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Work Stream 3
(Infrastructure Related Issues)
What was done
after 4th GAC meeting

5th Meeting of the EU-Russia Gas Advisory Council, Moscow, October 19



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

WS3 activities

The 2nd meeting of WS3 was held in Moscow on 25-26 of September.

The list of participants contained members of the WS3, representatives of: Ministry of Energy of the Russian Federation, Russian Energy Agency, JSC "Gazprom", "Gazprom Export" Ltd. (the Russian side); European Commission, ENTSOG (the EU side).

Five presentations were made:

- On the Concept of TYNDP 2013-2022 and Methodology for its Elaboration (by O.Lebois and C. Rodríguez, ENTSOG)
- Promotion of New Gas Infrastructure Projects Including Elaboration of Criteria to Define Projects of Mutual Interest Between Russia and EU (by I.Gudkov, Gazprom)
- On Prospective Development of Russian Gas Export Projects (by Gazprom)
- On Gazprom's Methodology for Strategic Planning (by O.Shchekina, Gazprom)
- On Projects of Common Interest (by A. Ćirlićová, ENTSOG)

Conclusions of 2nd WS3 meeting

As it follows from agreed Protocol,

"The parties took decided to continue their work on the issue "Promotion of New Gas Infrastructure Projects Including Elaboration of Criteria to Define Projects of Mutual Interest between Russia and EU" with a view to elaborate and present to GAC reasonably acceptable approaches to defining:

- Criteria for gas infrastructure Projects of Mutual Interest;
- · A list of concrete projects of mutual interest based on these criteria; and
- A list of measures to promote and protect investments into projects of mutual interest.

Next WS3 meeting will be organized by the end of November or first week of December.

What was done on Problem 1

"Promotion of new gas infrastructure projects including elaboration of criteria to define projects of mutual interest between Russia and EU" (Priority 1)

- Some approaches to definition of Projects of Mutual (EU-Russian) Interest and the measures of their promotion were proposed.
- It was shown that certain practical problems can arise out of cross-border nature of gas infrastructure projects linking regions with differing legal/political regimes.
- It was proposed to consider the solution of identified problems through the elaboration of international law instrument(s) based on best international and EU practice of stimulating and protecting cross-border infrastructure investments.
- It was agreed that WS3 will prepare a case study in the framework of which the necessary aspects of the process for identification of projects of mutual interest would be discussed and tested.

Problem 2 & 3

- 2. <u>"Recommendations on the content of efficient and mutually acceptable infrastructure provisions of new EU-Russia international agreement(s)"</u>
- 3. <u>"Ensuring security and reliability of existing gas infrastructure used for transmission, storage and supply of gas to European customers"</u>

The work on Problem 2 is at the moment postponed till WS3 will came to common understanding on the concept of Projects of Mutual Interest

As to Problem 3 the decision was taken that the Russian side, experts from Gazprom Export inclusive, will participate in the discussions on EU documents on interoperability issues.

What was done on Problem 4

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

In the framework of Roadmap of EU-Russia Energy cooperation it was proposed to initiate on the first stage of cooperation the development of a mathematical model of the integrated gas transportation system (IGTS) and data base on structure and operational behavior of the IGTS.

The explanatory paper on advantages of establishment of a gas dispatch system and on the ways how it could be implemented in IGTS is now under preparation.

THANK YOU FOR YOUR ATTENTION!