

Gas Storage Products and Market Demand

CEER workshop on storage product development
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Eurogas welcomes

- The objective of CEER's consideration of barriers to storage product development.
- It is important that remaining barriers to optimised storage use, including regulatory barriers, are removed to the extent possible.
- Market participants depending on the relevant market and their needs, identify different values for storage, flexibility, arbitrage, and security of supply.
- SSOs should offer dynamic market-responsive products to ensure storage use remains a competitive option on the flexibility market.

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- Eurogas accepts that the Third Package allows a choice between negotiated and regulated storage.
 - If storage is regulated, then within the provisions of Article 33, this should be light, not to constrain innovative products.
 - However, an RTPA storage system risks that storage operators will not be able to offer fast-moving products that can compete effectively with other flexibility tools.

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- While it is up to companies to determine specific products for their portfolio uses, the ways in which the gas market is developing favour a wide range of flexible and innovative, but also transparent, products, integrated with market needs.
 - Therefore, the more SSOs can offer, the better, including products that are:
 - hub-linked
 - virtual, pooling offers of multiple storages (and the hub?) to optimise value
 - bundled with transport costs
 - services offered across different sites (can combine resources, e.g. slow and fast-cycle possibilities)
 - cross-border services

Conclusions

- The gas market is changing. Supply companies are developing new business models to compete.
- Therefore SSOs should also be ready to move away from traditional models to compete, but opportunities may vary in different countries or regions.
- CEER has a role to promote this message, especially to avoid that over-regulation stifles necessary innovation.

Thank you for your attention!

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