

## New rules on security of gas supply

In February 2016, the Commission adopted a proposal to revise the 2010 regulation on security of gas supply. Trilogue negotiations in early 2017 produced an agreed text that was endorsed by the Industry, Research and Energy (ITRE) committee in May 2017. The Parliament is due to vote on this text during the September 2017 plenary.

### Background

Security of gas supply is governed by [Regulation \(EU\) No 994/2010](#), which aims for a coordinated EU response to gas supply crises. It establishes the principle of protected customers (including all households), who should continue to receive gas during a supply crisis. Member States have to fulfil a supply standard, which requires that gas demand continue to be met in the event of a prolonged interruption of supplies, and they have to meet an infrastructure standard, which requires that gas demand continue to be met in the event of a disruption to the single largest national infrastructure asset. Member States must prepare preventive action and emergency plans outlining their response to three different crisis levels (early warning, alert, emergency). In 2014, the Commission carried out 'stress tests' on the short-term resilience of the gas sector in Europe, which revealed some risks to security of supply, especially in regions where supply routes are not diversified. The Commission proposed to address these concerns through revisions to the 2010 regulation, in order to overcome weaknesses identified in the implementation report, public consultation and impact assessment.

### European Commission proposal

In February 2016, the Commission adopted a [legislative proposal](#) to revise the 2010 regulation. This would introduce a solidarity mechanism whereby Member States that declare an emergency level can receive gas from neighbouring countries, even if this temporarily lowers the latter's supply standard. Preventive action and emergency plans would be prepared at regional level and subsume (or replace) national plans. The Commission would play a greater role in scrutinising commercial contracts which pose risks for security of supply.

### European Parliament position

The Industry, Research and Energy (ITRE) Committee adopted a [report](#) in October 2016 that supports the European Commission's regional approach to security of supply, but would complement this through a systematic evaluation of emergency supply corridors between regions. The report proposes a more uniform definition of protected customer in the EU, to ensure that a high (national) supply standard does not prevent gas sharing in an emergency. The report suggests giving greater powers to the Commission, especially in terms of scrutinising and (potentially) altering commercial contracts that pose risks for security of supply.

Negotiators for the Parliament and Council reached an [agreement](#) in April 2017. National preventive action and emergency plans would be retained, but with the inclusion of mandatory regional chapters. The list of regions would vary from the Commission proposal and be based on the three main gas supply routes, with some countries belonging to more than one regional group. Triggering the solidarity mechanism to share gas in an emergency would require fair and prompt compensation to the supply country. Criteria were agreed determining precisely what commercial information must be notified to the Commission, and a binding legal obligation on professional secrecy was introduced to ensure that sensitive information is not leaked.

First-reading report: [2016/0030\(COD\)](#); Committee responsible: ITRE; Rapporteur: Jerzy Buzek (EPP, Poland). For further information see our 'EU Legislation in progress' [briefing](#).

