

Madrid Forum: 22<sup>nd</sup> – 23<sup>rd</sup> May 2008

Views by Eurogas  
on

GGPLNG (Item 3)



THE EUROPEAN UNION OF THE NATURAL GAS INDUSTRY

## General Observations to GGPLNG

- Ø Eurogas welcomes the attempt to define a general framework for regulated TPA to LNG facilities although noting that the LNG development is robust and should not be disrupted by overregulation.
- Ø The existing policy framework as presented in the 2003 Gas Directive with exemption possibilities has given favourable results for investments in LNG so far.
- Ø It is very difficult to come with harmonised standards at EU level as the markets are very different across Europe (e.g. nominations and scheduling, and gas specifications).
- Ø Each Member States should be precise in defining the LNG TPA access rules (test). It seems useful to have more precisions on allocation of primary capacity.
- Ø Eurogas welcomes ERGEG's recommendation that the non-binding rules and eventual regulation do not apply retrospectively to exempt facilities.

## Eurogas answer to GGPLNG

- Ø Trade of specific components of the TPA services is limited
- Ø Offer of interruptible regasification seems highly questionable
- Ø Definition of “unused” components and “systematic underutilization” and “hoarding” should be reviewed
- Ø The different functions and national contexts of LNG terminals prevent full harmonisation
- Ø Regulation should focus on downstream issues to facilitate LNG access cross border wholesale markets
- Ø Reservation of capacity for short term operations should be largely determined at national level
- Ø The cost of adjustment to fit within the quality standards approved by the industry should be allocated to each shipper to avoid cross subsidies.



Full Eurogas answer to GGPLNG available on [www.eurogas.org](http://www.eurogas.org)