

**Conclusions and Suggested Next  
Steps from the 8<sup>th</sup> GAC Meeting  
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## FOR WS2:

### **Question 1\*: Can the delivery points in existing and new long term gas supply contracts be preserved?**

Based on S.-Petersburg September 2013 Seminar conclusions we received the confirmation of the following:

- For existing long term supply contracts, the response is “Yes”, until those contracts need to be renewed or extended
- For new long term supply contracts the response is that the delivery point cannot be at the border/flange (and corresponding transportation contracts must be in place which reflect bundling provisions, new tariff methodology etc.), but the delivery point can be anywhere in a zone (other than the border/flange) agreed between the contractual parties.

\*question slightly amended from 7<sup>th</sup> GAC meeting

# FOR WS2:

**Question 2: Can assurance be provided of sufficient capacity for delivery under existing supply contracts?**

8-th GAC Meeting response: In principle “Yes” but not guaranteed [no change from 7<sup>th</sup> meeting]

**Question 4: Are Coordinated Open Seasons (COS) compatible with the Third Package?**

8-th GAC Meeting response: in principle “Yes” detail remains to be worked out in the capacity allocation management network code (CAM-NC) amendment.

**Question 5: What will be the investment regime and regulatory treatment for incremental and new capacity?**

8-th GAC Meeting response: Broadly clear, but will depend on the CAM-NC amendment. Subsequent discussions on the “Strawman” case study will focus on the financeability of projects and should be coordinated with the ENTSOG process

## **FOR WS3:**

**Question 3: Is a gas dispatching service (GDS) compatible with the Third Package?**

8-th GAC Meeting response: in principle “yes”. But further analysis will be necessary in the context of a joint project between the EU and Russia in order to remove contradictions and possible conflicts.

## **FOR WS3:**

**Question 6: Can new Russian cross-border transportation projects be considered within the Projects of Common Interests (PCI) framework and could a PCI treatment be awarded to those Russian projects that will be considered as Projects of Mutual Interest (PMI)?**

8-th GAC Meeting response:

The first list of PCI projects has been published – no Russian projects were included; the next list of PCI projects will be selected in 2015.

Eligibility criteria do not exclude projects on the basis of the promoters' origin therefore Russian projects will be eligible as long as they comply with selection criteria.

A PMI framework needs to be established before any link to PCIs can be determined.

# Suggested next steps and preparation for next GAC meeting

- WS1 – scenario work: will continue and intensify on a mutual basis; a “high road” paper with mutually beneficial outcomes to be drafted by next meeting
- WS1 – market work: next workshop topics could include discussions on gas demand in the power sector and capacity charges, the evolution of hubs as a price reference, subsidies, market manipulation/competition issues, European competitiveness issues
- WS2 - in coordination with, or as part of, the CAM-NC amendment process, WS2 will continue work (especially) on Coordinated Open Seasons, and an investment regime for and regulatory treatment of incremental and new capacity – “Strawman” case study on **financeability** and TSO **cross-border coordination**

# **Suggested next steps continued...**

- **WS3 will continue work on Early Warning System issues (short term) and Gas Dispatching Service (medium/longer term)**

**The next GAC meeting should be held when the 3 workstreams are sufficiently well-advanced on these tasks/questions to provide the promised documentation and answers to the remaining questions – this is likely to be in April/May 2014.**

**By early December, 2013, Chairs of WSs should circulate work programs showing a schedule of meetings for achieving these tasks.**