

Energy Transition: A Multifaceted Challenge for Europe

2nd Symposium: Securing gas supply within an integrated European market – A strategy subject to many uncertainties

23rd June 2015, 9:00 to 13:00, Press Club Brussels Europe

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As an ideal back-up source for renewables and the cleanest fossil fuel, gas is expected to retain an important role in the energy transition. The EU's objective is thus to secure gas supply at affordable prices within an integrated European market. However, so far, there is a lack of visibility on the role of gas in the EU energy policy due to many uncertainties at international and European levels.

At international level, the increasing demand of emerging countries for this energy source, the oil prices volatility, and the difficult geopolitical context in the EU's Eastern and Southern neighbourhood, particularly the tensions with Russia, have reignited the debate over the security of gas supply in the EU. At the European level, the declining European gas production, the stagnating energy demand and the increasing gas import dependency force the EU to find new gas supply sources via the construction of pipelines or the development of LNG and shale gas. Moreover, the completion of an integrated gas market requires further infrastructure investments that are complicated to make for several reasons: the development of renewables (that has made gas power plants unprofitable), the complex and volatile economic environment, the short-term regulatory framework and weak carbon prices. The difficulty of completing the EU internal gas market also requires addressing many technical, commercial and political barriers to the cross-border trade of gas. The EU is thus facing a huge challenge to secure its gas supply.

Regarding this uncertain context, this symposium will examine how the EU could improve its strategy for securing gas supply within an integrated European market. The focus will be particularly set on the diversification of energy sources and routes, as well as the solidarity and cooperation in prevention and management of disruptions.

The Symposium aims to address, among others, the following key issues:

- Is gas still expected to play an important role in the energy transition?
- In light of the difficult geopolitical context, particularly to Europe's east, to what extent has the European security of gas supply changed?
- Where are the most reliable suppliers? What are the best current and future pipeline routes?
- How can the EU develop a coherent and collective external strategy to diversify and secure the EU's gas supply from abroad?
- Under which conditions should the EU allow the development of shale gas?
- What is the development potential of Liquefied Natural Gas (LNG) in Europe?
- How can the EU develop more solidarity and cooperation in prevention and management of disruptions?
- To what extent can energy efficiency and the diversification of internal energy resources help to reduce the EU's gas dependency?
- How can gas investment become more competitive considering the development of renewables and the current difficult economic situation?
- How can gas be supplied at competitive prices for balancing renewables power generation?

Programme

09:00 – 09:15

Welcome address

Claudia HERING, Head of Public Affairs, Development Group and
Clémentine d'OULTREMONT, Senior Research Fellow, Egmont Institute

09:15 – 09:30

Keynote address: Securing gas supply within an integrated European market

Stefan MOSER, Head of Unit Security of Supply, DG Energy, European Commission

09:30 – 11:00

Session 1: Why is a clear strategy for gas currently difficult to implement in the EU?

Speakers:

- **Costanza JACAZIO**, Senior Gas Expert in the Gas, Coal and Power Market Division, International Energy Agency
- **Anders MARVIK**, Vice-President EU Affairs, Statoil
- **Marco MARGHERI**, Senior Vice President Public and EU Affairs, Edison

Discussant: **Marco GIULI**, Policy Analyst in the Energy Programme, European Policy Centre

Moderator: **Clémentine d'OULTREMONT**, Senior Research Fellow, Egmont Institute

11:00 – 11:30

Coffee break

11:30 – 13:00

Session 2: What are the next steps towards an integrated gas market under the Energy Union?

Speakers:

- **Margot LOUDON**, Deputy Secretary General, Eurogas
- **Christophe POILLION**, Chairman of the Security of Supply Task Force of GIE - Gas Infrastructure Europe and Vice-President European Affairs, GRTgaz
- **Jan KERNER**, Senior Market Development Leader – Europe, Russia & CIS, GE Power and Water

Discussant: **Prof Coby VAN DER LINDE**, Clingendael International Energy Programme (CIEP)

Moderator: **Marc OTTE**, Director-General, Egmont Institute

13:00 – 14:00

Lunch

Many thanks to the

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Background of the project

The European energy context is rapidly changing both internally, with the adoption of the new 2030 Climate and Energy Package and the necessary completion of the EU internal energy market(s), and externally, with the growing tension over the EU's security of energy supply, the increasing volatility of oil prices, and the upcoming major climate conference in Paris. Against this backdrop, 2015 will be a year of critical decisions for EU energy policy. Egmont – Royal Institute for International Relations and the Development Group are convening a series of **three EU Energy Symposia** followed by a **High Level Energy Conference** in Brussels in order to explore the 'Energy Transition: A Multifaceted Challenge for Europe' project they initiated three years ago.

The intense discussions held during the previous series of events showed that many questions related to the European Energy Transition towards a low-carbon economy require further in-depth analysis and debate. Therefore the four 2015 events address issues that are **at the core** of the development of a resilient **Energy Union with a forward-looking Climate Change Policy**, as advocated in President Juncker's political guidelines for the new Commission:

- **1st Symposium:** Securing Europe's electricity supply – Making the switch towards an integrated and long-term approach (5 May 2015)
- **2nd Symposium:** Securing gas supply within an integrated European market: A strategy subject to many uncertainties (23 June 2015)
- **3rd Symposium:** Restoring the credibility of the EU Emissions Trading Scheme (8 September 2015)
- **High Level Energy Conference:** The EU energy and climate strategy: a model to promote at the 2015 global climate conference in Paris? (9 November 2015)

This forward-thinking project aims to foster an intense debate at EU level by bringing together the **views of EU decision-makers with those of industry and other energy stakeholders** active in Europe.