICATION OF RISKS

Describe the **█ major transnational risk and any risk factors at several instances** which could have negative impact on the security of gas supply in the **█ risk group**, their likelihood and consequences.

Non-exhaustive list of **risk factors that have to be included in the assessment only if applicable:**

### **Political**

- Gas disruption from third countries because of different reasons
- Political unrest (either in country of origin or in transit country)
- War / civil war (either in country of origin or in transit country)
- Terrorism

### **Technological**

- Explosion/Fires
- Fires (internal to a given facility)
- Leakages
- Lack of adequate maintenance
- Equipment malfunction (failure to start, failure during working time, etc.)
- Lack of electricity (or other energy source)
- ICT failure (hardware or software failure, internet, SCADA problems, etc.)
- Cyber-attack
- Impact due to excavation works (digging, piling), ground works, etc.



## **Commercial / market / financial**

- Agreements with third country suppliers
- Commercial dispute
- Control of infrastructure relevant for security of supply by third country entities, which may imply, among others, risks of under-investment, undermining diversification or non-respect of Union law
- Price volatility
- Underinvestment
- Sudden, unexpected peak demand
- Other risks which could lead to structural underperformance

## **Social**

- Strikes (in different related sectors, as the gas sector, ports, transport, etc.)
- Sabotage
- Vandalism
- Theft

## **Natural**

- Earthquakes
- Landslides
- Floods (heavy rain, river)

- Storms (Sea)
- Avalanches
- Extreme weather conditions
- Fires (external to the facility, like nearby forests, grassland, etc.)

## ■ Analysis

- (a) ■ Describe the **major transnational risk and any other** relevant ■ **risk factors** for the ■ **risk group**, including their likelihood and impact as well as the interaction and correlation of risks among Member States, as appropriate
- (b) Describe the criteria used to determine whether a system is exposed to high/unacceptable risks
- (c) Set a list of relevant risk scenarios in accordance with the sources of risks and describe how the selection was made
- (d) Indicate the extent to which scenarios prepared by ENTSO for Gas have been considered

■ (3.2 - deleted)

## 4. RISK ANALYSIS AND ASSESSMENT

Analyse the set of relevant risk scenarios identified under point 3. In the simulation of risk scenarios include the existing security of supply measures, such as, among other, the N-1 standard **if appropriate** and the supply standard. Per risk scenario:

- (a) Describe in detail the risk scenario, including all assumptions and, if applicable, the underlying methodologies for their calculation

- (b) Describe in detail the results of the simulations carried out, including a quantification of the impacts (e.g. volumes of unserved gas, socio-economic impacts, impacts on district heating, impacts on electricity generation)

## 5. CONCLUSIONS

Describe the main results of the **common** risk assessment, including the identification of risk scenarios that require further action.

## Template for the national risk assessment

*(different parts moved from above)*

### GENERAL INFORMATION

- Name of the competent authority involved in the preparation of the present risk assessment<sup>1</sup>

#### 1. DESCRIPTION OF THE SYSTEM

##### 1.1. ■ Provide a brief consolidated description of the regional gas system for each group<sup>2</sup> the Member State participates in, covering:

- (a) Main gas consumption figures<sup>3</sup>: annual final gas consumption (bcm and MWh) and breakdown per type of consumers<sup>4</sup>, peak demand (total and breakdown per category of consumer in mcm/d)
- (b) Describe the functioning of the gas system(s) in the ■ **relevant risk groups**: main flows (entry/exit/transit), entry/exit point's infrastructure capacity to and out of the **risk groups'** region(s) and per Member State, including utilisation rate, LNG facilities (maximal daily capacity, utilization rate and access regime), etc.

---

<sup>1</sup> In case this task has been delegated by the competent authority, ~~please~~ indicate the name of the body/(ies) participating in the preparation of the present risk assessment on its behalf.

<sup>2</sup> **For the sake of simplicity, present the information at the highest level of the risk groups if possible and merge details as necessary.**

<sup>3</sup> For the first assessment, include data from the last two years. For updates, include data from the last 4 years.

<sup>4</sup> Including industrial consumers, electricity generation, district heating, residential and services and other (■ specify the type of consumers included here). Indicate as well the volume of consumption of protected customers.

- (c) Breakdown of percentage gas import sources per country of origin<sup>1</sup>
- (d) Describe the role of storage facilities relevant for the **█ risk group**, including cross-border access:
  - (1) Storage capacity (total and working gas) compared to heating season demand
  - (2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)
- (e) Describe the role of domestic production in the **█ risk group(s)**:
  - (1) **█ Volume** of production with regard to the annual final gas consumption
  - (2) Maximal daily production capacity and description of how it can cover maximum daily consumption
- (f) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)

**1.2. █ Provide a brief description of the gas system of the Member State, covering:**

- 1) Main gas consumption figures: annual final gas consumption (bcm) and breakdown by type of consumers, peak demand (mcm/d)
- 2) Describe the functioning of the gas system at national level, including infrastructures (to the extent not covered by point 1.1.(b)). If applicable, include L-gas system
- 3) Identify the key infrastructure relevant for security of supply

---

<sup>1</sup> Describe the methodology applied.

- 4) Breakdown, **to the extent possible** at national level of gas import sources per country of origin
- 5) Describe the role of storage ■ and include:
  - (1) Storage capacity (total and working) compared to heating season demand
  - (2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)
- 6) Describe the role of domestic production and include:
  - (1) ■ **Volume** of production with regard to the annual final gas consumption
  - (2) Maximal daily production capacity
- 7) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)

## 2. INFRASTRUCTURE STANDARD (ARTICLE 4)

■ Describe how the infrastructure standard is complied with, including the main values used for the N-1 formula and alternative options for its compliance (with ■ **directly connected** Member States, demand side measures) and the existing bidirectional capacities, as follows:

- (a) N-1 formula
  - (1) Identification of the single largest gas infrastructure
  - (2) Calculation of the N-1 formula at national level

- (3) Description of the values used for all elements in the formula, including intermediate values used for their calculation (e.g. for  $EP_m$  indicate the capacity of all entry points considered under this parameter)
- (4) Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g.  $D_{max}$ ) (use annexes for detailed explanations)
- (5) Explain the results of the calculation of the N-1 formula considering the level of storages at 30% and 100% of their total capacity
- (6) Explain the main results of the simulation of the N-1 scenario using a hydraulic model.
- (7) If so decided by the Member State, calculation of the N-1 formula using demand side measures:
  - Calculation of the N-1 formula according to point 5 of Annex II
  - Description of the values used for all elements in the formula, including intermediate figures used for its calculation (if different to the figures described under point 2.■(a).(3)above)
  - Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g.  $D_{max}$ ) (use annexes for detailed explanations)
  - Explain the market-based demand side measures adopted/to be adopted to compensate a supply disruption and its expected impact ( $D_{eff}$ )

(8) If so agreed ■ **with** the competent authorities of ■ **the relevant risk group(s) or with directly connected** Member States, joint calculation(s) of the N-1 standard:

- Calculation of the N-1 formula according to point 5 of Annex II
- Description of the values used for all elements in the formula, including intermediate values used for its calculation (if different to the figures described under point 2.■(a)(3) **above**.
- Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g.  $D_{\max}$ ) (use annexes for detailed explanations)
- Explain the agreed arrangements to ensure the compliance with the N-1 obligation

(b) Bi-directional capacity

- (1) Indicate the interconnection points equipped with bidirectional capacity and the maximal capacity of bi-directional flows
- (2) Indicate the arrangements governing the use of the reverse flow capacity (e.g. interruptible capacity)
- (3) Indicate interconnection points where an exemption has been granted in accordance with Article 4(4), the duration of the exemption and the grounds on which it was granted

### 3. IDENTIFICATION OF RISKS

Describe the ■ **risk factors** which could have negative impact on the security of gas supply in the Member State, their likelihood and consequences.



Non-exhaustive list of types of **■ risk factors that have to be included in the assessment only if applicable:**

### **Political**

- Gas disruption from third countries because of different reasons
- Political unrest (either in country of origin or in transit country)
- War / civil war (either in country of origin or in transit country)
- Terrorism

### **Technological**

- Explosion/Fires
- Fires (internal to a given facility)
- Leakages
- Lack of adequate maintenance
- Equipment malfunction (failure to start, failure during working time, etc.)
- Lack of electricity (or other energy source)
- ICT failure (hardware or software failure, internet, SCADA problems, etc.)
- Cyber-attack
- Impact due to excavation works (digging, piling), ground works, etc.

## **Commercial / market / financial**

- Agreements with third country suppliers
- Commercial dispute
- Control of infrastructure relevant for security of supply by third country entities, which may imply, among others, risks of under-investment, undermining diversification or non-respect of Union law
- Price volatility
- Underinvestment
- Sudden, unexpected peak demand
- Other risks which could lead to structural underperformance

## **Social**

- Strikes (in different related sectors, as the gas sector, ports, transport, etc.)
- Sabotage
- Vandalism
- Theft

## Natural

- Earthquakes
- Landslides
- Floods (heavy rain, river)
- Storms (Sea)
- Avalanches
- Extreme weather conditions
- Fires (external to the facility, like nearby forests, grassland, etc.)

## Analysis

- 1) Identify the relevant ■ **risk factors** for the Member State, including their likelihood and impact ■
- 2) Describe the criteria used to determine whether a system is exposed to high/unacceptable risks
- 3) Set a list of relevant risk scenarios in accordance with the ■ **risk factors** and their likelihood and describe how the selection was made

■

#### **4. RISK ANALYSIS AND ASSESSMENT**

Analyse the set of relevant risk scenarios identified under point 3. In the simulation of risk scenarios include the existing security of supply measures, such as, among other, the N-1 standard and the supply standard. Per risk scenario:

- 1) Describe in detail the risk scenario, including all assumptions and, if applicable, the underlying methodologies for their calculation
- 2) Describe in detail the results of the simulations carried out, including a quantification of the impacts (e.g. volumes of unserved gas, socio-economic impacts, impacts on district heating, impacts on electricity generation)

#### **4a new. Findings of the different risk analysis in which the member state has been involved**

**Describe the main results of the common risk assessment the Member states has been involved in, including the identification of risk scenarios that require further action.**

#### **5. CONCLUSIONS**

Describe the main results of the risk assessment, including the identification of risk scenarios that require further action.

## ANNEX V

### Templates for the plans

The following templates shall be completed in a **language agreed within the group**.

**A courtesy translation [in English] shall accompany the notification of the plans in order to facilitate the discussion and cooperation across risk group, in particular with a view to the discussions at the Gas Coordination Group pursuant to Article 7 and given the deadlines contained therein.**

Template for preventive action plan

#### GENERAL INFORMATION

- Member States in the **■ risk group**
- Name of the competent authority **■** involved in the preparation of this plan<sup>1</sup>

---

<sup>1</sup> In case this task has been delegated by any competent authority, **■** indicate the name of the body/(ies) participating in the preparation of this plan on its behalf.

## 1. DESCRIPTION OF THE SYSTEM

### 1.1. ■ Provide a brief consolidated description of the regional gas systems for each group<sup>1</sup> the Member States participates in, covering:

- (a) Main gas consumption figures<sup>2</sup>: annual final gas consumption (bcm) and breakdown per type of consumers<sup>3</sup>, peak demand (total and breakdown per category of consumer in mcm/d)
- (b) Describe the functioning of the gas system in the ■ **relevant risk groups**: main flows (entry/exit/transit), entry/exit point's infrastructure capacity to and out of the **risk group's** region(s) and per Member State, including utilisation rate, LNG facilities (maximal daily capacity, utilization rate and access regime), etc. ■
- (c) Breakdown, **to the extent possible**, of gas import sources per country of origin<sup>4</sup>
- (d) Describe the role of storage facilities relevant for the region, including cross-border access:
  - (1) Storage capacity (total and working gas) compared to heating season demand
  - (2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)

---

<sup>1</sup> **For the sake of simplicity, present the information at the highest level of the risk groups if possible and merge details as necessary**

<sup>2</sup> For the first plan, include data from the last two years. For updates, include data from the last 4 years.

<sup>3</sup> Including industrial consumers, electricity generation, district heating, residential and services and other (■ specify the type of consumers included here).

<sup>4</sup> Describe the methodology applied.

- (e) Describe the role of domestic production in the region:
  - (1) **Volume** of production with regard to the annual final gas consumption
  - (2) Maximal daily production capacity
- (f) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)

**1.2. Provide a brief description of the gas system per Member State, covering:**

- (a) Main gas consumption figures: annual final gas consumption (bcm) and breakdown by type of consumers, peak demand (mcm/d)
- (b) Describe the functioning of the gas system at national level, including infrastructures (to the extent not covered by point 1.1.(b)).
- (c) Identify the key infrastructure relevant for security of supply
- (d) Breakdown, **to the extent possible**, at national level of gas import sources per country of origin
- (e) Describe the role of storage in the Member State and include:
  - (1) Storage capacity (total and working) compared to heating season demand
  - (2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)
- (f) Describe the role of domestic production and include:
  - (1) **Amount** of production with regard to the annual final gas consumption
  - (2) Maximal daily production capacity

- (g) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)

## 2. SUMMARY OF THE RISK ASSESSMENT

■ Describe briefly the results of the **relevant common and national** risk assessment carried out in accordance with Article 6, including:

- (a) List of the scenarios assessed and brief description of the assumptions applied for each one as well as the risks/shortcomings identified
- (b) Main conclusions of the risk assessments

## 3. INFRASTRUCTURE STANDARD (ARTICLE 4)

■ Describe how the infrastructure standard is complied with, including the main values used for the N-1 formula and alternative options for its compliance (with neighbouring Member States, demand side measures) and the existing bidirectional capacities, as follows:

■

- (a) N-1 formula
  - (1) Identification of the single largest gas infrastructure
  - (2) Calculation of the N-1 formula at national level
  - (3) Description of the values used for all elements in the formula, including intermediate values used for their calculation (e.g. for  $EP_m$  indicate the capacity of all entry points considered under this parameter)
  - (4) Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g.  $D_{max}$ ) (use annexes for detailed explanations)



- (5) If so decided by the Member State, calculation of the N-1 formula using demand side measures:
- Calculation of the N-1 formula according to point 5 of Annex II
  - Description of the values used for all elements in the formula, including intermediate figures used for its calculation (if different to the figures described under point 3.█(a)(3) **above**)
  - Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g.  $D_{\max}$ ) (use annexes for detailed explanations)
  - Explain the market-based demand side measures adopted/to be adopted to compensate a supply disruption and its expected impact ( $D_{\text{eff}}$ )
- (6) If so agreed █ **with** the competent authorities of █ **the relevant risk group(s) or with the directly connected** Member States, joint calculation(s) of the N-1 standard:
- Calculation of the N-1 formula according to point 5 of Annex II
  - Description of the values used for all elements in the formula, including intermediate values used for its calculation (if different to the figures described under point 3.█(a)(3) **above**)
  - Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g.  $D_{\max}$ ) (use annexes for detailed explanations)
  - Explain the agreed arrangements to ensure the compliance with the N-1 obligation

(b) Bi-directional capacity

- (1) Indicate the interconnection points equipped with bidirectional capacity and the maximal capacity of bi-directional flows
- (2) Indicate the arrangements governing the use of the reverse flow capacity (e.g. interruptible capacity)
- (3) Indicate interconnection points where an exemption has been granted in accordance with Article 4(4), the duration of the exemption and the grounds on which it was granted

#### 4. COMPLIANCE WITH THE SUPPLY STANDARD (ARTICLE 5)

■ Describe ■, the measures adopted in order to comply with the supply standard as well as with any increased supply standard or additional obligation imposed for reasons of security of gas supply:

- (a) Definition of protected customers applied, including categories of consumers covered and their annual gas consumption (per category, net value and percentage of the national annual final gas consumption)
- (b) Gas volumes needed to comply with the supply standard according to the scenarios described in the first subparagraph of Article 5(1)
- (c) Capacity needed to comply with the supply standard according to the scenarios described in the first subparagraph of Article 5(1)

- (d) Measure(s) in place to comply with the supply standard:
- (1) Description of the measure(s)
  - (2) Addressees
  - (3) In case it exists, describe any ex ante monitoring system for the compliance with the supply standard
  - (4) Sanctions regime, if applicable
  - (5) Describe, per measure:
    - the economic impact, effectiveness and efficiency of the measure
    - the impact of the measure on the environment
    - impact of the measures on consumer
  - (6) In case non-market based measures are applied (per measure):
    - Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only);
    - Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)
    - Provide an analysis of the impacts of such measure:
      - (a) on other Member State's security of supply
      - (b) on the national market
      - (c) on the internal market

- (7) In case of measures introduced after [*OP: Please insert the date of the entry into force of this Regulation*], please provide a **short summary of the** ■ impact assessment **or a link to the public impact assessment** of the measure(s) carried out in accordance with Article 8(4)
- (e) If applicable, describe any increased supply standard or additional obligation imposed for reasons of security of gas supply:
- (1) Description of the measure(s)
    - (1a) Mechanism to reduce it to usual values in a spirit of solidarity and in accordance with Article 12**
    - (1b) If applicable, describe any new increased supply standard or additional obligation imposed for reasons of security of gas supply adopted after the entry into force of this Regulation**
  - (2) Justify why the measure is necessary (i.e., why the supply standard needs to be increased and, in case non-market based measures are applied, why security of supply cannot be achieved via market-based measures only)
  - (3) Justify why the measure is proportionate (i.e., why an increased supply standard or additional obligation is the least restrictive means to achieve the intended effect and, in case non-market based measures are applied, the non-market based measure is the least restrictive means to achieve the intended effect)
  - (4) Addressees
  - (5) Affected gas volumes and capacities
  - (6) Mechanism to reduce it to usual values in a spirit of solidarity and in accordance with Article 12
  - (7) Indicate how this measure complies with the conditions set in Article 5(2)

## 5. PREVENTIVE MEASURES

■ Describe the preventive measures in place or to be adopted:

(a) Describe each of the preventive measures adopted per identified risk according to the risk assessment, including a description of:

- (1) their national or regional dimension
- (2) their economic impact, effectiveness and efficiency
- (3) ■
- (4) their impact on consumers

Where appropriate, include:

- Measures to enhance interconnections between neighbouring Member States
- Measures to diversify gas routes and sources of supply
- Measures to protect key infrastructure relevant for security of supply in relation to control by third country entities (including, where relevant, general or sector-specific investment screening laws, special rights for certain shareholders, etc.)

(b) Describe other measures adopted for reasons other than the risk assessment but with a positive impact for the security of supply of the **relevant risk group(s)** ■ Member State

(c) In case non-market based measures are applied (per measure):

- (1) Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)
- (2) Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)

- (3) Provide an analysis of the impacts of such measure:
- Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)
  - Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)
  - Provide an analysis of the impacts of such measure:
    - (a) on other Member State's security of supply
    - (b) on the national market
    - (c) on the internal market
  - (d) Explain the extent to which efficiency measures, including on the demand side, have been considered to increase security of supply
  - (e) Explain the extent to which renewable energy sources have been considered to increase security of supply

## 6. OTHER MEASURES AND OBLIGATIONS (E.G. SAFETY OPERATION OF THE SYSTEM)

Describe other measures and obligations that have been imposed on natural gas undertakings and other relevant bodies likely to have an impact on security of gas supply, such as obligations for the safe operation of the system, including who would be affected by this obligation as well as the gas volumes covered. Explain when would these measures precisely apply and how.

## 7. INFRASTRUCTURE PROJECTS

- (a) Describe future infrastructure projects, including Projects of Common Interests in the **relevant risk groups** ■, including an estimated timing for their deployment, capacities and estimated impact on the security of gas supply in the ■ **risk group**.

- (b) Indicate how the infrastructure projects take into account the Union-wide 10-year network development plan elaborated by ENTSO for Gas pursuant to Article 8(10) of Regulation (EC) No 715/2009

## **8. PUBLIC SERVICE OBLIGATIONS RELATED TO SECURITY OF SUPPLY**

Indicate the existing public service obligations related to security of supply and briefly describe them (use annexes for more detailed information). Explain clearly who has to comply with such obligations and how. If applicable, describe how and when these public service obligations would be triggered.

■

## **10. STAKEHOLDER CONSULTATIONS**

In accordance with Article 7(1), ■ describe the mechanism used for and the results of the consultations carried out, for the development of this plan as well as the emergency plan, with:

- (a) gas undertakings
- (b) relevant organisations representing the interests of households
- (c) relevant organisations representing the interests of industrial gas consumers, including electricity producers
- (d) national regulatory authority

## **11. ■ REGIONAL DIMENSION**

Indicate any national circumstances and measures relevant for security of supply and not covered in the previous sections of this plan ■.

**Indicate how the possible comments received following the consultation described in Article 7(1) have been considered.**

**11.1 Calculation of the N-1 at the level of the risk group if so agreed by the competent authorities of the risk group** (*different parts moved from above*)

N-1 formula

- (a) Identification of the single largest gas infrastructure of common interest for the **█ risk group**
- (b) Calculation of the N-1 formula at **█ the level of the risk group**
- (c) Description of the values used for all elements in the formula, including intermediate figures used for its calculation (e.g. for  $EP_m$  indicate the capacity of all entry points considered under this parameter)
- (d) Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g.  $D_{max}$ ) (use annexes for detailed explanations)

**11.2 Mechanisms developed for cooperation**

- (a) Describe the mechanisms used for the cooperation among the Member States in the **█ relevant risk groups**, including for **█ developing cross-border measures in the █ preventive action plan and the emergency plan █**
- (b) Describe the mechanisms used for the cooperation with other Member States **█** in the design and adoption of the provisions necessary for the application of Article 12

**11.3 Preventive measures**

**█ Describe the preventive measures in place or to be adopted in the risk group █ or as a result of regional agreements█:**



- (a) Describe each of the preventive measures adopted per identified risk according to the risk assessment, including a description of:
- (1) **their impact in the Members of the group**
  - (2) their economic impact, effectiveness and efficiency
  - (3) their impact on the environment
  - (4) their impact on consumers

Where appropriate, include:

- Measures to enhance interconnections between neighbouring Member States
  - Measures to diversify gas routes and sources of supply
  - Measures to protect key infrastructure relevant for security of supply in relation to control by third country entities (including, where relevant, general or sector-specific investment screening laws, special rights for certain shareholders, etc.)
- (b) Describe other measures adopted for reasons other than the risk assessment but with a positive impact for the security of supply of the **■ risk group**
- (c) In case non-market based measures are applied (per measure):
- (1) Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)
  - (2) Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)

- (3) Provide an analysis of the impacts of such measure:
- Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)
  - Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)
  - Provide an analysis of the impacts of such measure:
    - (a) on other Member State's security of supply
    - (b) on the national market
    - (c) on the internal market
  - (d) Explain the extent to which efficiency measures, including on the demand side, have been considered to increase security of supply
  - (e) Explain the extent to which renewable energy sources have been considered to increase security of supply

## Template for emergency plan

### GENERAL INFORMATION

- 
- Name of the competent authority ■ involved in the preparation of the present plan<sup>1</sup>

#### 1. DEFINITION OF CRISIS LEVELS

- (a) ■ indicate the body responsible for the declaration of each crisis level and the procedures to follow in each case for such declarations.
- (b) In case they exist, include here indicators or parameters used to consider whether an event may result in a significant deterioration of the supply situation and to decide upon the declaration of a certain crisis level.

#### 2. MEASURES TO BE ADOPTED PER CRISIS LEVEL<sup>2</sup>

##### 2.1 Early Warning

- (a) Describe the measures to be applied at this stage, indicating, per measure:
- (1) Brief description of the measures and main actors involved
  - (2) Describe the procedure to follow, if applicable
  - (3) Indicate the expected contribution of the measure to cope with the impacts of any event or prepare ahead of its appearance
  - (4) Describe the flows of information among the actors involved

---

<sup>1</sup> In case this task has been delegated by any competent authority, ■ indicate the name of the body/(ies) participating in the preparation of this plan on its behalf.

<sup>2</sup> ■

## 2.2 Alert Level

- (a) Describe the measures to be applied at this stage, indicating, per measure:
  - (1) Brief description of the measures and main actors involved
  - (2) Describe the procedure to follow, if applicable
  - (3) Indicate the expected contribution of the measure to cope with the situation at alert level
  - (4) Describe the flows of information among the actors involved
- (b) Describe the reporting obligations imposed on natural gas undertakings at alert level

## 2.3 Emergency Level

- (a) Establish a list of predefined actions on the supply and demand side to make gas available in the event of an emergency, including commercial agreements between the parties involved in such actions and the compensation mechanisms for natural gas undertakings where appropriate.
- (b) Describe the market based measures to be applied at this stage, indicating, per measure:
  - (1) Brief description of the measure and main actors involved
  - (2) Describe the procedure to follow
  - (3) Indicate the expected contribution of the measure to mitigate the situation at emergency level
  - (4) Describe the flows of information among the actors involved

- (c) Describe the non-market based measures planned or to be implemented for the emergency level, indicating, per measure:
  - (1) Brief description of the measure and main actors involved
  - (2) Provide an assessment of the necessity of such measure in order to cope with a crisis, including the degree of its use
  - (3) Describe in detail the procedure to implement the measure (e.g. what would trigger the introduction of this measure, who would take the decision)
  - (4) Indicate the expected contribution of the measure to mitigate the situation at emergency level as a complement to market based measures
  - (5) Assess other effects of the measure
  - (6) Justify the compliance of the measure with the conditions established in Article 10(4)
  - (7) Describe the flows of information among the actors involved
- (d) Describe reporting obligations imposed on natural gas undertakings

### **3. SPECIFIC MEASURES FOR THE ELECTRICITY AND DISTRICT HEATING**

- (a) District heating
  - (1) Briefly indicate the likely impact of a supply disruption in the district heating sector
  - (2) Indicate measures and actions to be taken to mitigate the potential impact of a gas supply disruption on district heating. Alternatively, indicate why the adoption of specific measures is not appropriate

- (b) Supply of electricity generated from gas
  - (1) Briefly indicate the likely impact of a supply disruption in the electricity sector
  - (2) Indicate measures and actions to be taken to mitigate the potential impact of a gas supply disruption on the electricity sector. Alternatively, indicate why the adoption of specific measures is not appropriate
  - (3) Indicate the mechanisms/existing provisions to ensure appropriate coordination, including exchange of information, between main actors in the gas and electricity sectors, notably transmission system operators at different crisis levels

#### 4. CRISIS MANAGER OR TEAM

**Each Competent authority shall** indicate who **its** crisis manager ■ is and define its role.

#### 5. ROLES AND RESPONSIBILITIES OF DIFFERENT ACTORS

- (a) Per crisis level, define the roles and responsibilities, including interactions with the competent authorities and, where appropriate, with the national regulatory authority, of:
  - (1) Natural gas undertakings
  - (2) Industrial consumers
  - (3) Relevant electricity producers
- (b) Per crisis level, define the role and responsibilities of the competent authorities and the bodies to which tasks have been delegated

■ *(point 6 and 7 are deleted)*

## **8. MEASURES REGARDING UNDUE CONSUMPTION BY NON-PROTECTED CUSTOMERS**

Describe measures in place to prevent **to the extent possible and without endangering the safe and reliable operation of the gas system or creating unsafe situations**, the consumption by non-protected customers of gas supply intended for the protected customers during an emergency. Indicate the nature of the measure (administrative, technical, etc.), main actors and the procedures to follow.

## **9. EMERGENCY TESTS**

- (a) Indicate the calendar for the real time response simulations of emergency situations
- (b) Indicate actors involved, procedures and concrete high and medium impact scenarios simulated

For the updates of the emergency plan: describe briefly the tests carried out since the last emergency plan was presented and the main results. Indicate which measures have been adopted as a result of these tests.

## **10. Regional dimension** (*different parts moved from above*)

### **10.1 Measures to be adopted per crisis level**

#### **10.1.1 Early Warning**

- (a) Describe the measures to be applied at this stage, indicating, per measure:
  - (1) Brief description of the measures and main actors involved
  - (2) Describe the procedure to follow, if applicable
  - (3) Indicate the expected contribution of the measure to cope with the impacts of any event or prepare ahead of its appearance
  - (4) Describe the flows of information among the actors involved

### **10.1.2 Alert Level**

- (a) Describe the measures to be applied at this stage, indicating, per measure:
  - (1) Brief description of the measures and main actors involved
  - (2) Describe the procedure to follow, if applicable
  - (3) Indicate the expected contribution of the measure to cope with the impacts of any event or prepare ahead of its appearance
  - (4) Describe the flows of information among the actors involved
- (b) Describe the reporting obligations imposed on natural gas undertakings at alert level

### **10.1.3 Emergency Level**

- (a) Establish a list of predefined actions on the supply and demand side to make gas available in the event of an emergency, including commercial agreements between the parties involved in such actions and the compensation mechanisms for natural gas undertakings where appropriate.
- (b) Describe the market based measures to be applied at this stage, indicating, per measure:
  - (1) Brief description of the measure and main actors involved
  - (2) Describe the procedure to follow
  - (3) Indicate the expected contribution of the measure to mitigate the situation at emergency level
  - (4) Describe the flows of information among the actors involved



- (c) Describe the non- market based measures planned or to be implemented for the emergency level, indicating, per measure:
  - (1) Brief description of the measure and main actors involved
  - (2) Provide an assessment of the necessity of such measure in order to cope with a crisis, including the degree of its use
  - (3) Describe in detail the procedure to implement the measure (e.g. what would trigger the introduction of this measure, who would take the decision)
  - (4) Indicate the expected contribution of the measure to mitigate the situation at emergency level as a complement to market based measures
  - (5) Assess other effects of the measure
  - (6) Justify the compliance of the measure with the conditions established in Article 10(4)
  - (7) Describe the flows of information among the actors involved
- (d) Describe reporting obligations imposed on natural gas undertakings

## 10.2 Cooperation mechanisms

- (a) Describe the mechanisms in place to cooperate within **each of the ■ relevant risk groups** and to ensure appropriate coordination for each crisis level. Describe, to the extent they exist and have not been covered in point 2, the decision-making procedures for appropriate reaction at regional level at each crisis level
- (b) Describe the mechanisms in place to cooperate with other Member States out of the **■ risk groups** and to coordinate actions for each crisis level

### 10.3 Solidarity among Member States

- (a) Describe the agreed arrangements among **directly interconnected** Member States ■  
to ensure the application of the solidarity principle referred to in Article 12
- (b new) If applicable, describe the agreed arrangements between Members States  
that are connected to each other through third country to ensure the application  
of the solidarity principle referred to in Article 12.**

ANNEX VI (deleted)



## ANNEX VII

### List of non-market based security of gas supply measures

In developing the preventive action plan and the emergency plan the competent authority shall consider the contribution of the following indicative and non-exhaustive list of measures only in the event of an emergency:

#### Supply-side measures:

- use of strategic gas storage;
- enforced use of stocks of alternative fuels (e.g. in accordance with Council Directive 2009/119/EC<sup>1</sup>);
- enforced use of electricity generated from sources other than gas;
- enforced increase of gas production levels;
- enforced storage withdrawal.

#### Demand-side measures:

- Various steps of compulsory demand reduction including:
  - enforced fuel switching;
  - enforced utilisation of interruptible contracts, where not fully utilised as part of market measures;
  - enforced firm load shedding.

---

<sup>1</sup> Council Directive 2009/119/EC of 14 September 2009 imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products (OJ L 265, 9.10.2009, p. 9).

## ANNEX VIII

Correlation table

<b>Regulation (EU) No 994/2010</b>	<b>This Regulation</b>
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 6	Article 4
Article 8	Article 5
Article 9	Article 6
Article 4	Article 7
Article 5	Article 8
Article 10	Article 9
Article 10	Article 10
Article 11	Article 11
-	Article 12
Article 13	Article 13
Article 12	Article 14
-	Article 15
Article 14	Article 16
-	Article 17
-	Article 18
Article 16	Article 19
Article 15	Article 20
Article 17	Article 21

Annex I	Annex II
Article 7	Annex III
Annex IV	Annex I
-	Annex IV
-	Annex V
Annex II	-
Annex III	Annex VII
-	■
-	Annex VIII

---