

WS 1 Progress Report and Action Plan

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WS 1 Co-chairs
6-th GAC meeting
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Subtask 1

Involvement into ECRM Process:

- Contribution to Scenario Chapter (jointly with Subgroup on Scenarios)
- Contribution to Gas Chapter.

Frequency and form will depend on the demand from TG on Markets and Strategies of the Energy Dialogue

Subtask 2

- **Seminar on “driving forces” of scenarios (Spring 2013) and how they would be investigated:**
 - To identify possible key “driving forces”: economic growth, decarbonisation, pricing of energy sources including carbon
 - To agree on forms for further activities (using Internet platform, discussion panel etc.)
 - To agree on methodology for advanced forms of Scenario field analysis: bottom up, top down, sectoral, regional; time frame to 2030

Subtask 2 (cont.)

- Analysis and simulation of “what-if” perspectives of major importance for EU-Russia cooperation in the gas sphere **and corresponding risks. Recommendations to mitigate.**

Success depends on available resources

Subtask 2 (cont.)

- **Continuing analysis of scenario development** with particular emphasis on those mostly relevant to EU-Russia gas relations (assumed to include new EU scenarios and update of Russian gas related programs)
- Use of results in the tendency to “multi-logs” (at least - in relations of RF with China, OPEC...)
- Possible preparation of Report on findings on scenarios (depends on GAC position after mid-2013 and available resources)

Subtask 3

Pricing:

- Workshop on gas pricing (Summer 2013, jointly with WS 2):
 - evolution of European gas pricing – wholesale, downstream
 - driving forces of changes at various levels
 - trends on trading platforms – OTC and exchanges (incl. reporting on development of liquidity)
 - what it could potentially mean for long-term contracts developments

Co-chairs rely on close cooperation within GAC, WS 1, with other Workstreams, with outside experts (specifically with TG on Markets and Scenarios and its Subgroup on Scenarios and Forecasts) and do expect that proper support will be provided by key stakeholders in the critical areas of Action Plan (as otherwise it would be revised)

THANK YOU