CONSULTATION RESPONSE

How to strengthening Dutch security of supply through a transparent, market-based and proportionate Energy Supply Crisis Act

Energy Traders Europe's response to EZK's questionnaire on the Act to Combat the Energy Supply Crisis

Brussels, 31 July 2026 – Energy Traders Europe welcomes the opportunity to comment on the questionnaire opened by the Dutch Ministry of Economic Affairs and Climate Policy (EZK) regarding the Act to Combat the Energy Supply Crisis. Following on from our Consultation Response from March 2025, we would like to give additional input.

Questionnaire

1. On behalf of which organisation(s) or representative organisation of market participants are you completing this questionnaire?
   As Energy Traders Europe we represent more than 180 companies active in wholesale energy trading across Europe, including gas, electricity and related commodity markets.

2. Is your response confidential?
   No, it will be published on our own website too.

3. Pursuant to Article 3.66 of the Energy Act and Article 3.23 of the Energy Regulation, GTS prepares an annual Security of Supply Outlook. How do you assess this statutory task of GTS? Are there aspects that could be improved or done differently?
   Energy Traders Europe considers the annual Security of Supply Outlook an important instrument to improve transparency and support informed decision-making by market participants and policymakers. A comprehensive and transparent assessment of security of supply risks contributes to the effective functioning of the gas market by providing a common understanding of potential challenges and available mitigation options.

   At the same time, we consider that the current Outlook adopts a cautious approach that does not fully reflect the resilience and flexibility of today's integrated North-West European gas market. As set out in our response to the ongoing GTS consultation on the Security of Supply Outlook, we believe that certain assumptions and scenarios are overly conservative and should better reflect current market realities.

To maximise the usefulness of the Outlook, the methodology, assumptions and scenarios used should be transparent. Early and meaningful engagement with market participants, in English, should also become an important element of the process.

4. Do you or your organisation consider amendments to Article 3.66 of the Energy Act or Article 3.23 of the Energy Regulation necessary? If so, which amendments?
   At this stage, Energy Traders Europe does not consider fundamental amendments to Article 3.66 of the Energy Act or Article 3.23 of the Energy Regulation to be necessary, provided the existing framework is implemented in a transparent, proportionate and market-based manner.

   Should amendments nevertheless be considered, they should reflect the evolution of the European gas market, including increased LNG flexibility, changing infrastructure utilisation, cross-border trade and the operation of integrated regional gas markets. They should also take full account of EU solidarity arrangements, neighbouring Member States' security-of-supply measures and the cumulative impact of any additional obligations on market participants. Any proposed amendments should be supported by a robust impact assessment demonstrating both their necessity and proportionality.

5. What is your view on the current consultation opportunities organised by GTS to gather feedback from market participants and organisations on the Security of Supply Outlook?
   Energy Traders Europe welcomes GTS's engagement with market participants and considers stakeholder consultation an essential element of developing a robust Security of Supply Outlook. However, to ensure effective participation by all relevant stakeholders, including international market participants active on the Dutch market, we would encourage GTS to provide consultation materials and stakeholder discussions in both Dutch and English.

6. The Ministry of Economic Affairs and Climate Policy is considering discontinuing the annual storage filling target and instead publishing a winter gas outlook based on GTS's Security of Supply Outlook that provides a holistic assessment of the gas market, the contribution of all gas sources and the measures required to ensure security of supply. What is your view on this proposal?
   Energy Traders Europe welcomes the proposed move towards a more holistic assessment of security of supply. **Mandatory storage filling targets were introduced as an exceptional crisis measure and have demonstrated significant distortive effects on the functioning of the gas market**. In particular, such targets can interfere with commercial storage decisions, weaken price signals and reduce incentives for market-based storage activity.

Security of supply should instead be assessed through the contribution of all available flexibility sources, including commercial storage, LNG, pipeline imports, cross-border flows and demand-side measures. Replacing rigid annual filling targets with a comprehensive Security of Supply Outlook is therefore a positive development. Any additional government intervention should only be considered after market-based solutions have been exhausted and should seek to address a clearly identified security of supply risk while minimising distortions to the market.

7. The Ministry is considering reducing or eventually abolishing the role of the filling agent (currently EBN), whose task is to store sufficient gas where the market does not. What is your view, and under what conditions could this be appropriate?
Energy Traders Europe supports allowing storage levels to be primarily determined by commercial market activity. **The experience of recent years has demonstrated that mandatory storage filling targets can interfere with market signals and undermine incentives for commercial storage activity**. Therefore, the role of a filling agent should only be maintained where there is clear evidence that market-based solutions are insufficient to address a specific security of supply concern. As Europe's most liquid and well-connected gas market, the Netherlands benefits from strong commercial incentives to optimise storage utilisation – it therefore seems appropriate to abolish the role of the filling agent in favour of allowing the market fill storages commercially.

If a residual role is nonetheless and against better judgement retained, it should be designed as a targeted and narrowly defined security measure rather than a substitute for commercial storage. Any such mechanism should be:

- clearly justified and proportionate;
- defined and communicated well in advance;
- subject to meaningful consultation;
- limited to the volumes necessary to achieve the identified security objective; and
- designed to minimise impact upon commercial storage activity.

8. If the government were to retain a residual role in ensuring sufficient gas is stored, what should that role be? Are there scenarios in which government intervention in seasonal storage would still be required, with or without a filling agent?
The government's primary role should be to establish a stable and predictable regulatory framework, facilitate transparent market information and ensure that emergency powers are used only where genuinely necessary. Seasonal gas storage should therefore, as a general principle, remain commercially driven.

Government intervention may only be justified in exceptional circumstances where there is a clearly identified and evidenced security-of-supply risk that cannot reasonably be addressed by the market. In such circumstances, a limited strategic or emergency reserve could be considered (like the Netherlands already has with the 5 TWh in Alkmaar), provided it is genuinely reserved for emergency situations and does not participate in normal commercial market operations. Such an approach is less distortive than recurring annual storage-filling obligations. That said, an emergency reserve that is larger than necessary risks crowding out commercial storage activity, reducing market liquidity and imposing unnecessary costs on consumers – and should therefore be avoided at all costs. Any proposal hence has to be supported by a transparent assessment of the specific risks being addressed, the level of insurance considered appropriate, the expected costs and the allocation of those costs.

9. Would your organisation benefit if a filling agent developed products enabling third-party access to storage facilities where such access cannot currently be offered? If yes, what types of products would be useful?
Energy Traders Europe is not itself a market participant using storage facilities and therefore cannot provide a direct assessment of the commercial value of specific storage access products. That said, as a general principle we believe that allowing third party access to gas infrastructure is an essential component of an effective market but would primarily see this as a role for storage operators rather than an additional role for a filling agent.

10. Do you represent a supplier of protected customers (households and end-users providing essential social services)?
N/A

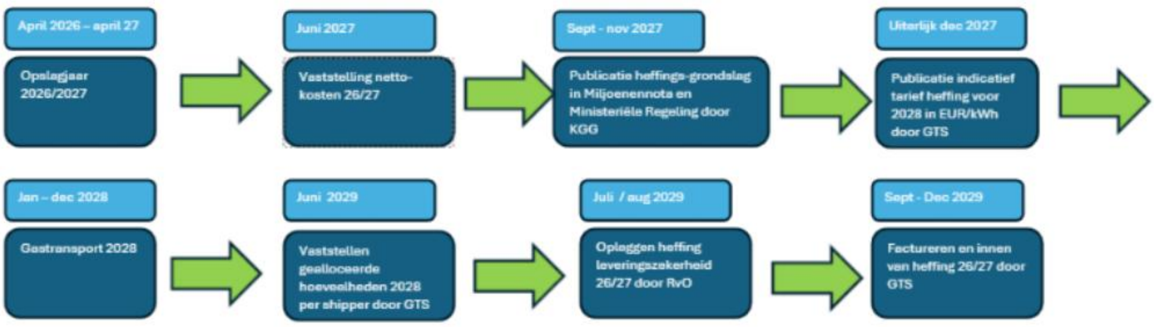
11. In your view, what requirements should be imposed on suppliers to protected customers to ensure that they are prepared for the situations referred to in Article 6(a) to (c) of the Gas Supply Security Regulation?
N/A

12. It is worth considering requiring suppliers to protected customers to fulfil part of the measures they are required to take pursuant to Article 6(1)(a), (b) and (c) in the form of gas stored in a gas storage facility. What is your organisation's view on this?
Our experience from other jurisdictions shows that imposing additional storage obligations on suppliers of end customers can pose a market entry barrier, particularly when a disproportionate burden is placed on them. Market participants, including suppliers to protected customers, should be free to manage their portfolio of risks in the most efficient way without interference and unnecessary obligations.

Any additional gas supply security insurance sought by the authorities should be established with minimum impact on the market. Instead of additional obligations on market participants, this could take the form of a long-term strategic stock, established over several years and kept strictly for emergencies.

13. How does your organisation currently prepare for periods of extreme cold, exceptionally high gas demand and disruption of the largest single gas infrastructure under average winter conditions?
N/A

14. Do you have any comments on the first proposed levy methodology?



Explanation: Example 1: In the 2026/2027 storage year (1 April 2026 to 1 April 2027), a sum X in net costs is incurred. This sum X is apportioned across the total quantities of energy allocated between 1 January 2028 and 1 January 2029 (Gas Transport 2028). The net costs for the 2026/2027 storage year are recovered through a levy imposed on shippers in 2029. These shippers will receive an invoice for the volume allocated to them in 2028.

At a fundamental level, we question whether the costs associated with mandated gas storage filling should be recovered through a levy on top of the GTS tariffs to market participants at all as they were introduced in response to exceptional geopolitical circumstances and broader economic security considerations rather than the normal operation of the gas market. For this reason, we believe funding it through taxation rather than being allocated exclusively to gas consumers and market participants may be warranted.

In addition, it is difficult to provide a detailed assessment of either methodology based on the information currently available. Both proposals contain significant gaps regarding liability allocation, cost recovery mechanics, governance, reconciliation processes, treatment of insolvency and the roles of different market participants. Greater detail is required before the practical implications, fairness and effectiveness of either approach can be properly evaluated.

Nonetheless, **any levy introduced to fund a security of supply intervention should be imposed directly protected end consumers**, as the beneficiaries of the measure. Under no circumstances should any levy be imposed upon network entry points or interconnection points, as this will impact cross border trading and/or deter gas deliveries, or on entry and exit from storages (in order to not increase costs related to storage use).

Regardless of these general comments, we have significant concerns regarding:

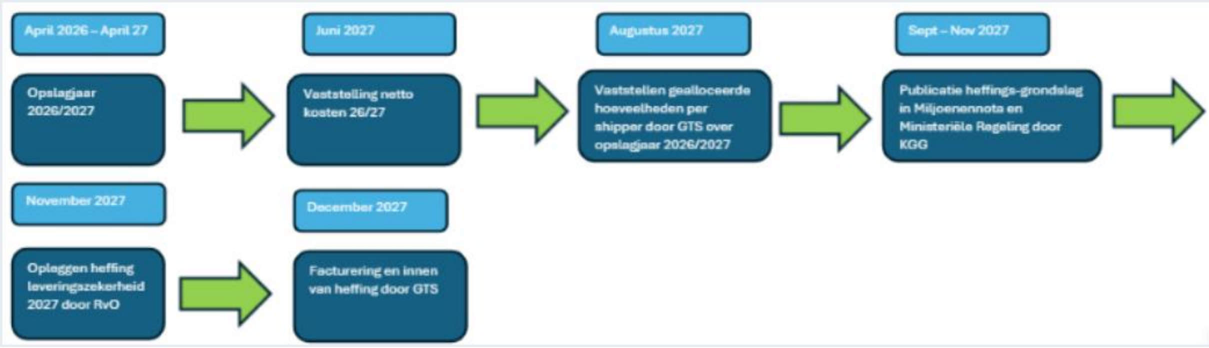
The significant time lag between the incurring (gas year 2026/2027) and the recovery of the costs (in 2029) makes future liabilities difficult to forecast, introduces non-hedgeable regulatory risk and increases risk premiums which will ultimately add to customer cost. For example:

- Customer portfolios can change significantly before charges are recovered, potentially resulting in costs being allocated to customers or suppliers that were not responsible for the original volumes off taken.
- The proposal provides limited information on the duration and scope of recoverable costs, the distinction between filling costs and broader security-of-supply measures, and the reconciliation approach used to determine final charges.
- The proposal refers to "shippers" without clearly defining the liable party or explaining how insolvency, market exit, portfolio transfers, and unrecoverable amounts will be treated.

Moreover, the proposal goes against the agreement market participants made at the beginning of this year regarding the GTS method decision, as one of the aims of the agreement was to provide more transparency and predictability of the GTS tariffs. An unpredictable levy three years after the cost was incurred goes directly against this agreement and should not be considered.

All in all, Energy Traders Europe advises against implementing such a levy methodology and urges for a direct conversation with market participants in order to come up with a more appropriate solution.

15. Do you have any comments on the second proposed levy methodology?



Explanation: Example 2: In the 2026/2027 storage year (1 April 2026 to 1 April 2027), a sum X is incurred in net costs. This amount X is apportioned across the total energy volumes allocated between 1 April 2026 and 1 April 2027 (gas transmission for the 2026/2027 storage year). The net costs for the 2026/2027 storage year are recovered through a levy imposed on shippers in 2027. These shippers will receive an invoice for the volume allocated to them in the 2026/2027 storage year.

At a fundamental level, we question whether the costs associated with strategic gas storage filling should be recovered through a levy on market participants at all as they were introduced in response to exceptional geopolitical circumstances and broader economic security considerations rather than the normal operation of the gas market. For this reason, we believe funding it through general taxation rather than being allocated exclusively to gas consumers and market participants may be warranted.

In addition, it is difficult to provide a detailed assessment of either methodology based on the information currently available. Both proposals contain significant gaps regarding liability allocation, cost recovery mechanics, governance, reconciliation processes, treatment of insolvency and the roles of different market participants. Greater detail is required before the practical implications, fairness and effectiveness of either approach can be properly evaluated.

For example, further clarification is needed on:

- The timing and frequency of levy collection
- The point at which the payment obligation arises
- The allocation of liability between suppliers, shippers and Balancing Responsible Parties (BRPs) - in particular, if the BRP is intended to be the liable party
- Treatment of portfolio changes; new customers and market entrants; verification and reconciliation processes; governance arrangements

In addition, the proposal should address cases where the liable entity no longer exists, exits the market, becomes insolvent, cannot be identified, merges with another entity or transfers its customer portfolio. It remains unclear who would ultimately bear liability for unpaid amounts, whether liability follows the legal entity, customer portfolio or BRP registration, and how any unrecovered costs would be redistributed.

Since all of these points remain undefined, a meaningful assessment is not possible.

Nonetheless, **this methodology would also represent an unpredictable retrospective charge on market participants which are extremely difficult to hedge and/or pass on to counterparties and should be avoided.**

Apart from this and as stated in the question above, the proposal goes against the agreement market participants made at the beginning of this year regarding the GTS method decision, as one of the aims of the agreement was to provide more transparency and predictability of the GTS tariffs. An unpredictable levy three years after the cost was incurred goes directly against this agreement and should not be considered.

All in all, Energy Traders Europe advises against implementing such a levy methodology and urges for a direct conversation with market participants in order to come up with a more appropriate solution.

16. Over which transport period should the net costs of a particular storage year be allocated?
- The storage year in which the costs are incurred (Methodology 2)?
- The first full calendar year following the storage year (Methodology 1)?
- Another period?

  Please explain your preference.

  Both options presented in methodology 1 and 2 are a retrospective and unpredictable charge on the market participants and should hence be avoided. Energy Traders Europe advises against implementing either levy methodology and urges for a direct conversation with market participants in order to come up with a more appropriate solution.

17. How would your organisation prefer to be informed about the level of the Security of Supply Levy?
- Through indicative tariffs published in advance of the chargeable period (Methodology 1)?
- Through publication of the final net costs of the storage year in the autumn following that storage year via the national budget and Ministerial Regulation (Methodology 2)?
- Through another mechanism?

We believe **neither methodology is workable** and market participants need to be informed of the levy as far in advance as possible. It should therefore be communicated as early as possible and, at a minimum, before the start of auctions for the following gas year. This would allow market participants to appropriately incorporate the expected costs into their commercial decisions, risk management processes and contractual arrangements.

Moreover, any mechanism for determining and communicating the levy should provide a high degree of certainty and avoid retrospective adjustments or unexpected charges that cannot be effectively managed by market participants.

18. Which approach does your organisation prefer?

Option A – Indicative Tariff Approach (Methodology 1)
- Early publication of indicative tariffs for an upcoming charging period.
- Final levy determined and invoiced later.

Option B – Definitive Levy Approach (Methodology 2)
- Early publication of a final levy amount.
- Levy charged shortly after the storage year concludes.

Please explain your preference.

We do not have a preferred methodology as we advise against both!

19. If applicable, do you intend to pass through the Security of Supply Levy to your customers, and if so, how?

N/A

20. If applicable, would the way you pass through the Security of Supply Levy differ under Methodology 1 compared with Methodology 2? Please explain.

N/A

Contact

Pawel Lont
Chair of the Gas Committee
p.lont@energytraderseurope.org