TWENTY-EIGHTH MEETING OF THE

EUROPEAN GAS REGULATORY FORUM

14-15 October 2015

01. Update on the Energy Union initiatives

Winter Supply Outlook

The Forum notes that the EU Winter Supply Outlook looks stable but calls for vigilance and cooperation between Member States and stakeholders over the coming months.

Security of Supply review and LNG, storage strategy

The Forum takes note of the update by the Commission on the ongoing work on the review of the Security of Supply Regulation and on the LNG and storage strategy. The Forum recalls that well-connectedwholesale gas markets underpinned by physical assets and diversified sources within a robust, pro-competitive regulatory framework have already resulted in substantial improvements in gas security of supply.

The Forum encourages the Commission to base its policy proposals for the revision of the Security of Supply Regulation on market-based measures including the concept of voluntary demand side response; where interventions are necessary due to market failures they should be designed in a manner to minimize market distortion.Furthermore, it should promote enhanced and regional cooperation and ensure solidarity among Member States.

The Forum welcomes the initiative of the Commission to develop a strategy for LNG and storage. Investments necessary to allow direct or indirect access to LNG forall Member States and the operation and use of storageshouldprimarily be driven by market signals.

Regional market integration

The Forum held a strategic discussion on the role and future of gas regional initiatives. It noted the role most GRIs had in pioneering market integration. Nevertheless, it also agreed that the current status of the EU internal market requires a more focused, problem- and result-oriented approach to regional cooperation, in the geographic structure that is most suited to the resolution of the identified issues. Such an approach should employ efficient project management, including clear responsibilities, deadlines and deliverables. The Forum invites ACER, CEER and ENTSOG to put forward a template for such work involvingthe relevant parties early 2016.

02. Gas quality harmonisation

The Forum notes that the Commission will propose binding application of the recently adopted CEN gas quality standardby launching the processto amend the Interoperability and Data Exchange Network Code while having due regard to appropriate scope and possible impacts, including via a robust CBA.The Forum welcomes the Commission's and CEN's intention to continue the process of finding a consensus on the Wobbe index level for the next version of the standard.

03.Network code development

Network Code on Tariffs

The Forum takes note that ACER is not providing a Recommendation on the Network Code regarding harmonised transmission tariff structures for gas and that the Commission will consequently finalize and prepare its proposal for Comitology. The Forum notes the Commission's intention – taking due account of the views of ACER, ENTSOG and stakeholders – to launch the formal legislative procedure still in Q1 2016.

The Forum generally agreed that the network code must at least and expediently deliver on improvements as regards transparency, consultation and justification relative to tariffs and structures. The Forum takes note that certain concerns of stakeholders as regards tariff structures – if they go beyond the scope of a network code –could only be solved in a second phase by the revision of Regulation (EC) 715/2009.

Incremental capacity

The Forum acknowledges the work of ENTSOG and ACER on incremental and new capacityand underlines the utility of speedily finalizing the amendment proposal to the Network Code on Capacity Allocation Mechanismsin tandem with that on tariffs.

04. Completing the European internal market – Progress of market rules implementation and main challenges

Capacity Allocation Mechanisms Network Code

The Forum acknowledges the efforts undertaken in the early implementation processof the CAM Network Code. At the same time the Forumnotes that issues relative in particular to capacity bundling remain to be addressed in order to ensure its effective implementation. Therefore the Forum calls on ACER, NRAs, ENTSOG and the Commission – in close cooperation with stakeholders – to expediently find solutions to those challenges.

The Forum also recalls that this legislation formally applies as of 1 November 2015 and therefore calls on Member States, regulators and TSOs, cooperating together, to ensure full and correct implementation of the Network Code and a proper functioning of the measures therein.

The Forum also calls on TSOs– working together with capacity booking platforms (GSA, RBP and PRISMA) – to comply with their CAM and Interoperability Network Codesobligations – having regard to the interests of shippers to avoid undue costs – toallocate bundled capacity from1 November 2015.The Forum notes the Commission's intention to follow-up on the lack of implementation after this deadline.

Congestion management and transparency guidelines

The Forum notes the diverging information delivered in the ACER congestion report and stakeholders´ view as to the existence of contractual congestion at EU interconnection points. The Forum thus calls on ACER and ENTSOG – working together with stakeholders –explore the reasons for these disparitiesin the analyses and report them to the Commission.

The Forum acknowledges that the data availability on the Transparency Platform has improved and urges further discussion between ENTSOG and stakeholders to identifyfurther improvements in transparency.

Balancing Network Code

The Forumstresses that the Balancing Network Code applies since1 October2015 and its implementation must be full and correct. The Forum invites ACER to reflect this in its implementation activitiesand to strengthen its cooperation with ENTSOG paying in particular attention to interim measures.

EU-wide implementation framework for network codes and guidelines

The Forum welcomes theproposed ACER-ENTSOG implementation framework and joint functionality processwhich is to facilitate that all network codes and guidelines are implemented across the EU in a consistent, practical and correct manner. It stresses that this initiative needs tostart as early as possible and needs to build on broad stakeholder involvement and should ensure that all relevant implementation issues are collected, prioritized, consulted upon andwell-coordinatedsolutions are put forward and implemented in due time.