Update on WS3 Activities

Gas Advisory Council of 29 January 2013

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WS3 topics

Priority topics as agreed by EU and Russian sides

- Promotion of new gas infrastructure projects including elaboration of criteria to define projects of mutual interest between Russia and EU
- 2. Recommendations on the content of efficient and mutually acceptable infrastructure provisions of new EU-Russia international agreement(s)
- 3. Ensuring security and reliability of existing gas infrastructure used for transmission, storage and supply of gas to European customers

Further possible topics

1. Discussion of costs, benefits and general feasibility (including associated tasks) of a potential European gas dispatch service

WS3 meeting of 28 January 2013

EU and Russian sides discussed the following topics:

- Projects of Mutual Interest (PMI):
 - Criteria of identification of projects of mutual interest and measures of support of cross-border pipeline projects: international experience
 - Infrastructure Guidelines Regulation framework

Interoperability:

- Gazprom's attitude to ENTSOG's activity regarding interoperability
- Network Code on Interoperability
- Gas Dispatching Service
 - Response of EU side to papers forwarded to GAC in November 2012 by T. Shtilkind

Priority topic 1 & 2 - PMIs

EU and Russian sides concluded the following:

'Having preliminary agreed the criteria of identification of Projects of Mutual Interest taking into account the PCI framework, to choose a Russian project submitted for the TYNDP 2013-2022 and for the sake of analysis to consider:

- to what extent it is in accordance with these criteria;
- to what extent it is in accordance with the criteria identifying the PCI;
- to define the tools to facilitate and promote the implementation of this project taking into account EU and international legal practice;
- to define whether it is possible / realistic to implement these tools within existing or new legal framework (incl. a possible EU-Russia agreement as per Priority topic 2)'

Priority topic 3 - Interoperability

EU and Russian sides concluded the following:

'The two parties will continue exchanges on the progress of the Interoperability Network Code on regular basis'

Topic 4 - Dispatch service

EU and Russian sides concluded the following:

'Following a preliminary analysis of the document prepared by Mr. Shtilkind on the <u>Dispatch service for an integrated gas</u> <u>transportation system</u>,

the parties agreed to organise a workshop on the implementation of the CAM Network Code in terms of how it might affect access to capacity over multiple entry-exit zones and therefore the functioning of the gas transportation system.

After this workshop and with regard to its outcome the concept of the dispatch service will be discussed in substance.'

Timeframe

The detailed timeline will be agreed by the next meeting of WS3 which will take place in March 2013.

THANK YOU FOR YOUR ATTENTION

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