Dear Sir or Madam,
please find below Slovenian comments in regard to Consultation on an EU strategy for liquefied natural gas and gas storage.

Consultation on an EU strategy for LNG and storage

In second chapter on LNG in the EU today, i.e. page 3, Slovenia is listed as one of **»the most vulnerable countries which are mainly dependent on one supplier with no or insufficient access to LNG as a potential diversification source either directly or through neighbouring countries«**.

The Republic of Slovenia strongly disagrees with this statement and would like to point out the following facts:
1. Slovenia is geographically positioned in a way that it represents a by-pass route to a more important gas route from Baumgarten to Italy.
2. In 2012 Slovenia imported 35 % of all natural gas consumption from Algeria. Due to changed market conditions these imports have been temporarily suspended, however, a part of Slovenian importers still imports natural gas from the direction of Italy.

Slovenian supply is specific due to the fact that there is only one genuine and independent supplier that has long-term contracts (up to 2017). On account of this the import structure can change significantly in case contracts are not renewed or new contracts are done. That was also the case in Algerian gas supplies.

According to the Stress Test Report of the Republic of Slovenia (2014) Slovenia performs well and its performance is comparable to Austrian. Furthermore, due to its geographical location, amount of gas needed and existing interconnections with Italy Slovenia has same or even better conditions to access LNG (in Italy) compared to Austria. Suppliers that import gas from Italy already include LNG in their supplies.

Slovenia is well interconnected with Italy, Croatia and Austria. In case LNG supplies will be desirable in future Slovenia already has the transport capacities to supply (also fully) from existing LNG terminals in Italy or future LNG terminals in Croatia. Within the PCI and CESEC framework and projects (e.g. LNG terminal KRK) Slovenia can represent solely a transit and not a destination country.

AD 4:
Taking into account the spare capacity of LNG terminals and their potential SOS role, it would be appropriate to introduce measures that motivate suppliers to use LNG in their portfolio (and not determine that they have to do so).

AD 6, 7, 8:
Slovenian annual natural gas consumption of 800 mcm (10 % in the energy mix) could be seen more as a slightly larger distribution. Suppliers, that have adapted their portfolio according to this fact, thus do not include direct LNG purchases. However, this does not mean that LNG is excluded as a source of natural gas for Slovenia. The precise data on this is not available, however, we estimate that LNG represents a part of portfolio of larger natural gas suppliers in the Slovenian borders and/or regional gas hubs.
AD 15:
The option of mandatory reserves of natural gas is understood as a measure of ensuring security of gas supply at the level of tasks and requirements for suppliers. Measures enabling

an easier or cheaper access to storage in form of lower costs for entry and exit capacity of the transmission grid system would have a positive impact on the usage of storage.

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Please, consider and take into account following data:

1. Slovenia has access to 6 different sources of natural gas (page 15)
COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS Long term infrastructure vision for Europe and beyond

2. Estimated diversity of gas supply in EU-26 Slovenia has 6 sources of gas in its energy mix
ACER Market Monitoring Report 2013 (page 170): Slovenia at 14th place; total number of other different MSs declared as gas import origins in Eurostat Comext for Slovenia: **4**

3. Report of the Slovenian Energy Agency on the state of the art in energy sector in Slovenia in 2014 (in Slovene):
Sources of natural gas in Slovenia: more than 60 % from Austria (page 109)
Market shares:
wholesale market: Geoplin 65 % (page 110)
retail market: Geoplin 56 % (page 111)

4. STRESS TEST REPORT of the Republic of Slovenia (confidential):
pp. 13-14: Slovenia performs well in case Russia halts gas deliveries

page 13: “protected consumers will be supplied by the Slovenian shippers” … that “will also be able to meet almost all needs of other customers”

page 14: “shippers have broad range of measures with which they confirm secure supply of natural gas at least to the protected customers” … “they will handle possible crises in a way which will not hinder activities of our suppliers to bring gas to Slovenian gas market in time of possible crises”
Demand disruption:
SEP JAN: 0 %
FEB: 8 %
MAR: 0 %

Best regards from Ljubljana,

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