



EUROPEAN COMMISSION - PRESS RELEASE

EU gas market: Commission refers Ireland and the United Kingdom to Court to ensure European law is properly implemented

Brussels, 26 January 2012 - The best way for ensuring security of supply and affordable energy prices is to have a competitive internal EU energy market. An efficient and properly functioning internal market in natural gas will give consumers the choice between different companies across national borders. EU legislation aims at facilitating cross-border gas trade and increasing the capacity on gas markets. The European Commission considers that **Ireland** and the **United Kingdom** are not fully in line with EU gas market rules and has decided today to refer these countries to the Court of Justice of the European Union.

According to EU gas rules, the maximum interconnection capacity between Member States and between different gas transmission systems must be offered to the market so that consumers can fully benefit from competition on the market. Only when interruptible reverse flow capacity and short-term services (short term contracts to book gas capacity) are offered, can pipelines be used to their maximum capacity. This means that more gas can be transported and new companies can enter the market. This will give consumers the possibility to choose between different companies and services.

The maximum interconnection capacity is not offered in the UK and Ireland as the pipeline connecting Northern Ireland and Ireland is not open to the market. This means that gas companies in Ireland cannot directly trade gas with Northern Ireland or *vice versa*. On the pipeline connecting Scotland to Northern Ireland short-term services are not available and neither is virtual reverse flow capacity based on netting off physical forward flow to make capacity available for commercial trade as required by EU longstanding legislation.

The Commission is aware that the UK and Irish governments intend to introduce Common Arrangements for Gas (CAG) between Ireland and Northern Ireland. While the Commission welcomes such steps to create cross-border market, this project has already been delayed. Therefore the Commission has decided to proceed with these infringement procedures in accordance with the EU law.

Background

The infringements concern Member States' failure to respect their legal obligations arising from the Gas Regulation [No 715/2009](#) of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks which replaced on 3 March 2011 the Regulation (EC) [No 1775/2005](#).

The Commission is following up on infringement cases which were opened in June 2009 with a letter of formal notice and followed up with reasoned opinions in June 2010 (see [IP/10/836](#) and [MEMO/10/275](#)).

Since the start of these infringement procedures progress has been made by Ireland and the United Kingdom in eliminating the shortcomings. However, full compliance has not yet been achieved and therefore the Commission proceeds to the Court of Justice.

More information

Commission web page on the Second Energy Package:

http://ec.europa.eu/energy/gas_electricity/legislation/legislation_en.htm

http://ec.europa.eu/energy/oil/offshore/standards_en.htm

Current figures on infringements in general can be found at:

http://ec.europa.eu/eu_law/infringements/infringements_en.htm

For more information on EU infringement procedures, see [MEMO/12/42](#)

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