

## Response to DG Energy on the energy security fitness check consultation

Brussels, 26 November 2024

### Detailed comments

#### 3 General questions on energy security

*21. How would you grade the functioning of the current EU energy security framework?*

From 1 to 5: 3

*22. Please elaborate your choice:*

We note that the general framework for the functioning and resilience of EU energy sectors is largely built on developed, liquid and interconnected markets which enable matching supply and demand in all timeframes. However, we note that different obstacles that prevent the integration and opening-up of national markets to competition still exist and affect security of supply.

We further note that some of the obstacles to efficient market functioning stem from the emergency measures which have been introduced during the energy crisis yet continue to function after the global markets have rebalanced. Many of these measures have also been designed in a haste, without consulting the market, which affects their efficiency. We therefore call for a phase-out of the emergency measures and a critical revision of the security of supply-related measures on the basis of their efficiency.

*23. Which of the following objectives do you consider the most important for the EU energy security architecture?*

- Cybersecurity
- Securing energy-related supply chains
- Physical protection of critical energy infrastructures against man-made attacks
- Preparedness (assessment of risks and formalisation of emergency plans)

# CONSULTATION RESPONSE

- Investments in domestic decarbonised energy system
- Energy demand response and reduction
- Phase-out of Russian fossil fuel supply
- Making the most of existing infrastructure
- Allocating the costs of energy security fairly
- Resilience of energy infrastructure, e.g. to climate change
- Strengthen the use of energy storage (electricity, gas, liquid fuels, heat) for energy security
- Enhancement of interconnections and smartening of infrastructure between Member States
- Diversification of energy sources, suppliers and routes

## *24. Please elaborate your choice:*

EU legal framework should focus on integrating national markets and support efficient use of the infrastructure to maximise the welfare gains and bind national interests together. This translates into encouraging joint assessment of risks and shared emergency planning, full implementation of EU acquis and efforts targeted at removing any barriers to trade. These barriers may also arise from national approaches to ensuring supply security, which act to the detriment of cost-efficiency and can lead to a distortive allocation of these costs between the market participants. We also believe that a well-integrated market of the EU will be best positioned to establish a resilient and optional portfolio of suppliers, thereby reinforcing security of supply.

Additionally, enhancing interconnections between Member States increases energy markets' resilience and contributes to strengthening the security of supply. Well-functioning and efficient interconnections facilitate cross-border trade – a significant source of flexibility and security of supply.

*25. How do you think electrification has already impacted and can further impact EU energy security in the medium term? Was the EU energy security framework sufficient to*

# CONSULTATION RESPONSE

*address such impacts and if not, what improvements you think are needed?*

With ample evidence confirming that full electrification of energy demand is not possible, we note that the relationships between electricity and gaseous fuel sectors are of greater importance to energy supply security than pure subject of electrification. Electrification as a process, just as gradual adjustments to it across Europe, should both be market driven and cannot be always anticipated. Market mechanisms are best placed to allocate resources efficiently and the EU's emission trading scheme facilitates the tool that can ensure decarbonization will progress at lowest possible cost.

With further electrification and the increase in renewable energy sources, the electric system will need further flexibility and investments in grid development and adding available capacity. Further available capacity in the short and long term would enhance the trading opportunities, liquidity in the markets and encourage electricity flows strengthening security of supply.

On the other hand, with the expansion of renewable energy, natural gas will remain essential as a backup for balancing renewable energy and ensuring grid reliability. This underscores the importance of continued need for investment in gas infrastructure and continued gas / LNG supplies to address risks to SoS as long as gas is playing such an important role. Similarly, further efforts to develop a network and market for hydrogen are needed to enable the future replacement of natural gas.

Impacts of electrification can already be seen on the power grid side with the higher share of renewable intermittent delocalized production resulting in more frequent episodes of grid congestion and negative wholesale power prices. Such negative impacts could be smoothed out with a system integrated approach whereby the planning of power grid extensions and reinforcements would be matched with the needs for electrolyzers to enable the supply of clean hydrogen to high energy demanding industrials while at the same time allowing the storage of excess in power production. From this also stems the need for a consistent planning of the future H2 grid.

# CONSULTATION RESPONSE

In addition, due to the difficulties for a clean European hydrogen market and value chain to emerge at an affordable/sustainable price for industrial consumers, there will be a continued reliance on natural gas (be it pipe supplied or LNG) for the next years, possibly combined with carbon capture storage or carbon capture and usage technologies.

Therefore, a system integrated approach between power and gas/molecules should be reinforced. This should happen through market mechanisms, and it is not relevant to the EU energy security framework.

*26. Are there energy security risks associated with possible future electricity imports from third countries?*

- Yes
- No
- No opinion

*27. To what extent are there energy security risks associated with possible future imports from third countries?*

We raise a definitional point with the phrasing “third countries” which covers a wide range of countries with different levels of geopolitical risk, ranging from low risk – like the United Kingdom and Switzerland- to relatively high risk. The distinction between the types of non-European countries is crucial when considering the possible future electricity imports energy security risks. Indeed, the European Union should find ways of working together on energy security through enhanced forms of energy security cooperation with interconnected countries whose energy policies and regulatory approaches are aligned with the EU.

One notable example of potential energy security risks is from the implementation of the EU CBAM (Carbon Border Adjustment Mechanism) – where the negative impacts hinder

# CONSULTATION RESPONSE

and limit flows from third countries, especially from well-interconnected countries. Reduced electricity trade will affect energy security from diversified sources due to the interconnectedness of third countries with the European Union, like the UK. The AFRY study on the impacts of the EU CBAM concluded reduced exports from the UK – a significant effect when the UK played a key role during the energy crisis and to bring electricity into the Continent. Additionally, impacted electricity trades could extend to other Energy Community Contracted Parties, notably in the Balkans where interconnectedness is increasing.

*28. Are there improvements to the EU energy security framework that are needed to prepare for the ongoing transition (towards e.g., more electrified, renewable-based and integrated EU energy system)?*

- Yes
- No
- No opinion

*29. Can you please elaborate?*

The transition from fossil fuels towards renewable and low-carbon energy will improve European energy security.

We believe that to achieve secure decarbonization without compromising energy security, the EU energy security framework should support and promote a more integrated and liberalised market for low carbon and renewable gases, such as biomethane. To this end, simplification of the EU regulatory framework and clarifications regarding its interpretation would be beneficial to avoid discrepancies among Members States in the implementation phase.

# CONSULTATION RESPONSE

On the one hand, we still highlight a fundamental lack of basic EU tools, such as a functioning Union Data Base, or common standards for the Guarantees of Origin, among others.

On the other hand, due to the limited supervision of the implementation of relevant EU legislation at the national level by the European Commission, we note a proliferation of uncoordinated approaches (e.g., quota systems) at national level aimed at fostering domestic production, which are fragmenting the internal market for renewable and low carbon gases by preventing biomethane produced in a country from being recognized or certified as sustainable in another country, thus hindering cross-border trade. This in turn reduces market efficiency and competition and jeopardises the decarbonisation of national demand by limiting the availability and increasing the price of renewable gas to the EU consumers.

*30. What role can decarbonised and renewable hydrogen, including in the form of liquid fuels, play for future EU energy security?*

We believe that the gradual roll-out of a hydrogen market will facilitate decarbonization of EU's economy and further reinforce the ties between electricity and gaseous fuels sectors. Hydrogen production technologies will support replacing fossil fuels and help balancing the electricity networks increasingly affected by volatile RES-E production.

A technology-neutral and practical approach is essential to ensure the market adopts the most efficient and suitable technologies and that new value chains for renewable and low carbon energies are rolled out. We note that hydrogen (both renewable and low-carbon) should be held in high regard in the context of EU energy security, particularly in the medium term as scalable, stable sources of hydrogen will be necessary to develop and manage hydrogen networks. Hydrogen in form of liquid fuels will also be a diversification tool of EU energy supply, allowing the sourcing from various geographies globally.

# CONSULTATION RESPONSE

*31. What are the potential risks to hydrogen supply security and to what extent should they be mitigated? How do you see the role of hydrogen imports in the future? Should the EU energy security framework play a role?*

We believe that EU legislative framework should be technology neutral to the extent possible when it comes to structuring the possible hydrogen supply mix. This will allow for cost-efficient development of new sources of hydrogen that are suitable both for satisfying different consumer profiles and for enabling stable operation of future hydrogen grids. In the context of imports, we believe that regulations should not preclude any solutions that could lead to developing liquid markets and competition between different hydrogen sources, as this will benefit EU consumers, provided that, at the same time, an equal level-playing field is in place for domestic hydrogen and imported non-EU hydrogen. One of the key limitations currently is the availability of sufficient hydrogen supply incl. storages and more efforts are needed to incentivize the development of local hydrogen production, storages as well as imports and related infrastructure.

To this extent, EU SoS rules related to hydrogen might not make sense today, given the current hydrogen market development stage.

*32. Do you think that the current EU energy security framework has sufficiently taken into account climate risks, such as energy disruptions due to heat and drought or damage to energy infrastructure due to extreme weather events?*

- Yes
- No
- No opinion

*33. Please provide concrete examples and/or suggestions how this can be achieved.*

We do not see any outright role for EU energy security framework in addressing the climate-related challenges beyond encouraging unrestricted operations of the internal

# CONSULTATION RESPONSE

market and devising the default solidarity measures that accommodate for terms under which Member States support each other in an emergency.

*34. Liquefied Natural Gas (LNG) has become an increasingly important gas supply source (represents now ca. 50% of EU imports). Do you see any risks associated with the increased reliance on the global LNG market?*

- Yes
- No
- No opinion

*35. Which concrete risks do you see (e.g., reliance on unstable democratic countries, exposure to global markets fluctuations, infrastructure bottlenecks or oversize, etc.)? How should they be addressed?*

While we acknowledge that there can always be a component of risk when relying on external supplies, there is no additional risk stemming from reliance on LNG as compared to before, when reliance was mostly on pipeline gas.

LNG is a well-established, resilient and safe form of transporting gas. The development of liquefaction/regasification technologies has supported the development of a global market for gas, which, in turn, has allowed Europe to replace supplies from Russia in 2022. This global market remains exposed to geopolitics, yet we do not believe that increased reliance on LNG alters this exposure to any particular direction. We also stress that the gas market is a unique example of a global commodity market that is denominated in euro, with the Dutch TTF hub price being a global reference for gas transactions.

In the context of price fluctuations, we stress that they should not be seen as a source of risk on their own, not least because the EU gas market has developed the tools to manage them. Price is a tool through which the market ensures a balance between supply and demand and the experience of the gas crisis proves that this tool performed its task. We also note that having TTF as the global gas price reference improves the efficiency of hedging transactions concluded on the Dutch gas hub.



# CONSULTATION RESPONSE



Regarding bottlenecks, EU gas framework ensures the right set of tools to identify bottlenecks and manage both physical and contractual congestion. We therefore do not see any immediate need for additional actions to be taken in this respect.

However, market players could benefit from an increased transparency on the level of available/booked regasification capacities in EU LNG facilities. The secondary market for regasification capacities could be developed to ensure there is no capacity hoarding by dominant LNG players withholding unnecessarily capacities from other users and thus preventing the supply on the market of additional LNG volumes. This seems all the more accurate in face of the booking agenda of some major LNG terminals in the EU (e.g. Zeebrugge terminal), where the total of available capacities have been booked for a long period of time.

The impact of other EU legislative pieces such as Methane Emission Regulation may have an unintended impact on SoS if deterring or hampering the access to alternative gas sources. In particular the difficulties in agreeing on contractual terms related to MER obligations imposed onto EU importers might delay or prevent the conclusion of supply contract already today. As market participants remain unable to ensure compliance with the MER, supply security is affected and this lack of clarity might also set an additional obstacle during actual emergency situations when alternative energy supplies become urgently needed.

Finally, we note that having excess liquefaction/regasification capacity on the global market for gas may be seen as an advantage rather than a source of risk. European terminals may continue to facilitate transactions on that market even as demand for gas in the EU falls. Asset owners also draw up plans on how they can facilitate international trade in renewable and low-carbon gases, thereby contributing to decarbonization.

*36. Are there specific energy security measures in other countries (US, China, Japan, Canada, Switzerland, UK, etc.) that you would like to see mirrored in the EU's framework?*

Yes

No

# CONSULTATION RESPONSE



No opinion

*37. Which measures would like to see mirrored?*

No comment.

*38. Would you see enhancing international cooperation with close partners as beneficial for EU energy security?*

Yes

No

No opinion

*39. Please elaborate, if appropriate:*

We note that cooperation at a political level gives market participants additional reassurance on their investment decisions, on security of transactions concluded and on any potential dispute resolution routes, where appropriate. Such support from the European Commission underpins the environment for concluding transactions in both short- and long-term.

We also note that new SofS-related challenges arise from the adoption of the Methane Emissions Regulation and provisions enforcing equivalence in terms of monitoring, reporting and verification of emissions. In this context, the Commission's communication with producer countries is both essential and urgent, since the requirements envisaged in the Regulation cover periods, which are subject to contractual negotiations already today. Communication on a political level would contribute to raising awareness of the new requirements and help providing clarity on the measures that need to be implemented.

The assessment of the energy security architecture will look at how energy security cooperation with neighbours has worked. The assessment should not be limited to the

# CONSULTATION RESPONSE



Energy Community Contracting Parties but should also include other highly interconnected countries whose energy policies and regulatory approaches are aligned with the EU. An example of needed enhanced international cooperation with Great Britain, a highly interconnected country, is the development of Offshore Hybrid Assets and Offshore Bidding Zones. Market coupling with GB is an essential prerequisite for an efficient use of interconnectors, which in turn increases social welfare and energy security. Another area for enhanced international cooperation with close partners that would be beneficial for the EU energy security is with Switzerland. We reiterate our support for a comprehensive political solution and the electricity agreement between the EU and Switzerland that would allow both parties to benefit from each other in terms of security. Until then, pragmatic solutions should be further supported and allowed.

*40. What is the additional value for EU energy security resulting from EU legislation, compared to what could reasonably have been achieved (in terms of effectiveness and efficiency) by Member States acting at national level?*

The EU should support collaboration and cooperation between Member States in the space of gas security of supply, which is the spirit of the Gas Security of Supply Regulation. Rather than prescribing detailed security-related rules, the EU should promote information exchange and sharing best practices in terms of measures that build on market mechanisms and enable achieving efficient results. The most useful contribution of the EU for security of supply lies in championing the internal energy market and preventing member states from infringing this.

We also stress that interventionist measures can have an adverse effect on market efficiency. Where these are in place, they should be reviewed regularly and removed when no longer helpful.

*41. Has the EU level action and coordination become more important or less important for energy security due to recent developments, e.g. due to the rising importance of LNG, the enhanced cross-border infrastructure and the joint phase out of Russian gas, or other?*

More important

# CONSULTATION RESPONSE



- Equally important
- Less important
- No opinion

*42. Please elaborate:*

We support the Gas Security of Supply Regulation as is, that is, a helpful tool to ensure coordination of gas security of fuel supply measures. The Gas Security of Supply Regulation is primarily a tool to ensure coordination of gas security of supply measures, which are primarily determined at national level. This should not change. In addition, well-established and accessible infrastructure allows energy to move towards regions that need it most and this process should not be hindered in any way by national measures ensuring supply security. Coordination becomes all the more important in view of shared ambitions in terms of phasing out Russian gas and decarbonizing the economy.

*43. Has the EU's energy security policy tackled the needs of EU citizens and/or businesses (e.g., in terms of energy availability, affordability, etc)? Will it continue to be relevant for them in the next decade?*

We believe that the EU efforts in terms of coordination and cooperation have provided reassurance that the energy market framework remains resilient. Cooperation has helped avoiding curtailments of both electricity and gas supply and has proved the remarkable resilience of EU's energy market.

That said, we note that certain other measures proposed and implemented at EU level did not play to the advantage of continued energy market functioning in Europe. In particular, we believe that the introduction of the Market Correction Mechanism and its subsequent prolongation was proved not efficient to support consumers and goes against the normal functioning of EU markets, – we provide more detailed remarks in our response to Q94.

# CONSULTATION RESPONSE

Similarly, we note that lack of transparency around the forthcoming storage filling trajectories is distortive and makes it difficult to plan for future storage injections and withdrawals – we elaborate further on the consequences of retaining the storage targets under questions 73, 76 and 80.

*44. The European Commission's Joint Research Centre identified [14 megatrends](#) (see figure below), which are long-term driving forces that are most likely to have a global impact in the future. For which one(s) of these megatrends do you think the EU Energy Security architecture is the least prepared and why? Please explain.*

As we struggle to see the link between the EU Energy Security architecture and some of the outlined megatrends, we do not have strong opinions on this matter.

*45. Do you have anything to add regarding the general functioning and/or the future orientation of EU energy security policy?*

We think EU energy security policy should avoid adopting measures that risk fragmenting the internal market and undermining its functioning. For these purposes, while we re-state our commendation of EU's overall energy security framework, we believe that, given data indicating the end of the energy crisis, the future direction of EU energy security policy should plan for a phase-out of emergency measures. In this context we stress that:

(1) The EU's internal energy market is one of its greatest success stories: it should not be jeopardised by further and/or continued market intervention.

(2) The EU should refrain from seeking alternative solutions to the existing market mechanisms (e.g. mandatory common purchasing of raw materials), as this will make the energy system less, not more, resilient.

# CONSULTATION RESPONSE

(3) The EU should find appropriate forms of energy security cooperation with highly integrated non-EU countries that are aligned with the EU on energy policy and energy market regulation.

## 4 Specific questions on energy security framework

47. To what extent do you agree with the following statements? "EU-level action has ...

|  | 1<br>(Strongly disagree) | 2<br>(Disagree)       | 3<br>(Neither agree, nor disagree) | 4<br>(Agree)          | 5<br>(Strongly agree) |
|--|--------------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| <i>... benefitted preparedness and security of supply in the energy sector"</i>                | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>              | 4                     | <input type="radio"/> |
| <i>... increased coordination and transparency between Member States"</i>                      | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>              | 4                     | <input type="radio"/> |
| <i>... reduced distortions of the market and spill-over effects in neighbouring countries"</i> | <input type="radio"/>    | <input type="radio"/> | 3                                  | <input type="radio"/> | <input type="radio"/> |

48. Are there any inconsistencies or gaps between the Gas Security of Supply and Storage Regulation and the Electricity Risk Preparedness Regulation that emerged in past years, and which hinder the achievement of the respective objectives of these Regulations?

# CONSULTATION RESPONSE

- Yes
- No
- No opinion

*49. How could the coherence between the previously mentioned Regulations be concretely improved in the future and the identified gaps filled?*

No comment.

*50. Are there strategies in place in your industry or country to mitigate the impact of an electricity crisis on gas supply, and vice versa?*

- Yes
- No
- No opinion

*51. Please elaborate on the strategies in place:*

No comment.

*52. Are the roles and responsibilities, as well as the mechanisms to coordinate between electricity and gas sectors, effective during crises?*

- Yes
- No
- No opinion

*53. Why are they not effective?*

No comment.

# CONSULTATION RESPONSE

54. Electricity and gas markets have become increasingly intertwined. Do you see the following as potential areas where regulatory synergies could be sought?

|   | Yes | No | No opinion |
|---|-----|----|------------|
| Risk assessments and scenarios  | Y   |    |            |
| Preventive action/risk preparedness plans                                     | Y   |    |            |
| Definitions and levels of crises  |     |    | N          |
| Crisis management procedures  |     |    | N          |
| Protected customers / Special protection against disconnection                |     |    | N          |
| Storage measures for energy security (electricity, gases, liquid fuels, heat) |     | N  |            |
| Regional cooperation  | Y   |    |            |
| Solidarity / Assistance   | Y   |    |            |

55. Please elaborate, if appropriate:

Hydrogen production technologies may become a strong link between electricity and gas sectors which can have important impact on how these sectors can be balanced. In this context, hydrogen storage technologies may be of particular importance even though this is still a nascent technology. We also recall that during the recent energy crisis, considerable work was done to identify critical gas turbines that need to stay in operation even in the unlikely event of gas shortages. We believe that coordination between electricity and gas should continue in this respect.

56. Are there other areas, not identified in the table above, where synergies should be sought?



# CONSULTATION RESPONSE

No comment.

*57. Do you see reasons and ways to bring the energy security frameworks for gas storage and wider energy storage closer?*

Yes

No

*58. Can you provide concrete examples?*

No comment.

*59. What are the most relevant cross-sectoral or cascading risks affecting gas and electricity that should be addressed in the future (e.g. shortage of critical gas volumes for power generation, power outages affecting turbines in the gas system or boilers, or power outages affecting production of renewable/low-carbon gases)?*

One of the threats arising from the decarbonization of gas sector is that countries tend to plan repurposing existing gas grid for the benefit of transporting hydrogen, but frequently without much consideration given to consequences to consumers further downstream and, in particular, without verifying the impact this might have on supply to CCGTs – which are still of material importance to balancing the electricity grid. We further note that such asset transfers between hydrogen and gas transmission networks will also have considerable impact on transmission tariffs – it will be difficult to expect that the falling number of gas consumers will bear the rising cost of maintaining excess gas infrastructure on their own.

*60. How could these risks be tackled in the future?*

Alternative financing and tariffication mechanisms are needed for supporting continued operation of infrastructure which remains maintained primarily to serve as a back-up in

# CONSULTATION RESPONSE

case of emergency, in particular if this solution is of cross-sectoral or cross-border nature (e.g. maintaining a section of the gas network for the benefit of consumers in a neighbouring Member State).

*61. To what extent are risks associated with the further digitalization and smartening of energy networks, i.e., cybersecurity risks, sufficiently covered in terms of ensuring security of supply? Do you see a need for improvements to the EU energy security framework to tackle these risks?*

No comment.

*62. Do you see any additional or increasing role for demand-side measures in the future EU energy security architecture, on top of the already existing framework under the recently adopted Electricity Market Design?*

- Yes  
 No  
 No opinion

*63. Can you provide concrete examples that would allow to better recognize and leverage demand-side policies?*

The implementation of the Demand Response Network Code is just about to start, once the final draft NC will be approved in 2025. Examples that would better recognise and leverage demand side-policies are:

- Clearly assign responsibilities and incentives for setting up local flexibility markets even before national terms and conditions are agreed
- Set out principles for market-based procurement and optimal use of resources and providing a clear signal for investment.

# CONSULTATION RESPONSE

- Member States, TSOs, and DSOs ensure that all eligible parties can access the wholesale electricity markets and System Operators (SOs) services, individually or aggregated.

64. Please explain:

The best method to bring flexibility to the market is through existing market mechanisms, rather than establishing alternative marketplaces or support mechanisms. Areas of improvement include Distributed energy resources' (DERs) better access to different market segments and TSO services (notably ancillary services) for a stable flexibility business case, value stacking ensuring economic viability and grid stability, standardization (i.e. pan-European APIs), correction and monitoring of FCR provision obligations on certain assets without market-based procurement, and shortening balancing energy gate closure time along with smaller bid granularity for access facilitation.

## 5 Specific question on Gas Security of Supply

### A.Backward-looking

#### **1) Effectiveness**

66. Regulation (EU) 2017/1938 pursues several objectives. How would you grade its performance on the following objectives?

|   | 1 (Very poor) | 2 (Poor) | 3 (Average) | 4 (Good) | 5 (Excellent) |
|---|---------------|----------|-------------|----------|---------------|
| Secure an adequate level of preparedness in Europe for gas supply disruptions, e.g. through assessing risks and sufficient infrastructure |               |          | X           |          |               |
| Ensure that all necessary measures are taken to safeguard   |               | X        |             |          |               |

# CONSULTATION RESPONSE

|   |  |  |  |   |  |
|---|--|--|--|---|--|
| an uninterrupted supply of gas, in particular to protected customers                |  |  |  |   |  |
| Enhance regional and EU- wide cooperation, including in times of supply emergencies |  |  |  | X |  |

67. Have you experienced barriers or difficulties in implementing and enforcing the provisions of the Regulation?

- Yes
- No
- No opinion

68. Which provisions proved difficult to implement and why?

We note that the uncoordinated, often non-market approach to storage filling has created a major and long-lasting disruption to the functioning of the internal gas market, particularly in a context of geopolitical instability. This effect was aggravated by the diversion from Russian Gas and the fact that Russian controlled market players had not filled storage capacities they owned.

Detrimental impact of non-market-based storage filling measures should be explicitly recognized. This includes both the immediate impact it had on wholesale prices and subsequent disruptions brought about by e.g. the storage levy charged on Germany’s cross-border exit points as well as non-transparent approach to releasing the volumes back to the market.

69. Have there been any unexpected and/or unintended effects caused by the implementation of this Regulation, which hindered progress towards these objectives?

- Yes
- No
- No opinion

# CONSULTATION RESPONSE

*70. Which effects were there and what parts of the Regulation caused these effects?*

The Regulation obliges MS to take all necessary measures to meet filling targets. This encouraged non-critical approach to the tools being considered to facilitate storage injections, with countries ordering market operators to acquire the necessary volumes, without verifying the availability of more cost-efficient market-based solutions. Experience from 2022 energy crisis underlines the need for MS to first verify the viability of market-related solutions (e.g. auctions) to fill gas storages, before resorting to interventions that prevent competition between sellers. Impact of these interventions was different across different Member States and sometimes cost reconciliation affected cross-border trade (e.g. storage levies in DE).

*71. To what extent do you agree that the following specific provisions have been effective in ensuring preparedness, security of supply and/or resilience?*

|   | 1 (Not effective at all) | 2 (Marginally effective) | 3 (Moderately effective) | 4 (Effective) | 5 (Very effective) |
|---|--------------------------|--------------------------|--------------------------|---------------|--------------------|
| Gas Coordination Group                                |                          |                          |                          |               | 5                  |
| Infrastructure standard and bi-directional capacities |                          |                          |                          |               | 5                  |
| Supply standard and protected customers               |                          |                          | 3                        |               |                    |
| Common Risk Assessments                               |                          |                          |                          | 4             |                    |
| National Risk Assessments                             |                          |                          |                          | 4             |                    |
| Preventive Action Plans and Emergency Plans           |                          |                          |                          | 4             |                    |
| Crisis management                                     |                          | 2                        |                          |               |                    |

# CONSULTATION RESPONSE

|   |   |  |   |   |  |
|---|---|--|---|---|--|
| Crisis levels   |   |  |   | 4 |  |
| Solidarity provisions                                 |   |  |   | 4 |  |
| Information exchange requirements under Article 14    |   |  |   | 4 |  |
| Storage targets                                       | 1 |  |   |   |  |
| Annual storage trajectories set by the Commission     | 1 |  |   |   |  |
| Storage system operators' certification               |   |  |   | 4 |  |
| Demand reduction and EU-alert                         |   |  | 3 |   |  |
| Cooperation with Energy Community Contracting Parties |   |  |   | 4 |  |

*72. Do you wish to elaborate on any of the points above? If so, please indicate to which point(s) you are referring to.*

We support the continued work of the Gas Coordination Group as a knowledge and information sharing forum and we encourage more frequent meetings of the Group in full format.

We welcome the coordinated efforts to jointly anticipate risks to regional supply and to offer solidarity support. Such measures, as well as fallback procedures on demand curtailment, complement the functioning of the gas market, which should be a default mechanism, through which supply and demand are brought to balance.

In terms of “managed” approach to security of supply, we note that it comes at an extra cost linked to upward pressure on prices stemming from administrative setting of filling trajectories and limited flexibility left to the market (see response to Q73).

# CONSULTATION RESPONSE

73. What do you consider the main strengths and weaknesses of the Storage Regulation, in particular the 90% storage targets, the trajectories, burden sharing, the certification procedure, the sunset clause in 2025 of the storage provisions?

Storage Regulation provided for higher level of supply insurance, but at unnecessary extra cost. Storage filling target and trajectories introduced an obligation to establish and preserve gas stocks, but this meant concentration of demand during the injection period on one hand and an additional constraint on withdrawals during the winter on the other. With strategic stocks established in some countries, capacities available for commercial use got limited, damaging the ability to manage price volatility. Coordinated crisis response planning and default solidarity rules remain an important contribution to security of supply. Last resort measures must only be invoked when functioning of market mechanism is no longer possible.

## **2) Efficiency**

74. What were the costs and benefits of the implementation of the Gas SoS Regulation (including the storage and solidarity amendments introduced by the Storage Regulation and the Hydrogen and Decarbonised Gas Package) for your organization? If possible, please provide both quantitative and qualitative elements.

Among the costs, we highlight that the implementation of storage measures resulted in uneconomical purchases for filling and meeting imposed targets.

75. To what extent have the following provisions created **disproportionate** burden (e.g. administrative, financial or other burden)?

|                        | 1<br>(Negligible) | 2<br>(Low) | 3<br>(Average) | 4<br>(High) | 5<br>(Very high) |
|------------------------|-------------------|------------|----------------|-------------|------------------|
| Gas Coordination Group | 1                 |            |                |             |                  |

# CONSULTATION RESPONSE

|   |   |  |   |   |   |
|---|---|--|---|---|---|
| Infrastructure standard and bi-directional capacities | 1 |  |   |   |   |
| Supply standard and protected customers               |   |  | 3 |   |   |
| Common Risk Assessments                               | 1 |  |   |   |   |
| National Risk Assessments                             | 1 |  |   |   |   |
| Preventive Action Plans and Emergency Plans           | 1 |  |   |   |   |
| Crisis management                                     |   |  |   | 4 |   |
| Crisis levels   | 1 |  |   |   |   |
| Solidarity provisions                                 | 1 |  |   |   |   |
| Information exchange requirements under Article 14    | 1 |  |   |   |   |
| Storage targets                                       |   |  |   |   | 5 |
| Annual storage trajectories set by the Commission     |   |  |   |   | 5 |
| Storage system operators' certification               | 1 |  |   |   |   |
| Demand reduction and EU- alert                        | 1 |  |   |   |   |
| Cooperation with Energy Community Contracting Parties | 1 |  |   |   |   |

*76. Do you wish to elaborate on any of the points above? If so, please indicate to which point(s) you are referring to.*

We reiterate that storage does not exist in isolation and both incentives and obligations



# CONSULTATION RESPONSE

relating to storage filling affect other measures for ensuring supply adequacy (such as advance bookings of LNG cargoes). Strict filling targets and trajectories remove optionality and the primary flexibility function of storages and force market participants to inject gas within specific deadlines regardless of prevalent market conditions, making the stocks more expensive. In general, any incentive or support mechanism to reach the filling targets and the trajectories should be designed in a way that allows market forces to continue operating efficiently, does not reduce competition, respects unbundling rules.

*77. How can the Regulation's reporting and monitoring requirements be simplified? Have the current reporting and monitoring requirements or frequency avoided unnecessary duplication or overlapping responsibilities (e.g. regarding risk assessments and plans)?*

No comment.

### **3) Relevance**

*78. To what extent were the provisions of the Gas Security of Supply Regulation relevant in addressing the gas supply challenges and disruptions experienced by the EU since its implementation? Please elaborate your answer, e.g. by making explicit reference to the 2022/2023 energy crisis.*

We deem the provisions of Gas SofS Regulation valid in terms of coordinating crisis response planning and providing for solidarity support between Member States, thereby introducing last resort measures for instances when the market is not able to function any longer. We also believe that certification requirements equip the authorities with right tools to take actions against behavior compromising security of supply. Continued coordination and knowledge sharing through Gas Coordination Group also helped dealing with misinformation. Other crisis response measures (e.g. storage filling trajectories) are no longer necessary and EU should rely on market mechanisms.

*79. How well adapted is the Gas Security of Supply Regulation to technological or scientific progress, and to the environmental/climatic challenges that EU will face?*

# CONSULTATION RESPONSE

We believe that this Regulation should focus more on changes that may have an outright impact on physical flow of gas (e.g. changes in the geopolitical sphere) rather than on specific technical advancements or environmental challenges. While the goals of the EU in terms of decarbonization are clearly specified, we believe that security of supply considerations remain unchanged throughout this process. We further note that increased share of renewable and low-carbon gases in the EU gas networks will indeed improve the security of supply, but this requires no additional amendments to the Regulation which should still focus on ensuring EU cooperation in a crisis.

#### **4) Coherence**

*80. To what extent is the Gas Security of Supply Regulation aligned with other EU policy goals?*

Secure gas infrastructure is a critical asset of the EU in the process of decarbonizing the economy, particularly the hard-to-abate sectors. Gas SoFS Regulation focusing on cooperation between MS and underpinning the IEM for gas supports achieving the goals of the energy union.

However, we note that prolonged validity of emergency measures under Gas Security of Supply Regulation is at odds with ensuring affordable energy to all consumers. As mentioned before, strict filling targets and trajectories inflate the cost of gas stocks, which are ultimately recovered in end consumer bills.

*81. Did some provisions within the Regulation prove to be inconsistent with one another?*

- Yes
- No
- No opinion

*82. Please give concrete examples:*

No comment.

# CONSULTATION RESPONSE

## **5) EU added value**

83. The 2016 Commission's proposal for the Gas Security of Supply Regulation argued that the necessity of EU action was based on the following:

- "The increasing interconnection of the EU gas markets and the 'corridor approach' for enabling the reverse flows on gas interconnectors call for coordinated measures";
- "Without such coordination, national security of supply measures are likely to adversely affect other Member States or the security of supply at EU level";
- "The risk of a major disruption of gas supplies to the EU is not restricted to national boundaries and could affect several Member States, whether directly or indirectly";
- "National approaches both result in sub-optimal measures and aggravate the impact of a crisis".

Did the events of past years (in particular the 2022/2023 energy crisis and the increased importance of LNG as alternative to Russian gas) confirm these statements in your view?

Yes

No

No opinion

84. Can you please elaborate on why you think that these events confirmed those statements?

Increased integration between national gas markets has undoubtedly made security of supply a shared concern. As Europe remains reliant on gas imports, coordination and cooperation in ensuring gas supply security is critical. Threat of a supply cut from Russia has only underlined this importance, also in terms of cooperation to ensure efficient access to LNG terminals and storage infrastructure.

However, the increased importance of LNG should not be stressed as a source of further

# CONSULTATION RESPONSE

concern as suggested in question 83. During the energy crisis, equal access to competitive global LNG markets and exposure to market-based price signals contributed to maintaining security of supply on an integrated and optimal manner.

*85. Can you please elaborate on why you think that these events invalidated those statements?*

No comment.

## B. Forward-looking

*86. According to the impact assessment on the [2040 targets](#), natural gas demand in the EU should decline from ca. 319 Mtoe today to 100-150 Mtoe in 2040, with an increase in biomethane production. The overall decreasing gas consumption may lead to a change in consumption pattern with likely different speeds of phase out across sectors. How should the Gas Security of Supply Regulation change to remain relevant, considering the foreseen evolution of the EU gas supply and demand?*

The fact that falling demand for fossil gas does not mean that there won't be an internal market for renewable and low-carbon gaseous fuels in the future. On the contrary, the role of these gases might be reinforced in the future.

We believe that the Gas SofS Regulation should be focusing on ensuring coordinated EU response to supply crises, which would complement the functioning of the internal gas market in a non-distortive manner. When it comes to biomethane in the context of security of supply priority should be ensuring that all existing barriers to cross-border trading are urgently eliminated. Building an effective internal market for biomethane will improve security of supply.

*87. Are there objectives for gas security of supply that were not considered in 2017 and that a potential revision of the Regulation should aim to achieve?*

Yes

# CONSULTATION RESPONSE

- No  
 No opinion

*88. Which blind spots in the current Regulation do you think should be addressed in a future update of the energy security framework?*

Not relevant if answer to 87 is no.

*89. Some provisions expire in 2025, including the 90% storage target. What role do you think gas storage policies should play beyond 2025 in the short and long-term?*

EU policy in terms of gas storages should build on the experiences of the recent energy crisis. In this context we note that a one-size-fits-all approach to securing gas stocks is difficult to design and manage and, in our opinion, is disruptive to the gas market functioning, which should be the default tool for adjusting supply and demand in all timeframes. We further note that the remarkably low storage filling levels ahead of the crisis were largely a consequence of Gazprom's behaviour – which, in view of the ongoing certification procedures, should no longer be possible. We also encourage increased efforts to promote best practices in incentivizing storage filling, such as removing price floors for storage capacities auctioned

*90. Should a revision of the Regulation provide more transparency on long-term gas contracts e.g. via Article 14, in particular where a single third country supplier represents a significant share of the overall supply mix?*

- Yes  
 No  
 No opinion

*91. How should the Regulation provide more transparency?*

# CONSULTATION RESPONSE

No comment.

## *92. Why should the Regulation not focus on providing more transparency?*

We do not believe that additional reporting obligations support the goals of the SofS Regulation, particularly since entities should be free to structure their supply portfolio as long as the contracts comply with EU law (as per the recast Gas Directive).

We highlight that additional transparency on gas contracts is already ensured by REMIT II, which now imposes new reporting obligations on LNG transactions under Article 7c-d.

We therefore stress that in order to avoid overlaps, any further new transparency requirement should be carefully considered – also by publicly consulting stakeholders – in light of the existing legislation.

## *93. How should the costs of maintaining a high level of gas security of supply be distributed between various actors, such as companies, citizens and governments?*

We note that the costs of additional levels of security are set for the benefit of end consumers and ultimately are transferred onto them as well. While increased prices created the market signal that was needed to attract additional supplies into the EU, we recognize that affordability of gas has become a major concern for the EU. We therefore suggest exploring a wider level of socialization of costs related to security of supply. In any case we stress that by no means should the costs of national security of supply interventions be levied on interconnection points, as this threatens the integrity of the internal market.

### C. Other

## *94. Do you have anything to add regarding the general functioning and/or the future evolution of the Gas Security of Supply Regulation?*

We believe that the broader framework for gas market functioning should recognize the role of the EU's Internal Gas Market mechanisms in rebalancing the supply mix after

# CONSULTATION RESPONSE

geopolitical disruptions, e.g. as triggered by the diversification of sourcing to non-Russian suppliers the disruption caused by Russia.

Apart from storage filling requirements, this relates especially to the Market Correction Mechanism that continues to pose a threat to security of supply. We recall and support the statements by ESMA and ECA underlining that a triggering event for the MCM can threaten not only security of supply but financial stability in general. A cap on the forward market will trigger renegotiation of contracts using TTF price as reference and this will come at a time of extreme scarcity, which may ultimately deprive the EU of a share of its supply portfolio. We also note that capping the forward market will bring negative effects to hedging behavior, discouraging transactions that by default are concluded to manage price volatility for the benefit of consumers. All these effects are not counterbalanced by any benefit stemming from the MCM - which neither addresses supply scarcity nor affordability - as a cap on the derivatives market will not be reflected in consumer bills.

## 6 Specific questions on Electricity Security of Supply

### A.Backward-looking

#### **1) Effectiveness**

*95. According to the 2016 impact assessment accompanying the Commission's proposal for a Regulation on Risk-Preparedness in the electricity sector, the new regulation was pursuing several specific objectives. How would you grade its performance on the following aspects?*

|   | 1 (Very poor) | 2 (Poor) | 3 (Average) | 4 (Good) | 5 (Excellent) |
|---|---------------|----------|-------------|----------|---------------|
| a) Improving prevention and preparedness          |               |          |             | x        |               |
| b) Improving transparency and information sharing |               |          | X           |          |               |

# CONSULTATION RESPONSE

|  |   |  |   |  |  |
|--|---|--|---|--|--|
| c) Improving coordination in electricity crisis  |   |  | X |  |  |
| d) Reducing the risk of negative spillover effects that purely national measures could have in neighbouring Member States. | X |  |   |  |  |

96. *Have there been any unexpected and/or unintended effects caused by the implementation of this Regulation, which hindered progress towards these objectives?*

- Yes  
 No

97. *Which effects were there and what parts of the Regulation caused these effects?*

During the energy crisis, ACER counted 439 national measures. The patchwork of national emergency measures fragmented the Internal Energy Market, impacting trading operations leading to significant liquidity in some Member States, making hedging costly and damaged investments in new capacities like renewable energy. Uncertainty and a lack of clarity increased the perception of risk, slowing down investments and increased financial costs. We emphatically caution against the extension of such emergency measures after the crisis and recommend careful consideration.

For example, market correction mechanisms and inframarginal rents had significant impacts on market functioning and trading activities, such as in Iberia, France and Romania.

98. *To what extent do you agree that certain specific provisions have been effective in ensuring preparedness, security of supply and/or resilience?*

|  | 1 (Not effective at all) | 2 (Marginally effective) | 3 (Moderately effective) | 4 (Effective) | 5 (Very effective) |
|--|--------------------------|--------------------------|--------------------------|---------------|--------------------|
|  |                          |                          |                          |               |                    |



# CONSULTATION RESPONSE

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| Regional Risk Assessments   |  |  |  |  |  |
| National Risk Assessments   |  |  |  |  |  |
| Risk assessments in relation to the ownership of infrastructure   |  |  |  |  |  |
| Seasonal and short-term adequacy studies  |  |  |  |  |  |
| Risk preparedness plans as regards national measures  |  |  |  |  |  |
| Risk preparedness plans as regards regional and bilateral measures  |  |  |  |  |  |
| Early warning and declaration of an electricity crisis  |  |  |  |  |  |
| Users entitled to receive special protection against disconnection due to public safety and personal security |  |  |  |  |  |
| Cooperation and assistance  |  |  |  |  |  |
| Electricity Coordination Group new tasks assigned by the Regulation   |  |  |  |  |  |
| Establishment of Competent Authority  |  |  |  |  |  |
| Regional emergency tests  |  |  |  |  |  |

# CONSULTATION RESPONSE

*99. Do you wish to elaborate on any of the points above? If so, please indicate to which point(s) you are referring to.*

We have previously not taken position on the Electricity Risk Preparedness Regulation. We focus on the lessons to learn from the past crises and focus on the impacts of national emergency measures.

*100. Do you think that the framework of cooperation and assistance presented in Article 15 of the Electricity Risk Preparedness Regulation is effective enough for dealing with regional crises?*

- Yes
- No
- No opinion

*101. Can you please elaborate? How can it be improved?*

The energy crisis did demonstrate some Member State coordination and assistance. Yet, the negative impacts of national emergency measures had significant repercussions on cross-border and overall trading activities. For example, the Romanian clawback mechanism – still ongoing – led to market participants exiting the market, have low trading volumes and market liquidity.

Other areas of energy security cooperation with well-interconnected countries include the UK and Switzerland, on projects such as Offshore Hybrid Assets, where generators combine with interconnectors, potentially helping to increase energy security and overall social welfare. To do so requires market coupling.

## **2) Efficiency**

*102. What were the costs and benefits of implementing this Regulation for your organization? If possible, please provide both quantitative and qualitative elements and make explicit reference to the costs associated with the preparation of the Risk Preparedness Plans.*

# CONSULTATION RESPONSE

No comment.

103. To what extent have the following provisions created **disproportionate** burden (e.g. administrative, financial or other burden)?

|   | 1<br>(Negligible) | 2<br>(Low) | 3<br>(Average) | 4<br>(High) | 5<br>(Very high) |
|---|-------------------|------------|----------------|-------------|------------------|
| Regional Risk Assessments   |                   |            |                |             |                  |
| National Risk Assessments   |                   |            |                |             |                  |
| Risk assessments in relation to the ownership of infrastructure   |                   |            |                |             |                  |
| Seasonal and short-term adequacy studies  |                   |            |                |             |                  |
| Risk preparedness plans as regards national measures  |                   |            |                |             |                  |
| Risk preparedness plans as regards regional and bilateral measures  |                   |            |                |             |                  |
| Early warning and declaration of an electricity crisis  |                   |            |                |             |                  |
| Users entitled to receive special protection against disconnection due to public safety and personal security |                   |            |                |             |                  |
| Cooperation and assistance  |                   |            |                |             |                  |
| Electricity Coordination Group new tasks assigned by the Regulation   |                   |            |                |             |                  |

# CONSULTATION RESPONSE



|                                      |  |  |  |  |  |
|--------------------------------------|--|--|--|--|--|
| Establishment of Competent Authority |  |  |  |  |  |
| Regional emergency tests             |  |  |  |  |  |

*104. Do you wish to elaborate on any of the points above? If so, please indicate to which point(s) you are referring to.*

No comment.

*105. How timely (regarding e.g., the update every 4 years) and efficient is the Risk Preparedness Plans administrative process?*

From 1 to 5: 3.

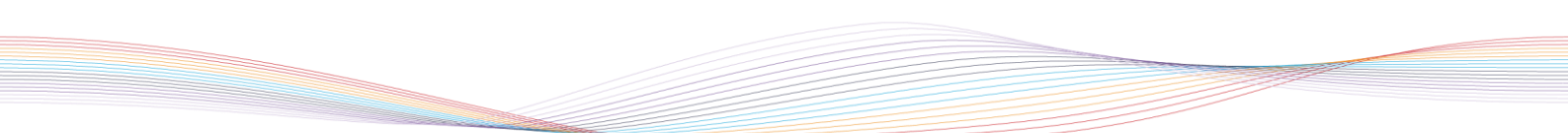
*106. Can you please elaborate on your grading?*

We kindly remind that markets provide solutions and were resilient during the energy price crisis. Thus, regulatory intervention should be a last-resort option. We emphasise the close interactions between markets and regulatory intervention – market participants will account for announced interventions in their risk analyses and strategies. For example, reduced investments and increased financial costs due to higher perceived risks from interventions during the crisis.

As for regulatory reviews, there is a need to update them to better reflect the new realities of the market. However, they should not be too frequent as they could cause regulatory uncertainty and undermine investor confidence.

*107. Are there any aspects of the Risk Preparedness Plans administrative process that could be streamlined or improved?*

- Yes
- No



# CONSULTATION RESPONSE

No opinion

*108. Can you please elaborate?*

We emphasise the need to have a crisis lessons-learned component to future risk preparedness and ensure security of supply. We advise analysing the various measures taken during the crisis, especially at the national level, to evaluate the measures' impacts on the markets (both short and long term) and their functioning, as well as considering the consequences of other interacting interventions, through a cost-benefit analysis. Some emergency measures are still applied, like the French and Romanian inframarginal rent limiting revenues used for risk hedging, leading to reduced trade and market liquidity in Romania.

### **3) Relevance**

*109. To what extent did the provisions of Electricity Risk Preparedness Regulation prove relevant in addressing the electricity supply challenges experienced by the EU since its implementation? Please elaborate your answer, by making explicit reference to the recent crises (i.e. COVID pandemic and the energy crisis of 2022 and 2023).*

The framework in practice during crises indicated deviations and gaps, as was raised by the Commission.

Harmonised European actions in a coupled and interconnected electricity market could have brought less impact on the markets. The Commission report highlighted the inefficiencies of price caps, like in the Iberian Peninsula, ultimately impacting consumers, such as lower investments in RES and stability-providing long-term agreements. The framework did not prevent emergency measures that are still in effect, like in France and Romania.

Article 66a in the EMD Directive 2024/1711 amending Directive 2019/944 indicates the need for better framing of crisis management and interventionist measures in energy prices.

# CONSULTATION RESPONSE

*110. To what extent could the risk preparedness plans be effective in preventing, preparing, managing and mitigating actual electricity supply crises? What could be improved?*

We reiterate that markets have been providing solutions and that interventions should only be a last resort. During the energy crisis, the markets showcased their robustness and efficient functioning.

We advise for harmonised and coordinated actions that do not go against the coupled markets and avoid a myriad of national emergency measures. If such measures do arise, they need to remain time-limited and thoroughly evaluated before extensions or made permanent.

*111. How well adapted is the Electricity Risk Preparedness to technological or scientific progress, and to the environmental/climatic challenges that EU will face?*

No comment.

#### **4) Coherence**

*112. To what extent is the Electricity Risk Preparedness Regulation aligned with other EU policy goals?*

No comment.

*113. Do you see inconsistencies with other EU legislation?*

- Yes
- No
- No opinion

*114. Which EU legislation?*

# CONSULTATION RESPONSE

The risk preparedness regulation should reflect the lessons learned from the crisis, starting with the new additions brought by the revision of the Electricity Market Design, like Article 66a on energy price crisis. Other elements to take into account are the CEP 70% requirement and recent market optimization efforts on day-ahead markets (market coupling and flow-based calculation and allocation) that contribute to improved market efficiency, robustness and security. On the minimum 70% available capacity, electricity flows with non-European countries, like Switzerland, must be considered for the system stability of Continental Europe's synchronous grid.

*115. Did some provisions in the Regulation prove to be inconsistent with one another?*

- Yes
- No
- No opinion

*116. Please give concrete examples:*

No comment.

## **5) EU added value**

*117. What is the additional value for EU security of electricity supply resulting from the EU intervention, compared to what could reasonably have been achieved (in terms of effectiveness and efficiency) by Member States acting at national level?*

Reiterating our position, we advocate for cost-efficiency, European integration and competition to be developed and strengthened so that electricity markets can continue to supply decarbonised, affordable and secure electricity to consumers. The energy pricing crisis from 2022 to 2023 showcased the resilience and strong functioning of electricity markets. EU intervention should occur when the market cannot provide a solution. Having a coordinated response that takes into account and reflects the interconnectedness of the coupled electricity markets would be preferred as to have coherence and capitalise on market robustness.

# CONSULTATION RESPONSE

## B. Forward-looking

*118. Given the recent experience of Member States with drafting the Risk Preparedness Plans, how can both the process as well as the substance of the plans be improved?*

We emphasise the need to understand and integrate the lessons learned from the crisis. We raise the question of the extent to which market participants were involved in the process and contributed to understanding the various scenarios. Additionally, the trade-offs to consider include security of supply, system optimisation, and sustainability. Any changes must keep in mind the interactions and interconnectedness between these three pillars.

*119. To what extent is the Electricity Risk Preparedness Regulation still relevant considering the evolution of the threats landscape and evolution of the EU's electricity supply and of the EU's energy mix as whole? Are there some objectives that were not considered in 2017 or blind spots and that a revision of the regulation should aim to achieve?*

We reiterate the need to understand the lessons learned from the energy crisis and an evaluation of emergency measures on the functioning of the market.

*120. Do you think that the definition of electricity crisis should be common for all Member States or at least based on common criteria?*

- Yes
- No
- No opinion

*121. If so, based on which criteria?*



# CONSULTATION RESPONSE

We remind that the EU Regulation 2019/943 updated in May 2024 provides a framework for electricity crises. At the regional level, the Regional Coordination Centres identify cases of electricity crisis. At the European level, ENTSO-E also has a role for analysing and declaring an electricity crisis. We agree that having a common criterion for defining an electricity crisis helps with harmonisation and fostering coordinated responses. On the other hand, we recognise that some regions and countries have reached various stages in market integration and developments, which could impact what counts as a crisis and introduce local specificities.

122. Do you think the definition of regions in Article 2 of the Regulation should be different?

- Yes
- No
- No opinion

*123. If so, based on which criteria?*

No comment.

## C. Other

124. Do you have anything to add regarding the general functioning and/or the future evolution of the Electricity Risk Preparedness Regulation?

No comment.

# CONSULTATION RESPONSE



## Contact

Stefano Grandi  
Gas Policy Associate  
[s.grandi@energytraderseurope.org](mailto:s.grandi@energytraderseurope.org)

Pawel Lont  
Manager for European Gas Markets  
[p.lont@energytraderseurope.org](mailto:p.lont@energytraderseurope.org)

Coline Gailleul  
Electricity Policy Associate  
[c.gailleul@energytraderseurope.org](mailto:c.gailleul@energytraderseurope.org)