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**NOTE**

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From:	General Secretariat of the Council
To:	Permanent Representatives Committee
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 - Preparation for the first informal trilogue

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1. The Commission presented the draft Regulation on 16 February 2016. The proposal aimed to establish adequate measures to manage a gas shortage in case of a disruption in supply or exceptionally high demand. It intended to strengthen regional cooperation with regional risk assessments, preventive action and emergency plans. A solidarity article was proposed, whereby in extreme situations and as a last resort a Member State could ask for solidarity in gas delivery to a particular number of its citizens from other Member States. The draft also provides for an information exchange mechanism between the Member States and the Commission.
2. During the Netherlands and Slovak Presidencies the Energy Working Party has discussed the Commission proposal extensively. However, to date the Energy Working Party has not reached a final compromise on the entire text.

The main issues for Coreper's attention are:

- Regional cooperation, Articles 3, 6-9, Annex I

According to the Commission proposal, enhanced regional cooperation and coordination are considered the most efficient approach to increasing security of gas supply across the European Union. Annex I to the proposal contains a composition of regions, suggested on the basis of certain risk assessment criteria.

During discussions at the Energy Working Party, two approaches emerged. First, a group of Member States opposed being assigned to a specific region and preferred a flexible risk-based approach. A second group underlined that such idea would generate a much larger administrative burden and would bring limited added value in comparison with the Commission's approach. Member States also discussed the degree of cooperation in the respective regions, where some Member States preferred only an exchange of information and others preferred a more ambitious approach. Overall, a majority of Member States were in favour of having more flexibility and asked for the option to join more than one region. Such an opportunity would provide a balance between security of supply and flexibility.

During the first trilogue, the Presidency intends to underline that the concept of regional cooperation requires further work at the Council. The Presidency will also highlight the strong link between regional cooperation and solidarity. Additionally, the Presidency will underline the possible added value of sustainability elements and energy efficiency.

- Solidarity and protected consumers, Articles 2 and 12

For the first time in EU energy legislation, the Commission is proposing a solidarity article. Solidarity would have a mandatory application in extreme crisis scenarios when Member States are no longer able to supply their households and essential social services with gas. It would be applied on the basis of technical and administrative arrangements agreed in advance between Member States.

Solidarity was overwhelmingly supported at the Working Party and at the Gas Coordination Group. However, both the Member States and stakeholders underlined that the article needs to be fully operational and further clarified, in particular the provisions on compensation.

The Presidency introduced several conditions which would be required to trigger solidarity. These should provide sufficient safeguards to avoid free riding and guarantee that this is truly a last resort mechanism. The Presidency also introduced the option to limit or suspend solidarity by mutual agreement between the Member States concerned.

Another element linked to solidarity was the definition of 'protected consumer'. A group of Member States preferred a narrower definition or to define such consumers at regional level. A narrower approach was also preferred by the European Parliament. The Presidency decided to keep the current definition while clarifying that the consumers to which Article 12 applies are households and essential social services.

During the first trilogue, the Presidency will stress that the discussions at the Council are not yet final. Member States see the need to make the mechanism more flexible, in order to reflect various specificities across the EU. The key elements included in technical and financial arrangements will facilitate the solidarity process. Essential elements for the Council are the conditions for triggering solidarity. The Presidency plans to support the EP in giving priority to market-based measures. With regard to the definition of protected consumers, the Presidency will stress that the solidarity mechanism should be considered separately and should not be linked with that definition.

- Information exchange, Article 13

The European Council Conclusions of March 2015 provide clear guidance that all agreements related to purchasing gas from external suppliers should be in line with the EU acquis and that the transparency of such agreements should be reinforced.

In its current proposal the Commission has strengthened the requirements for information exchange. The quantity of information that should be sent to the competent authorities and the Commission has increased. The Commission has also requested that contracts be provided where a supplier from a third country has a share of more than 40% of the gas market of a Member State.

At the Energy Working Party most of the concerns focused on the protection of commercially sensitive information. This was reflected in the addition of a new article, modelled on the REMIT Regulation<sup>1</sup>. Some Member States expressed doubts about the amount of information that should be provided to the Commission and the benefit of such an information exchange.

During the first trilogue, the Presidency intends to stress the need to protect commercially sensitive information and underline that the amount of information that will need to be shared with the Commission is still under consideration.

- Reverse flows, supply standards, Articles 4,5,14,16,17

Member States stressed the need to align the reverse flows with the mechanisms of the TEN-E regulation. The priority for reverse flows in emergency situations was raised during the negotiations on the network code for capacity allocation. However, Member States decided to include it in this regulation. Justification for increased supply standards was also discussed.

The Presidency has aligned the provisions of Article 4 with the TEN-E Regulation and created conditions for the application of equivalent procedures for exemptions of reverse flows.

During the first trilogue, the Presidency intends to stress the need to align the process for reverse flows and to minimise the administrative burden. The Presidency proposes to support the EP suggestion regarding priority for reverse flows in an emergency situation.

- Energy Community, Article 15

The article regarding Energy Community intends to enhance the security of gas supply within the EU's neighbourhood. It introduces the possibility to mutually implement provisions of this Regulation with the Energy Community Contracting Parties and sets a framework for mutual obligations between the Energy Community and EU Member States ('switch-on clause').

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<sup>1</sup> OJ L 326, 8.12.2011, p. 1–16

However, the Council Legal Service has pointed out a significant legal risk in this article and issued an opinion regarding the compatibility of Article 15 of the proposed Security of Gas Regulation with Article 218 TFEU<sup>2</sup>. The inclusion of the Energy Community was broadly supported, but Member States stressed the need to minimise any legal risks. Additionally, a discussion regarding the application of solidarity towards Energy Community Contracting Parties was held.

During the first trilogue, the Presidency intends to underline that the Council supports a pragmatic solution that will enable the Member States to engage with Contracting Parties in a manner that will not allow any legal risks. The Presidency will work with the Commission on finding a suitable solution.

- Conclusions

The Presidency is convinced that the Council should seize an opportunity to engage in the first trilogue discussion with the European Parliament on 15th November.

The Presidency is aware that certain aspects of this Regulation, notably regional cooperation, necessitate further discussion at a higher political level. However, this fact should not prevent work on issues that are uncontroversial and on which an agreement with the Parliament could be found.

The objective of the first trilogue would be to start the negotiations, present to the European Parliament the main outstanding issues as set out above and focus on finding solutions mainly to Articles 1, 4, 5, 14, 16 and 17.

The Council should benefit from the mandate that was given by the ITRE Committee to the rapporteur, Jerzy Buzek, and with this first exploratory trilogue should prepare the ground for further negotiations.

3. The European Parliament's ITRE Committee (rapporteur: Jerzy Buzek, EPP), reached an agreement on draft amendments on 13 October 2016 (A8-0310/2016).
4. The European Economic and Social Committee examined the proposal on 22 September 2016, whilst the Committee of the Regions decided not to issue an opinion.

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<sup>2</sup> 12948/16.

5. Coreper is invited to:

- a. give guidance to the Presidency on the elements included in point 2 above. In particular: flexibility in the Presidency proposal and possible preferences of Member States for other approaches to regional cooperation, the scope, conditions and degree of cooperation within the regions, the assessment of the Presidency approach towards solidarity and the scope for information exchange on gas contracts.
- b. agree on a partial mandate for the Presidency on recitals 14 and 16, Articles 1, 4, 5, 14, 16, 17, and Annexes II and III for the first trilogue on 15 November, on the basis of the text reflected in the Annex and on the messages regarding the main elements of the proposal, as stated above.

*N.B. The fourth column contains Presidency compromise proposals: ***bold italics underline*** text indicates text as it was proposed by the EP, **underlined bold** text indicates compromise text proposed by the Presidency in response to EP draft amendments. Accepted and rejected amendments are indicated. Where the fourth column is empty, Council maintains its position as reflected in the third column.*

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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (Text with EEA relevance)

COMMISSION PROPOSAL (2016/0030 (COD) - doc. 6225/16)	TITLE OPINION	COUNCIL POSITION	COMPROMISE PROPOSAL
<p>(1) Natural gas (gas) remains an essential component of the energy supply of the Union. A large proportion of such gas is imported into the Union from third countries.</p>	<p><b>AM 1</b></p> <p>(1) Natural gas (gas) is an essential component of the energy supply of the Union. <i>Security of gas supply is therefore a key element of the Union's overall energy security, with relevance to the Union's competitiveness and growth. Even though more than 50 % of gas consumption in the European Economic Area is currently covered by domestic production, a growing proportion of gas is imported from third countries. Enhancing the Union's energy security and making its gas market more resilient thus requires creating a stable, market-based regulatory framework for developing gas production from domestic sources. Furthermore, increasing energy efficiency as well as the use of renewable energy sources reduces the Union's reliance on gas imports, thereby also addressing dependence on dominant external suppliers.</i></p>		

	<p style="text-align: center;"><b>AM 2</b></p> <p><i>(1 a) Gas demand in the Union has declined by 14 % since 2000 and by 23 % since 2010, partly due to the economic crisis, but also due to the implementation of energy efficiency policies. Following the "efficiency-first" principle, energy efficiency measures should continue to play a fundamental role in the transition towards a more sustainable, competitive and secure energy system, since it is the most effective way to cut emissions, bring savings to consumers and reduce the Union's import dependence. In this context it is of particular importance to improve energy efficiency in buildings, as gas accounts for around half of the principal energy consumption for heating and cooling in the Union.</i></p>		
<p>(2) A major disruption of the gas supply can affect all Member States, the Union as a whole and Contracting Parties to the Treaty establishing the Energy Community, signed in Athens on 25 October 2005. It can also severely damage the Union economy and can have a major social impact, particularly on vulnerable groups of customers.</p>	<p style="text-align: center;"><b>AM 3</b></p> <p><i>(2) The high level of interdependence of Member States and European third countries is also a feature of the field of energy. A major disruption of gas supply in one country can affect multiple other Member States, the Union or Contracting Parties to the Treaty establishing the Energy Community (Energy Community Contracting Parties). It can weaken overall security, potentially severely damage the economy and have a major social impact, particularly on vulnerable groups of customers, especially in countries which are overly dependent on a single dominant supplier.</i></p>		



<p>(3) This Regulation aims to ensure that all the necessary measures are taken to safeguard an uninterrupted supply of gas throughout the Union, in particular to protected customers in the event of difficult climatic conditions or disruptions of the gas supply. These objectives should be achieved through the most cost-effective measures and in such a way that energy markets are not distorted.</p>	<p style="text-align: center;"><b>AM 4</b></p> <p>(3) This Regulation aims to ensure that all the necessary measures are taken to safeguard an uninterrupted supply of gas throughout the Union, in particular to protected customers in the event of difficult climatic conditions or disruptions of gas supply. <b>This</b> should be achieved through cost-effective measures, <b>in</b> a way that energy markets are not distorted, <b>in accordance with Article 194 of the Treaty on the Functioning of the European Union (TFEU) and with the goals of the Energy Union Strategy set out in the Commission Communication of 28 May 2014.</b></p>	
<p>(4) Regulation (EU) No 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply has already had a significant positive impact on the Union situation as regards the security of the gas supply, both in terms of preparation and mitigation. Member States are better prepared to face a supply crisis now that they are required to draw up plans including preventive and emergency measures, and they are better protected now that they have to meet a number of obligations regarding infrastructure capacity and gas supply. However, the implementation report of Regulation (EU) No 994/2010 of October 2014 highlighted areas in</p>	<p style="text-align: center;"><b>AM 5</b></p> <p>(4) <b>Existing Union law, in particular the relevant elements of the Third Energy Package and Regulation (EU) No 994/2010 of the European Parliament and of the Council<sup>a</sup></b>, has already had a significant positive impact on the security of gas supply <b>in the Union</b>, both in terms of preparation and mitigation. Member States are better prepared to face a supply crisis now that they are required to draw up plans including preventive and emergency measures, and they are better protected now that they have to meet a number of obligations regarding infrastructure capacity and gas supply. The implementation report of Regulation (EU) No 994/2010 of</p>	

<p>which improvements to that Regulation could further bolster the Union supply security.</p>	<p>October 2014 highlighted areas in which improvements to that Regulation could further bolster the security <i>of the Union's gas supply</i>.</p>	
<p>(5) The Commission's Communication on the short-term resilience of the European gas system from October 2014 analysed the effects of a partial or complete disruption of gas supplies from Russia and concluded that purely national approaches are not very effective in the event of severe disruption, given their scope, which is by definition limited. This stress test showed how a more cooperative approach among Member States could significantly reduce the impact of very severe disruption scenarios in the most vulnerable Member States.</p>	<p><b>AM 6</b></p> <p>(5) The Commission's Communication <i>of 16 October 2014</i><sup>13</sup> on the short-term resilience of the European gas system analysed the effects of a partial or complete disruption of gas supplies from Russia and concluded that <i>many of the national approaches are unilateral in nature, insufficiently coordinated or cooperative, and thus</i> not very effective in the event of severe disruption. This stress test showed <i>that</i> a more cooperative approach among Member States could significantly reduce the impact of very severe disruption scenarios in the most vulnerable Member States.</p>	

<p>(6) The Commission Communication 'Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy' from February 2015, highlights the fact that the Energy Union rests on solidarity and trust, which are necessary features of energy security. This regulation should aim to boost solidarity and trust between the Member States and should put in place the measures needed to achieve these aims, thus paving the way for implementing the Energy Union.</p>	<p style="text-align: center;"><b>AM 7</b></p> <p>(6) <i>Energy security constitutes one of the objectives of the Energy Union strategy, as set out in the Commission Communication of 25 February 2015, entitled 'Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy'<sup>14</sup>. <b>The Communication highlighted</b> the fact that the Energy Union rests on solidarity, <b>a principle enshrined in Article 194 TFEU</b>, and trust, which are necessary features of energy security. This Regulation <b>is intended</b> to boost solidarity and trust between the Member States and put in place the measures needed to achieve these aims, thus <b>contributing to achieving one of the objectives of the</b> Energy Union.</i></p>	
<p>(7) An internal gas market that operates smoothly is the best guarantee of security of energy supply across the Union and to reduce the exposure of individual Member States to the harmful effects of supply disruptions. Where a Member State's security of supply is threatened, there is a risk that measures developed unilaterally by that Member State may jeopardise the proper functioning of the internal gas market and damage the gas supply to customers in other Member States. To allow the internal gas market to function even in the face of a shortage of supply, provision must be made for</p>	<p style="text-align: center;"><b>AM 8</b></p> <p>(7) <i>A well-interconnected and well-functioning internal gas market, free from "energy islands", that operates smoothly, together with an energy system strongly oriented towards continuous improvement of efficiency and demand reduction, is a good means by which to ensure the security of gas supply across the Union while reducing the exposure of individual Member States to harmful effects of supply disruptions. Where a Member State's security of gas supply is threatened, there is a risk that measures developed unilaterally by</i></p>	

<p>solidarity and coordination in the response to supply crises, as regards both preventive action and the reaction to actual disruptions of supply.</p>	<p>that Member State may <i>damage the gas supply to customers in other Member States, negatively affecting</i> the proper functioning of the internal gas market and <i>causing costly stranded assets</i>. To allow the internal gas market to function even in the face of a shortage of supply, provision must be made for solidarity and coordination <i>at regional and Union level</i> as regards both preventive action and reaction to actual disruptions of supply. <i>Measures taken in that context should respect, to the highest degree possible, market economy principles.</i></p>		
	<p><b>AM 9</b>  <i>(7 a) The Union should further diversify energy sources, suppliers and supply routes, as a precondition for energy security. It should achieve this by diversified projects that are fully in line with Union law and principles as well as with the Union's long-term policy objectives and priorities. Projects not meeting those criteria should not be supported by Union funding.</i></p>		

	<p><b>AM 10</b></p> <p><i>(7 b) A truly interconnected internal energy market with multiple entry points and reverse flows can only be created by fully interconnecting its gas grids, by building up liquefied natural gas (LNG) hubs in the Union's Southern and Eastern regions, by completing the North-South and Southern Gas corridors and by further developing domestic production. Therefore an accelerated development of interconnectors and projects aiming to diversify supply sources as already shortlisted in the Energy Security Strategy is necessary.</i></p>		
<p>(8) So far, the potential for more efficient and less costly measures through regional cooperation has not been fully exploited. This has to do not only with better coordination of national mitigation actions in emergency situations, but also of national preventive measures, such as national storage or policies related to liquefied natural gas (LNG), which can be strategically important in certain regions.</p>	<p><b>AM 11</b></p> <p>(8) So far, the potential of <i>regional cooperation to introduce</i> more efficient and less costly measures has not been fully exploited. This <i>applies to</i> better coordination of national mitigation actions in emergency situations <i>as well as to</i> national preventive measures, such as national storage or policies related to <i>LNG</i>, which can be strategically important in certain regions.</p>		

	<p><b>AM 12</b></p> <p><b>(8 a) Regional approaches both among Member States and with the Energy Community Contracting Parties will speed up market integration, including through the creation of regional hubs to enhance market liquidity. Such cooperation mechanisms could streamline political and energy market co-operation and facilitate joint decisions on essential gas infrastructure investment in the regions; knowledge and information could be developed jointly on issues such as energy storage facilities, and tendering processes for LNG and interconnectors.</b></p>		
<p>(9) In a spirit of solidarity, regional cooperation, involving both public authorities and natural gas undertakings, should be the guiding principle of this Regulation, to identify the relevant risks in each region and optimise the benefits of coordinated measures to mitigate them and to implement the most cost-effective measures for Union consumers.</p>	<p><b>AM 13</b></p> <p>(9) In a spirit of solidarity, regional cooperation <i>which involves</i> both public authorities and natural gas undertakings is the guiding principle of this Regulation, <i>with the aim of identifying</i> the relevant risks in each region <i>and optimising</i> the benefits of coordinated measures to mitigate them, <i>while ensuring that the measures are in line with market economy principles, cost-effective for customers, and conducive to affordable energy prices for citizens. Regional cooperation should gradually be complemented with a stronger Union perspective, allowing recourse to all available supplies and tools in the entire internal gas market.</i></p>		

	<p><i>Union-level assessment of the Emergency Supply Corridors should complement and facilitate the regional approach as laid down in Annex I.</i></p>		
	<p><b>AM 14</b>  <i>(9 a) In a spirit of system integration, cooperation between electricity and gas authorities and undertakings should be another guiding principle of this Regulation, to identify the relevant synergies between gas and electricity system development and operation, and optimise the benefits of coordinated approaches to implementing the most cost-effective measures for Union consumers.</i></p>		
<p>(10) Certain customers, including households and customers providing essential social services, are particularly vulnerable and may need social protection. A definition of such protected customers should not conflict with the Union solidarity mechanisms.</p>	<p><b>AM 15</b>  (10) Certain customers, including households and customers <i>that provide</i> essential social services, are particularly vulnerable <i>to supply disruptions and need special</i> protection. A definition of such protected customers should <i>be harmonised across</i> the Union.</p>		

<p>(11) Responsibility for security of gas supply should be shared by natural gas undertakings, Member States, acting through their competent authorities; and the Commission, within their respective remits. Such shared responsibility requires very close cooperation between these parties. However, customers using gas for electricity generation or industrial purposes may also have an important role to play in security of gas supply, as they can respond to a crisis by taking demand-side measures such as interruptible contracts and fuel switching, which have an immediate impact on the supply/demand balance.</p>	<p><b>AM 16</b></p> <p>(11) Responsibility for <i>the</i> security of gas supply should be shared by natural gas undertakings, Member States, acting through their competent authorities; and the Commission, within their respective remits. Such shared responsibility requires very close cooperation between these parties. However, customers using gas for electricity generation or industrial purposes may also have an important role to play in <i>the</i> security of gas supply, as they can respond to a crisis by taking demand-side measures such as interruptible contracts and fuel switching, which have an immediate impact on the <i>supply-demand</i> balance.</p> <p><i>The security of gas supply to such customers may also be considered to be essential in some cases. It should be possible to grant them a certain level of protection by ensuring that during an emergency they are among the last consumers to forego supply before protected customers. Member States should be able to provide for this possibility when identifying the supply restrictions orders to be applied in the case of an emergency.</i></p>	
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<p>(12) As stipulated by Directive 2009/73/EC of the European Parliament and of the Council, the competent authorities should cooperate closely with other relevant national authorities, in particular national regulatory authorities, when carrying out the tasks specified in this Regulation.</p>	<p><b>AM 17</b></p> <p>(12) As <b>provided for in</b> Directive 2009/73/EC of the European Parliament and of the Council<sup>15</sup>, the competent authorities should cooperate closely with other relevant national authorities, in particular national regulatory authorities, when carrying out the tasks specified in this Regulation.</p>	
<p>(13) The infrastructure standard should oblige Member States to maintain a minimum level of infrastructure such as to ensure a degree of redundancy in the system in the event of a disruption of the single largest infrastructure. As an analysis by reference to the N-1 indicator constitutes a purely capacity-based approach, the results of N-1 should be complemented with a detailed analysis that also captures gas flows.</p>		
<p>(14) Regulation (EU) No 994/2010 requires transmission system operators to enable permanent bi-directional capacity on all cross-border interconnections unless an exemption has been granted from this obligation. It aims to ensure that the possible benefits of permanent bi-directional capacity are always taken into account when a new interconnector is planned. However, bi-directional capacity can be used to supply gas both to the neighbouring Member State and to others along the gas supply corridor.</p>	<p><b>AM 18</b></p> <p>(14) Regulation (EU) No 994/2010 requires transmission system operators to enable permanent bi-directional capacity on all cross-border interconnections unless an exemption has been granted from this obligation. It aims to ensure that the possible benefits of permanent bi-directional capacity are always taken into account when a new interconnector is planned. However, bi-directional capacity can be used to supply gas both to the neighbouring Member State and to</p>	<p><b>Added am. 73 from Article 4</b></p> <p>Regulation (EU) No 994/2010 requires transmission system operators to enable permanent bi-directional capacity on all cross-border interconnections unless an exemption has been granted from this obligation. It aims to ensure that the possible benefits of permanent bi-directional capacity are always taken into account when a new interconnector is planned. However, bi-directional capacity can be used to supply gas both to the</p>

<p>The benefits for security of supply of enabling permanent bi-directional capacity thus need to be seen in a broader perspective, in a spirit of solidarity and enhanced cooperation. A cost-benefit analysis that takes account of the whole transportation corridor should therefore be conducted when considering whether to implement bi-directional capacity. The competent authorities should accordingly be required to re-examine the exemptions granted under Regulation (EU) 994/2010 on the basis of the results of the regional risk assessments.</p>	<p>others along the gas supply corridor. The benefits <i>to the</i> security of <i>gas</i> supply of enabling permanent bi-directional capacity need to be seen <i>from</i> a broader perspective, in a spirit of solidarity and enhanced cooperation. A <i>comprehensive</i> cost-benefit analysis that takes account of the whole transportation corridor should be conducted when considering whether to implement bi-directional capacity. The competent authorities should be required to re-examine the exemptions granted under Regulation (EU) <i>No</i> 994/2010 on the basis of the results of regional risk assessments. <i>The overall objective should be to have a growing bi-directional capacity and keep one-border projects to the minimum.</i></p>	<p>The benefits for security of supply of enabling permanent <i>physical</i> bi-directional capacity thus need to be seen in a broader perspective, in a spirit of solidarity and enhanced cooperation. A cost-benefit analysis that takes account of the whole transportation corridor should therefore be conducted when considering whether to implement bi-directional capacity. The competent authorities should accordingly be required to re-examine the exemptions granted under Regulation (EU) 994/2010 on the basis of the results of the regional risk assessments.</p>	<p>neighbouring Member State and to others along the gas supply corridor. The benefits for security of supply of enabling permanent bi-directional capacity thus need to be seen in a broader perspective, in a spirit of solidarity and enhanced cooperation. A cost-benefit analysis that takes account of the whole transportation corridor should therefore be conducted when considering whether to implement bi-directional capacity. The competent authorities should accordingly be required to re-examine the exemptions granted under Regulation (EU) 994/2010 on the basis of the results of the regional risk assessments. <u>National Regulatory Authorities when allocating costs among Member States for projects with an overall positive effect on security of supply should take into consideration, in addition to the benefits, the possible need for financial support.</u></p>
<p>(15) Council Directive 2008/114/EC lays down a process with a view to enhancing the security of designated European critical infrastructure, including certain gas infrastructure, in the Union. Directive 2008/114/EC together with this Regulation contributes to creating a comprehensive approach to the energy security of the Union.</p>			

<p>(16) The Regulation lays down security of supply standards that are sufficiently harmonised and cover at least the situation that occurred in January 2009 when gas supply from Russia was disrupted. These standards take account of the difference between Member States, public service obligations and customer protection measures, as referred to in Article 3 of Directive 2009/73/EC. Security of supply standards should be stable, so as to provide the necessary legal certainty, should be clearly defined, and should not impose unreasonable and disproportionate burdens on natural gas undertakings. They should also guarantee equal access for the Union natural gas undertakings to national customers.</p>	<p style="text-align: center;"><b>AM 19</b></p> <p>(16) <i>This</i> Regulation lays down security of <i>gas</i> supply standards that are sufficiently harmonised and cover at least the situation that occurred in January 2009 when gas supply from Russia was disrupted. <i>Those</i> standards take account of the difference between Member States, public service obligations and customer protection measures, as referred to in Article 3 of Directive 2009/73/EC. Security of supply standards should be stable, so as to provide the necessary legal certainty, should be clearly defined, and should not impose unreasonable and disproportionate burdens on natural gas undertakings. They should also guarantee equal access for the Union natural gas undertakings to national customers.</p>	<p><i>Text of Amendment 86 and 87 are taken into account:</i></p> <p>The Regulation lays down security of supply standards that are sufficiently harmonised and cover at least the situation that occurred in January 2009 when gas supply from Russia was disrupted. These standards take account of the difference between Member States, public service obligations and customer protection measures, as referred to in Article 3 of Directive 2009/73/EC. Security of supply standards should be stable, so as to provide the necessary legal certainty, should be clearly defined, and should not impose unreasonable and disproportionate burdens on natural gas undertakings. They should also guarantee equal access for the Union natural gas undertakings to national customers. <u>Natural gas undertakings should also make sure that delivery of gas included in this security of supply standard is feasible. Member States should establish measurers that will in an effective and proportionate manner make natural gas undertakings comply with such a standard, including the possibility to establish fines on suppliers, where they consider it appropriate.</u></p>
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	<p><b>AM 20</b></p> <p><i>(16 a) In order to take account of the differences between Member States, Member States should, without prejudice to their rights and obligations with regard to solidarity in the event of the declaration of an emergency crisis level, have the possibility to apply the security of supply standards laid down in this Regulation to certain small and medium-sized enterprises and to district heating installations to the extent that they deliver heating to those enterprises.</i></p>		
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(17) A regional approach to assessing risks and defining and adopting preventive and mitigating measures enables efforts to be coordinated, bringing significant benefits in terms of the effectiveness of measures and optimisation of resources. This applies particularly to measures designed to guarantee a continued supply, under very demanding conditions, to protected customers, and to measures to mitigate the impact of an emergency. Assessing correlated risks at regional level, which is both more comprehensive and more precise, will ensure that Member States are better prepared for any crises. Moreover, a coordinated and pre-agreed approach to security of supply ensures a consistent response and reduces the risk of negative spill-over effects that purely national measures could have in neighbouring Member States.

**AM 21**

(17) A regional approach to assessing risks and defining and adopting preventive and mitigating measures enables efforts to be coordinated, bringing significant benefits in terms of the effectiveness of measures and optimisation of resources. This applies particularly to measures designed to guarantee a continued supply, under very demanding conditions, to protected customers, and to measures to mitigate the impact of an emergency. Assessing correlated risks at regional level, **taking both gas and electricity systems into account**, which is both more comprehensive and more precise, will ensure that Member States are better prepared for any crises. Moreover, in an emergency, a coordinated and pre-agreed approach to **the** security of supply ensures a consistent response and reduces the risk of negative spill-over effects that purely national measures could have in neighbouring Member States. **The regional approach should not prevent inter-regional cooperation outside the regions established in Annex I, and should not free individual Member States from the responsibility of complying with their national security of supply standards and of diversifying supply as a matter of priority where dependence on single supply points occurs.**

(17) A regional approach to assessing risks and defining and adopting preventive and mitigating measures enables efforts to be coordinated, bringing significant benefits in terms of the effectiveness of measures and optimisation of resources. This applies particularly to measures designed to guarantee a continued supply, under very demanding conditions, to protected customers, and to measures to mitigate the impact of an emergency. Assessing correlated risks at regional level, which is both more comprehensive and more precise, will ensure that Member States are better prepared for any crises. Moreover, in an emergency, a coordinated and pre-agreed approach to security of supply ensures a consistent response and reduces the risk of negative spill-over effects that purely national measures could have in neighbouring Member States.

<p>(18) The regions are to be defined, as far as possible, on the basis of existing regional cooperation structures set up by the Member States and the Commission, in particular the regional groups set up under Regulation (EU) 347/2013 on guidelines for trans-European energy infrastructure (the TEN-E Regulation). However, since this Regulation and the TEN-E Regulation have different aims, the respective regional groups may differ in size and design.</p>	<p style="text-align: center;"><b>AM 22</b></p> <p>(18) The regions <i>should be established</i>, as far as possible, on the basis of existing regional cooperation structures <i>established</i> by the Member States and the Commission, in particular the regional groups set up under Regulation (EU) No 347/2013 of <i>the European Parliament and of the Council</i><sup>7</sup>. However, since this Regulation and <i>Regulation (EU) No 347/2013</i> have different aims, the respective regional groups may differ in size and design.</p>	
<p>(19) For the purpose of this Regulation, the following criteria should therefore be taken into account when defining the regional groups: supply patterns, existing and planned interconnections and interconnection capacity between Member States, market development and maturity, existing regional cooperation structures, and the number of Member States in a region, which should be limited to ensure that the group remains of a manageable size.</p>	<p style="text-align: center;"><b>AM 23</b></p> <p>(19) For the purpose of this Regulation, the following criteria should therefore be taken into account when <i>establishing</i> the regional groups: supply patterns, existing and planned interconnections and interconnection capacity between Member States, <i>existing interconnections across third countries</i>, market development and maturity, existing regional cooperation structures, <i>the level of diversification of gas routes and sources of gas supply</i>, and the number of Member States in a region, which should be limited to ensure that the group remains of a manageable size.</p>	

<p>(20) In order to make the regional cooperation feasible, Member States should establish a cooperation mechanism within each region. Such mechanism or mechanisms should be developed sufficiently in time to allow for conducting the risk assessment and drawing up meaningful plans at regional level. Member States are free to agree on a cooperation mechanism best suited for a given region. The Commission should have a facilitating role in the overall process and share best practises for arranging regional cooperation such as a rotating coordination role within the region for the preparation of the different documents or establishing dedicated bodies. In absence of an agreement on the cooperation mechanism, the Commission may propose a suitable cooperation mechanism for a given region.</p>	<p style="text-align: center;"><b>AM 24</b></p> <p>(20) In order to make regional cooperation feasible, Member States should establish a cooperation mechanism within each region. Such mechanism or mechanisms should be developed <i>in sufficient</i> time to allow for conducting the risk assessment and drawing up <i>effective</i> plans at regional level. Member States are free to agree on a cooperation mechanism best suited for a given region. The Commission should have a facilitating role in the overall process and share best practises for arranging regional cooperation such as a rotating coordination role within the region for the preparation of the different documents or establishing dedicated bodies. In <i>the</i> absence of an agreement on the cooperation mechanism, the Commission <i>will</i> propose a suitable cooperation mechanism for a <i>particular</i> region.</p>	
<p>(21) When conducting a comprehensive risk assessment to be prepared at regional level, competent authorities should assess natural, technological, commercial, financial, social, and any other relevant ones, including, where appropriate, the disruption of the supplies from the single largest supplier. All risks should be addressed by effective, proportionate and non-discriminatory</p>	<p style="text-align: center;"><b>AM 25</b></p> <p>(21) When conducting a comprehensive risk assessment to be prepared at regional level, competent authorities should assess natural, technological, <i>infrastructural</i>, commercial, financial, social, political, <i>geopolitical</i>, <i>environmental</i>, market-related, and any other relevant <i>risks</i>, including, where appropriate, disruption of supplies from <i>dominant suppliers</i>. All risks should be</p>	

<p>measures to be developed in the preventive action plan and the emergency plan. The results of the risk assessments should also contribute to the all hazard risk assessments foreseen under article 6 of Decision No 1313/2013/EU .</p>	<p>addressed by effective, proportionate and non-discriminatory measures to be developed in preventive action plan and emergency plan <b>and include demand-side and supply-side measures</b>. The results of the risk assessments should also contribute to the all risk assessments <b>provided for in Article 6 of Decision No 1313/2013/EU of the European Parliament and of the Council.</b></p>		
<p>(22) To provide input to the risk assessments, the European Network of Transmission System Operators for Gas ('ENTSO for gas'), in consultation with the Gas Coordination Group and with the European Network of Transmission System Operators for Electricity (ENTSO-E), should carry out Union-wide simulations similar to the stress test conducted in 2014.</p>	<p><b>AM 26</b></p> <p>(22) To provide input to the risk assessments, the European Network of Transmission System Operators for Gas ('ENTSO for Gas'), <b>after consulting</b> the Gas Coordination Group and the European Network of Transmission System Operators for Electricity, should carry out Union-wide simulations similar to the stress test conducted in 2014. <b>Such simulations should be updated at least every two years. As a means of strengthening regional cooperation by providing information about gas flows as well as providing technical and operational expertise, the Regional Coordination System for Gas (RCSG), established by the ENTSO for Gas and composed of standing expert groups, should be involved in carrying out simulations.</b></p>		



<p>(23) To ensure maximum preparedness, so as to avoid a supply disruption and mitigate its effects should it nevertheless occur, the competent authorities of a given region must draw up preventive action plans and emergency, after consulting stakeholders. Regional plans should take account of the specific characteristics of each Member State. They should also clearly define the roles and responsibilities of the natural gas undertakings and the competent authorities. National measures to be designed should take fully account of the regional measures set out in the preventive action plan and emergency plan. They should be so designed as to address national risks in a way that takes full advantage of the opportunities provided by regional cooperation. The plans should be technical and operational in nature, their function being to help prevent the occurrence or escalation of an emergency and to mitigate its effects. The plans should take the security of electricity systems into account and be consistent with the Energy Union's strategic planning and reporting tools.</p>	<p style="text-align: center;"><b>AM 27</b></p> <p>(23) To ensure maximum preparedness, so as to avoid a supply disruption and mitigate <i>the</i> effects of <i>such a disruption</i> should it nevertheless occur, the competent authorities of a given region <i>should</i> draw up preventive action plans and emergency <i>plans</i>, after consulting <i>the</i> stakeholders. Regional plans should take account of the specific characteristics of each Member State. They should also clearly define the roles and responsibilities of the natural gas undertakings and the competent authorities <i>and, where appropriate, electricity undertakings</i>. National measures to be designed should take fully account of the regional measures set out in the preventive action plan and emergency plan. They should be designed <i>so</i> as to address national risks in a way that takes full advantage of the opportunities provided by regional cooperation. The plans should be technical and operational in nature, their function being to help prevent the occurrence or escalation of an emergency and to mitigate its effects. The plans should take the security of electricity systems into account and be consistent with the Energy Union's <i>objectives and</i> strategic planning and reporting tools.</p>	
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<p>(24) The roles and responsibilities of all natural gas undertakings and competent authorities should therefore be defined precisely in order to keep the internal gas market functioning properly, particularly in the event of supply disruptions and crises. Such roles and responsibilities should be established in such a way as to ensure that a three-level approach is respected which would involve first the relevant natural gas undertakings and industry, then Member States at national or regional level, and then the Union. This Regulation should enable natural gas undertakings and customers to rely on market mechanisms for as long as possible when coping with disruptions. However, it should also provide for mechanisms that can be deployed when markets alone are no longer able to deal adequately with a gas supply disruption.</p>	<p style="text-align: center;"><b>AM 28</b></p> <p>(24) The roles and responsibilities of all natural gas undertakings and competent authorities, <i>and, where appropriate, electricity undertakings</i>, should therefore be defined precisely in order to keep the internal gas market functioning properly, particularly in the event of supply disruptions and crises. Such roles and responsibilities should be established in such a way as to ensure that a three-level approach is respected which would involve first the relevant natural gas undertakings, <i>electricity undertakings</i> and industry, then Member States at national or regional level, and then the Union. <i>To that end, effective information-sharing across all levels should provide early warning with regard to disruption and the means of mitigation.</i> This Regulation is <i>intended</i> to enable natural gas undertakings and customers to rely on market mechanisms for as long as possible when coping with disruptions. However, it is <i>also intended</i> to provide for mechanisms that can be deployed when markets alone are no longer able to deal adequately with a gas supply disruption.</p>	
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<p>(25) In the event of a supply crisis, market players should be given sufficient opportunity to respond to the situation with market-based measures. Where market measures have been exhausted and they are still insufficient, Member States and their competent authorities should take measures to remove or mitigate the effects of the supply crisis.</p>	<p><b>AM 29</b></p> <p>(25) In the event of a supply crisis, market players should be <b>granted adequate</b> opportunity to respond to the situation with market-based measures. Where market measures have been exhausted and they are still insufficient, Member States and their competent authorities should take measures to remove or mitigate the effects of the supply crisis. <b>Energy efficiency measures should be prioritised in order to reduce the demand for gas and electricity and to provide a long-term and sustainable improvement of Member States' resilience to a supply crisis.</b></p>	
<p>(26) Whenever Member States plan to introduce non-market-based measures, such measures should be accompanied by a description of their economic impact. This ensures customers have the information they need about the costs of such measures and ensures that the measures are transparent, especially as regards their share in the gas price.</p>	<p><b>AM 30</b></p> <p>(26) Whenever Member States plan to introduce, <b>as a last resort</b>, non-market-based measures, such measures should be accompanied by a description of their economic impact <b>and a mechanism of compensation for operators</b>. This ensures <b>that</b> customers have the information they need about the costs of such measures and ensures that the measures are transparent, especially as regards their share in the gas price.</p>	

<p>(27) In March 2015, the European Council called for options for voluntary demand aggregation mechanisms to be assessed in full compliance with World Trade Organisation ('WTO') law and Union competition rules. This would enable Member States and natural gas undertakings to explore the potential benefits of collective purchasing of natural gas as a way of addressing supply shortage situations in line with those rules.</p>	<p><b>AM 31</b></p> <p>(27) In March 2015 the European Council called for <i>the assessment of</i> options for voluntary demand aggregation <i>mechanism</i> in full compliance with World Trade Organisation ('WTO') and Union competition rules. <i>In that context</i>, Member States and natural gas undertakings <i>could</i> explore potential benefits <i>linked to</i> collective purchasing of <i>gas in order to address</i> supply shortage situations in line with <i>the WTO and Union competition</i> rules.</p>	
<p>(28) Demand-side measures, such as fuel switching or reducing the gas supply to large industrial consumers in an economically efficient order, may have a valuable role to play in ensuring energy security, if they can be applied quickly and significantly reduce demand in response to a supply disruption. More should be done to promote efficient energy use, particularly where demand-side measures are needed. The environmental impact of any demand and supply-side measures proposed must be taken into account, with preference being given, as far as possible, to measures that have least impact on the environment. At the same time, security of supply and competitiveness aspects must be taken into account.</p>	<p><b>AM 32</b></p> <p>(28) Demand-side measures, such as fuel switching or reducing the gas supply to large industrial consumers in an economically efficient <i>manner, as well as a market-based system for industrial consumers, such as the voluntary reduction of demand offered by industrial consumers against fair and timely financial compensation</i>, may have a valuable role to play in ensuring energy security, if they can be applied quickly and significantly reduce demand in response to a supply disruption. More should be done to promote efficient energy use, particularly where demand-side measures are needed. The environmental impact of any demand and supply-side measures proposed must be taken into account, with preference being given, as far as</p>	

<p>(29) When drawing up and implementing the preventive action plan and the emergency plan, the competent authorities should, at all times, take account of the safe operation of the gas system at regional and national levels. They must address and set out in those plans the technical constraints affecting the operation of the network, including any technical and safety reasons for reducing flows in the event of an emergency.</p>	<p>possible, to measures that have least impact on the environment. At the same time, <i>the</i> security of gas supply <i>should remain a priority for measures undertaken in the case of disruption to supply, while</i> competitiveness aspects <i>should also be properly</i> taken into account.</p>		
<p>(29) When drawing up and implementing the preventive action plan and the emergency plan, the competent authorities should, at all times, take account of the safe operation of the gas system at <b>national and regional</b> levels. They <b>should</b> address and set out in those plans the technical constraints affecting the operation of the network, including any technical and safety reasons for reducing flows in the event of an emergency.</p>	<p><b>AM 33</b></p> <p>(29) When drawing up and implementing the preventive action plan and the emergency plan, the competent authorities should, at all times, take account of the safe operation of the gas system at <b>national and regional</b> levels. They <b>should</b> address and set out in those plans the technical constraints affecting the operation of the network, including any technical and safety reasons for reducing flows in the event of an emergency.</p>		
<p>(30) Low calorific gas is supplied in certain regions in the Union. Given its characteristics, it cannot be used in appliances designed for high calorific gas. It is, however, possible to use high calorific gas in appliances designed for low calorific gas, provided that it has been converted into low calorific gas, for instance by adding nitrogen. The specific characteristics of low calorific gas should be considered at national and regional levels and should be taken into account in the risk assessment and the preventive action and emergency plans.</p>	<p><b>AM 34</b></p> <p>(30) Low calorific gas is supplied in certain regions in the Union. Its characteristics <b>prevent it from being</b> used in appliances designed for high calorific gas. It is, however, possible to <b>convert</b> high calorific gas <b>for use</b> in appliances designed for low calorific gas, for instance by adding nitrogen. The specific characteristics of low calorific gas should be considered at national and regional levels and should be taken into account in the risk assessment and the preventive action and emergency plans.</p>		

<p>(31) It is necessary to ensure the predictability of the action to take in the event of an emergency, allowing all market participants sufficient opportunity to react and also prepare for such circumstances. As a rule, the competent authorities should therefore abide by their emergency plan. In duly justified exceptional circumstances, they should be allowed to take action which deviates from those plans. It is also important to make the way in which emergencies are announced more transparent and predictable. Information on the system balancing position (the overall status of the transmission network), the framework for which is set out in Commission Regulation (EU) No 312/2014, may play an important role in this regard. That information should be available to competent authorities and the national regulatory authorities, if the latter are not the competent authority on a real time basis.</p>	<p style="text-align: center;"><b>AM 35</b></p> <p>(31) It is necessary to ensure the predictability of <i>actions to be taken</i> in the event of an emergency, <i>granting</i> all market participants sufficient opportunity to prepare for such <i>situations and react to them</i>. As a rule, the competent authorities should therefore <i>comply with their emergency plan</i>. In <i>exceptional circumstances and on reasonable grounds</i>, they should be allowed to take action which deviates from those plans. <i>The manner in which emergencies are announced should be</i> more transparent and predictable. Information on the system balancing position (the overall status of the transmission network), the framework for which is <i>laid down</i> in Commission Regulation (EU) No 312/2014<sup>19</sup>, may play an important role in this regard. That information should be available <i>on a real-time basis to the</i> competent authorities and <i>to the</i> national regulatory authorities, if <i>they</i> are not the competent <i>authorities</i>.</p>	
<p>(32) The preventive action plans and emergency plans should be updated regularly and published. They should be subject to peer review. The peer review process allows for early identification of inconsistencies and measures that could endanger other Member States' security of supply, thereby ensuring that plans from different regions are consistent with</p>	<p style="text-align: center;"><b>AM 36</b></p> <p>(32) The preventive action plans and emergency plans should be updated <i>on a regular basis</i> and published. They should be subject to peer review. <i>Such peer review should be monitored by the Commission</i>. The peer review process <i>is intended to allow</i> for early identification of inconsistencies and measures that</p>	

<p>one another. It also enables Member States to share best practice.</p>	<p>could endanger <i>the security of gas supply of other Member States</i>, thereby ensuring <i>consistency of the plans across</i> different regions. It also enables Member States to share best practice. <i>The plans should be consistent with all Energy Union objectives.</i></p>		
<p>(33) To ensure that the emergency plans are always up-to-date and effective, Member States should carry out tests between the updates of the plans by simulating high and medium-impact scenarios and responses in real time. The competent authorities should present the test results at the Gas Coordination Group.</p>	<p><b>AM 37</b></p> <p>(33) To ensure that the emergency plans are always up-to-date and effective, <i>the competent authorities</i> should carry out tests between the updates of the plans by simulating high and medium-impact scenarios and responses in real time. The competent authorities should present the test results at the Gas Coordination Group.</p>		
<p>(34) Mandatory comprehensive templates including all the risks to be covered by the risk assessment and all the components of the preventive action plans and emergency plans are needed to facilitate the risk assessment and preparation of the plans, their peer review and their assessment by the Commission.</p>	<p><b>AM 38</b></p> <p>(34) Mandatory comprehensive templates including all the risks to be covered by the risk assessment and all the components of the preventive action plans and <i>the</i> emergency plans are needed to facilitate the risk assessment and preparation of the plans, their peer review and their assessment by the Commission.</p>		
<p>(35) To facilitate communication between Member States and the Commission, the risk assessments, the preventive action plans, the emergency plans and all other documents and information exchanges covered by this Regulation must be notified using a standard electronic notification system.</p>	<p><b>AM 39</b></p> <p>(35) To facilitate communication between Member States and the Commission, the risk assessments, the preventive action plans, the emergency plans and all other documents and information exchanges <i>provided for in</i> this Regulation <i>should</i> be notified using a <i>secure and standardised</i> electronic notification system.</p>		

<p>(36) As demonstrated by the October 2014 stress test, solidarity is needed to ensure security of supply across the Union and to keep overall costs to a minimum. If an emergency is declared in any Member State, a two-step approach should be applied to strengthen solidarity. Firstly, all Member States which have introduced a higher supply standard should reduce it to default values to make the gas market more liquid. Secondly, if the first step fails to provide the necessary supply, further measures by neighbouring Member States, even if not in an emergency situation, should be triggered to ensure the supply to households, essential social services and district heating installations in the Member State experiencing the emergency. Member States should identify and describe the details of these solidarity measures in their emergency plans, ensuring fair and equitable compensation of the natural gas undertakings.</p>	<p style="text-align: center;"><b>AM 40</b></p> <p>(36) As demonstrated by the October 2014 stress test, solidarity is needed to ensure security of supply across the Union and to keep overall costs to a minimum. If an emergency is declared in any Member State, measures by neighbouring Member States, even if not in an emergency situation, should be <i>taken</i> to ensure the supply to <i>protected customers</i> in the Member State experiencing the emergency. Member States should identify and describe the details of these solidarity measures in their emergency plans, ensuring <i>a fair and appropriate level of compensation for</i> natural gas undertakings <i>that fully reflects the market value of the costs related to the interruption of supplies</i>.</p>	
<p>(37) European solidarity should also, where needed, take the form of civil protection assistance provided by the Union and its Member States. Such assistance should be facilitated and coordinated by the Union Civil Protection Mechanism established by Decision No 1313/2013/EU of the European Parliament and of the Council aiming to strengthen the</p>	<p style="text-align: center;"><b>AM 41</b></p> <p>(37) European solidarity should also, where needed, take the form of civil protection assistance provided by the Union and its Member States. Such assistance should be facilitated and coordinated by the Union Civil Protection Mechanism established by Decision No 1313/2013/EU of the European Parliament and of the</p>	



<p>cooperation between the Union and the Member States and to facilitate coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for, and responding to natural and man-made disasters.</p>	<p>Council<sup>20</sup> <i>which aims</i> to strengthen the cooperation between the Union and the Member States and to facilitate coordination in the field of civil protection in order to improve the effectiveness of systems for preventing, preparing for, and responding to natural and man-made disasters.</p>	
<p>(38) To assess the security of supply situation of a given Member State or region or of the Union, access to the relevant information is essential. In particular, Member States and the Commission need regular access to information from natural gas undertakings regarding the main parameters of the gas supply as a fundamental input in the design of the security of supply policies. Under duly justified circumstances, irrespective of a declaration of emergency, access should also be possible to additional information needed to assess the overall gas supply situation. That additional information would typically be non-price-related gas delivery information, e.g. minimum and maximum gas volumes, delivery points or supply margins. It could, for example, be requested in the event of changes in the pattern of the gas supply to a given buyer or buyers in a Member State which would not be expected if the markets were functioning normally and which could</p>	<p><b>AM 42</b></p> <p>(38) To assess the security of <i>gas</i> supply situation of a Member State, a region or the Union, access to the relevant information is essential. In particular, Member States and the Commission need regular access to information from natural gas undertakings regarding the main parameters of the gas supply, <i>including accurate measures of the available stored reserves</i>, as a fundamental input in the design of security of <i>gas</i> supply policies. <i>On reasonable grounds</i>, irrespective of a declaration of emergency, access should also be possible to additional information needed to assess the overall gas supply situation. That additional information would typically be non-price-related gas delivery information, e.g. minimum and maximum gas volumes, delivery points or supply margins. It could, for example, be requested in the event of changes in the pattern of the gas supply to a given buyer or buyers in a</p>	

<p>affect the gas supply of the Union or parts of it.</p>	<p>Member State which would not be expected if the markets were functioning normally and which could affect the gas supply of the Union or parts of it. <b>Information, which the gas undertaking considers to be confidential should be treated as such.</b></p>	
<p>(39) In March 2015, the European Council concluded that gas supply contracts with suppliers from third countries should be made more transparent and compatible with the Union energy security provisions. In this context an efficient and targeted mechanism for Member States' access to key gas supply contracts should ensure a comprehensive assessment of relevant risks that can lead to a supply disruption or interfere with the necessary mitigating measures should a crisis nevertheless occur. Under that mechanism certain key gas supply contracts should be automatically notified, immediately after their conclusion, to the Member States. However, any obligation to notify a contract automatically needs to be proportionate. Applying this obligation to contracts between a supplier and a buyer covering 40% of the national market strikes the right balance in terms of administrative efficiency and lays down clear obligations for market participants. This does not mean that other gas supply contracts are not</p>	<p><b>AM 43</b>  <b>Completing the internal energy market will create a level playing field, ensuring that all energy supply contracts throughout the Union are based on market prices and competition rules.</b> In March 2015, the European Council concluded that gas supply contracts with suppliers from third countries should be made more transparent and compatible with the Union energy security provisions. In this context an efficient and targeted mechanism for Member States' access to key gas supply contracts should ensure a comprehensive assessment of relevant risks that can lead to a supply disruption or interfere with the necessary mitigating measures should a crisis nevertheless occur. Under that mechanism certain key gas supply contracts should be automatically notified, immediately after their conclusion, to the Member States. However, any obligation to notify a contract automatically needs to be proportionate. Applying this obligation to contracts between a supplier <b>or its</b></p>	

<p>relevant to security of supply. Accordingly, Member States should have the right to request other contracts which might negatively affect security of supply of a Member State or region or of the Union as a whole. The Commission should have the same access to the gas supply contracts as Member States, given its role in assessing the consistency and effectiveness of the preventive action plans and emergency plans to address risks to security of supply at national, regional and EU level. The Commission may call on the Member States to amend the plans so as to take account of the information obtained from the contracts. The confidentiality of commercially sensitive information should be ensured. Improved Commission access to information on commercial contracts should not affect the Commission's ongoing efforts to monitor the gas market, and the Commission should intervene if violations of the Union law are identified. The provisions of this Regulation should be without prejudice to the right of the Commission to launch infringement proceedings in accordance with Article 258 of the Treaty on the Functioning of the European Union (TFEU) and to enforce competition rules, including state aid,.</p>	<p><i>affiliates</i> and a buyer or its affiliates that jointly cover at least 40 % of imports from third countries to the Member State strikes the right balance in terms of administrative efficiency and lays down clear obligations for market participants. This does not automatically imply that other gas supply contracts are not relevant to security of supply. Accordingly, Member States should have the right to request other contracts which might negatively affect security of supply of a Member State or a region or the Union. The Commission should have the same access to the gas supply contracts as Member States, given its role in assessing the consistency and effectiveness of the preventive action plans and the emergency plans to address risks to security of supply at national, regional and Union level. The Commission should be able to request Member States to amend the plans so as to take account of the information obtained from the contracts. The confidentiality of commercially sensitive information should be ensured. Increased Commission access to information on commercial contracts should not affect the Commission's ongoing efforts to monitor the gas market, and the Commission should intervene if violations of the Union law are identified. The provisions of this</p>	
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<p>(40) The Gas Coordination Group should act as an adviser to the Commission to help coordinate security of supply measures in the event of a Union emergency. It should also monitor the adequacy and appropriateness of measures to be taken under this Regulation, including the consistency of preventive action plans and emergency plans drawn up by different regions and reviewed by teams of peers.</p>	<p>Regulation should be without prejudice to the right of the Commission to launch infringement proceedings in accordance with Article 258 of the Treaty on the Functioning of the European Union (TFEU) and to enforce competition rules, including <i>with regard to State aid</i>.</p>	
<p>(41) One of the Union goals is to strengthen the Energy Community that would ensure effective implementation of the Union energy acquis, energy market reforms and incentivising investments in the energy sector by closer integration of the Union and Energy Community energy markets. This entails also introducing common crisis management by proposing preventive and emergency plans at the regional level including the Energy Community Contracting Parties. Furthermore, the Commission Communication on the short term resilience of the European gas system</p>	<p><b>AM 44</b></p> <p>(41) One of the Union goals is to strengthen the Energy Community <i>in order to</i> ensure effective implementation of the Union energy acquis, energy market reforms and <i>incentives to invest</i> in the energy sector by closer integration of the Union and Energy Community energy markets. This also <i>entails</i> introducing common crisis management by proposing preventive <i>action plans</i> and emergency plans at the regional level including the Energy Community Contracting Parties. Furthermore, the Commission Communication <i>of 16</i></p>	

<p>from October 2014 refers to the need to apply internal energy market rules on the flow of energy between the Union Member States and the Energy Community Contracting Parties. In this regard, in order to ensure an efficient crisis management on borders between the Union Member States and the Contracting Parties, the necessary arrangements following the adoption of a Joint Act should be set so that specific cooperation with any individual Energy Community Contracting Party can take place once the required mutual provisions have been duly put into place.</p>	<p>October 2014 on the short term resilience of the European gas system refers to the need to apply internal energy market rules on the flow of energy between the Union Member States and Energy Community Contracting Parties. In this regard, in order to ensure efficient crisis management on borders between the Union Member States and the <b>Energy Community</b> Contracting Parties, necessary arrangements following the adoption of a Joint Act should be set so that specific cooperation with any individual Energy Community Contracting Party can take place once the required mutual provisions have been duly put into place.</p>		
	<p><b>AM 45</b> <i>(41 a) The implementation of the solidarity measures with the Energy Community Contracting Parties should be based on a Union approach in order to avoid the Members States which neighbour the Energy Community Contracting Parties from carrying out exclusively the necessary emergency plans.</i></p>		

<p>(42) Since gas supplies from third countries are central to the security of the Union gas supply, the Commission should coordinate action with regard to third countries, work with supplying and transit countries on arrangements to handle crisis situations and ensure a stable gas flow to the Union. The Commission should be entitled to deploy a task force to monitor gas flows into the Union in crisis situations, in consultation with the third countries involved, and, where a crisis arises from difficulties in a third country, to act as mediator and facilitator.</p>	<p style="text-align: center;"><b>AM 46</b></p> <p>(42) Since gas supplies from third countries are central to the security of the Union gas supply, the Commission should coordinate action with regard to third countries, work with supplying and transit countries on arrangements to handle crisis situations and ensure a stable gas flow to the Union. The Commission should <i>permanently</i> monitor gas flows into the Union. <b>Where a crisis arises, the Commission should, after consulting the third countries involved, act as mediator and facilitator. The Union should also be able to act preventively, before the declaration of a crisis.</b></p>	
<p>(43) Where there is reliable information on a situation outside the Union that threatens the security of supply of one or several Member States and that may trigger an early warning mechanism involving the Union and a third country, the Commission should inform the Gas Coordination Group without delay and the Union should take appropriate action to try to defuse the situation.</p>	<p style="text-align: center;"><b>AM 47</b></p> <p>(43) Where a situation <i>occurs</i> outside the Union that <i>is likely to threaten</i> the security of supply of one or several Member States and that may trigger an early warning mechanism involving the Union and a third country, the Commission should inform the Gas Coordination Group without delay and the Union should take appropriate action to defuse the situation.</p>	

<p>(44) The Member States acting on their own cannot satisfactorily achieve the objective of this Regulation, namely to guarantee a secure gas supply within the Union. Given the scale or effects of the action, it is better achieved at Union level. The Union may therefore adopt measures, in accordance with the principle of subsidiarity set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality set out in that Article, this Regulation does not go beyond what is necessary to achieve that objective.</p>	<p style="text-align: center;"><b>AM 48</b></p> <p>(44) <i>Since</i> the objective of this Regulation, namely to guarantee a secure gas supply within the Union, <b>cannot be sufficiently achieved by Member States acting on their own, but can rather, by reason of its scale and effects, be</b> better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity <b>as</b> set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality <b>as</b> set out in that Article, this Regulation does not go beyond what is necessary to achieve that objective.</p>		
<p>(45) To allow for a swift Union response to changing circumstances as regards security of gas supply, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amendment of regions and templates for risk assessment and plans. It is particularly important that the Commission carry out appropriate consultations during its preparatory work, including at expert level. When preparing and drawing up delegated acts, it should ensure that relevant documents are simultaneously sent to the European Parliament and the Council, in good time and in the appropriate manner.</p>	<p style="text-align: center;"><b>AM 49</b></p> <p>(45) <i>In order</i> to allow for a swift Union response to changing circumstances <b>with regard to</b> security of gas supply, the power to adopt acts in accordance with Article 290 <b>TFEU</b> should be delegated to the Commission in respect of amendment of templates for risk <b>assessments, preventive action plans and emergency</b> plans. It is <b>of particular importance</b> that the Commission carry out appropriate consultations during its preparatory work, including at expert level <b>and involving the competent authorities and the national regulatory authorities where they are not the competent authorities, and that those consultations be concluded in</b></p>		

<p>(46) Regulation (EU) No 994/2010 should be repealed. To avoid a gap, the preventive action plans and emergency plans drawn up under Regulation (EC) No 994/2010 should remain in force until the new preventive action plans and emergency plans draw up under this Regulation are adopted for the first time.</p>	<p><i>accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.</i></p> <p><b>AM 50</b></p> <p>(46) Regulation (EU) No 994/2010 should be repealed. To avoid a gap, the preventive action plans and <i>the</i> emergency plans drawn up <i>pursuant to Article 4 of Regulation (EC) No 994/2010</i> should remain in force until the new preventive action plans and emergency plans <i>drawn up pursuant to</i> this Regulation are adopted for the first time.</p>		
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<p><i>Article 1</i> <b>Subject matter</b></p> <p>This Regulation establishes provisions aimed at safeguarding the security of gas supply by ensuring the proper and continuous functioning of the internal market in natural gas ("gas"), by allowing for exceptional measures to be implemented when the market can no longer deliver the required gas supplies and by providing for a clear definition and attribution of responsibilities among natural gas undertakings, the Member States and the Union regarding both preventive and attribution of disruptions of supply. This Regulation also provides transparent mechanisms, in a spirit of solidarity, for the coordination of planning for, and response to, an emergency at Member State, regional and Union levels.</p>	<p><b>AM 51</b></p> <p>This Regulation establishes provisions aimed at safeguarding, <i>in the spirit of solidarity</i>, the security of gas supply by ensuring the proper and continuous functioning of the internal market in natural gas ("gas"), <i>based on credible gas demand trends</i>, by allowing for exceptional measures to be implemented when the market can no longer deliver the required gas supplies <i>to the protected customers</i> and by providing for a clear definition and attribution of responsibilities among natural gas undertakings, the Member States and the Union regarding both preventive action and <i>immediate</i> reaction to concrete disruptions of supply, <i>either at the source or in transit</i>. <i>This Regulation also provides for transparent mechanisms for the coordination of planning for, and response to, an emergency at Member State, regional and Union level.</i></p>	<p><b>Accept in part</b></p> <p>This Regulation establishes provisions aimed at safeguarding the security of gas supply by ensuring the proper and continuous functioning of the internal market in natural gas ("gas"), by allowing for exceptional measures to be implemented when the market can no longer deliver the required gas supplies, <b>including solidarity measures as a last resort</b> and by providing for a clear definition and attribution of responsibilities among natural gas undertakings, the Member States and the Union regarding both preventive action and the reaction to concrete disruptions of supply. This Regulation also provides transparent mechanisms, in a spirit of solidarity, for the coordination of planning for, and response to, an emergency at Member State, regional and Union levels.</p>
	<p><b>AM 52</b></p> <p><i>This Regulation also encourages preventive measures reducing gas demand, including through measures enhancing energy efficiency and increasing the share of renewable energy, in order to decrease the Union's dependence on gas imports.</i></p>	<p><b>Accept</b></p>

		<u>Council has not yet finalised its position on this article</u>	
<p><b>Article 2</b> <b>Definitions</b></p> <p>For the purposes of this Regulation, the definitions in Article 2 of Directive 2009/73/EC and Article 2 of Regulation (EC) No 715/2009 of the European Parliament and of the Council shall apply.</p> <p>The following definitions shall also apply:</p>			
<p>(1) 'protected customer' means a household customer connected to a gas distribution network and, in addition, where the Member State concerned so decides, may also mean one or more of the following:</p>	<p><b>AM 53</b></p> <p>(1) 'protected customer' means a household, <i>an essential social service or, to the extent that it delivers heating to household customers and essential social services and is not able to switch to another fuel, a district heating installation, which is connected to a gas distribution network;</i></p>		
<p>(a) a small or medium-sized enterprise, provided that it is connected to a gas distribution network, or an essential social service, provided that it is connected to a gas distribution or transmission network, and provided that such enterprises or services do not represent jointly more than 20 % of the total annual final gas consumption in that Member State;</p>	<p><b>AM 54</b></p> <p><i>Deleted</i></p>		
<p>(b) a district heating installation to the extent that it delivers heating to household customers or to the enterprises or services referred to in point (a) provided that such installation is not able to switch to other fuels and is connected to a gas distribution or transmission network;</p>	<p><b>AM 55</b></p> <p><i>Deleted</i></p>		

<p>(2) 'essential social service' means a healthcare, emergency or security service;</p>			
<p>(3) 'essential social service' means a healthcare, emergency or security service;</p>	<p><b>AM 56</b>  <b>(3 a) "emergency supply corridors" means identified Union gas supply routes that help Member States to better mitigate the effects of potential supply or infrastructure disruption, thereby complementing and facilitating the regional approach as referred to in Annex I by providing information for the preventive action and emergency plans.</b></p>		
	<p><b>AM 57</b>  <b>(3 b) 'competent authority' means a national governmental authority or a national regulatory authority designated in accordance with Article 3(2);</b></p>		
<p>(4) 'national regulatory authority' means a national regulatory authority designated in accordance with Article 39(1) of Directive 2009/73/EC.</p>			

		<u>Council has not yet finalised its position on this article</u>	
<p><i>Article 3</i> <b>Responsibility for security of gas supply</b></p> <p>1. Security of gas supply shall be a shared responsibility of natural gas undertakings, Member States, notably through their competent authorities, and the Commission, within their respective areas of activities and competence.</p>	<p><b>AM 58</b></p> <p>1. Security of gas supply shall be a shared responsibility of natural gas undertakings, Member States, <i>in particular</i> through their competent authorities, and the Commission, within their respective areas of activities and competence.</p>		
<p>2. Each Member State shall designate a national governmental authority or a national regulatory authority as its competent authority that ensures the implementation of the measures provided for in this Regulation. Competent authorities shall cooperate with each other in the implementation of this Regulation. Member States may allow the competent authority to delegate specific tasks set out in this Regulation to other bodies. Delegated tasks shall be performed under the supervision of the competent authority and shall be specified in the plans referred to in Article 7. The declaration of any of the crisis levels referred to in Article 10(1) may be only delegated to a public authority.</p>			

<p>3. Each Member State shall notify to the Commission without delay the name of the competent authority and any changes thereto. Each Member State shall make the name of the competent authority public.</p>	<p><b>AM 59</b></p> <p>3. Each Member State shall notify to the Commission without delay, <b>and shall make public</b>, the name of <i>its</i> competent authority and any changes thereto.</p>	
<p>4. When implementing the measures provided for in this Regulation, the competent authority shall establish the roles and responsibilities of the different actors involved in such a way as to ensure that a three-level approach is respected which involves first the relevant natural gas undertakings and industry, then Member States at national or regional level, and then the Union.</p>	<p><b>AM 60</b></p> <p>4. When implementing the measures provided for in this Regulation, the competent authority shall establish the roles and responsibilities of the different actors involved in such a way as to ensure a three-level approach which involves first the relevant natural gas undertakings, <b>electricity undertakings where appropriate</b>, and industry, then Member States at national or regional level, and then the Union.</p>	
<p>5. The Commission shall, where appropriate, coordinate the action of the competent authorities at regional and Union levels, as set out in this Regulation, inter alia, through the Gas Coordination Group referred to in Article 14 or the crisis management group referred to in Article 11(4), in particular in the event of a regional or Union emergency as defined in Article 11(1).</p>	<p><b>AM 61</b></p> <p>5. The Commission shall coordinate the action of the competent authorities at regional and Union levels, as set out in this Regulation, inter alia, through the Gas Coordination Group referred to in Article 14 or the crisis management group referred to in Article 11(4), in particular in the event of a regional or Union emergency <b>pursuant to Article 11(1)</b>.</p>	

<p>6. The measures to ensure the security of supply contained in the preventive action plans and in the emergency plans shall be clearly defined, transparent, proportionate, non-discriminatory and verifiable, shall not unduly distort competition and the effective functioning of the internal market in gas and shall not endanger the security of gas supply of other Member States or of the Union as a whole.</p>	<p style="text-align: center;"><b>AM 62</b></p> <p>6. The measures to ensure the security of <i>gas</i> supply contained in the preventive action plans and in the emergency plans shall be clearly defined, <i>to the extent possible market based</i>, transparent, proportionate, non-discriminatory <i>verifiable, sustainable and compatible with the Union's climate and energy objectives, shall also consider energy efficiency and renewable energy sources to be a solution to improve the Union's energy security</i>, shall not unduly distort competition and the effective functioning of the internal market in gas and shall not endanger the security of gas supply of other Member States, <i>regions or the Union and shall limit the risk of stranded assets</i>.</p>	
<p>7. The composition of regions for the purposes of the regional cooperation as provided for in this Regulation shall be based on following criteria:</p>		
<p>(a) geographical proximity;</p> <p>(b) existing and planned interconnections and interconnection capacity between Member States as well as the supply patterns;</p>	<p style="text-align: center;"><b>AM 63</b></p> <p>(b) existing and planned interconnections and interconnection capacity between Member States, <i>existing interconnections across third countries</i>, as well as the supply patterns;</p>	

(c) possibility to pool resources and balance risks for security of gas supply across the region;			
(d) market development and maturity;			
(e) manageable number of Member States in each region;			
(f) to the extent possible, existing regional co-operation structures.			
		<b>AM 64</b> <i>(c a) ability to satisfy gas demand of protected consumers during interruption from the single largest gas supplier;</i>	
		<b>AM 65</b> <i>The responsibility of individual Member States to comply with their national security of supply standards shall be without prejudice to the regional approach nor to the possibility of inter-regional cooperation outside the regions established in Annex I.</i>	
The list of the regions and their composition is set out in Annex I.			
The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend Annex I based on the criteria set out in the first subparagraph of this paragraph if the circumstances warrant a need for a change of a region.		<b>AM 66</b> <i>deleted</i>	

<p><i>Article 4</i> <b>Infrastructure standard</b></p>	<p>1. Each Member State or, where a Member State so provides, the competent authority shall ensure that the necessary measures are taken so that in the event of a disruption of the single largest gas infrastructure, the technical capacity of the remaining infrastructure, determined according to the N – 1 formula as provided in point 2 of Annex II, is able, without prejudice to paragraph 2 of this Article, to satisfy total gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years. This is without prejudice to the responsibility of system operators to make the corresponding investments and to the obligations of transmission system operators as laid down in Directive 2009/73/EC and Regulation (EC) No 715/2009.</p>	<p><b>AM 67</b></p> <p>1. Each Member State or, where a Member State so provides, the competent authority shall ensure that the necessary measures are taken so that in the event of a disruption of the single largest gas infrastructure, the technical capacity of the remaining infrastructure, determined according to the N – 1 formula as provided in point 2 of Annex II, is able, without prejudice to paragraph 2 of this Article, to satisfy total gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years. This <i>should be done having regard to gas consumption trends, taking the long-term impacts of energy efficiency measures and the utilisation rates of existing capacities into account</i>. This is without prejudice to the responsibility of system operators to make the corresponding investments and to the obligations of transmission system operators as laid down in Directive 2009/73/EC and Regulation (EC) No 715/2009.</p>	<p><b>Accept modified EP text:</b></p> <p>1. Each Member State or, where a Member State so provides, the competent authority shall ensure that the necessary measures are taken so that in the event of a disruption of the single largest gas infrastructure, the technical capacity of the remaining infrastructure, determined according to the N – 1 formula as provided in point 2 of Annex II, is able, without prejudice to paragraph 2 of this Article, to satisfy total gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years. This <b>should be done having regard to gas consumption trends, [] long-term impacts of energy efficiency measures and the utilisation rates of existing [] infrastructure</b>. This is without prejudice to the responsibility of system operators to make the corresponding investments and to the obligations of transmission system operators as laid down in Directive 2009/73/EC and Regulation (EC) No 715/2009.</p>
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<p>2. The obligation to ensure that the remaining infrastructure has the technical capacity to satisfy total gas demand, as referred to in paragraph 1, shall also be considered to be fulfilled where the competent authority demonstrates in the preventive action plan that a supply disruption may be sufficiently compensated for, in a timely manner, by appropriate market-based demand-side measures. For that purpose, the formula provided in point 4 of Annex II shall be used.</p>	<p><b>AM 68</b></p> <p>2. The obligation to ensure that the remaining infrastructure has the technical capacity to satisfy total gas demand, as referred to in paragraph 1, shall also be considered to be fulfilled where the competent authority demonstrates in the preventive action plan that a supply disruption may be sufficiently compensated for, in a timely manner, by appropriate market-based demand-side measures. For that purpose, the formula provided in point 4 of Annex II shall be used.</p>		<p><b>Reject</b></p>
<p>3. Where appropriate, according to the risk assessment referred to in Article 6, the competent authorities of neighbouring Member States may agree to jointly fulfil the obligation set out in paragraph 1 of this Article. In such case the competent authorities shall provide in the preventive action plan the calculation of the N-1 formula together with an explanation how the agreed arrangements fulfil this obligation. Point 5 of Annex II shall apply.</p>	<p><b>AM 69</b></p> <p>3. Where appropriate, <i>in accordance with</i> the risk assessment referred to in Article 6, the competent authorities of neighbouring Member States may agree to jointly fulfil the obligation set out in paragraph 1 of this Article. In such case the competent authorities shall provide in the preventive action plan the calculation of the N-1 formula together with an explanation how the agreed arrangements fulfil this obligation. Point 5 of Annex II shall apply.</p>	<p>3. Where appropriate, according to the risk assessment referred to in Article 6, the competent authorities of neighbouring Member States may agree to jointly fulfil the obligation set out in paragraph 1 of this Article. In such case the competent authorities shall provide in the <i>risk assessment</i> [ ] the calculation of the N-1 formula together with an explanation <i>in the preventive action plan</i> how the agreed arrangements fulfil this obligation. Point 5 of Annex II shall apply.</p>	<p><b>Accept together with Council amendment.</b></p> <p>3. Where appropriate, <i>in accordance with</i> the risk assessment referred to in Article 6, the competent authorities of neighbouring Member States may agree to jointly fulfil the obligation set out in paragraph 1 of this Article. In such case the competent authorities shall provide in the <i>risk assessment</i> the calculation of the N-1 formula together with an explanation <i>in the regional chapters of the preventive action plans</i> how the agreed arrangements fulfil this obligation. Point 5 of Annex II shall apply.</p>

<p>4. The transmission system operators shall enable permanent physical capacity to transport gas in both directions ("bi-directional capacity") on all interconnectors between Member States, except:</p>		<p>4. The transmission system operators shall enable permanent physical capacity to transport gas in both directions ("bi-directional capacity") on all interconnections between Member States, except:</p>	
<p>(a) in the case of connections to production facilities, to LNG facilities and to distribution networks; or</p> <p>(b) where an exemption from that obligation has been granted.</p>	<p><b>AM 70</b></p> <p>(b) where an exemption from that obligation has been granted, <i>after detailed assessment and after consulting other Member States and with the Commission.</i></p>	<p>(b) where an exemption from that obligation has been granted, <i>in accordance with Annex III.</i></p>	<p><i>Accept together with Council amendment.</i></p> <p>(b) where an exemption from that obligation has been granted, <i>after detailed assessment and after consulting other Member States and the Commission in accordance with Annex III.</i></p>
<p>For the procedure to enable or enhance permanent bi-directional capacity on an interconnector or to obtain or prolong an exemption from that obligation Annex III shall apply.</p>		<p>For the procedure to enable or enhance <input type="checkbox"/> bi-directional capacity on an interconnection or to obtain or prolong an exemption from that obligation Annex III shall apply. <i>The Commission shall make public and update the list of exemptions.</i></p>	

	<p><b>AM 71</b></p> <p><b>4 a.</b> <i>Member States shall ensure that, as a first step, the market is always tested in a transparent, detailed and non-discriminatory manner, to assess whether the investment intended to fulfil the obligations set out in paragraph 4 is required.</i></p>		<p><b>Reject</b></p>
		<p><b>4a. new</b> <i>(moved from Annex 3.2) The proposal for enabling or enhancing <input type="checkbox"/> bi-directional <input type="checkbox"/> capacity or the request for granting or prolongation of an exemption shall be based on an assessment of market demand, projections for demand and supply, the possible economic impact on existing infrastructure, feasibility study, the costs of bi-directional <input type="checkbox"/> capacity including the necessary reinforcement of the transmission system and the benefits for security of supply taking into account the possible contribution of bi-directional <input type="checkbox"/> capacity to meeting the infrastructure standard set out in this Article. The proposal shall include a cost-benefit analysis prepared on the basis of the methodology pursuant to Article 11 of Regulation (EU) No</i></p>	

<p>5. National regulatory authorities shall take into account the efficiently incurred costs of fulfilling the obligation set out in paragraph 1 and the costs of enabling permanent bi-directional capacity so as to grant appropriate incentives when fixing or approving, in a transparent and detailed manner, the tariffs or methodologies in accordance with Article 41(8) of Directive 2009/73/EC and Article 13 of Regulation (EC) No 715/2009.</p>	<p><b>AM 72</b></p> <p>5. National regulatory authorities shall take into account the efficiently incurred costs of fulfilling the obligation set out in paragraph 1, <i>including how energy efficiency measures to reduce gas demand could contribute to the most cost-effective approach to fulfilling the N-1 formula</i>, and the costs of enabling permanent bi-directional capacity so as to grant appropriate incentives when fixing or approving, in a transparent and detailed manner, the tariffs or methodologies in accordance with Article 41(8) of Directive 2009/73/EC and Article 13 of Regulation (EC) No 715/2009.</p>	<p><b>347/2013 of the European Parliament and of the Council<sup>3</sup>.</b></p> <p>5. National regulatory authorities shall take into account the efficiently incurred costs of fulfilling the obligation set out in paragraph 1 and the costs of enabling <i>[ ]</i> bi-directional capacity so as to grant appropriate incentives when fixing or approving, in a transparent and detailed manner, the tariffs or methodologies in accordance with Article 41(8) of Directive 2009/73/EC and Article 13 of Regulation (EC) No 715/2009.</p>	<p><b>Reject</b></p>
<p>6. In so far as an investment for enabling or enhancing permanent bi-directional capacity is not required by the market and where that investment incurs costs in more than one Member State or in one Member State for the benefit of another Member State, the national regulatory authorities of all Member States concerned shall jointly decide on cost allocation before any investment decision is taken. The cost</p>	<p><b>AM 73</b></p> <p>6. In so far as an investment for enabling or enhancing permanent bi-directional capacity is not required by the market and where that investment incurs costs in more than one Member State or in one Member State for the benefit of another Member State, the national regulatory authorities of all Member States concerned shall jointly decide on cost allocation <i>in</i></p>	<p>6. In so far as an investment for enabling or enhancing <i>[ ]</i> bi-directional capacity is not required by the market and where that investment incurs costs in more than one Member State or in one Member State for the benefit of another Member State, the national regulatory authorities of all Member States concerned shall <i>take a coordinated decision [ ]</i> on cost allocation before any investment</p>	<p><b>Reject, part of am. 73 could be moved to recital 14.</b></p>

<sup>3</sup> Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC and amending Regulations (EC) No 713/2009, (EC) No 714/2009 and (EC) No 715/2009 (OJ L 115, 25.4.2013, p. 39).

<p>allocation shall in particular take into account the proportion of the benefits of the infrastructure investments for the increase of security of supply of the Member States concerned as well as investments already made in the infrastructure in question.</p>	<p><i>accordance with Article 12 of Regulation(EU) No 347/2013</i> before any investment decision is taken <i>and explore also the possibility and viability of Union funding</i>. The cost allocation shall in particular take into account the proportion of the benefits of the infrastructure investments for the increase of <i>the</i> security of <i>gas</i> supply of the Member States concerned as well as investments already made in the infrastructure in question.</p>	<p>decision is taken. The cost allocation shall <i>take into account the principles described and the elements contained in Article 12(4) of Regulation (EU) No 347/2013</i>, in particular take into account the proportion of the benefits of the infrastructure investments for the increase of <i>the</i> security of supply of the Member States concerned as well as investments already made in the infrastructure in question. <i>The result of cost allocation shall not unduly distort completion of the internal market and shall seek to avoid any undue distortive effect on the market.</i></p>	
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<p>7. The competent authority shall ensure that any new transmission infrastructure contributes to the security of supply through the development of a well-connected network, including, where appropriate, by means of a sufficient number of cross-border entry and exit points according to market demand and the risks identified. The competent authorities shall assess in the risk assessment whether internal bottlenecks exist and whether national entry capacity and infrastructures, in particular transmission networks, are capable of adapting the national and cross border gas flows to the scenario of the disruption of the single largest gas infrastructure at national level and the single largest gas infrastructure of common interest to the region identified in the risk assessment.</p>	<p><b>AM 74</b></p> <p>7. The competent authority shall ensure that any new transmission infrastructure contributes to the security of supply through the development of a well-connected network, including, where appropriate, by means of a sufficient number of cross-border entry and exit points according to market demand and the risks identified. The competent authorities shall assess in the risk assessment whether, <i>with an integrated perspective on gas and electricity systems</i>, internal bottlenecks exist and whether national entry capacity and infrastructures, in particular transmission networks, are capable of adapting the national and cross border gas flows to the scenario of the disruption of the single largest gas infrastructure at national level and the single largest gas infrastructure of common interest to the region identified in the risk assessment.</p>		<p><b>Reject</b></p>
	<p><b>AM 75</b></p> <p><b>7 a.</b> <i>The competent authority, using the same criteria, shall ensure that demand-side measures meet the same conditions and contribute on an equal and cost-effective basis to the security of supply.</i></p>		<p><i>Am. could be moved to recital 16.</i></p>

<p>8. Luxembourg, Slovenia and Sweden shall, by way of exception, not be bound by, but shall endeavour to meet, the obligation set out in paragraph 1 of this Article, while ensuring the gas supplies to protected customers in accordance with Article 5. That exception shall apply for as long as:</p>	<p><b>AM 76</b>  <b>7 b. Gas flow through bi-directional interconnection points to a Member State which has declared an emergency shall have priority over gas flow to other points of the system of the Member State from which the gas is supplied and which has not declared an emergency.</b></p>	<p><i>Revised version of this amendment will be discussed in the content of the emergency plans.</i></p>
<p>8. Luxembourg, Slovenia and Sweden shall, by way of exception, not be bound by, but shall endeavour to meet, the obligation set out in paragraph 1 of this Article, while ensuring the gas supplies to protected customers in accordance with Article 5. That exception shall apply for as long as:</p>	<p><b>AM 77</b>  <b>8. By way of derogation from paragraph 1 of this Article, Luxembourg, Slovenia and Sweden shall not be bound by, but shall endeavour to meet, the obligation set out in paragraph 1 of this Article, while ensuring the gas supplies to protected customers in accordance with Article 5. That <i>derogation</i> shall apply for as long as:</b></p>	<p><b>Reject</b></p>
<p>(a) in the case of Luxembourg: it has at least two interconnectors with other Member States, at least two different sources of supply and no gas storage facilities on its territory;</p>		
<p>(b) in the case of Slovenia: it has at least two interconnectors with other Member States, at least two different sources of supply and no gas storage facilities or an LNG facility on its territory;</p>		
<p>(c) in the case of Sweden: it has no gas transit to other Member States on its territory, an annual gross inland gas consumption of less than 2 Mtoe and less than 5 % of total primary energy consumption from gas.</p>		

<p>Luxembourg, Slovenia and Sweden shall ensure, in a transparent, detailed and non-discriminatory manner, regular market testing for investments in infrastructure and make public the results of those tests. They shall inform the Commission of any change in respect of the conditions set out in that subparagraph. The exception laid down in the first subparagraph shall cease to apply where at least one of those conditions is no longer fulfilled.</p>	<p><b>AM 78</b> Luxembourg, Slovenia and Sweden shall ensure, in a transparent, detailed and non-discriminatory manner, regular market testing for investments in infrastructure and make public the results of those tests. They shall inform the Commission of any change in respect of the conditions set out in that subparagraph. The <b>derogation provided for</b> in the first subparagraph shall cease to apply where at least one of those conditions is no longer fulfilled.</p>	<p>Luxembourg, Slovenia and Sweden [] shall inform the Commission of any change in respect of the [] <b>conditions in this paragraph</b> []. The exception laid down <b>in this paragraph</b> [] shall cease to apply where at least one of those conditions is no longer fulfilled.</p>	<p><b>Reject</b></p>
<p>By 3 December 2018, Luxembourg, Slovenia and Sweden shall transmit a report to the Commission describing the situation with respect to the respective conditions set out in that subparagraph and the prospects for the compliance with the obligation in paragraph 1, taking into account the economic impact of meeting the infrastructure standard, the results of the market testing and the gas market development and gas infrastructure projects in the region. On the basis of the report and if the respective conditions set out in the first subparagraph are still met, the Commission may decide that the exception can continue to apply for four more years. In the event of a positive decision, the procedure set out in this subparagraph shall be repeated after four years.</p>		<p>[] <b>As part of the risk assessment carried out in accordance with Article 6(3new)</b> Luxembourg, Slovenia and Sweden shall [] describe [] the situation with respect to the respective conditions set out in <b>paragraph 8 of this Article</b> [] and the prospects for the compliance with the obligation in paragraph 1 <b>of this Article</b>, taking into account the economic impact of meeting the infrastructure standard, [] the gas market development and gas infrastructure projects in the region. <b>On the basis of the [] information provided in the risk assessment</b> and if the respective conditions set out in [] <b>paragraph 8 of this Article</b> are still met, the Commission may decide that the exception can continue to apply for four more years. In the event of a positive decision, the procedure set out in this subparagraph shall be repeated after four years.</p>	



<p><i>Article 5</i> <b>Supply standard</b></p> <p>1. The competent authority shall require the natural gas undertakings, that it identifies, to take measures to ensure the supply of gas to the protected customers of the Member State in each of the following cases:</p>	<p><b>AM 79</b></p> <p>1. The <i>national regulatory</i> authority shall require the natural gas undertakings, that it identifies, to take measures, <i>in close collaboration with electricity undertakings</i>, to ensure <i>that the supply of gas necessary for the security and health of the protected customers of the Member State is maintained</i> in each of the following cases:</p>		<p><b>Reject</b></p>
<p>(a) extreme temperatures during a 7-day peak period occurring with a statistical probability of once in 20 years;</p>			
<p>(b) any period of at least 30 days of exceptionally high gas demand, occurring with a statistical probability of once in 20 years;</p>		<p>(b) any period of at <input type="checkbox"/> 30 days of exceptionally high gas demand, occurring with a statistical probability of once in 20 years;</p>	
<p>(c) for a period of at least 30 days in case of the disruption of the single largest gas infrastructure under average winter conditions.</p>		<p>(c) for a period of at <input type="checkbox"/> 30 days in case of the disruption of the single largest gas infrastructure under average winter conditions.</p>	
<p>No later than 31 March 2017 Member States shall notify the Commission their definition of protected customers, the annual gas consumption volumes of the protected customers and the percentage they represent of the total annual final gas consumption in that Member State. Where a Member State includes in its definition of protected customers the categories referred to in point (a) or (b) of Article 2 (1) it shall</p>	<p><b>AM 80</b></p> <p>No later than 31 March 2017 Member States shall notify the Commission <i>of</i> the annual gas consumption volumes of the protected customers and the percentage they represent of the total annual final gas consumption in that Member State, <i>as well as the extent to which the gas supply to the protected customers of that Member State may influence cross-border flows to other</i></p>	<p>No later than 31 March 2017 Member States shall notify the Commission their definition of protected customers, the annual gas consumption volumes of the protected customers and the percentage they represent of the total annual final gas consumption in that Member State. Where a Member State includes in its definition of protected customers the categories referred to in point (a) or (b) of Article 2 (1) it shall</p>	<p><b>Reject</b></p>

<p>specify in the notification to the Commission the gas consumption volumes corresponding to consumers belonging to those categories and the percentage that each of those groups of consumers represents in terms of the annual final use of gas.</p>	<p><i>Member States.</i></p>	<p>specify in the notification to the Commission the gas consumption volumes corresponding to consumers belonging to those categories and the percentage that each of those groups of consumers represents in <i>total annual final gas consumption</i> [].</p>	
<p>The competent authority shall identify the natural gas undertakings referred to in the first subparagraph and specify them in the preventive action plan. Any new measures envisaged to ensure the supply standard shall comply with the procedure established in Article 8(4).</p>	<p><b>AM 81</b></p> <p>The competent authority shall identify the natural gas undertakings referred to in the first subparagraph <i>of this paragraph</i> and specify them in the preventive action plan. Any new measures envisaged to ensure the supply standard shall comply with the procedure established in Article 8(4).</p>	<p>The competent authority shall identify the natural gas undertakings referred to in the first subparagraph and specify them in the preventive action plan. Any new measures envisaged to ensure the supply standard shall comply with the procedure established in Article 8(4) <i>and Article 8(5)</i>.</p>	<p><i>Accept together with Council amendment.</i></p> <p>The competent authority shall identify the natural gas undertakings referred to in the first subparagraph <i>of this paragraph</i> and specify them in the preventive action plan. Any new measures envisaged to ensure the supply standard shall comply with the procedure established in Article 8(4) <i>and Article 8(5)</i>.</p>
<p>Member States may comply with the obligation laid down in the first subparagraph by replacing the gas with different source of energy to the extent that the same level of protection is achieved.</p>	<p><b>AM 82</b></p> <p>Member States may comply with the obligation laid down in the first subparagraph <i>through the implementation of energy efficiency measures or</i> by replacing the gas with a different source of energy, <i>inter alia renewable energy sources</i>, to the extent that the same level of protection is achieved.</p>		<p><i>Accept</i></p>

	<p><b>AM 83</b></p> <p><b>1 a.</b> Without prejudice to their rights and obligations under Article 12, Member States may decide to apply the provisions on the supply standard laid down in paragraph 1 to:</p>		<p><i>Need further clarification from the EP, will be discussed together with solidarity and Article 12.</i></p>
	<p>(a) small or medium-sized enterprises, provided that they are connected to a gas distribution network, and provided that they do not represent, jointly, more than 20 % of the total annual final gas consumption in that Member State;</p>		<p><i>Need further clarification from the EP, will be discussed together with solidarity and Article 12.</i></p>
	<p>(b) district heating installations, to the extent that they deliver heating to the enterprises referred to in point (a) and are not able to switch to other fuels and are connected to a gas distribution or transmission network.</p>		<p><i>Need further clarification from the EP, will be discussed together with solidarity and Article 12.</i></p>
	<p>Where a Member State decides to apply this Article to the categories of customers referred to in point (a) or (b) of the first subparagraph, it shall specify in its notification to the Commission the gas consumption volumes corresponding to consumers belonging to those categories and the percentage that each of those groups of consumers represents in terms of the annual final gas consumption.</p>		<p><i>Need further clarification from the EP, will be discussed together with solidarity and Article 12.</i></p>
	<p>Entities referred to in points (a) and (b) of the first subparagraph shall not be considered to be protected customers for the purpose of this Regulation.</p>		<p><i>Need further clarification from the EP, will be discussed together with solidarity and Article 12.</i></p>

<p>2. Any increased supply standard going beyond the 30-day period referred to in points (b) and (c) of paragraph 1 or any additional obligation imposed for reasons of security of gas supply shall be based on the risk assessment referred to in Article 6, shall be reflected in the preventive action plan and shall:</p>		<p>2. Any increased supply standard going beyond the 30-day period referred to in points (b) and (c) of paragraph 1 or any additional obligation imposed for reasons of security of gas supply shall be based on the risk assessment [I], shall be reflected in the preventive action plan and shall:</p>	
<p>(a) comply with Article 3(6);</p> <p>(b) not impact negatively on the ability of any other Member State to supply its protected customers in accordance with this Article in the event of a national, regional or Union emergency; and</p> <p>(c) comply with the criteria specified in Article 11(5) in the event of a regional or Union emergency.</p>			
<p>A justification of the compliance of the measures referred to in the first subparagraph with the conditions set out in that paragraph shall be included in the preventive action plan. Additionally, any new measure referred to in the first subparagraph shall comply with the procedure established in Article 8(4).</p>	<p><b>AM 84</b></p> <p><b>Reasons for the compliance of the measures referred to in the first subparagraph of this paragraph with the conditions set out in that paragraph shall be included in the preventive action plan. Additionally, any new measure referred to in the first subparagraph shall comply with the procedure established in Article 8(4).</b></p>	<p>A justification of the compliance of the measures referred to in the first subparagraph with the conditions set out in that <i>subparagraph</i> shall be included in the preventive action plan. Additionally, any new measure referred to in the first subparagraph shall comply with the procedure established in Article 8(4).</p>	<p><b>Reject</b></p>

<p>3. After the periods defined by the competent authority in accordance with paragraphs 1 and 2, or under more severe conditions than those defined in paragraph 1, the competent authority and natural gas undertakings shall endeavour to maintain, as far as possible, the gas supply, in particular for protected customers.</p>			
<p>4. The obligations imposed on natural gas undertakings for the fulfilment of the supply standards laid down in this Article shall be non-discriminatory and shall not impose an undue burden on those undertakings.</p>			
<p>5. Natural gas undertakings shall be allowed to meet their obligations under this Article at a regional or Union level, where appropriate. The competent authorities shall not require the standards laid down in this Article to be met based on infrastructure located only within its territory.</p>	<p><b>AM 85</b></p> <p>Natural gas undertakings shall be allowed to meet their obligations under this Article at a regional or Union level, where appropriate. The competent authorities shall not require the standards laid down in this Article to be met based on infrastructure <i>or</i> within its territory.</p>	<p>5. Natural gas undertakings shall be allowed to meet their obligations <b>based on []</b> this Article at a regional or Union level, where appropriate. The competent authorities shall not require the standards laid down in this Article to be met based on infrastructure located only within its territory.</p>	<p><b>Reject</b></p>

<p>6. The competent authorities shall ensure that conditions for supplies to protected customers are established without prejudice to the proper functioning of the internal energy market and at a price respecting the market value of the supplies.</p>	<p><b>AM 86</b>  <b>5 a. When meeting the obligations under this Article, natural gas undertakings shall ensure that the delivery of gas is feasible.</b></p>		<p><i>Accept as part of Recital 16.</i></p>
	<p><b>AM 87</b>  <b>6 a. By ... [6 months after the date of entry into force of this Regulation] Member States shall establish measures to impose effective, proportionate and dissuasive fines on suppliers if they fail to comply with the supply standards laid down in paragraph 1.</b></p>		<p><i>Reject or move the idea to recital.</i></p>

	<u>Council has not yet finalised its position on this article</u>	
<p><i>Article 6</i> <b>Risk assessment</b></p> <p>1. The competent authorities of each region as listed in Annex I shall jointly make an assessment at regional level of all risks affecting the security of gas supply. The assessment shall take into account all relevant risks such as natural disasters, technological, commercial, social, political and other risks. The risk assessment shall be carried out by:</p>	<p><b>AM 88</b></p> <p>1. The competent authorities of each region as listed in Annex I shall, <i>in cooperation with any national regulatory authorities, jointly and after consulting the relevant stakeholders</i> make an assessment at regional level of all risks affecting the security of gas supply (<i>'risk assessment'</i>). The assessment shall take into account all relevant risks such as: natural disasters, technological, <b>geopolitical, environmental,</b> commercial, social, political and other risks. The risk assessment shall be carried out by:</p>	
	<p><b>AM 89</b></p> <p><i>(-a) taking into account and drawing appropriate conclusions from the results of the Union-wide simulation of supply and infrastructure scenarios carried out by ENTSO for Gas, after discussion in the Gas Coordination Group, as referred to in Article 10a.</i></p>	

<p>(a) using the standards specified in Articles 4 and 5. The risk assessment shall describe the calculation of the N – 1 formula at national level and include a calculation of the N-1 formula at regional level. The risk assessment shall also include the assumptions used, including those for the calculation of the N – 1 formula at regional level, and the data necessary for such calculation. The calculation of the N-1 formula at national level shall be accompanied by a simulation of the disruption of the single largest infrastructure using a hydraulic model as well as a calculation of the N-1 formula considering the level of gas in storages at 30% and 100% of the total capacity;</p>			
<p>(b) taking into account all relevant national and regional circumstances, in particular market size, network configuration, actual flows, including outflows from the Member States concerned, the possibility of physical gas flows in both directions including the potential need for consequent reinforcement of the transmission system, the presence of production and storage and the role of gas in the energy mixes, in particular with respect to district heating and electricity generation and for the operation of industries, and safety and gas quality considerations;</p>	<p><b>AM 90</b></p> <p>(b) taking into account all relevant national, <b>regional and inter-regional</b> circumstances, in particular market size, network configuration, <b>demand and consumption rate of existing infrastructure</b>, actual flows, including outflows from the Member States concerned, <b>all cross-border interconnections</b>, the possibility of physical gas flows in both directions including the potential need for consequent reinforcement of the transmission system, the presence of production and storage, <b>including the penetration of biogas into the gas</b></p>		



	<p><i>grid</i>, and the role of gas in the energy mixes, in particular with respect to <i>heating and cooling demand in the national or regional building stock and the district heating serving it</i>, and electricity generation and for the operation of industries, and safety and gas quality considerations;</p>		
<p>(c) running various scenarios of exceptionally high gas demand and supply disruption, taking into account the history, probability, season, frequency and duration of their occurrence and assessing their likely consequences, such as:</p>	<p><b>AM 91</b></p> <p>(c) running various scenarios of <b>demand reduction resulting from energy efficiency measures and</b> exceptionally high gas demand and supply disruption, taking into account the history, probability, season, frequency and duration of their occurrence and assessing their likely consequences, such as:</p>		
<p>(i) disruption of the infrastructure relevant for the security of supply, notably transmission infrastructure, storages or LNG terminals, including the largest infrastructure identified for the calculation of N-1 formula, and</p>			
<p>(ii) disruption of supplies from third country suppliers, as well as, where appropriate, geopolitical risks;</p>	<p><b>AM 92</b></p> <p>(ii) disruption of <i>gas</i> supplies, <i>inter alia</i> from third country suppliers, as well as, where appropriate, geopolitical risks <i>that may directly or indirectly affect the Member State by increased dependence or by one supplier achieving a dominant position on the Union gas market</i>;</p>		

	<p style="text-align: center;"><b>AM 93</b></p> <p><i>(ii a) ability to satisfy the demand of protected customers in the region during supply disruption from the single largest supplier from a third country;</i></p>		
<p>(d) identifying the interaction and correlation of risks among the Member States in the region and with other Member States, as appropriate, including, inter alia, as regards interconnections, cross-border supplies, cross-border access to storage facilities and bi-directional capacity;</p>	<p style="text-align: center;"><b>AM 94</b></p> <p><i>(d a) taking into account risks relating to the control of infrastructure relevant to security of gas supply by natural gas undertakings in a third country, which may involve, inter alia, risks of under-investment, undermining diversification, misuse of existing infrastructure or an infringement of Union law;</i></p>		
<p>(e) taking into account the maximal interconnection capacity of each border entry and exit point and various filling levels for storage.</p>	<p style="text-align: center;"><b>AM 95</b></p> <p><i>(e a) taking into account any relevant regional specificities.</i></p>		

	<p><b>AM 96</b></p> <p><i>1 a. The Commission may share experience gained in conducting a risk assessment in one region with other regions, where appropriate, and thereby contribute to ensuring also a cross-regional focus.</i></p>		
<p>2. The competent authorities within each region shall agree on a cooperation mechanism to conduct the risk assessment within the deadline provided for in paragraph 5 of this Article. Competent authorities shall report to the Gas Coordination Group on the agreed cooperation mechanism for conducting the risk assessment 18 months before the deadline for the adoption of the risk assessment and the updates of the risk assessment. The Commission may have a facilitating role overall in the preparation of the risk assessment, in particular for the establishment of the cooperation mechanism. If competent authorities within a region do not agree on a cooperation mechanism, the Commission may propose a cooperation mechanism for that region.</p>	<p><b>AM 97</b></p> <p><i>2. On the basis of the regional cooperation of Member States pursuant to Article 3(7), the competent authorities within each region shall agree on a cooperation mechanism to conduct the risk assessment within the deadline provided for in paragraph 5 of this Article. Competent authorities shall report to the Gas Coordination Group on the agreed cooperation mechanism for conducting the risk assessment 18 months before the deadline for the adoption of the risk assessment and the updates of the risk assessment. The Commission <b>shall</b> have a facilitating role overall in the preparation of the risk assessment, in particular for the establishment of the cooperation mechanism. If competent authorities within a region do not agree on a cooperation mechanism, the Commission <b>shall</b> propose a cooperation mechanism for that region.</i></p>		

<p>Within the agreed cooperation mechanism each competent authority shall share and update one year before the deadline for the notification of the risk assessment all necessary national data necessary for the preparation of the risk assessment, notably for running the various scenarios referred to in point (c) of paragraph 1.</p>	<p><b>AM 98</b></p> <p>Within the agreed cooperation mechanism each competent authority shall share and update one year before the deadline for the notification of the risk assessment all necessary national data necessary for the preparation of the risk assessment, <i>in particular</i> for running the various scenarios referred to in point (c) of paragraph 1.</p>		
<p>3. The risk assessment shall be prepared in accordance with the template in Annex IV. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates.</p>	<p><b>AM 99</b></p> <p>3. The risk assessment shall be prepared in accordance with the template in Annex IV. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates, <i>taking into account the Member States' implementation timeframes</i>.</p>		
<p>4. Natural gas undertakings, industrial gas customers, the relevant organisations representing the interests of household and industrial gas customers as well as Member States and the national regulatory authority, where it is not the competent authority, shall cooperate with the competent authorities and provide it upon request with all necessary information for the risk assessment.</p>			

<p>5. The risk assessment once agreed by all Member States in the region shall be notified to the Commission for the first time no later than on 1 September 2018. The risk assessment shall be updated every four years unless circumstances warrant more frequent updates. The risk assessment shall take account of progress made in investments needed to cope with the infrastructure standard defined in Article 4 and of country-specific difficulties encountered in the implementation of new alternative solutions. It shall also build on the experience acquired through the simulation of the emergency plans contained in Article 9 (2).</p>	<p><b>AM 100</b></p> <p>5. The risk assessment once agreed by all Member States in the region shall be notified to the Commission for the first time no later than on 1 September 2018. The risk assessment shall be updated every four years unless circumstances warrant more frequent updates. The risk assessment shall take account of progress made in investments needed to cope with the infrastructure standard defined in Article 4 and of country-specific difficulties encountered in the implementation of new alternative solutions <b>including inter-regional interconnections</b>. It shall also build on the experience acquired through the simulation of the emergency plans contained in Article 9 (2).</p>	
<p>6. By 1 November 2017 ENTSO for Gas shall carry out a Union wide simulation of supply and infrastructure disruption scenarios. The scenarios shall be defined by ENTSO for Gas in consultation with the Gas Coordination Group. The competent authorities shall provide ENTSO for Gas with the necessary data for the simulations such as peak demand values, production capacity and demand side measures. The competent authorities shall take into account the results of the simulations for the preparation of the risk assessments, preventive action plans and emergency plans.</p>	<p><b>AM 101</b></p> <p>6. The competent authorities shall take into account the results of the <b>Union-wide simulations carried out</b> by ENTSO for Gas in <b>accordance with Article 10a(1) for the preparation of the risk assessments, preventive action plans and emergency plans</b>. ENTSO for Gas shall lay out the methodology to be used for the simulation in a transparent manner and discuss it with the Gas Coordination Group. <b>ENTSO for Gas shall furthermore distribute information gained by the early warning mechanism on a regular</b></p>	

<p>The Union-wide simulation of supply and infrastructure disruption scenarios shall be updated every four years unless circumstances warrant more frequent updates.</p>	<p><i>basis among the Gas Coordination Group. ENTSO for Gas shall also take into account the results of the Union-wide simulations for identifying the necessary investments to be made in the internal energy market at regional at inter-regional level.</i></p>		
<p><i>Article 7</i> <b>Establishment of a preventive action plan and an emergency plan</b></p> <p>1. The competent authorities of the Member States of each region as listed in Annex I, after consulting the natural gas undertakings, the relevant organisations representing the interests of household and industrial gas customers, including electricity producers, and the national regulatory authorities, where they are not the competent authorities, shall establish jointly:</p>	<p><b>AM 102</b></p> <p><i>6 a. On the basis of all regional risk assessments, the Commission, in cooperation with the Gas Coordination Group, shall carry out an overall assessment for the Union as a whole and shall report the findings to the European Parliament and to the Council.</i></p>		
<p>1. The competent authorities of the Member States of each region as listed in Annex I, after consulting the natural gas undertakings, the relevant organisations representing the interests of household and industrial gas customers, including electricity producers, and the national regulatory authorities, where they are not the competent authorities, shall establish jointly:</p>	<p><b>AM 103</b></p> <p>1. The competent authorities of the Member States of each region, <i>in cooperation with any national regulatory authorities</i>, after consulting the natural gas undertakings, <i>transmission system operators for electricity</i>, the relevant organisations representing the interests of household and industrial gas customers, including electricity producers, <i>the relevant organisations managing the Member States' energy demand and energy dependence and the national environmental agencies</i>, shall establish jointly:</p>	<p><u>Council has not yet finalised its position on this article</u></p>	

<p>(a) a preventive action plan containing the measures to be adopted to remove or mitigate the risks identified in the region, including risks of purely national dimension, in accordance with the risk assessment undertaken pursuant to Article 6 and in accordance with Article 8; and</p>	<p><b>AM 104</b></p> <p>(a) a preventive action plan containing the measures <i>including energy efficiency and demand-side measures</i>, to be adopted to remove or mitigate the risks identified in the region, including risks of purely national dimension, in accordance with the risk assessment undertaken pursuant to Article 6 and in accordance with Article 8; and</p>		
<p>(b) an emergency plan containing the measures to be taken to remove or mitigate the impact of a gas supply disruption in the region, including events of purely national dimension, in accordance with Article 9.</p>	<p><b>AM 105</b></p> <p>(b) an emergency plan containing the measures, <i>including demand-side measures, such as closer coordination with the electricity sector</i>, to be taken to remove or mitigate the impact of a gas supply disruption in the region, including events of purely national dimension, in accordance with Article 9.</p>		
	<p><b>AM 106</b></p> <p><i>The preventive action plans and the emergency plans shall take into account the results of the Union wide simulations carried out by ENTSO for Gas, including those for the Emergency Supply Corridors.</i></p>		
<p>2. The competent authorities within each region shall agree on a cooperation mechanism sufficiently in time to establish the plans and allow for their notification and for the notification of the updated plans.</p>			

<p>The measures necessary to remove and mitigate risks of a purely national dimension as well as the measures to be taken to remove or mitigate the impact of events which, due to their limited size, are to be addressed at national level only, shall be developed by each competent authority of the region and included in the plans developed at regional level. Such national measures shall not hamper in any way the effectiveness of measures at regional level. Each competent authority shall also identify areas for regional cooperation and possible joint measures. The national measures together with the proposals for regional cooperation shall be shared with other competent authorities in the region one year before the deadline for the notification of the plans.</p>			
<p>Competent authorities shall regularly report to the Gas Coordination Group on the progress achieved on the preparation and adoption of the preventive action plans and the emergency plans. In particular competent authorities shall report to the Gas Coordination Group on the agreed cooperation mechanism 18 months before the deadline for the adoption of the plans and the updates of the plans. The Commission may have a facilitating role overall in the preparation of the plans, in particular for the establishment of the</p>	<p><b>AM 107</b></p> <p>Competent authorities shall regularly report to the Gas Coordination Group on the progress achieved on the preparation and adoption of the preventive action plans and the emergency plans. In particular competent authorities shall report to the Gas Coordination Group on the agreed cooperation mechanism 18 months before the deadline for the adoption of the plans and the updates of the plans. The Commission <i>shall</i> have a facilitating role overall in the preparation of the plans, in particular</p>		



<p>cooperation mechanism. If competent authorities within a region do not agree on a cooperation mechanism, the Commission may propose a cooperation mechanism for that region. They shall ensure the regular monitoring of the implementation of such plans.</p>	<p>for the establishment of the cooperation mechanism. If competent authorities within a region do not agree on a cooperation mechanism, the Commission <i>shall develop</i> a cooperation mechanism for that region. They shall ensure the regular monitoring of the implementation of such plans.</p>		
<p>3. The preventive action plan and the emergency plan shall be developed in accordance with the templates contained in Annex V. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates.</p>	<p><b>AM 108</b></p> <p>3. The preventive action plan and the emergency plan shall be developed in accordance with the templates contained in Annex V. The Commission shall be empowered to adopt delegated acts in accordance with Article 18 to amend those templates, <i>taking into account Member State implementation timeframes</i>.</p>		
<p>4. The preventive action plans and emergency plans shall be adopted by all Member States in the region, made public and notified to the Commission no later than on 1 March 2019. Such notification shall take place once the plans have been adopted by all Member States in the region. The Commission shall inform the Gas Coordination Group about the notification of the plans and publish them on the Commission website.</p>			

<p>5. Within four months of the notification by the competent authorities, the Commission shall assess those plans duly taking into account the peer review and the views expressed in the Gas Coordination Group. Annex VI shall apply for the procedure to carry out peer reviews.</p>			
<p>The Commission shall issue an opinion to the competent authorities of the region with the recommendation to review the relevant preventive action plan or emergency plan if the plan is considered to contain one of the following elements:</p>	<p><b>AM 109</b> The Commission shall issue an opinion to the competent authorities of the region with the recommendation to review the relevant preventive action plan or emergency plan if <i>it considers that the plan:</i></p>		
<p>(a) is not effective to mitigate the risks as identified in the risk assessment;</p>			
<p>(b) is inconsistent with the risk scenarios assessed or with the plans of another region;</p>			
<p>(c) may distort competition or hamper the functioning of the internal energy market;</p>			
<p>(d) does not comply with the provisions of this Regulation or other provisions of Union law;</p>			
<p>(e) endangers the security of gas supply of other Member States or of the Union as a whole.</p>			
	<p><b>AM 110</b> <i>(e a) is not in line with the Energy Union goals.</i></p>		

<p>6. Within three months of notification of the Commission's opinion referred to in paragraph 4, the competent authorities concerned shall notify the amended plan to the Commission, or shall inform the Commission of the reasons for which they do not agree with the recommendations.</p>	<p><b>AM 111</b></p> <p>6. Within three months of notification of the Commission's opinion referred to in paragraph 5, the competent authorities concerned shall notify the amended plan to the Commission, or shall inform the Commission of the reasons for which they do not agree with the recommendations.</p>		
<p>In the event of disagreement, the Commission may, within three months of the reply of the competent authorities, take a decision requiring the amendment of the relevant plan. The competent authorities shall adopt and publish the plan within three months of the notification of Commission decision.</p>			
<p>7. The confidentiality of commercially sensitive information shall be preserved.</p>			
<p>8. The preventive action plans and emergency plans developed under Regulation (EU) No 994/2010, updated as appropriate, shall remain in force until the preventive action plans and emergency plans referred to in paragraph 1 are established for the first time.</p>			

Article 8 Content of the preventive action plans		<u>Council has not yet finalised its position on this article</u>	
1. The preventive action plan shall contain:	1. The preventive action plan shall contain <i>all of the following</i> :		
(a) the results of the risk assessment and a summary of the scenarios considered as laid down in point (c) of Article 6(1);	<b>AM 112</b>		
(b) the definition of protected customers in each Member State of the region and the information described in the second subparagraph of Article 5(1);	(b) the information described in the second subparagraph of Article 5(1);		
(c) the measures, volumes and capacities needed to fulfil the infrastructure and supply standards in each Member State of the region, as laid down in Articles 4 and 5, including where applicable, the extent to which demand-side measures can sufficiently compensate, in a timely manner, for a supply disruption as referred to in Article 4(2), the identification of the single largest gas infrastructure of common interest in the case of application of Article 4(3), the necessary gas volumes per category of protected customers and per scenario as referred to in Article 5(1) and any increased supply standard under Article 5(2), including a justification of the compliance with the conditions set in Article 5(2) and a description of a mechanism to	(c) the measures, volumes and capacities needed to fulfil the infrastructure and supply standards in each Member State of the region, as laid down in Articles 4 and 5, including <i>the assessment of the potential for gas demand reduction and economy-wide energy efficiency measures</i> , where applicable, the extent to which demand-side measures can sufficiently compensate, in a timely manner, for a supply disruption as referred to in Article 4(2), the identification of the single largest gas infrastructure of common interest in the case of application of Article 4(3), the <i>identification of the single largest gas supplier, the necessary gas</i> volumes per category of protected customers and per scenario as referred		

<p>temporarily reduce any increased supply standard or additional obligation in accordance with Article 12;</p>	<p>to in Article 5(1) and any increased supply standard under Article 5(2), including <i>reasons for</i> the compliance with the conditions set in Article 5(2) and a description of a mechanism to temporarily reduce any increased supply standard or additional obligation in accordance with Article 12;</p>	
<p>(d) obligations imposed on natural gas undertakings and other relevant bodies likely to have an impact on security of gas supply, such as obligations for the safe operation of the gas system;</p>	<p><b>AM 115</b>  (d) obligations imposed on natural gas undertakings, <i>electricity undertakings where appropriate</i>, and other relevant bodies likely to have an impact on security of gas supply, such as obligations for the safe operation of the gas system;</p>	
<p>(e) the other preventive measures designed to address the risks identified in the risk assessment, such as those relating to the need to enhance interconnections between neighbouring Member States and the possibility to diversify gas routes and sources of supply, if appropriate, to address the risks identified in order to maintain gas supply to all customers as far as possible;</p>	<p><b>AM 116</b>  (e) the other preventive measures designed to address the risks identified in the risk assessment, <i>including the risks identified in the Union-wide simulation of supply and infrastructure disruptions as referred to in Article 10a. Such measures may be related</i> to the need to enhance interconnections between neighbouring Member States, <i>to further improve energy efficiency, to reduce gas demand</i> and the possibility to diversify gas routes and sources of supply, <i>to initiate or increase supply from alternative suppliers, inter alia, by way of voluntary demand aggregation, and to pool gas reserves, inter alia, via common virtual gas</i></p>	

	<p><i>reserves composed of different flexibility options available in different Member States, or to the utilization of storage facilities or LNG terminals at regional level, as appropriate, to address the risks identified in order to maintain gas supply to all customers for as long as possible;</i></p>		
<p>(f) information on the economic impact, effectiveness and efficiency of the measures contained in the plan, including the obligations referred to in point (k);</p>			
<p>(g) description of the effects of the measures contained in the plan on the functioning of the internal energy market as well as national markets, including the obligations referred to in point (k);</p>			
<p>(h) description of the impact of the measures on the environment and on consumers;</p>			
<p>(i) the mechanisms to be used for cooperation with other Member States, including the mechanisms for preparing and implementing preventive action plans and emergency plans;</p>			

<p>(j) information on existing and future interconnections, including those providing access to the gas network of the Union, cross-border flows, cross-border access to storage and LNG facilities and the bi-directional capacity, in particular in the event of an emergency;</p>	<p><b>AM 117</b></p> <p>(i) information on existing and future interconnections, including those providing access to the gas network of the Union, cross-border flows, cross-border access to storage and LNG facilities and the bi-directional capacity, in particular in the event of an emergency, <i>as well as calculations and impact assessments to compare the possibility to reduce the need for these supply-side infrastructural investments through demand-side measures in a cost-effective manner;</i></p>		
<p>(k) information on all public service obligations that relate to security of gas supply.</p>	<p><b>AM 118</b></p> <p>(k a) <i>information on opportunities offered by decentralised, sustainable and affordable solutions and alternative sources of energy to ensure security of supply, such as renewable energy sources, including biogas, as well as energy efficiency measures.</i></p>		

<p>2. The preventive action plan, in particular the actions to meet the infrastructure standard as laid down in Article 4, shall take into account the Union-wide 10-year network development plan to be elaborated by the ENTSG for Gas pursuant to Article 8(10) of Regulation (EC) No 715/2009.</p>	<p><b>AM 119</b></p> <p>2. The preventive action plan, in particular the actions to meet the infrastructure standard as laid down in Article 4, shall take into account the Union-wide 10-year network development plan to be elaborated by the ENTSG for Gas pursuant to Article 8(10) of Regulation (EC) No 715/2009 <i>and, in addition, may take advantage of the technical and operational expertise provided by the RCSG of the ENTSG for Gas and emergency supply corridors.</i></p>	
<p>3. The preventive action plan shall be based primarily on market measures and shall not put an undue burden on natural gas undertakings, or negatively impact on the functioning of the internal market in gas.</p>		
<p>4. The Member States shall carry out an impact assessment on all preventive non-market based measures to be adopted after the entry into force of this Regulation, including the measures to comply with the supply standard set out in Article 5(1) and the measures for the increased supply standard set out in Article 5(2). Such impact assessment shall cover at least the following:</p>	<p><b>AM 120</b></p> <p>4. The <i>competent authorities, or, where Member States so provide, their national regulatory authorities</i>, shall carry out an impact assessment on all preventive non-market based measures to be adopted <i>or maintained</i> after the entry into force of this Regulation, including the measures to comply with the supply standard set out in Article 5(1) and the measures for the increased supply standard set out in Article 5(2). <i>That</i> impact assessment shall cover at least the following:</p>	



<p>(a) impact of the proposed measure on the development of the national gas market and competition at national level;</p>	<p><b>AM 121</b>  <i>the</i> impact of the proposed measure on the development of the national gas market and competition at national level;</p>		
<p>(b) impact of the proposed measures on the internal gas market;</p>	<p><b>AM 122</b>  <i>the</i> impact of the proposed measures on the internal gas market;</p>		
<p>(c) potential impact on the security of gas supply of neighbouring Member States, notably for those measures that could reduce the liquidity in regional markets or restrict flows to neighbouring Member States;</p>			
<p>(d) the costs and benefits of the measures, assessed against alternative market based-measures;</p>			
<p>(e) assessment of necessity and proportionality of the measure in comparison with possible market based measures;</p>			
<p>(f) openness of the measure, in order to ensure equal possibilities for all market participants;</p>			
<p>(g) phase-out strategy, the expected duration of the envisaged measure and an appropriate review calendar.</p>			
<p>The analysis referred to in points (a) and (b) shall be carried out by the national regulatory authorities.</p>			

<p>5. The impact assessment and the adopted measures shall be published by the competent authority and shall be notified to the Commission. Within four months of the notification the Commission shall take a decision and may require the Member States to amend the adopted measures. That period shall begin on the day following the receipt of a complete notification. The period may also be extended with the consent of both the Commission and the Member State.</p>			
<p>The Commission may take a decision requiring the amendment or withdrawal of a measure where a measure is:</p>			
<p>(a) likely to distort the Union internal market;</p>			
<p>(b) likely to distort the development of the national gas market;</p>			
<p>(c) not necessary or proportionate to ensure security of supply; or</p>			
<p>(d) likely to jeopardize the security of supply of other Member States.</p>			
<p>The adopted measure shall only enter into force when it is approved by the Commission or has been amended in accordance with the Commission decision.</p>			

<p>6. The preventive action plan shall be updated every four years after 1 March 2019, unless circumstances warrant more frequent updates or at the Commission's request. The updated plan shall reflect the updated risk assessment and the results of the tests carried out in accordance with Article 9 (2). Article 7(3) to (7) shall apply to the updated plan.</p>			
<p><i>Article 9</i> <b>Content of the emergency plan</b></p>		<p><b>Council has not yet finalised its position on this article</b></p>	
<p>I. The emergency plan shall:</p> <p>(a) build upon the crisis levels set out in Article 10(1);</p> <p>(b) define the role and responsibilities of natural gas undertakings and of industrial gas customers including relevant electricity producers, taking account of the different extent to which they are affected in the event of gas supply disruptions, and their interaction with the competent authorities and where appropriate with the national regulatory authorities at each of the crisis levels defined in Article 10(1);</p>	<p><b>AM 123</b></p> <p>(b) define the role and responsibilities of natural gas undertakings, <i>transmission system operators for electricity if relevant</i> and of industrial gas customers including relevant electricity producers, taking account of the different extent to which they are affected in the event of gas supply disruptions, and their interaction with the competent authorities and where appropriate with the national regulatory authorities at each of the crisis levels defined in Article 10(1);</p>		

<p>(c) define the role and responsibilities of the competent authorities and of the other bodies to which tasks have been delegated as referred to in Article 3(2) at each of the crisis levels defined in Article 10(1);</p>			
<p>(d) ensure that natural gas undertakings and industrial gas customers including relevant electricity producers are given sufficient opportunity to respond at each crisis level;</p>			
<p>(e) identify, if appropriate, the measures and actions to be taken to mitigate the potential impact of a gas supply disruption on district heating and the supply of electricity generated from gas;</p>	<p><b>AM 124</b></p> <p>(e) identify, if appropriate, the measures and actions to be taken to mitigate the potential impact of a gas supply disruption on district heating and the supply of electricity generated from gas, <i>in particular through an integrated view of energy systems operations across electricity and gas if relevant;</i></p>		
<p>(f) establish detailed procedures and measures to be followed for each crisis level, including the corresponding schemes on information flows;</p>			
<p>(g) designate a crisis manager or team and define its role;</p>	<p><b>AM 125</b></p> <p>(g) designate a crisis manager or team and define its role, <i>including cooperation with the RCSG of the ENTSO for Gas in handling the technical and operational tasks identified as appropriate for the specific situation;</i></p>		

<p>(h) identify the contribution of market-based measures for coping with the situation at alert level and mitigating the situation at emergency level;</p>	<p><b>AM 126</b>  (h) identify the contribution of market-based measures, <b>including voluntary demand aggregation</b>, for coping with the situation at alert level and mitigating the situation at emergency level;</p>		
<p>(i) identify the contribution of non-market based measures planned or to be implemented for the emergency level, and assess the degree to which the use of such non-market based measures is necessary to cope with a crisis. The effects of the non-market based measures shall be assessed and procedures for their implementation defined. Non-market based measures are to be used only when market-based mechanisms alone can no longer ensure supplies, in particular to protected customers, or for the application of Article 12;</p>	<p><b>AM 127</b>  <i>(i a) describe supply restriction orders that would apply at an emergency level;</i>  <b>AM 128</b>  <i>(i b) describe possible measures arising from the Emergency Supply Corridor assessment referred to in Article 10a;</i></p>		

	<p><b>AM 129</b>  <i>(i c) describe the mechanism in place for the exchange of information concerning gas supply in the case of an emergency, based on the Emergency Supply Corridor assessment, including, if appropriate, the use of existing mechanisms such as the RCSG developed by ENTSO for Gas.</i></p>		
<p>(j) describe the mechanisms used to cooperate with other Member States for each crisis level;</p> <p>(k) detail the reporting obligations imposed on natural gas undertakings at alert and emergency levels;</p>	<p><b>AM 130</b>  (k) detail the reporting obligations imposed on natural gas undertakings <b>and, where appropriate, electricity undertakings</b> at alert and emergency levels;</p>		
<p>(l) describe the technical or legal arrangements in place to prevent undue gas consumption of non-protected customers who are connected to a gas distribution or transmission network;</p> <p>(m) describe the technical and financial arrangements in place to apply the solidarity obligations laid down in Article 12;</p>			

<p>(n) establish a list of predefined actions to make gas available in the event of an emergency, including commercial agreements between the parties involved in such actions and the compensation mechanisms for natural gas undertakings where appropriate, taking due account of the confidentiality of sensitive data. Such actions may involve cross-border agreements between Member States and/or natural gas undertakings.</p>		
<p>2. The measures, actions and procedures contained in the emergency plan shall be tested at least twice between its regular four-year updates referred to in paragraph 3. In order to test the emergency plan, Member States shall simulate high and medium impact scenarios and responses in real time in accordance with their emergency plan. The results of the tests shall be presented at the Gas Coordination Group by the competent authorities.</p>		
<p>3. The emergency plan shall be updated every four years after 1 March 2019, unless circumstances warrant more frequent updates or at the Commission's request. The updated plan shall reflect the updated risk assessment and the conclusions of the tests carried out in accordance with paragraph 2. Article 7(3) to (7) shall apply to the updated plan.</p>		

<p>4. The emergency plan shall ensure that cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible in the event of an emergency and shall not introduce any measure unduly restricting the flow of gas across borders.</p>			
<p><i>Article 10</i> <b>Declaration of crisis</b></p>		<p><b><u>Council has not yet finalised its position on this article</u></b></p>	
<p>1. The three crisis levels shall be as follows:</p> <p>(a) early warning level (early warning): when there is concrete, serious and reliable information that an event may occur which is likely to result in significant deterioration of the supply situation and is likely to lead to the alert or the emergency level being triggered; the early warning level may be activated by an early warning mechanism;</p>			
<p>(b) alert level (alert): when a supply disruption or exceptionally high gas demand occurs which results in significant deterioration of the supply situation, but the market is still able to manage that disruption or demand without the need to resort to non-market measures;</p>			



<p>(c) emergency level (emergency): in the event of exceptionally high gas demand, significant supply disruption or other significant deterioration of the supply situation and in the event that all relevant market measures have been implemented but the supply of gas is insufficient to meet the remaining gas demand so that non-market measures have to be additionally introduced with a view, in particular, to safeguarding supplies of gas to protected customers according to Article 5.</p>		
<p>2. When the competent authority declares any of the crisis levels referred to in paragraph 1, it shall immediately inform the Commission and provide it with all the necessary information, in particular with information on the action it intends to take. In the event of an emergency which may result in a call for assistance from the Union and its Member States, the competent authority of the Member State concerned shall without delay notify the Commission's Emergency Response Coordination Centre.</p>		

<p>3. When the competent authority declares an emergency, it shall follow the pre-defined action as set out in its emergency plan and shall immediately inform the Commission and the competent authorities in the region in particular of the action it intends to take. In duly justified exceptional circumstances, the competent authority may take action deviating from the emergency plan. The competent authority shall immediately inform the Commission and the competent authorities in the region of any such action and shall provide a justification therefore.</p>			
<p>4. The Member States and, in particular, the competent authorities shall ensure that:</p>			
<p>(a) no measures are introduced which unduly restrict the flow of gas within the internal market at any time;</p>			
<p>(b) no measures are introduced that are likely to endanger seriously the gas supply situation in another Member State; and</p>			
<p>(c) cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible, in accordance with the emergency plan.</p>			

	<p><b>AM 131</b></p> <p><i>4 a. Emergency measures shall provide for the supply of the available natural gas to final consumers according to the degree of urgency, substitutability by other energy forms and economic impact, while having regard to safeguarding gas supply to protected customers, and shall take due account of the supply situation in the electricity sector.</i></p>		
	<p><b>AM 132</b></p> <p><i>4 b. During an emergency and on reasonable grounds, a Member State may decide to prioritise the gas supply to certain critical gas-fired power plants over the supply to certain categories of protected customers. That measure shall be based on the risk assessment provided for in Article 6 and shall apply only where the lack of gas supply to such critical gas-fired power plants would significantly deteriorate or impede supply of the remaining gas to protected customers as a result of severe damages in the functioning of the electricity system. Such critical gas-fired power plants shall be identified by the transmission system operators of the electricity system in coordination with the transmission system operators of the gas system.</i></p>		

<p>5. The Commission shall verify, as soon as possible, but in any case within five days of receiving the information of the competent authority referred to in paragraph 2, whether the declaration of an emergency is justified in accordance with point (c) of paragraph 1 and whether the measures taken follow as closely as possible the actions listed in the emergency plan and are not imposing an undue burden on natural gas undertakings and are in accordance with paragraph 4. The Commission may, at the request of a competent authority, natural gas undertakings or on its own initiative, request the competent authority to modify the measures where they are contrary to the conditions referred to in the first sentence of this paragraph. The Commission may also request the competent authority to lift the declaration of emergency where it considers that such declaration is not or no longer justified according to point (c) of paragraph 1.</p>			
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<p>Within three days of the notification of the Commission request, the competent authority shall modify the measures and notify the Commission thereof, or shall inform the Commission of the reasons for which it does not agree with the request. In that case, the Commission may within three days amend or withdraw its request or, in order to consider the issue, convene the competent authority or, where appropriate, the competent authorities concerned, and, where the Commission deems it necessary, the Gas Coordination Group. The Commission shall set out its detailed reasoning for requesting any changes to the action. The competent authority shall take full account of the position of the Commission. Where the final decision of the competent authority diverges from the Commission position, the competent authority shall provide the reasoning underlying such decision.</p>			
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	<p style="text-align: center;"><b>AM 133</b></p> <p><b>Article 10 a</b> <b>Emergency Supply Corridors</b></p>		
	<p><i>By 30 April 2017, ENTSO for Gas shall propose supply and infrastructure disruption scenarios to be discussed and established after consulting the Gas Coordination Group. That proposal shall at least include the disruption scenarios simulated in the latest Union-wide ten-year network development plan for each of the main import corridors and in each of the cases listed in Article 5(1).</i></p>		
	<p><i>By 1 November 2017, ENTSO for Gas shall carry out a Union-wide simulation of supply and infrastructure disruption scenarios, as established after consulting the Gas Coordination Group. The competent authorities shall provide ENTSO for Gas with the necessary data for the simulations such as peak demand values, production capacity and demand side measures.</i></p>		

	<p><i>As part of the Union-wide simulation, ENTSO for Gas shall identify and assess the Emergency Supply Corridors, which complement and facilitate the regional approach as referred to in Annex I, along which gas can flow between regions in order to prevent fragmentation of the internal gas market. The results of that assessment shall be discussed in the Gas Coordination Group.</i></p>		
	<p><i>The Union-wide simulation and the Emergency Supply Corridors shall be updated every four years, unless circumstances warrant more frequent updates.</i></p>		
	<p><i>In the event of a declared emergency the Member States on the Emergency Supply Corridors shall ensure that all essential information is provided as regards the gas supply, in particular, available gas quantities, possible modalities and sources for gas channelling to the Member States having declared the emergency. Member States positioned on the Emergency Supply Corridor shall ensure that no measures prevent the supply of gas to the Member States that have declared the emergency.</i></p>		

<p><i>Article 11</i> <b>Regional and Union emergency responses</b></p>	<p>1. At the request of a competent authority that has declared an emergency and following the verification in accordance with Article 10(5), the Commission may declare a regional or Union emergency. At the request of at least two competent authorities that have declared an emergency and following the verification in accordance with Article 10(5), and where the reasons for these emergencies are linked, the Commission shall declare, as appropriate, a regional or Union emergency. In all cases, the Commission, using the means of communication most appropriate to the situation, shall gather the views of, and take due account of all the relevant information provided by the other competent authorities. When it assesses that the underlying basis for the regional or Union emergency no longer justifies a declaration of emergency, the Commission shall declare an end to the regional or Union emergency. In all cases, the Commission shall give its reasons and inform the Council of its decision.</p>			<p><u>Council has not yet finalised its position on this article</u></p>	
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<p>2. The Commission shall convene the Gas Coordination Group as soon as it declares a regional or Union emergency. During the regional or Union emergency, at the request of at least three Member States, the Commission may restrict participation in the Gas Coordination Group, for an entire meeting or part thereof, to the representatives of the Member States and the competent authorities.</p>			
<p>3. In a regional or Union emergency, the Commission shall coordinate the action of the competent authorities, taking full account of relevant information from, and the results of, the consultation of the Gas Coordination Group. In particular, the Commission shall:</p>	<p><b>AM 134</b></p> <p>3. In a regional or Union emergency, the Commission shall coordinate the action of the competent authorities, taking full account of relevant information from, and the results of, the consultation of the Gas Coordination Group <i>and, if appropriate, involve the RCSG of the ENTSO for Gas</i>. In particular, the Commission shall:</p>		
<p>(a) ensure the exchange of information;</p>			
<p>(b) ensure the consistency and effectiveness of action at Member State and regional levels in relation to the Union level;</p>			
<p>(c) coordinate the actions with regard to third countries.</p>			

<p>4. The Commission may convene a crisis management group composed of the crisis managers referred to in point (g) of Article 9(1), of the Member States concerned by the emergency. The Commission, in agreement with the crisis managers, may invite other relevant stakeholders to participate. The Commission shall ensure that the Gas Coordination Group is regularly informed about the work undertaken by the crisis management group.</p>			
<p>5. The Member States and in particular the competent authorities shall ensure that:</p>			
<p>(a) no measures are introduced which unduly restrict the flow of gas within the internal market at any time, notably the flow of gas to the affected markets;</p>			
<p>(b) no measures are introduced that are likely to endanger seriously the gas supply situation in another Member State; and</p>			
<p>(c) cross-border access to infrastructure in accordance with Regulation (EC) No 715/2009 is maintained as far as technically and safely possible, in accordance with the emergency plan.</p>			

<p>6. Where, at the request of a competent authority or a natural gas undertaking or on its own initiative, the Commission considers that, in a regional or Union emergency, an action taken by a Member State or a competent authority or the behaviour of a natural gas undertaking is contrary to paragraph 5, the Commission shall request that Member State or competent authority to change its action or to take action in order to ensure compliance with paragraph 5, informing it of the reasons therefor. Due account shall be taken of the need to operate the gas system safely at all times.</p>			
<p>Within three days of notification of the Commission request, the Member State or the competent authority shall change its action and notify the Commission or shall set out to the Commission the reasons for which it does not agree with the request. In that case, the Commission may within three days amend or withdraw its request or convene the Member State or the competent authority and, where the Commission deems it necessary, the Gas Coordination Group in order to consider the issue. The Commission shall set out its detailed reasoning for requesting any changes to the action. The Member State or the competent authority shall take full account of the position of the Commission. Where the</p>			

<p>final decision of the competent authority or the Member State diverges from the Commission position, the competent authority or the Member State shall provide the reasoning underlying such decision.</p>			
	<p><b>AM 135</b> <b>6 a. Upon receipt of a notification from a competent authority of the Member State, or on its own initiative, the Commission shall use appropriate external policy tools to prevent the deterioration of the situation in gas supply.</b></p>		
<p>7. The Commission, after consulting the Gas Coordination Group, shall establish a permanent reserve list for a monitoring task force consisting of industry experts and representatives of the Commission. This monitoring task force may be deployed outside the Union when necessary and shall monitor and report on the gas flows into the Union, in cooperation with the supplying and transiting third countries.</p>			
<p>8. The competent authority shall provide to the Commission's Emergency Response Coordination Centre (ERCC) the information on any need for assistance. ERCC shall assess the overall situation and advise on the assistance that should be provided to the most affected Member States, and where appropriate to third countries.</p>			

	<u>Council has not yet finalised its position on this article</u>	
<p><i>Article 12</i> <b>Solidarity</b></p> <p>1. Where a Member State has declared the emergency crisis level in accordance with Article 10(1) any increased supply standard or additional obligation imposed on natural gas undertakings in other Member States under Article 5(2) shall be temporarily reduced to the level established in Article 5(1).</p>	<p><b>AM 136</b></p> <p>1. Where a Member State has declared an emergency in accordance with Article 10(1) <i>and has proved that all the measures described in the emergency plan of its region have been used and that all the technical and commercial terms laid down in the emergency plan have been met,</i> any increased supply standard or additional obligation imposed on natural gas undertakings in other Member States under Article 5(1a) and (2) shall be temporarily reduced to the level established in <i>the first subparagraph of Article 5(1).</i></p>	
		<p><b>AM 137</b></p> <p><i>1 a. A Member State, in which an emergency has been declared and which, despite having implemented the measures provided for in the emergency plan, is not able to supply gas to protected customers, may call for solidarity measures to apply.</i></p>

<p>2. As long as the supply to households, essential social services and district heating installations in the Member State having declared the emergency is not satisfied, despite the application of the measure in paragraph 1, the gas supply to customers other than households, essential social services and district heating installations in any other Member State, directly connected to the Member State which declared the emergency, shall not continue to the extent necessary to supply the households, essential social services and district heating installations in the Member States having declared the emergency.</p>	<p style="text-align: center;"><b>AM 138</b></p> <p>2. As long as <i>gas</i> supply to <i>protected customers</i> in the Member State <i>that has called for</i> the application of <i>solidarity measures</i> is <i>not satisfied</i>, the gas supply to customers other than <i>protected customers</i> in any other Member State, <i>connected directly or indirectly via a third country to that Member State</i>, shall not continue to the extent necessary to supply the <i>protected customers in the Member State having called for the application of solidarity measures</i>.</p>	
<p>The first subparagraph shall apply to essential social services and district heating installations to the extent they are covered by the definition of protected customers in the respective Member State.</p>	<p style="text-align: center;"><b>AM 139</b></p> <p><i>deleted</i></p>	
<p>3. The competent authorities shall adopt the necessary measures, so that gas not supplied to customers other than households, essential social services and district heating installations in their territory in the situation described in paragraph 2 can be supplied to the Member State in the emergency situation described in the same paragraph for the supply to households, essential social services and district heating installations in that Member State.</p>	<p style="text-align: center;"><b>AM 140</b></p> <p>3. The competent authorities shall adopt the necessary measures, so that gas not supplied to customers other than <i>protected customers</i> in their territory in the situation described in paragraph 2 can be supplied to the Member State in the emergency situation described in the same paragraph.</p>	

<p>4. The technical, legal and financial arrangements for the application of paragraph 3 shall be agreed among the Member States which are directly connected to each other and described in the emergency plans of their respective regions. Such arrangements may cover, among others, gas prices to be applied, use of interconnectors, including bi-directional capacity, gas volumes and the coverage of compensation costs. Market-based measures such as auctions shall be preferred for the implementation of the obligation laid down in paragraph 3. In case the technical, legal and financial arrangements necessary to apply paragraph 3 are amended, the relevant emergency plan shall be updated accordingly.</p>	<p><b>AM 141</b></p> <p>4. The technical, legal and financial arrangements for the application of paragraph 3 shall be agreed among the Member States which are directly connected to each other and described in the emergency plans of their respective regions. Such arrangements <i>shall</i> cover, among others, gas prices to be applied, use of interconnectors, including <i>guaranteed</i> bi-directional capacity, gas volumes and the coverage of compensation costs. <i>The Agency for Cooperation of Energy Regulators (ACER) may act as a facilitator in calculating the compensation costs, which shall be market based. The solidarity mechanism shall be a mechanism of a last resort, with appropriate compensation minimising the consequences to involved market parties.</i> Market-based measures such as auctions shall be preferred for the implementation of the obligation laid down in paragraph 3. <i>The gas prices and compensation costs and mechanisms referred to in this paragraph shall reflect market conditions and shall be reviewed regularly, including during emergency situations. If the technical, legal and financial arrangements necessary to apply paragraph 3 are amended, the relevant emergency plan shall be updated accordingly. The</i></p>	
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<p>5. Paragraph 2 shall apply as of 1 March 2019.</p> <p>6. If the Member States do not agree on the necessary technical, legal and financial arrangements, the Commission may propose a framework for such measures in its opinion and decision on the plans.</p>	<p><i>Commission shall prepare guidelines for templates for the solidarity measures, including model clauses, and shall publish them by ... [date of entry into force of the solidarity mechanism].</i></p> <p><b>AM 142</b> Paragraph 2 shall apply as of 1 October 2018.</p> <p><b>AM 143</b> If the Member States do not agree on the necessary technical, legal, financial and commercial arrangements, the Commission shall develop a framework for such measures in accordance with paragraph 4.</p>		
<p><i>Article 13</i> <b>Information exchange</b></p> <p>1. During an emergency, the natural gas undertakings concerned shall make available in particular the following information to the competent authority on a daily basis:</p> <p>(a) daily gas demand and supply forecasts for the following three days;</p> <p>(b) daily flow of gas at all cross-border entry and exit points as well as all points connecting a production facility, a storage facility or an LNG terminal to the network, in million cubic meters per day (mcm/d);</p>	<p><b>AM 144</b> <i>Compilation of information</i></p>	<p><u>Council has not yet finalised its position on this article</u></p>	



<p>(c) the period, expressed in days, for which it is expected that gas supply to the protected customers can be ensured.</p>			
<p>2. In the event of a regional or Union emergency, the Commission is entitled to request that the competent authority provide it without delay with at least:</p>			
<p>(a) the information set out in paragraph 1;</p>			
<p>(b) information on the measures planned to be undertaken and already implemented by the competent authority to mitigate the emergency, and information on their effectiveness;</p>	<p><b>AM 145</b> (b) information on the measures planned to be undertaken and already implemented by the competent authority to mitigate the emergency, <b>including demand-side measures</b>, and information on their effectiveness;</p>		
<p>(c) the requests made for additional measures to be taken by other competent authorities;</p>			
<p>(d) the measures implemented at the request of other competent authorities.</p>			
<p>3. After an emergency, the competent authority shall, as soon as possible and at the latest six weeks after the lifting of the emergency, provide to the Commission a detailed assessment of the emergency and the effectiveness of the implemented measures, including an assessment of the economic impact of the emergency, the impact on the electricity sector and the assistance provided to or received</p>			

<p>from, the Union and its Member States. Such assessment shall be made available to the Gas Coordination Group and shall be reflected in the updates of the preventive action plans and the emergency plans.</p>			
<p>The Commission shall analyse the assessments of the competent authorities and shall inform the Member States, the European Parliament and the Gas Coordination Group of the results of its analysis in an aggregated form.</p>			
<p>4. In duly justified circumstances irrespective of a declaration of emergency, the competent authority may require gas undertakings to provide the information referred to in paragraph 1 or additional information necessary to assess the overall situation of the gas supply in the Member State or other Member States, including contractual information. The Commission may request from the competent authorities the information provided by natural gas undertakings.</p>	<p>4. Irrespective of a declaration of emergency, the competent authority may require <b>natural</b> gas undertakings to provide the information referred to in paragraph 1 or additional information necessary to assess the overall situation of the gas supply in the Member State or other Member States, including contractual information. The Commission may request from the competent authorities the information provided by natural gas undertakings. <b><i>The Commission and the competent authorities shall refrain from unnecessary administrative burden, especially from duplication of information disclosure obligations.</i></b></p>		

<p>5. Where the Commission considers that the gas supply in a region or the Union as whole is affected or is likely to be affected it may require the competent authorities to collect and submit to the Commission information necessary to assess the situation of the gas supply in the Union. The Commission may share its assessment with the Gas Coordination Group.</p>	<p><b>AM 147</b></p> <p>5. Where the Commission considers that the gas supply in a region or the Union as whole is affected or is likely to be affected it may require the competent authorities to collect and submit to the Commission information necessary to assess the situation of the gas supply in the Union. The Commission <i>shall</i> share its assessment with the Gas Coordination Group.</p>	
<p>6. In order for the Competent Authorities and the Commission to assess the situation of the security of supply at national, regional and Union level, natural gas undertakings shall notify:</p>		
<p>(a) to the competent authorities concerned the following details of gas supply contracts with a duration of more than 1 year:</p>	<p><b>AM 148</b></p> <p>(a) to the competent authorities concerned, <i>and to any national regulatory authorities</i>, the following details of gas supply contracts with a duration of more than 1 year:</p>	
<p>(i) contract duration;</p>		
<p>(ii) contracted volumes in total, on an annual basis and the average volume per month;</p>		
<p>(iii) contracted maximum daily volumes in the event of an alert or emergency;</p>		
<p>(iv) contracted delivery points;</p>		
<p>(v) minimum daily, monthly and yearly gas volumes;</p>		

<p>(vi) conditions for the suspension of gas deliveries.</p>	<p><b>AM 149</b> <i>price;</i></p> <p><b>AM 150</b> conditions for the <i>renegotiation and</i> suspension of gas deliveries.</p>	
<p>(b) to the competent authority and to the Commission immediately after their conclusion or modification the gas supply contracts with a duration of more than 1 year concluded or modified after [OP: Please insert the date of entry in force of this Regulation] that individually or cumulatively with other contracts with the same supplier or its affiliates provide more than 40% of yearly natural gas consumption in the Member State concerned. The notification obligation shall not apply to the modifications related only to the gas price. The notification obligation shall also apply to all commercial agreements relevant for the execution of the gas supply contract.</p>	<p><b>AM 151</b> to the competent authority and to the Commission immediately after their conclusion or modification the gas supply contracts with <i>the same supplier from a third country or from its affiliates, with</i> a duration of more than 1 year concluded or modified after <i>20 March 2015 that individually or cumulatively with contracts of other natural gas undertakings on the same market</i> with the same supplier or its affiliates provide more than 40% of <i>total annual gas imports from third countries</i> to the Member State concerned. The notification obligation shall <i>also</i> apply to the gas price. The notification obligation shall also apply to all <i>existing and new</i> commercial agreements relevant for the execution of the gas supply contract. <i>To that end, the national regulatory authorities shall monitor the market supply structure and inform the relevant natural gas undertakings once the 40 % threshold is exceeded.</i></p>	

<p>The competent authority shall notify the data listed in point (a) of the first subparagraph to the Commission by the end of September each year.</p>	<p><b>AM 152</b></p> <p>The competent authority shall notify the data listed in point (a) of <i>this paragraph</i> to the Commission by the end of September each year. <i>The Commission shall aggregate the data notified by grouping Member States with similar third-country supplier patterns, in order to create contractual benchmarks to be used by relevant natural gas undertakings.</i></p>		
	<p><b>AM 153</b></p> <p><i>6 a. Contracts with suppliers from the EEA countries are excluded from the notification obligation provided for in paragraph 6.</i></p>		
	<p><b>AM 154</b></p> <p><i>6 b. The Commission shall use the data collected to calculate the average gas price paid by natural gas undertakings in each region as defined in Annex I and in the Union as a whole. The results obtained shall be made public every two years.</i></p>		
<p>7. In duly justified circumstances, where the competent authority or the Commission considers that a gas supply contract not covered by paragraph 6(b) of this Article might affect the security of supply of a Member State, region or of the Union as whole, the competent authority of the Member State where the natural gas undertaking who has concluded the contract operates or the Commission may request the natural gas</p>	<p><b>AM 155</b></p> <p>7. In duly justified circumstances, Where the competent authority or the Commission considers that a gas supply contract not covered by paragraph 6(b) of this Article might affect the security of <i>gas</i> supply of a Member State, region or of the Union as whole, the competent authority of the Member State where the natural gas undertaking <i>that</i> has concluded the contract operates or the Commission</p>		

<p>undertaking to provide the contract for the assessment of its impact on security of supply. The request may cover also any other commercial agreements relevant for the execution of the gas supply contract.</p>	<p><i>shall</i> request the natural gas undertaking to provide the contract for the assessment of its impact on <i>the</i> security of gas supply. The request may cover also any other commercial agreements relevant for the execution of the gas supply contract <i>or commercial agreements for the development and operation of infrastructure.</i></p>		
	<p style="text-align: center;"><b>AM 156</b></p> <p><i>7 a. By ... [6 months after the date of entry into force of this Regulation], the competent authority shall establish measures to impose fines on natural gas undertakings if they fail to comply with paragraph 6 or 7. Such fines shall be effective, proportionate and dissuasive.</i></p>		
<p>8. The competent authority shall take into account the information received under this article in the preparation of the risk assessment, preventive action plan and emergency plan or their respective updates. The Commission may adopt a decision requesting the competent authority to amend the plans on the basis of the information received under this article.</p>			

**AM 157**

**8 a.** *If the Commission finds the terms of a gas supply contract to infringe the provisions of this Regulation, it may consider launching further procedure, inter alia under Union competition law. The Commission shall inform the natural gas undertaking concerned and relevant competent authority of the incompatibility of the terms of the gas supply contract with provisions of this Regulation and request that terms of the contract be amended. The natural gas undertaking or the relevant competent authority shall, within three months of the receipt of the request, notify the amendment to the Commission or shall inform the Commission of the reasons why it does not agree with the request. The Commission shall, within three months of the receipt of the natural gas undertaking's reply, amend, withdraw or confirm its request. The Commission shall give detailed reasons for its decision. The competent authority shall, by ... [ six months after the date of entry into force of this Regulation ], establish measures to impose fines on natural gas undertakings if they fail to comply with the request. Such fines shall be effective, proportionate and dissuasive in the light of the scope of non-compliance and potential benefits to the natural gas undertakings concerned which might be gained due to non-compliance.*

<p>9. The competent authorities and the Commission shall preserve the confidentiality of commercially sensitive information.</p>	<p><b>AM 158</b></p> <p>The competent authorities and the Commission shall <i>guarantee the strict</i> confidentiality of commercially sensitive information <i>made available by applying the provisions of this Article.</i></p>	
<p><i>Article 14</i></p> <p><b>Gas Coordination Group</b></p>		
<p>1. A Gas Coordination Group is established to facilitate the coordination of measures concerning security of gas supply. The Group shall be composed of representatives of the Member States, in particular of their competent authorities, as well as the Agency for the Cooperation of Energy Regulators (the "Agency"), the ENTSO for Gas and representative bodies of the industry concerned and those of relevant customers. The Commission shall, in consultation with the Member States, decide on the composition of the Group, ensuring it is fully representative. The Commission shall chair the Group. The Group shall adopt its rules of procedure.</p>	<p><b>AM 159</b></p> <p>1. A Gas Coordination Group is established to facilitate the coordination of measures concerning security of gas supply. The Group shall be composed of representatives of the Member States, in particular of their competent authorities <i>and any national regulatory authorities</i>, as well as the Agency for the Cooperation of Energy Regulators (the "Agency"), the ENTSO for Gas and representative bodies of the industry concerned and those of relevant customers. The Commission shall, in consultation with the Member States, decide on the composition of the Group, ensuring it is fully representative. The Commission shall chair the Group. The Group shall adopt its rules of procedure.</p>	<p><b>Reject</b></p>
<p>2. The Gas Coordination Group shall be consulted and shall assist the Commission in particular on the following issues:</p>		



(a) security of gas supply, at any time and more specifically in the event of an emergency;			
(b) all information relevant for security of gas supply at national, regional and Union levels;	<b>AM 160</b>	(b) all information relevant for security of gas supply at national, regional and Union levels, <b>including information and data on implemented and planned demand-side policies and measures</b> ;	<b>Reject</b>
(c) best practices and possible guidelines to all the parties concerned;			
(d) the level of security of supply, benchmarks and assessment methodologies;			
(e) national, regional and Union scenarios and testing the levels of preparedness;			
(f) the assessment of the preventive action plans and the emergency plans and the implementation of the measures foreseen therein;			
(g) the coordination of measures to deal with an emergency within the Union, with third countries that are Contracting Parties to the Treaty establishing the Energy Community and with other third countries;	<b>AM 161</b>	(g) the coordination of measures to deal with an emergency within the Union, with <b>the Energy Community</b> Contracting Parties and with other third countries;	<b>Accept</b>
(h) assistance needed by the most affected Member States.			

<p>3. The Commission shall convene the Gas Coordination Group on a regular basis and shall share the information received from the competent authorities whilst preserving the confidentiality of commercially sensitive information.</p>			
<p><i>Article 15</i> <b>Cooperation with the Energy Community Contracting Parties</b></p> <p>1. The second sentence of Article 3(2), Article 3(6), Article 4(3), (4) and (6), Article 5(2), point (d) of Article 6(1), points (b) and (e) of Article 7(5), points (e), (g), (i), of Article 8(1), point (b) and (c) of Article 8(4), points (j) and (m) of Article 9(1), Article 9(4), Article 10(4), Article 11(5) and Article 12 shall create obligations for the Members States towards an Energy Community Contracting Party subject to the following procedure:</p>	<p><b>AM 162</b></p> <p>1. The second sentence of Article 3(2), Article 3(6), Article 4(3), (4) and (6), Article 5(2), point (d) of Article 6(1), points (b) and (e) of Article 7(5), points (e), (g), (i), of Article 8(1), point (b) and (c) of Article 8(4), points (j) and (m) of Article 9(1), Article 9(4), Article 10(4), Article 11(5) and Article 12 shall create obligations for <i>all</i> Members States towards an Energy Community Contracting Party subject to the following procedure:</p>	<p><u>Council has not yet finalised its position on this article</u></p>	
<p>(a) the Ministerial Council of the Energy Community adopts and integrates this Regulation in the Energy Community by means of a Joint Act on security of supply introducing reciprocal obligations on the side of Energy Community Contracting Parties in the relations with the Member States,</p>			

<p>(b) the Energy Community Contracting Party implements the Joint Act and duly notifies the full implementation to the Energy Community Secretariat, including a request for the application of this paragraph for its part and</p>			
<p>(c) the Energy Community Secretariat notifies the implementation and a request to the Commission to confirm the applicability of reciprocal obligations between the requesting Energy Community Contracting Party and the Member States.</p>			
<p>Following the notification of the Energy Community Secretariat, the Commission takes a decision confirming the applicability of reciprocal obligations between the Member States and the Energy Community Contracting Party in view of application of this paragraph, indicating the date as of which these mutual obligations apply.</p>			
<p>2. After the Commission decision referred to in paragraph 1 is taken, the representatives of the Energy Community Contracting Party in question shall be invited to participate in the meetings of the Gas Coordination Group when matters directly affecting this Contracting Party and falling within the scope of paragraph 1 are discussed.</p>			

<p><i>Article 16</i> <b>Monitoring by the Commission</b></p> <p>The Commission shall carry out continuous monitoring of the security of gas supply measures and report regularly to the Gas Coordination Group.</p> <p>The Commission, on the basis of the assessments referred to in Article 7(5) shall, when appropriate, draw conclusions as to possible means to enhance security of supply at Union level and report to the European Parliament and the Council on the implementation of this Regulation, including, where necessary, recommendations for improvement of this Regulation.</p>			
<p><i>Article 17</i> <b>Notifications</b></p> <p>The risk assessment, the preventive action plans, the emergency plans and all other documents shall be notified to the Commission electronically through the CIRCABC platform.</p> <p>All correspondence in connection with a notification shall be transmitted electronically.</p>	<p><b>AM 163</b></p> <p>The Commission, on the basis of the assessments referred to in Article 7(5) shall, when appropriate, draw conclusions as to possible means to enhance security of gas supply at Union level and <b>submit a</b> report to the European Parliament and <b>to</b> the Council on the implementation of this Regulation, including, <b>if necessary, a legislative proposal to amend</b> this Regulation.</p> <p><b>AM 164</b> <b>Submission of documents</b></p> <p><b>AM 165</b></p> <p>The risk assessment, the preventive action plans, the emergency plans and all other documents shall be <b>submitted</b> to the Commission electronically through the CIRCABC platform.</p> <p><b>AM 166</b></p> <p>All correspondence in connection with <b>the provisions of this Article</b> shall be transmitted electronically.</p>		<p><i>Accept</i></p> <p><i>Accept</i></p> <p><i>Accept</i></p>

<p><i>Article 18</i> <b>Exercise of the delegation</b></p> <p>1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.</p>			
<p>2. The power to adopt delegated acts referred to in Article 6(3) and Article 7(3) shall be conferred on the Commission for an undetermined period of time from the [OP: please insert the date of entry into force of the this Regulation].</p>			
<p>3. The delegation of power referred to in Article 6(3) and Article 7(3) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.</p>			
<p>4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.</p>			

<p>5. A delegated act adopted pursuant to Article 6(3) and Article 7(3) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.</p>			
<p><i>Article 19</i> <b>Derogation</b> This Regulation shall not apply to Malta and Cyprus for as long as no gas is supplied on their respective territories. For Malta and Cyprus the obligations laid down in, and the choices those Member States are entitled to make pursuant to, the following provisions shall be fulfilled and made within the specified time after the date when gas is first supplied on their respective territories:</p>			
<p>(a) for point (1) of the second paragraph of Article 2, Article 3(2), Article 6(6) and point (a) of Article 13(6): 12 months;</p>			
<p>(b) for Article 5(1): 18 months;</p>			
<p>(c) for Article 7(4): 24 months;</p>			
<p>(d) for Article 4(4): 36 months;</p>			
<p>(e) for Article 4(1): 48 months.</p>			

<p><i>Article 20</i> <b>Repeal</b> Regulation (EU) No 994/2010 is repealed. References made to the repealed Regulation shall be construed as references to this Regulation and read in accordance with the correlation table in Annex VIII.</p>			
<p><i>Article 21</i> <b>Entry into force</b> This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. This Regulation shall be binding in its entirety and directly applicable in all Member States. Done at Brussels, For the European Parliament For the Council The President    The President</p>			
<p><b>ANNEX I</b> <b>Regional cooperation</b> The regions referred to in Article 3(7) are the following: – North West: United Kingdom and Ireland; – North-South Western Europe: Belgium, France, Luxembourg, Spain, The Netherlands and Portugal; – Southern Gas Corridor: Bulgaria, Greece and Romania;</p>		<p><u>Council has not yet finalised its position on this annex</u></p>	

<ul style="list-style-type: none"> <li>– Central-East: Czech Republic, Germany, Poland and Slovakia;</li> <li>– South East: Austria, Croatia, Hungary, Italy and Slovenia;</li> <li>– Baltic Energy Market I (BEMIP I): Estonia, Finland, Latvia and Lithuania;</li> <li>– Baltic Energy Market II (BEMIP II): Denmark and Sweden;</li> <li>– Cyprus;</li> <li>– Malta as long as it is not connected to another Member State. In case Malta is interconnected to another Member State it shall be considered as part of the region of that Member State.</li> </ul>			
<p><b>ANNEX II</b>  <b>Calculation of the N-1 formula</b></p> <p><b>1. Definition of the N-1 formula</b></p> <p>The N – 1 formula describes the ability of the technical capacity, as defined in Article 2(1)(18) of Regulation (EC) No 715/2009, of the gas infrastructure to satisfy total gas demand in the calculated area in the event of disruption of the single largest gas infrastructure during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.</p>			



Gas infrastructure shall cover the gas transmission network including interconnectors as well as production, LNG and storage facilities connected to the calculated area.			
The technical capacity of all remaining available gas infrastructure in the event of disruption of the single largest gas infrastructure shall be at least equal to the sum of the total daily gas demand of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.			
The results of the N – 1 formula, as calculated below, shall be at least equal to 100 %.			
<b>2. Calculation method of the N-1 formula</b>			
$N - 1 [\%] = \frac{EP_m + P_m + S_m + LNG_m - I_m}{D_{max}} \times 100$ , $N - 1 \geq 100 \%$			
The parameters used for the calculation shall be clearly described and justified.			
For the calculation of the EPm, a detailed list of the entry points and their individual capacity shall be provided.			
<b>3. Definitions of the parameters of the N-1 formula</b>			
‘Calculated area’ means a geographical area for which the N – 1 formula is calculated, as determined by the competent authority.			
		<b>AM 167</b> ‘Calculated area’ means a <i>geographically determined area of relevant market</i> for which the N – 1 formula is calculated, as determined by the competent authority.	<b>Reject</b>

<p><b><i>Demand-side definition</i></b></p> <p>'D<sub>max</sub>' means the total daily gas demand (in mcm/d) of the calculated area during a day of exceptionally high gas demand occurring with a statistical probability of once in 20 years.</p>			
<p><b><i>Supply-side definitions</i></b></p> <p>'EP<sub>m</sub>': technical capacity of entry points (in mcm/d), other than production, LNG and storage facilities covered by P<sub>m</sub>, LNG<sub>m</sub> and S<sub>m</sub>, means the sum of the technical capacity of all border entry points capable of supplying gas to the calculated area.</p>			
<p>'P<sub>m</sub>': maximal technical production capability (in mcm/d) means the sum of the maximal technical daily production capability of all gas production facilities which can be delivered to the entry points in the calculated area.</p>			
<p>'S<sub>m</sub>': maximal technical storage deliverability (in mcm/d) means the sum of the maximal technical daily withdrawal capacity of all storage facilities which can be delivered to the entry points of the calculated area, taking into account their respective physical characteristics.</p>			

<p>'LNG<sub>m</sub>': maximal technical LNG facility capacity (in mcm/d) means the sum of the maximal technical daily send-out capacities at all LNG facilities in the calculated area, taking into account critical elements like offloading, ancillary services, temporary storage and re-gasification of LNG as well as technical send-out capacity to the system.</p>			
<p>'I<sub>m</sub>' means the technical capacity of the single largest gas infrastructure (in mcm/d) with the highest capacity to supply the calculated area. When several gas infrastructures are connected to a common upstream or downstream gas infrastructure and cannot be separately operated, they shall be considered as one single gas infrastructure.</p>			
<p><b>4. Calculation of the N-1 formula using demand-side measures</b></p>			
$N - 1 [\%] = \frac{EP_{m+1} + P_m + S_m + LNG_m - I_m}{D_{max} - D_{eff}} \times 100$ <p>N - 1 ≥ 100 %</p>			
<p><b>Demand-side definition</b></p> <p>'D<sub>eff</sub>' means the part (in mcm/d) of D<sub>max</sub> that in case of a supply disruption can be sufficiently and timely covered with market-based demand-side measures in accordance with Article 8(1)(c) and Article 4(2).</p>			

<p><b>5. Calculation of the N-1 formula at regional level</b></p> <p>The calculated area referred to in point 3 shall be extended to the appropriate regional level. The regions listed in Annex I shall apply. For the calculation of the N – 1 formula at regional level, the single largest gas infrastructure of common interest shall be used. The single largest gas infrastructure of common interest to a region shall be the largest gas infrastructure in the region that directly or indirectly contributes to the supply of gas to the Member States of that region and shall be defined in the risk assessment.</p>			
<p>The regional N – 1 calculation may only replace the national N – 1 calculation, where the single largest gas infrastructure of common interest is of major importance for the gas supply of all Member States concerned according to the joint risk assessment.</p>			
<p>For the calculations referred to in Article 6(1), the single largest gas infrastructure of common interest to the regions as listed in Annex I shall be used.</p>			

<p><b>ANNEX III</b></p> <p><b>Permanent bi-directional capacity</b></p>			
<p>1. To enable or enhance bi-directional capacity on an interconnector or to obtain or prolong an exemption from that obligation, transmission system operators on both sides of the interconnector shall submit to their competent authorities (competent authorities concerned) after consulting with all transmission system operators along the gas supply corridor:</p>	<p><b>AM 168</b></p> <p>1. To enable or enhance bi-directional capacity on an interconnector or to obtain or prolong an exemption from that obligation, transmission system operators on both sides of the interconnector shall submit to their competent authorities <b>or their regulatory authorities where they are not the competent authority (together referred to in this Annex as the competent authorities concerned)</b> after consulting all transmission system operators along the gas supply corridor:</p>	<p>1. To enable or enhance bi-directional capacity on an interconnector or to obtain or prolong an exemption from that obligation, transmission system operators on both sides of the interconnection shall submit to their competent authorities (competent authorities concerned) <b>and to their regulatory authorities (regulatory authorities concerned)</b> after consulting with all transmission system operators <b>potentially concerned: []</b></p>	<p><b>Reject</b></p>
<p>(a) a proposal for permanent bi-directional capacity concerning the reverse direction (physical reverse flow capacity); or</p>		<p>(a) a proposal <b>to enable permanent physical capacity to transport gas in both directions</b> for permanent bi-directional capacity concerning the reverse direction (physical reverse flow capacity); or</p>	
<p>(b) a request for an exemption from the obligation to enable bi-directional capacity.</p> <p>Such submission shall take place no later than 1 December 2018 for all</p>		<p><b>The transmission system operators</b></p>	

<p>interconnectors that existed at the day of entry into force of this Regulation, and after completing the feasibility study phase but before start of detailed technical design phase for new interconnectors.</p>		<p><i>shall endeavour to submit a joint proposal or request for exemption. In the case of a proposal to enable bi-directional capacity, the transmission system operators may make a substantiated proposal for a cross-border cost allocation.</i> Such submission shall take place no later than 1 December 2018 for all interconnections that existed at the day of entry into force of this Regulation, and after completing the feasibility study phase but before start of detailed technical design phase for new interconnectors.</p>	
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<p>2. The proposal for enabling or enhancing reverse flow capacity or the request for granting or prolongation of an exemption shall be based on an assessment of market demand, projections for demand and supply, feasibility study, the costs of reverse flow capacity including the necessary reinforcement of the transmission system and the benefits for security of supply taking into account the possible contribution of reverse flow capacity to meeting the infrastructure standard set out in Article 4. The proposal shall include a cost-benefit analysis prepared on the basis of the methodology pursuant to Article 11 of Regulation (EU) No 347/2013 of the European Parliament and of the Council.</p>		<i>Deleted</i>	
<p>3. Upon receipt of the proposal or the exemption request the competent authorities concerned shall without delay consult the competent authorities along the gas supply corridor, the Agency and the Commission on the proposal or the exemption request. The consulted authorities may issue an opinion within four months of the receipt of the consultation request.</p>		<p>3. Upon receipt of the proposal or the exemption request the competent authorities concerned shall without delay consult the competent authorities <i>of the Member State that could, according to the risk assessment, benefit from the reverse flow capacity, the national regulatory authorities of these Member States if they are not the competent authorities</i>, the Agency and the Commission on the proposal or the exemption request. The consulted authorities may issue an opinion within four months of the receipt of the consultation request.</p>	

		<p><i>3a. new The national regulatory authorities shall within six months upon receipt of the joint proposal, pursuant to Article 4(5) and 4(6) of this Regulation, after consulting the project promoters concerned, take coordinated decisions on the cross-border allocation of investment costs to be borne by each system operator of the project. Where the national regulatory authorities concerned have not reached an agreement within this deadline, they shall inform the competent authorities concerned without delay.</i></p>	
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<p>4. Within two months of the expiry of the period referred to in point 3, the competent authorities concerned shall on the basis of the risk assessment, the information listed in point 2, the opinions received following the consultation according to point 3 and taking into account security of gas supply and the contribution to the internal gas market take a joint decision, which shall be one of the following:</p>		<p>4. <i>[ ]</i> The competent authorities concerned shall on the basis of the risk assessment, the information listed in <b>Article 4.4a new</b>, <i>[ ]</i> the opinions received following the consultation according to point 3 and taking into account security of gas supply and the contribution to the internal gas market take a <i>[ ]</i> <b>coordinated decision</b>. <b>This <i>[ ]</i> coordinated decision shall be taken within two months. The period of two months shall start after the four-month period allowed for the opinions referred to under paragraph 3, unless all opinions have been received before, or after the six-month period referred to under paragraph 3 for national regulatory authorities to adopt a coordinated decision. The <i>[ ]</i> coordinated decision shall: <i>[ ]</i></b></p>	
<p>(a) to accept the proposal for reverse flow capacity; such decision shall contain a cost benefit analysis, a cross-border cost allocation, a timeline for implementation and the arrangements for its subsequent use;</p>		<p>(a) <i>[ ]</i> <b>contain</b> the proposal for <i>[ ]</i> <b>bidirectional</b> capacity; such decision shall contain a cost benefit analysis, a cross-border cost allocation, a timeline for implementation and the arrangements for its subsequent use <b>and be accompanied by the coordinated decision on the cross-border cost allocation mentioned in paragraph 3 and prepared by the national regulatory authorities; or;</b></p>	

<p>(b) to grant or prolong a temporary exemption for a period of maximum four years, if the cost-benefit analysis included in the decision shows that the reverse flow capacity would not enhance the security of supply of any Member State along the gas supply corridor or if the investment costs would significantly outweigh the prospective benefits for security of supply;</p>		<p>(b) to grant or prolong a temporary exemption for a period of maximum four years, if the cost-benefit analysis included in the decision shows that the reverse flow capacity would not enhance the security of supply of any <b>relevant</b> Member State <b>[ ]</b> or if the investment costs would significantly outweigh the prospective benefits for security of supply;</p>	
<p>(c) to require the transmission system operators to amend and resubmit their proposal or exemption request.</p>		<p>(c) to require the transmission system operators to amend and resubmit their proposal or exemption request <b>within a period of maximum 4 months</b>.</p>	
<p>5. The competent authorities concerned shall submit the joint decision without delay to the competent authorities along the gas supply corridor, the Agency and the Commission including the opinions received following the consultation according to point 4.</p>		<p>5. The competent authorities concerned shall submit the <b>[ ]</b> <b>coordinated</b> decision without delay to the competent authorities <b>and national regulatory authorities who have submitted an opinion in accordance with point 3 [ ], the national regulatory authorities concerned</b>, the Agency and the Commission including the opinions received following the consultation according to point 4.</p>	

<p>6. Within two months of receipt of the joint decision, the competent authorities of the Member States along the gas supply corridor may present their objections to the joint decision and submit them to the competent authorities that adopted it, the Agency and the Commission. The objections shall be limited to facts and assessment, in particular cross-border cost allocation that was not subject of consultation according to point 4.</p>		<p>Within two months of receipt of the <i>[] coordinated</i> decision, the competent authorities <i>mentioned in point 5 []</i> may present their objections to the <i>[] coordinated</i> decision and submit them to the competent authorities that adopted it, the Agency and the Commission. The objections shall be limited to facts and assessment, in particular cross-border cost allocation that was not subject of consultation according to point 4.</p>	
<p>7. Within three months of receipt of the joint decision according to point 5, the Agency shall issue an opinion on all elements of the joint decision taking into account any possible objection and submit the opinion to all competent authorities along the gas supply corridor and to the Commission.</p>		<p>Within three months of receipt of the <i>[] coordinated</i> decision according to point 5, the Agency shall issue an opinion on <i>[] the</i> elements of the <i>[] coordinated</i> decision taking into account any possible objection and submit the opinion to all competent authorities <i>concerned and the competent authorities mentioned in point 5 []</i> and to the Commission.</p>	
<p>8. Within four months of the receipt of the opinion issued by the Agency pursuant to point 7 the Commission may adopt a decision requesting modifications of the joint decision.</p>		<p>Within four months of the receipt of the opinion issued by the Agency pursuant to point 7 the Commission may adopt a decision requesting modifications of the <i>[] coordinated decision. Any such decision of the Commission shall take into account: the criteria set out in paragraph 4 of this Annex, the reasons for the</i></p>	

		<p><i>decision of the authorities concerned and the opinion of the Agency. The competent authorities concerned shall comply with the request of the Commission by amending their decision within a period of 4 weeks. In the event that the Commission does not act within the aforementioned four months period, it shall be deemed not to have raised objections to the decision of the competent authorities concerned.</i></p>	
<p>9. If the competent authorities concerned were not able to adopt a joint decision within the deadline indicated in point 4, the competent authorities concerned shall inform the Agency and the Commission on the day of the expiry of the deadline. Within two months of receipt of this information, the Agency shall adopt an opinion with a proposal covering all elements of a joint decision listed in point 4 and submit this opinion to the competent authorities concerned and the Commission.</p>		<p>If the competent authorities concerned were not able to adopt a <input type="checkbox"/> <i>coordinated</i> decision within the deadline indicated in point 4 <b>or if the national regulatory authorities could not reach an agreement on the cost allocation within the deadline indicated in point 3</b>, the competent authorities concerned shall inform the Agency and the Commission <i>until</i> on the day of the expiry of the deadline. Within <input type="checkbox"/> <b>four</b> months of receipt of this information, <i>the Commission, after possible consultation with the Agency, shall adopt a decision covering all elements of a coordinated decision listed in point 4 with the exception of a cross-border cost allocation and submit this decision to the competent authorities concerned and the Agency.</i> <input type="checkbox"/></p>	

<p>10. Within four months of receipt of the opinion issued by the Agency pursuant to point 9, the Commission shall adopt a decision covering all elements of a joint decision listed in point 4 taking into account that opinion. If the Commission requests additional information, the four months period starts running on the day of the receipt of the complete requested information. That period may be extended by additional two months with agreement of all competent authorities concerned.</p>		<p><i>If the Commission decision pursuant to point 9, requires bi-directional capacity, the Agency shall adopt a decision covering the cross-border cost allocation within three months of the receipt of the Commission decision. Before taking such a decision, the Agency shall consult the national regulatory authorities concerned and the transmission system operators. The three-month period where the Agency has to request additional information. The additional period shall begin on the day following receipt of the complete information.</i></p>	
<p>11. The Commission, the competent authorities and the transmission system operators shall preserve the confidentiality of commercially sensitive information.</p>			
<p>12. Exemption from the obligation to enable bi-directional capacity granted under Regulation (EU) No 994/2010 shall remain valid until 1 December 2018 unless their duration expires before.</p>			

<p><b>ANNEX IV</b> <b>Template for risk assessment</b> The following template shall be completed in English.</p> <p><b>General information</b></p> <ul style="list-style-type: none"> <li>- Member States in the region</li> <li>- Name of the competent authorities involved in the preparation of the present risk assessment</li> </ul> <p><b>1. Description of the system</b></p> <p><b>1.1. Please provide a brief description of the regional gas system, covering:</b></p> <p>(a) Main gas consumption figures: annual final gas consumption (bcm) and breakdown per type of consumers, peak demand (total and breakdown per category of consumer in mcm/d)</p> <p>(b) Describe the functioning of the gas system in the region: main flows (entry/exit/transit), entry/exit point's infrastructure capacity to and out of the region and per Member State, including utilisation rate, LNG facilities (maximal daily capacity, utilization rate and access regime), etc. Include, to the extent relevant for the Member States in the region, L-gas system</p>		<p><u>Council has not yet finalised its position on this annex</u></p>	

(c) Breakdown of gas import sources per country of origin			
(d) Describe the role of storage facilities relevant for the region, including cross-border access:			
(1) Storage capacity (total and working gas) compared to heating season demand			
(2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)			
(e) Describe the role of domestic production in the region:			
		<b>AM 169</b> Describe the role of domestic production in the region, <b>including biogas</b> :	
(1) Value of production with regard to the annual final gas consumption			
(2) Maximal daily production capacity			
(f) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)			

	AM 170 <i>(f a) Scenarios of gas demand, also taking into account the effect of energy efficiency measures on annual final gas consumption</i>		
<b>1.2. Please provide a brief description of the gas system per Member State, covering:</b>			
(a) Main gas consumption figures: annual final gas consumption (bcm) and breakdown by type of consumers, peak demand (mcm/d)			
(b) Describe the functioning of the gas system at national level, including infrastructures (to the extent not covered by point 1.1.(b)). If applicable, include L-gas system			
(c) Identify the key infrastructure relevant for security of supply			
(d) Breakdown at national level of gas import sources per country of origin			
(e) Describe the role of storage in the Member State and include:			
(1) Storage capacity (total and working) compared to heating season demand			
(2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)			
(f) Describe the role of domestic production and include:			



(1) Value of production with regard to the annual final gas consumption			
(2) Maximal daily production capacity (g) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)			
<b>2. Infrastructure standard (Article 4)</b> Please describe how the infrastructure standard is complied with, including the main values used for the N-1 formula and alternative options for its compliance (with neighbouring Member States, demand side measures) and the existing bidirectional capacities, as follows:	<b>AM 171</b> <i>(g a) Scenarios of gas demand, also taking into account the effect of energy efficiency measures on annual final gas consumption</i>		
<b>2.1. Regional level</b> N-1 formula			
(a) Identification of the single largest gas infrastructure of common interest for the region			

(b) Calculation of the N-1 formula at regional level			
(c) Description of the values used for all elements in the formula, including intermediate figures used for its calculation (e.g. for EPm indicate the capacity of all entry points considered under this parameter)			
(d) Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)			
<b>2.2. National level (to be described per Member State in the region)</b>			
(a) N-1 formula			
(1) Identification of the single largest gas infrastructure			
(2) Calculation of the N-1 formula at national level			
(3) Description of the values used for all elements in the formula, including intermediate values used for their calculation (e.g. for EPm indicate the capacity of all entry points considered under this parameter)			
(4) Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)			
(5) Explain the results of the calculation of the N-1 formula considering the level of storages at 30% and 100% of their total capacity			

(6) Explain the main results of the simulation of the N-1 scenario using a hydraulic model.			
(7) If so decided by the Member State, calculation of the N-1 formula using demand side measures: – Calculation of the N-1 formula according to point 5 of Annex II – Description of the values used for all elements in the formula, including intermediate figures used for its calculation (if different to the figures described under point 2.2.(a).(3))			
– Description of the values used for all elements in the formula, including intermediate figures used for its calculation (if different to the figures described under point 2.2.(a).(3))			
– Explain the market-based demand side measures adopted/to be adopted to compensate a supply disruption and its expected impact (Def)			
(8) If so agreed by the competent authorities of neighbouring Member States, joint calculation of the N-1 standard: – Calculation of the N-1 formula according to point 5 of Annex II			

<ul style="list-style-type: none"> <li>- Description of the values used for all elements in the formula, including intermediate values used for its calculation (if different to the figures described under point 2.2.(a).(3).</li> </ul>			
<ul style="list-style-type: none"> <li>- Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)</li> </ul>			
<ul style="list-style-type: none"> <li>- Explain the agreed arrangements to ensure the compliance with the N-1 obligation</li> </ul>			
<p><b>(b) Bi-directional capacity</b></p>			
<p><b>(1) Indicate the interconnection points equipped with bidirectional capacity and the maximal capacity of bi-directional flows</b></p>			
<p><b>(2) Indicate the arrangements governing the use of the reverse flow capacity (e.g. interruptible capacity)</b></p>			
<p><b>(3) Indicate interconnection points where an exemption has been granted in accordance with Article 4(4), the duration of the exemption and the grounds on which it was granted</b></p>			
<p><b>(3) Identification of risks</b> Describe the sources of risk which could have negative impact on the security of gas supply in the relevant Member State and/or the region, their likelihood and consequences.</p>			

Non-exhaustive list of types of sources of risk:			
<b>Political</b>			
– Gas disruption from third countries because of different reasons			
– Political unrest (either in country of origin or in transit country)			
– War / civil war (either in country of origin or in transit country)			
– Terrorism			
<b>Technological</b>			
– Explosion/Fires			
– Fires (internal to a given facility)			
– Leakages			
– Lack of adequate maintenance			
– Equipment malfunction (failure to start, failure during working time, etc.)			
– Lack of electricity (or other energy source)			
– ICT failure (hardware or software failure, internet, SCADA problems, etc.)			
– Cyber-attack			
– Impact due to excavation works (digging, piling), ground works, etc.			
<b>Commercial / market / financial</b>			
– Agreements with third country suppliers			
– Commercial dispute			

<ul style="list-style-type: none"> <li>- Control of infrastructure relevant for security of supply by third country entities, which may imply, among others, risks of under-investment, undermining diversification or non-respect of Union law</li> </ul>			
<ul style="list-style-type: none"> <li>- Price volatility</li> </ul>			
<ul style="list-style-type: none"> <li>- Underinvestment</li> </ul>			
<ul style="list-style-type: none"> <li>- Sudden, unexpected peak demand</li> </ul>			
<ul style="list-style-type: none"> <li>- Other risks which could lead to structural underperformance</li> </ul>			
<p><b>Social</b></p>			
<ul style="list-style-type: none"> <li>- Strikes (in different related sectors, as the gas sector, ports, transport, etc.)</li> </ul>			
<ul style="list-style-type: none"> <li>- Sabotage</li> </ul>			
<ul style="list-style-type: none"> <li>- Vandalism</li> </ul>			
<ul style="list-style-type: none"> <li>- Theft</li> </ul>			
<p><b>Natural</b></p>			
<ul style="list-style-type: none"> <li>- Earthquakes</li> </ul>			
<ul style="list-style-type: none"> <li>- Landslides</li> </ul>			
<ul style="list-style-type: none"> <li>- Floods (heavy rain, river)</li> </ul>			
<ul style="list-style-type: none"> <li>- Storms (Sea)</li> </ul>			
<ul style="list-style-type: none"> <li>- Avalanches</li> </ul>			
<ul style="list-style-type: none"> <li>- Extreme weather conditions</li> </ul>			
<ul style="list-style-type: none"> <li>- Fires (external to the facility, like nearby forests, grassland, etc.)</li> </ul>			

<p><b>3.1. Regional level</b></p> <p>(a) Identify the relevant sources of risk for the region, including their likelihood and impact as well as the interaction and correlation of risks among Member States, as appropriate</p>			
<p>(b) Describe the criteria used to determine whether a system is exposed to high/unacceptable risks</p>			
<p>(c) Set a list of relevant risk scenarios in accordance with the sources of risks and describe how the selection was made</p>			
<p>(d) Indicate the extent to which scenarios prepared by ENTSO for Gas have been considered</p>			
<p><b>3.2. National level (to the extent relevant)</b></p>			
<p>(a) Identify the relevant sources of risk for the Member State, including their likelihood and impact</p>			
<p>(b) Describe the criteria used to determine whether a system is exposed to high/unacceptable risks</p>			
<p>(c) Set a list of relevant risk scenarios in accordance with the sources of risks and their likelihood and describe how the selection was made</p>			

<p><b>4. Risk analysis and assessment</b></p>	<p>Analyse the set of relevant risk scenarios identified under point 3. In the simulation of risk scenarios include the existing security of supply measures, such as, among other, the N-1 standard and the supply standard. Per risk scenario:</p>		
<p>(a) Describe in detail the risk scenario, including all assumptions and, if applicable, the underlying methodologies for their calculation</p>			
<p>(b) Describe in detail the results of the simulations carried out, including a quantification of the impacts (e.g. volumes of unserved gas, socio-economic impacts, impacts on district heating, impacts on electricity generation)</p>			
<p><b>5. Conclusions</b></p>			
<p>Describe the main results of the risk assessment, including the identification of risk scenarios that require further action.</p>			
<p><b>ANNEX V</b> <b>Templates for the plans</b></p>		<p><b><u>Council has not yet finalised its position on this annex</u></b></p>	
<p>The following templates shall be completed in English.</p>			
<p><b>Template for preventive action plan</b></p>			
<p><b>General information</b></p>			
<p>– Member States in the region – Name of the competent authorities involved in the preparation of this plan</p>			



<p><b>1. Description of the system</b></p>			
<p><b>1.1. Please provide a brief description of the regional gas system, covering:</b></p>			
<p>(a) Main gas consumption figures: annual final gas consumption (bcm) and breakdown per type of consumers, peak demand (total and breakdown per category of consumer in mcm/d)</p>			
<p>(b) Describe the functioning of the gas system in the region: main flows (entry/exit/transit), entry/exit point's infrastructure capacity to and out of the region and per Member State, including utilisation rate, LNG facilities (maximal daily capacity, utilization rate and access regime), etc. Include, to the extent relevant for the Member States in the region, L-gas system</p>			
<p>(c) Breakdown of gas import sources per country of origin</p>			
<p>(d) Describe the role of storage facilities relevant for the region, including cross-border access:</p>			
<p>(1) Storage capacity (total and working gas) compared to heating season demand</p>			
<p>(2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)</p>			

<p>(e) Describe the role of domestic production in the region:</p>	<p><b>AM 172</b>  (e) Describe the role of domestic production in the region, <i>including biogas</i>:</p>		
<p>(1) Value of production with regard to the annual final gas consumption</p>			
<p>(2) Maximal daily production capacity</p>			
<p>(f) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)</p>			
	<p><b>AM 173</b>  (f a) Describe the role of energy efficiency measures and their effect on annual final gas consumption</p>		
<p><b>1.2. Please provide a brief description of the gas system per Member State, covering:</b></p>			
<p>(a) Main gas consumption figures: annual final gas consumption (bcm) and breakdown by type of consumers, peak demand (mcm/d)</p>			
<p>(b) Describe the functioning of the gas system at national level, including infrastructures (to the extent not covered by point 1.1.(b)). If applicable, include L-gas system</p>			

(c) Identify the key infrastructure relevant for security of supply			
(d) Breakdown at national level of gas import sources per country of origin			
(e) Describe the role of storage in the Member State and include:			
(1) Storage capacity (total and working) compared to heating season demand			
(2) Maximal daily withdrawal capacity at different filling levels (ideally with full storages and end-of-season levels)			
(f) Describe the role of domestic production and include:			
(1) Value of production with regard to the annual final gas consumption			
(2) Maximal daily production capacity			
(g) Describe the role of gas in the electricity production (e.g. importance, role as a back-up for renewables), including gas-fired generating capacity (total (MWe) and as percentage of the total generating capacity) and cogeneration (total (MWe) and as percentage of the total generating capacity)			

	<b>AM 174</b> <i>(g a) Describe the role of energy efficiency measures and their effect on annual final gas consumption</i>		
<b>2. Summary of the risk assessment</b>			
Please describe briefly the results of the risk assessment carried out in accordance with Article 6, including:			
(a) List of the scenarios assessed and brief description of the assumptions applied for each one as well as the risks/shortcomings identified			
(b) Main conclusions of the risk assessment			
<b>3. Infrastructure standard (Article 4)</b>			
Please describe how the infrastructure standard is complied with, including the main values used for the N-1 formula and alternative options for its compliance (with neighbouring Member States, demand side measures) and the existing bidirectional capacities, as follows:			
<b>3.1. Regional level</b>			
N-1 formula (a) Identification of the single largest gas infrastructure of common interest for the region			
(b) Calculation of the N-1 formula at regional level			

(c) Description of the values used for all elements in the formula, including intermediate figures used for its calculation (e.g. for EPm indicate the capacity of all entry points considered under this parameter)			
(d) Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)			
<b>3.2. National level</b>			
(a) N-1 formula			
(1) Identification of the single largest gas infrastructure			
(2) Calculation of the N-1 formula at national level			
(3) Description of the values used for all elements in the formula, including intermediate values used for their calculation (e.g. for EPm indicate the capacity of all entry points considered under this parameter)			
(4) Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)			
(5) If so decided by the Member State, calculation of the N-1 formula using demand side measures:			
– Calculation of the N-1 formula according to point 5 of Annex II			

<ul style="list-style-type: none"> <li>- Description of the values used for all elements in the formula, including intermediate figures used for its calculation (if different to the figures described under point 3.2.(a).(3))</li> </ul>			
<ul style="list-style-type: none"> <li>- Indicate the methodologies used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)</li> </ul>			
<ul style="list-style-type: none"> <li>- Explain the market-based demand side measures adopted/to be adopted to compensate a supply disruption and its expected impact (Defi)</li> </ul>			
<p>(6) If so agreed by the competent authorities of neighbouring Member States, joint calculation of the N-1 standard:</p>			
<ul style="list-style-type: none"> <li>- Calculation of the N-1 formula according to point 5 of Annex II</li> </ul>			
<ul style="list-style-type: none"> <li>- Description of the values used for all elements in the formula, including intermediate values used for its calculation (if different to the figures described under point 3.2.(a).(3))</li> </ul>			
<ul style="list-style-type: none"> <li>- Indicate the methodologies and assumptions used, if any, for the calculation of parameters in the formula (e.g. Dmax) (use annexes for detailed explanations)</li> </ul>			

<p>– Explain the agreed arrangements to ensure the compliance with the N-1 obligation</p>			
<p>(b) Bi-directional capacity</p>			
<p>(1) Indicate the interconnection points equipped with bidirectional capacity and the maximal capacity of bi-directional flows</p>			
<p>(2) Indicate the arrangements governing the use of the reverse flow capacity (e.g. interruptible capacity)</p>			
<p>(3) Indicate interconnection points where an exemption has been granted in accordance with Article 4(4), the duration of the exemption and the grounds on which it was granted</p>			
<p><b>4. Compliance with the supply standard (Article 5)</b> Please describe here, per Member State, the measures adopted in order to comply with the supply standard as well as with any increased supply standard or additional obligation imposed for reasons of security of gas supply:</p>			
<p>(a) Definition of protected customers applied, including categories of consumers covered and their annual gas consumption (per category, net value and percentage of the national annual final gas consumption)</p>			

(b) Gas volumes needed to comply with the supply standard according to the scenarios described in the first subparagraph of Article 5(1)			
(c) Capacity needed to comply with the supply standard according to the scenarios described in the first subparagraph of Article 5(1)			
(d) Measure(s) in place to comply with the supply standard:			
(1) Description of the measure(s)			
(2) Addressees			
(3) In case it exists, describe any ex ante monitoring system for the compliance with the supply standard			
(4) Sanctions regime, if applicable			
(5) Describe, per measure:			
– the economic impact, effectiveness and efficiency of the measure			
– the impact of the measure on the environment			
– impact of the measures on consumer			
(6) In case non-market based measures are applied (per measure):			
– Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only);			
– Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)			



<p>– Provide an analysis of the impacts of such measure:</p>			
<p>(a) on other Member State's security of supply</p>			
<p>(b) on the national market</p>			
<p>(c) on the internal market</p>			
<p>(7) In case of measures introduced after [OP: Please insert the date of the entry into force of this Regulation], please provide a link to the public impact assessment of the measure(s) carried out in accordance with Article 8(4)</p>			
<p>(e) If applicable, describe any increased supply standard or additional obligation imposed for reasons of security of gas supply:</p>			
<p>(1) Description of the measure(s)</p> <p>(2) Justify why the measure is necessary (i.e., why the supply standard needs to be increased and, in case non-market based measures are applied, why security of supply cannot be achieved via market-based measures only)</p>			
<p>(3) Justify why the measure is proportionate (i.e., why an increased supply standard or additional obligation is the least restrictive means to achieve the intended effect and, in case non-market based measures are applied, the non-market based measure is the least restrictive means to achieve the intended effect)</p>			

(4) Addressees			
(5) Affected gas volumes and capacities			
(6) Mechanism to reduce it to usual values in a spirit of solidarity and in accordance with Article 12			
(7) Indicate how this measure complies with the conditions set in Article 5(2)			
<b>5. Preventive measures</b>			
Please describe the preventive measures in place or to be adopted, including those regarding L-gas:			
(a) Describe each of the preventive measures adopted per identified risk according to the risk assessment, including a description of:			
(1) their national or regional dimension			
(2) their economic impact, effectiveness and efficiency			
(3) their impact on the environment			
(4) their impact on consumers			
Where appropriate, include:			
– Measures to enhance interconnections between neighbouring Member States			
– Measures to diversify gas routes and sources of supply			

<p>– Measures to protect key infrastructure relevant for security of supply in relation to control by third country entities (including, where relevant, general or sector-specific investment screening laws, special rights for certain shareholders, etc.)</p>			
<p>(b) Describe other measures adopted for reasons other than the risk assessment but with a positive impact for the security of supply of the region/Member State</p>	<p><b>AM 175</b></p> <p>(b) Describe other measures adopted for reasons other than <i>those identified in</i> the risk assessment but with a positive impact for the security of supply of the region/Member State</p>		
<p>(c) In case non-market based measures are applied (per measure):</p>			
<p>(1) Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)</p>			
<p>(2) Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)</p>			
<p>(3) Provide an analysis of the impacts of such measure:</p>			
<p>– Justify why the measure is necessary (i.e., why security of supply cannot be achieved via market-based measures only)</p>			
<p>– Justify why the measure is proportionate (i.e., why the non-market based measure is the least restrictive means to achieve the intended effect)</p>			
<p>– Provide an analysis of the impacts of such measure:</p>			

(a) on other Member State's security of supply			
(b) on the national market			
(c) on the internal market			
(d) Explain the extent to which efficiency measures, including on the demand side, have been considered to increase security of supply			
(e) Explain the extent to which renewable energy sources have been considered to increase security of supply			
<b>6. Other measures and obligations (e.g. safety operation of the system)</b>			
Describe other measures and obligations that have been imposed on natural gas undertakings and other relevant bodies likely to have an impact on security of gas supply, such as obligations for the safe operation of the system, including who would be affected by this obligation as well as the gas volumes covered. Explain when would these measures precisely apply and how.			
<b>7. Infrastructure projects</b>			
(a) Describe future infrastructure projects, including Projects of Common Interests in the region, including an estimated timing for their deployment, capacities and estimated impact on the security of gas supply in the region			

<p>(b) Indicate how the infrastructure projects take into account the Union-wide 10-year network development plan elaborated by ENTSO for Gas pursuant to Article 8(10) of Regulation (EC) No 715/2009</p>			
<p><b>8. Public service obligations related to security of supply</b> Indicate the existing public service obligations related to security of supply and briefly describe them (use annexes for more detailed information). Explain clearly who has to comply with such obligations and how. If applicable, describe how and when these public service obligations would be triggered.</p>			
<p><b>9. Mechanisms developed for cooperation</b> (a) Describe the mechanisms used for the cooperation among the Member States in the region, including for preparing and implementing this preventive action plan and the emergency plan and Article 12</p>			
<p>(b) Describe the mechanisms used for the cooperation with other Member States out of the region in the design and adoption of the provisions necessary for the application of Article 12</p>			

	AM 176 <i>(b a) Describe the mechanisms used for the inclusion of the technical and operational expertise provided by the RCSCG of the ENTSO for Gas</i>		
<b>10. Stakeholder consultations</b>			
In accordance with Article 7(1), please describe the mechanism used for and the results of the consultations carried out, for the development of this plan as well as the emergency plan, with:			
(a) gas undertakings			
(b) relevant organisations representing the interests of households			
(c) relevant organisations representing the interests of industrial gas consumers, including electricity producers			
(d) national regulatory authority			
<b>11. National specificities</b> Indicate any national circumstances and measures relevant for security of supply and not covered in the previous sections of this plan, including for the supply of L-gas in case L- gas is not relevant at regional level.			
<b>Template for emergency plan</b>			
<b>General information</b>			
– Member States in the region			
– Name of the competent authorities involved in the preparation of the present plan			

<p><b>1. Definition of crisis levels</b></p> <p>(a) Per Member State, indicate the body responsible for the declaration of each crisis level and the procedures to follow in each case for such declarations.</p> <p>(b) In case they exist, include here indicators or parameters used to consider whether an event may result in a significant deterioration of the supply situation and to decide upon the declaration of a certain crisis level.</p>			
<p><b>2. Measures to be adopted per crisis level</b></p>			
<p><b>2.1. Early Warning</b></p>			
<p>(a) Describe the measures to be applied at this stage, indicating, per measure:</p>			
<p>(1) Brief description of the measures and main actors involved</p>			
<p>(2) Describe the procedure to follow, if applicable</p>			
<p>(3) Indicate the expected contribution of the measure to cope with the impacts of any event or prepare ahead of its appearance</p>			
<p>(4) Describe the flows of information among the actors involved</p>			
<p><b>2.2 Alert Level</b></p> <p>(a) Describe the measures to be applied at this stage, indicating, per measure:</p>			
<p>(1) Brief description of the measures and main actors involved</p>			

(2) Describe the procedure to follow, if applicable			
(3) Indicate the expected contribution of the measure to cope with the situation at alert level			
(4) Describe the flows of information among the actors involved			
(b) Describe the reporting obligations imposed on natural gas undertakings at alert level			
<b>2.3. Emergency Level</b>			
(a) Establish a list of predefined actions on the supply and demand side to make gas available in the event of an emergency, including commercial agreements between the parties involved in such actions and the compensation mechanisms for natural gas undertakings where appropriate.			
(b) Describe the market based measures to be applied at this stage, indicating, per measure:			
(1) Brief description of the measure and main actors involved			
(2) Describe the procedure to follow			
(3) Indicate the expected contribution of the measure to mitigate the situation at emergency level			
(4) Describe the flows of information among the actors involved			
(c) Describe the non-market based measures planned or to be implemented for the emergency level, indicating, per measure:			



(1) Brief description of the measure and main actors involved			
(2) Provide an assessment of the necessity of such measure in order to cope with a crisis, including the degree of its use			
(3) Describe in detail the procedure to implement the measure (e.g. what would trigger the introduction of this measure, who would take the decision)			
(4) Indicate the expected contribution of the measure to mitigate the situation at emergency level as a complement to market based measures			
(5) Assess other effects of the measure			
(6) Justify the compliance of the measure with the conditions established in Article 10(4)			
(7) Describe the flows of information among the actors involved			
(d) Describe reporting obligations imposed on natural gas undertakings			
<b>3. Specific measures for the electricity and district heating</b>			
(a) District heating			
(1) Briefly indicate the likely impact of a supply disruption in the district heating sector			

<p>(2) Indicate measures and actions to be taken to mitigate the potential impact of a gas supply disruption on district heating. Alternatively, indicate why the adoption of specific measures is not appropriate</p>			
<p>(b) Supply of electricity generated from gas</p>			
<p>(1) Briefly indicate the likely impact of a supply disruption in the electricity sector</p>			
<p>(2) Indicate measures and actions to be taken to mitigate the potential impact of a gas supply disruption on the electricity sector. Alternatively, indicate why the adoption of specific measures is not appropriate</p>			
<p>(3) Indicate the mechanisms/existing provisions to ensure appropriate coordination, including exchange of information, between main actors in the gas and electricity sectors, notably transmission system operators at different crisis levels</p>			
<p><b>4. Crisis manager or team</b> Indicate who the crisis manager or team is and define its role.</p>			
<p><b>5. Roles and responsibilities of different actors</b></p>			
<p>(a) Per crisis level, define the roles and responsibilities, including interactions with the competent authorities and, where appropriate, with the national regulatory authority, of:</p>			

(1) Natural gas undertakings			
(2) Industrial consumers			
(3) Relevant electricity producers			
(b) Per crisis level, define the role and responsibilities of the competent authorities and the bodies to which tasks have been delegated			
<b>6. Cooperation mechanisms</b>			
(a) Describe the mechanisms in place to cooperate within the region and to ensure appropriate coordination for each crisis level. Describe, to the extent they exist and have not been covered in point 2, the decision-making procedures for appropriate reaction at regional level at each crisis level			
(b) Describe the mechanisms in place to cooperate with other Member States out of the region and to coordinate actions for each crisis level			
	<b>AM 177</b>		
	<i>(b a) Describe the mechanisms in place for cooperating with the RCSG of the ENTSO for Gas.</i>		
<b>7. Solidarity among Member States</b>			
(a) Describe the agreed arrangements among Member States within the region to ensure the application of the solidarity principle referred to in Article 12			

<p>(b) Describe the agreed arrangements between Member States in the region and Member States belonging to other regions to ensure the application of the solidarity principle referred to in Article 12</p>			
<p><b>8. Measures regarding undue consumption by non-protected customers</b> Describe measures in place to prevent the consumption by non-protected customers of gas supply intended for the protected customers during an emergency. Indicate the nature of the measure (administrative, technical, etc.), main actors and the procedures to follow.</p>			
<p><b>9. Emergency tests</b></p>			
<p>(a) Indicate the calendar for the real time response simulations of emergency situations</p>			
<p>(b) Indicate actors involved, procedures and concrete high and medium impact scenarios simulated</p>			
<p>For the updates of the emergency plan: describe briefly the tests carried out since the last emergency plan was presented and the main results. Indicate which measures have been adopted as a result of these tests.</p>			

ANNEX VI		<u>Council has not yet finalised its position on this annex</u>	
<p><b>Peer review of the preventive action plans and emergency plans</b></p> <p>1. Each notified preventive action plan and the emergency plan shall be subject to a peer review by a peer review team</p>			
<p>2. One peer review team per region shall be established. Each peer review team shall be composed of maximum five competent authorities and ENTSO for Gas, each represented by one person, and, as an observer, the Commission. The Commission shall select the representatives of competent authorities and ENTSO for Gas in the peer review teams, taking into account geographical balance and including at least one competent authority from a neighbouring Member State. Members of the peer review team shall not belong to any competent authority or other bodies or associations having participated in the preparation of the plans subject to the peer review.</p>			
<p>3. The Commission shall inform the peer review team of the notification of the plans. Within two months of the date of the information the respective peer review team shall prepare and submit a report to the Commission. Before the submission of the report the peer review team shall discuss the preventive action plan and the emergency plan, at least once, with the competent authorities that prepared the plans. The Commission shall publish the report.</p>			

<p>4. Taking into account the peer review report, the Gas Coordination Group shall discuss the preventive action plans and emergency plans with a view to ensure the coherence among the different regions and the Union as a whole.</p>			
<p><b>ANNEX VII</b></p>		<p><u>Council has not yet finalised its position on this annex</u></p>	
<p><b>List of non-market based security of gas supply measures</b></p>			
<p>In developing the preventive action plan and the emergency plan the competent authority shall consider the contribution of the following indicative and non-exhaustive list of measures only in the event of an emergency: Supply-side measures:</p>			
<p>– use of strategic gas storage;</p>			
<p>– enforced use of stocks of alternative fuels (e.g. in accordance with Council Directive 2009/119/EC);</p>			
<p>– enforced use of electricity generated from sources other than gas;</p>			
<p>– enforced increase of gas production levels;</p>			
<p>– enforced storage withdrawal.</p>			
<p>Demand-side measures:</p>			
<p>– Various steps of compulsory demand reduction including:</p>			
<p>– enforced fuel switching;</p>			
<p>– enforced utilisation of interruptible contracts, where not fully utilised as part of market measures;</p>			
<p>– enforced firm load shedding.</p>			