



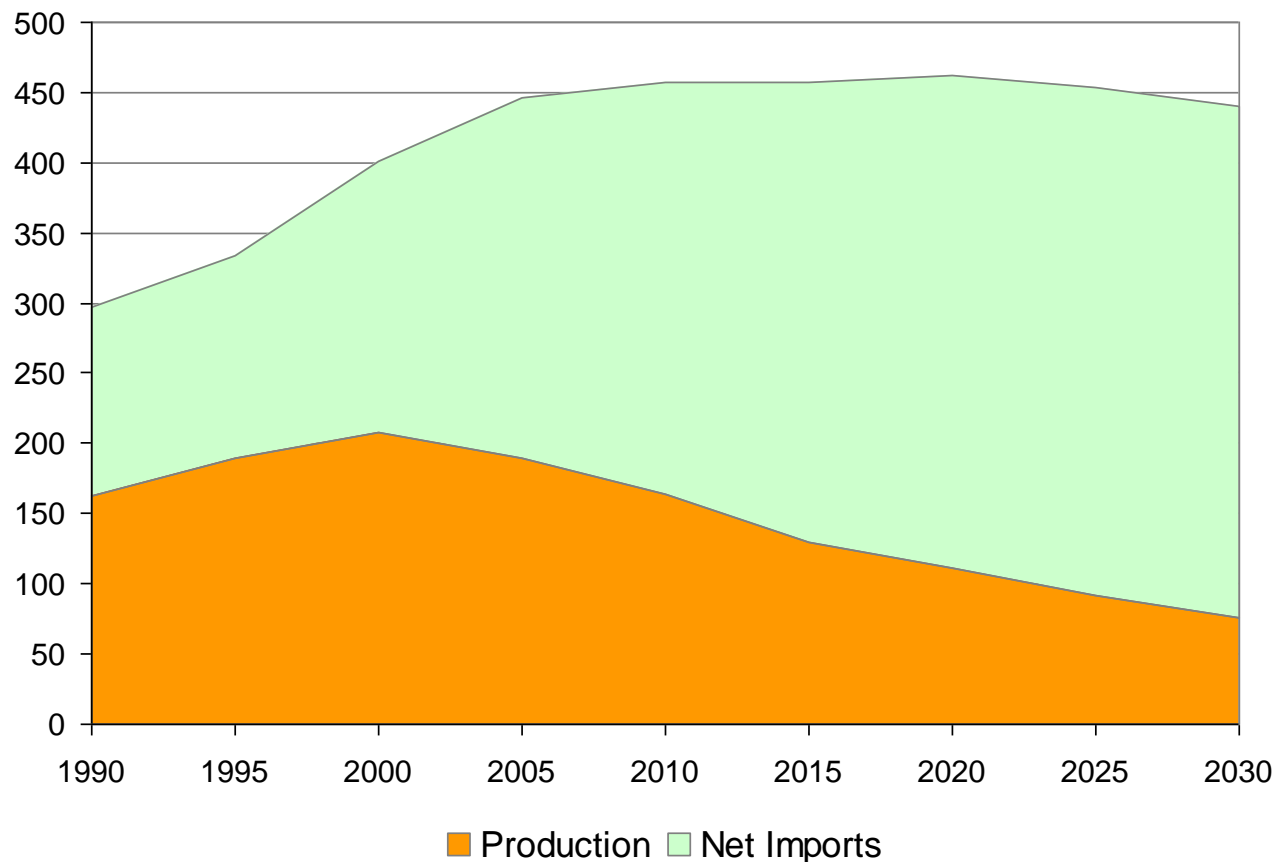
- The external dimension of the EU third energy package

# ● The external dimension of the EU gas market in figures

- Ca 450 Mtoe total gross inland consumption
- 61% imports, of which
  - » 42% from Russia
  - » 24% from Norway
  - » 18% from Algeria
  - » 16% from other sources (Nigeria, Libya, Qatar,...)
- 22.6% of gross electricity generation in the EU based on gas



# Expected trends



Gas demand stabilises at current level

Demand drops slightly in 2030 reflecting more efficiency, RES and nuclear

Gas imports rise 30% by 2020 and 35% by 2030 (from 2009)

- The basic elements of the third package
  - Market opening:
    - » Third party access rules
    - » Unbundling
    - » Independent and effective regulatory oversight
  - Market integration:
    - » High public service standards across the EU
    - » Effective EU-wide rules on trade-related regulatory issues (network codes)
    - » Creation of ENTSOs + ACER

- New requirements and opportunities for energy companies from third countries
  - Third package applies to European and non-European companies
  - Important consequences for vertically integrated companies
    - » obligation to unbundle
  - and TSOs
    - » TPA obligations
    - » Application of network codes
  - Opportunities for supply companies to enter new markets

# ● Unbundling provisions

- 3 possible models:
  - » Ownership unbundling
  - » Independent System Operator (ISO)
  - » Independent Transmission Operator (ITO)
- Various models can be implemented simultaneously within a Member State
- Once Ownership Unbundling chosen, no way back
- Companies must always be able to implement Ownership unbundling

# Ownership unbundling

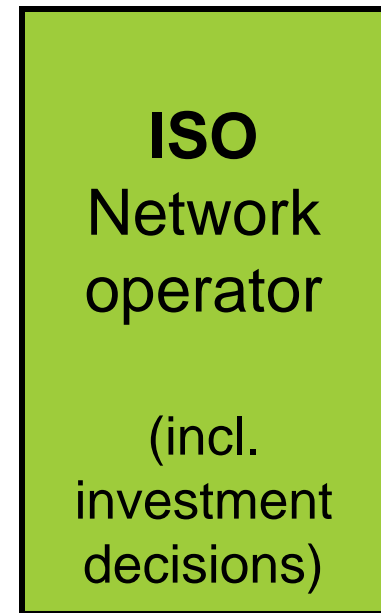
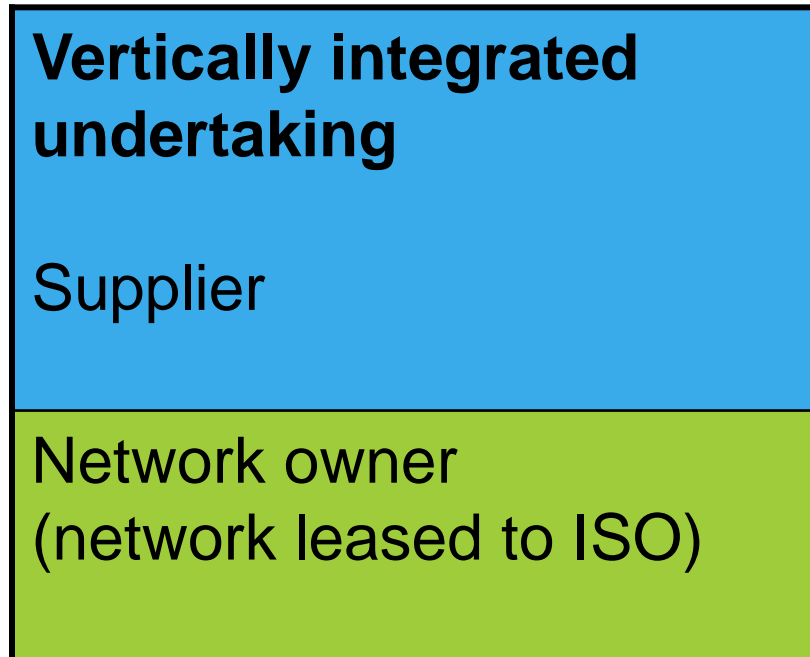
**Supplier**

No control  
Only minority shareholding  
Dividends allowed  
No voting rights  
No appointment of administrators

**TSO**

Owens network  
Manages network

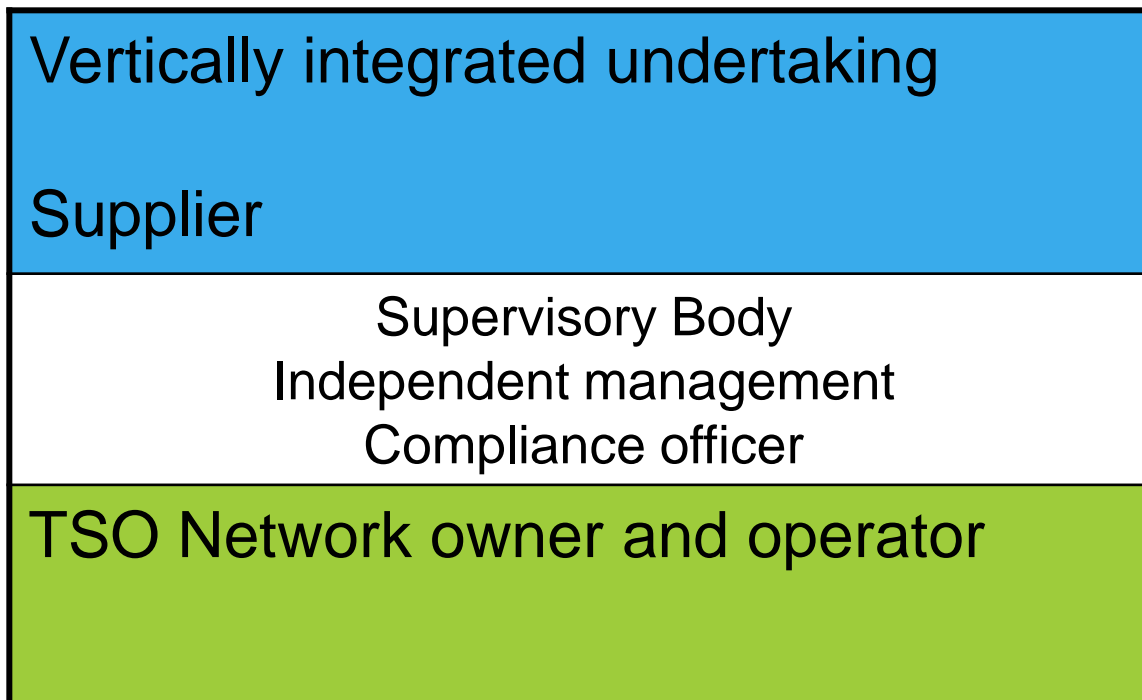
# ● ISO



+ stricter regulation and permanent monitoring  
(e.g. NRA approval of investment planning)



# ● ITO



- + heavy regulation and permanent monitoring
- + evaluation by the Commission by March 2013

# ● Certification procedure

- Each TSO must be certified before being designated
- By the national regulatory authority (NRA)
- Before 3 March 2012
- Purpose: verification of compliance with unbundling requirements
- Procedure:
  - » Draft decision by NRA within 4 months
  - » Commission comments within 2 months (+ 2 extra months if optional consultation ACER)
  - » Final decision taking “utmost account” of Commission comments within 2 months

# ● Third country clause

- Applicable when a company from a non-EU Member State controls or acquires control of an EU TSO
- Purpose:
  - » Verification of compliance with unbundling provisions
  - » Safeguarding security of supply
- Procedure:
  - » Draft decision by national authorities within 4 months
  - » Commission comments within 2 months (+ 2 extra months if optional consultation ACER)
  - » Final decision taking “utmost account” of Commission comments within 2 months

# ● Major new infrastructures

- Transit pipelines are part of the transmission system: TPA and unbundling rules apply
- For major new infrastructures temporary exemptions from unbundling and TPA rules are possible under strict conditions
- The role of Intergovernmental Agreements
  - » With the EU
  - » With Member States
    - New IGAs must be EU law compliant
    - Pre-accession IGAs must be brought in line with EU law



# Thank you for your attention

## For more information:

[http://ec.europa.eu/energy/gas\\_electricity/third\\_legislative\\_package\\_en.htm](http://ec.europa.eu/energy/gas_electricity/third_legislative_package_en.htm)

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