The EU Energy Platform - Regional Group meeting discussion paper Company cooperation under AggregateEU

1. Objectives of the meeting

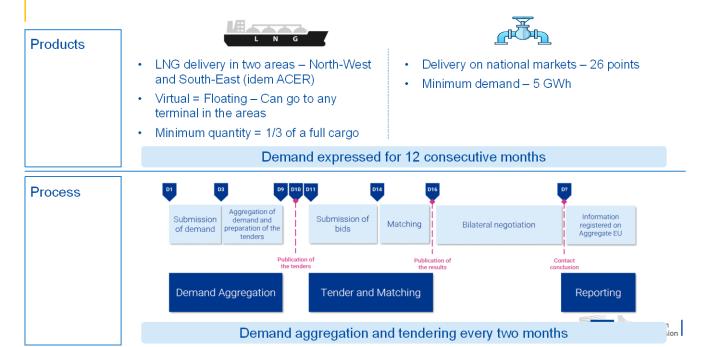
- Update industry on the practical aspects of AggregateEU mechanism, and
- Present options for company cooperation under the AggregateEU.

2. Opportunities under AggregateEU

AggregateEU is designed to match European buyers and sellers of natural gas. It creates new opportunities for industrial players and gas companies to purchase LNG and pipeline gas. With AggregateEU you may find competitive supply offers for up to 12 months with deliveries to National Balancing Points or at two Virtual LNG delivery points. The system will go live in April and registrations have already started.

What is new about AggregateEU is clustering of the demand of potential buyers per delivery point for a given month and matching them with sellers. AggregateEU will offer additional security of supply, transparency and enable industries, of different profile across Europe, to reach out to international gas markets.

Product and process – LNG and gas delivery to national markets as two core products on AggregateEU

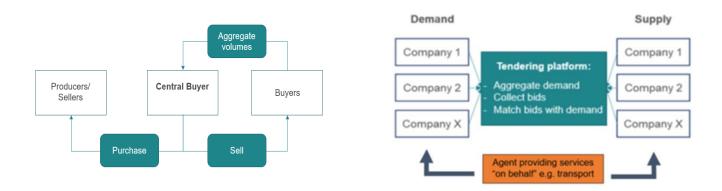


3. How you can participate - company cooperation under AggregateEU

You can participate in the demand aggregation as a single company or jointly with others. Minimum value of demand to be placed by a single entity is 5 GWh at VTP and 300 GWh for Virtual LNG.

But if your demand is below the minimum threshold or if you want to limit practical challenges of negotiations and delivery logistics, you may consider participating in one of the two company cooperation models:

- **Central buyer model** (left figure) one company registers, places aggregated demand, negotiates and signs agreements on behalf of a group of buyers such as industrial consumers.
- Agent on behalf model (right figure) agents provide services such as reservation of slots at LNG terminals or transport from ship to point of consumption.



Companies are free to engage with other interested companies from their region or one of the 'agents of behalf' and 'central buyers' - companies willing in providing such services can express their interest here. The European Commission, supported by national governments and industry associations, will organise meetings to facilitate cooperation between companies in the coming weeks.

Company cooperation frameworks for the joint purchase of gas must be compliant with the EU competition rules, which requires a self-assessment in line with Commission guidance¹.

4. Additional information

The industry meeting of the Regional Group is complementary to the work of the Industry Advisory Group (IAG), which is the Commission's expert group for technical discussions on horizontal issues related to organisation of demand aggregation and joint purchasing of the EU Energy Platform.

Companies are approached by the authorities of Member State in which they are headquartered as well as through industry associations. Participating companies are requested to **register** by via this link by 5 April: https://ec.europa.eu/eusurvey/runner/EU_Energy_Platform_RG_South_East_Europe and share their questions regarding company cooperation two days ahead of the meeting with EU-ENERGY-PLATFORM@ec.europa.eu.

¹ <u>EUR-Lex - 52011XC0114(04) - EN - EUR-Lex (europa.eu)</u>; <u>Publications Office (europa.eu)</u>