

**RESPONSE TO ERGEG'S PUBLIC CONSULTATION  
ON EXISTING TRANSPARENCY REQUIREMENTS FOR NATURAL GAS**

**Response on behalf of  
Eurogas's LNG Task Force**

Eurogas, the Association of the European Gas Industry, represents the interests of the major European gas companies in 28 countries. Eurogas members involved in LNG imports represent more than 90% of Europe imports.

The objectives of EUROGAS are:

- To promote the interests of its membership, companies, national federations and associations involved in the supply, trading and distribution of natural gas and related activities such as storage and liquefied natural gas.
- To promote the development of natural gas in Europe particularly in the legal economic technical and scientific areas to prepare studies and to promote cooperation within the gas industry.
- To promote the smooth functioning of the European internal gas market and to take stance on issues of interest to the European natural gas industry with respect to international and supra-national organizations including but not limited to the European Institutions and to public opinion.

**EUROGAS remarks to ERGEG consultation:**

Eurogas thanks ERGEG for the opportunity to participate in the public consultation launched on 1<sup>st</sup> October 2010 about existing transparency requirements for natural gas. This public consultation contains several questions to be answered for all interested parties and includes two lists regarding Transmission, Liquefied Natural Gas System and Storage Facilities, differentiating among:

- Existing legally binding transparency requirements (mainly for transmission); and
- Non-binding existing transparency requirements (mainly for Liquefied Natural Gas System and Storage Facilities)

At first sight of both lists, most of the existing legally binding transparency requirements are related to transmission and only some of them concern the LNG systems. Taking into account the growing importance of LNG supply and the relevance of regasification terminals as the entry point gate to the European gas systems, EUROGAS view is that the approach to LNG transparency requirements should consider the interest of the main stakeholders involved.

Some of the points of the ERGEG GGPLNG match up with some points of the EFET and EUROGAS joint note sent to ERGEG recently with suggestions on potential harmonization. Nevertheless EUROGAS suggests adding to transparency requirements in LNG terminals some areas such as slots allocation, rights and liabilities, vessels discharging and operative rules designation, etc., which are detailed in the above mentioned joint note. Other issue pending to be defined is the implementation calendar for the transparency requirements proposed.

Also as a complement to the proposed consultation, Eurogas would like to remark that together with transparency, a neutral and time-effective permitting process to build new regasification capacity, or increase the existing one, should be implemented at EU level.

To complement the Eurogas general response to the ERGEG consultation, the Eurogas LNG Task Force would like to submit the following list of subjects which we believe would benefit from the development of improved transparency rules for the EU's LNG terminals.

The areas that would benefit from increased transparency per terminal are:

- Service contracts and other relevant documents
- Scheduling procedures for cargoes unloading, including at least the contractually notice periods for using the services (scheduling program, (re)nominations) and the priority rules in case of conflicting nominations.
- Circumstances that could affect the availability of contracted capacity
- Gas quality requirements
- Ship approval, taking into account the different port characteristics
- Tariffs and tariff methodologies for each service to be published ex ante (only for regulated terminals)
- If applicable, the rules and the charges applicable to penalties for terminal users and compensation payments from the LSO to terminal users (only for regulated terminals)
- Short-term available capacity and/or spot services (referring to the capacity that is not contracted and is reserved for short term contracts and not only to UIOLI)
- A timely communication of any change in the gas delivery programme due to maintenance, force majeure, unavailabilities... (only applicable for LSOs)
- Updated maintenance plants
- Every month LSOs should provide exclusively to the terminal users active that month, the following information:
  - the total daily regasification production of the terminal and the part of natural gas delivered to the user concerned.
  - quantity of LNG in the tank of the terminal at the beginning and at the end of the month concerned.

These communications should be provided at the beginning of the month with the best estimate available and every time there is a deviation of the unloading program.

Eurogas remains available to further elaborate on the above-mentioned areas and the development of more detailed transparency proposals.

**Eurogas thanks ERGEG for the opportunity to participate in the consultation and remains at ERGEG's disposal to cooperate in further developments that may arise in the future.**