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European Commission
DG Energy - ENER.B.4

Bratislava, 29th September 2015

Consultation on an EU strategy for liquefied natural gas and gas storage

Question 5: The Energy Union commits the EU to meeting ambitious targets on greenhouse gas emissions, renewable energy and energy efficiency, and also to reducing its dependency on imported fossil fuels and hence exposure to price spikes. Moderating energy demand and fuel-switching to low carbon sources such as renewables, particularly in the heating and cooling sector, can be highly cost-effective solutions to such challenges, and ones that Member States will wish to consider carefully alongside decisions on LNG infrastructure. In this context, do you have any evidence on the most cost-efficient balance between these different options in different areas, including over the long term (i.e. up to 2050)?

Remarks to the Question No 5:

Eustream, a.s. considers that gas is the key element of the energy mix of the EU in the long term perspective. Diversification of gas sources, suppliers and routes is crucial for ensuring secure and resilient gas supplies to EU citizens and industry, who expect access to affordable and competitively priced gas at any given moment. The range of measures for ensuring security of gas supplies available for mature markets is wider compared to non mature markets. A sort of flexibility in choosing measures should be maintained. No one-size-fits-all approach can be applied in this case.

Question 7: What do you think are the most critical commercial, including territorial restrictions and financial barriers at national and regional level to the optimal use and access to LNG?

Remarks to the Question No 7:

LNG represents an important gas source for many countries especially seaside countries. For inland countries with no or limited connection to LNG terminals, LNG can be considered as a supplementary gas source as LNG has a limited possibility to help inland countries to overcome gas shortages in case of gas disruptions due to long time of deliveries especially via LNG terminals located at river banks (booking, loading, shipment, regasification, transmission). In case of gas crisis, markets need to be saturated with gas effectively and in time in order to prevent wide range of economical losses.

All investment decisions relating to LNG terminals construction should be definitely economically driven maximizing synergy effects with the utilization of existing gas infrastructure. LNG terminals constructions/ interconnections should not squeeze out the existing infrastructure (e.g. no utilization

of systems with operational costs for their maintenance covered with no revenues with a consecutive outage of the system out of the operation) in the EU and the Energy Community countries. Supplementary LNG supplies could even cause the decrease of security of supplies in cases when gas flow would be limited/ stopped with no perspective to restart the unmaintained system again (especially a sensitive issue in Ukraine). The loss of the gas transmission route in Ukraine would decrease security of supplies also in respective countries such as Slovakia, Hungary, Czech Republic etc.

Question 8: More specifically, do you consider that ongoing EU policy initiatives and/or existing legislation can adequately tackle the outstanding issues, or there is more the EU should do?

Remarks to the Question No 8:

To enhance security of gas supplies, full utilization of existing bi-directional infrastructure, construction of interconnections with their connection to new gas sources with flexible gas deliveries, utilization of gas storages should be considered as a basis how to overcome a gas crisis especially in vulnerable regions such as the Central and South - Eastern Europe. The special attention should be paid to projects and partnerships with gas producers such as Azerbaijan, Turkmenistan, Iran, Iraq and Turkey. The projects could connect an existing gas infrastructure with new gas sources tracing across the South-North region with a possibility to be saturated also with LNG from Aegian LNG terminals. Maintaining the result-oriented approach is very much recommended since it allows for better shaping of measures to country needs. The security of gas supplies should be based on pragmatic and economically driven decisions as the basic condition of the security of gas supplies should be physical availability of gas for consumers.