

GUIDELINES FOR GOOD PRACTICE FOR GAS STORAGE SYSTEM OPERATORS DELAYED

- o **European gas storage operators reject guidelines proposed by European Regulators aimed at creating a level playing field in gas storage**
- o **Guidelines followed extensive public consultation, and received widespread support from storage users and gas consumers**
- o **Rejection of these voluntary guidelines delays competition in the European gas market at the expense of European gas consumers**

Guidelines for Good Practice for gas Storage System Operators (GGPSSO) are necessary to ensure that Storage System Operators (SSOs) provide gas storage services needed by storage users on a fair and non-discriminatory basis.

GGPSSO* prepared by European Regulators following extensive public consultation are forward looking and flexible enough to account for developments in market arrangements. The guidelines are addressed to all SSOs falling under the scope of the European Directive 2003/55/EC (the Gas Directive) as well as to the users of these systems.

GGPSSO were discussed at a meeting of European Regulators, Member State governments, the European Commission, traders, consumers and gas industry representatives in Madrid last Friday (3 December). They received widespread support from storage users and gas consumers; however, their voluntary implementation was rejected by gas storage operators.

Mr Jorge Vasconcelos (President of CEER) said: "The Regulators are very disappointed at the position taken by the gas storage operators to these new guidelines. The Regulators have listened carefully to all stakeholders in developing the guidelines and believe they achieve an appropriate balance between the interests of gas storage operators and users – it is unfortunate that the gas storage operators do not share the same view. The Regulators will continue their work to have the guidelines implemented by April 1st, 2005."

Transparent and non discriminatory access to gas storage is necessary for effective competition. This outcome represents another barrier which will need to be overcome before all stakeholders can benefit from competition. The Regulators remain committed to achieving this aim.

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Ends

* Available on ERGEG website: www.ergereg.org in Documents/Public Consultation/Gas Storage Guidelines.

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Notes to editors:

1) The Council of European Energy Regulators (CEER) brings together energy regulators from the Member States of the European Union (EU) and European Economic Area (EEA). The CEER acts as a focal point for contacts between regulators and the European Commission.

2) Gas storage operators, represented by their European trade association (Gas Transmission Europe, GTE¹), rejected CEER's guidelines at a meeting of the European Gas Regulatory Forum (the Madrid Forum) last Friday (3 December). The Forum was set up in 1999 by the European Commission. It consists of national regulatory authorities, Member States, the European Commission, Transmission System Operators, gas suppliers and traders, consumers, network users, and gas exchanges.

3) The guidelines are intended to give a minimum set of rules on Third Party Access to storage. The purpose of the guidelines is to ensure that SSOs provide the services needed by storage users on a fair and non-discriminatory basis. Systems and processes shall facilitate the sustainable development of competition in gas supply. These tasks are pursued taking into account technical constraints and the efficient use of the storage infrastructure.

¹ GTE's website is available at: www.gte2.be