



Press Release (ACER PR-02-22) (CEER PR 22-06)

Europe's energy regulators welcome proactive approach of the "Save Gas for a Safe Winter" Plan

20 July 2022

- Energy regulators see the need to adopt gas demand-adjustment measures now to avoid higher costs later
- Regulators support a well-defined crisis response process

Europe's energy regulators represented by the EU Agency, ACER¹, and the national regulators' association, CEER², welcome the European Commission's "Save Gas for a Safe Winter" Plan³. Reducing gas consumption now will go a long way to avoiding low levels of reserves, potential disruptions and more economically costly sudden measures in the winter. Europe's energy regulators agree that regulations regarding security of supply should be re-evaluated in terms of their effectiveness in "addressing a longer-term supply disruption from a major supplier affecting several routes at the same time".

Regarding the voluntary 15% demand reduction efforts in the next eight months, Europe's energy regulators note the importance (as mentioned in the draft Regulation) that measures not unduly distort competition or the proper functioning of the internal market in gas, or endanger the security of gas supply of other Member States or of the Union and that they be market-based.

The regulators stress the need for market-based mechanisms such as auction or tender systems to incentivise energy reduction by industry, as ACER and CEER recommended in their <u>Gas Wholesale Market Monitoring report</u> published last week.

The plan's proposal for a clearer mapping of governance in response to a gas supply crisis is important and ACER and national regulators, as a member and observers (respectively) of the EU Gas Coordination Group, appreciate that the role of the Group is further defined in the three stages of crisis response proposed by the Plan. Ultimately, only proactive and coordinated action, which also ensures a fair outcome for consumers, can best address the present challenges and Europe's energy regulators stand ready to do their part.

Commenting on the European Commission's "Save Gas for a Safe Winter" Plan, the **ACER Director**, **Christian Zinglersen**, stated:

"In light of gas supply disruption risks, it is important to take proactive measures now to reduce gas demand. Demand reduction measures are essential to complement supply side measures."

The CEER President, Annegret Groebel, stated:

"Extraordinary short-term interventions should not prevent the long-term solutions/targets related to the energy transition and climate targets. Rather, the need to reduce gas demand now should serve as an accelerator to the green transition and reaching the climate targets if handled properly. Of course, we must keep in mind vulnerable consumer groups such as low-income households that that may need targeted measures."

Ends (see notes for editors below)





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Notes for editors

- 1. The Agency for the Cooperation of Energy Regulators (ACER) is a European Union Agency. ACER plays a central role in the development of EU-wide network and market rules with a view to enhancing competition. The Agency coordinates regional and cross regional initiatives, which favour market integration. It monitors the work of the European networks of transmission system operators (ENTSOs), and notably, their EU-wide ten-year network development plans (TYNDPs). ACER also monitors the functioning of gas and electricity markets in general, and of wholesale energy trading in particular. Visit www.acer.europa.eu.
- 2. The Council of European Energy Regulatory (CEER) is the association of Europe's national regulatory authorities (NRAs), serving as their voice at EU and global level. CEER's members and observers, from 39 European countries, are the independent statutory bodies responsible for energy regulation at national level. CEER, based in Brussels, deals with a broad range of energy issues including retail markets and consumers; distribution networks; smart grids; flexibility; sustainability; and international cooperation. Visit www.ceer.eu.
- 3. The "Save Gas for a Safe Winter" Plan consists of a Communication (COM(2022) 360 final), an Annex to the Communication and a "Proposal for a Council Regulation on coordinated demand reduction measures for gas" (COM(2022) 361 final). All Plan documents can be found at: https://ec.europa.eu/commission/presscorner/detail/en/ip_22_4608.

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