



GIE President's Welcoming Speech at the 10th GIE Annual Conference

24 May, 11:00-11:10

Comarch Conference Center, Krakow

[Dear Energy Commissioner, Mr. Gunther Oettinger,

Dear Minister of Treasury, Mr. Mikolaj Budzanowski,

Dear Chairman of the Board of Gaz-System, Mr. Jan Chadam,

Dear distinguished guests and delegates to the GIE Annual Conference,

Ladies and Gentlemen]

Very good morning to all of you. It is for me a great pleasure and satisfaction to warmly welcome all of you in Krakow on the occasion of the 10th GIE Annual Conference. I am very glad to see you, so numerous, interested in what this conference will offer you during the next two days.

Ten years ago, gas infrastructure operators got together under GIE to continuously exchange and discuss developments with the European policy makers, regulators and other stakeholders. This year, GIE is celebrating its **ten years anniversary** and therefore organising its 10th annual conference. Throughout these years, we are gladly seeing that the number of delegates has been increasing year by year. Just today, for example, more than 340 participants are registered! This is certainly a historical record for GIE, and for us this is also a clear signal that things are being done well and that GIE is evolving and performing on the right manner. On behalf of GIE, I take here the opportunity to sincerely thank all of you for your commitment and for the support received during the last 10 years. Thank you very much.

Today there are several topics at European level which are crucial for the present and future of our gas industry.

During the **first session**, we will be looking into three very relevant topics. The Energy Roadmap 2050, the Energy Infrastructure Package and the completion



of the internal gas market are the three pillars on which European institutions are shaping the short, medium and long-term future of the European Gas Market.

Starting with the most immediate future, we see that the Third Package is being implemented and that ENTSOG and ACER are working hard to achieve as soon as possible the creation of a single internal gas market. However, for the achievement of a truly internal gas market, we need not only the right rules (the software) but also new gas infrastructures (the hardware). And we require this hardware to be deployed and built quickly, efficiently, without administrative barriers and in a maximum period known in advance.

Regarding the long-term future, the Energy Roadmap 2050 shows that renewables are called to be the winners of the future EU energy policy. Concerning gas, even if it can have a relevant role in the medium-term, its role for the long-term remains unclear.

The ***lack of long-term visibility*** for the gas industry is something that we must not accept. Gas infrastructure is a long-term capital intensive business. Just today, we are building the infrastructure which will be used by 2050; for this reason, we need a sound investment climate; we need stable and predictable regulatory frameworks, but overall we need **visibility**. We need to attract investors: this requires strong signals from the EU Policy makers, recognizing the fundamental role gas will play by 2050 and beyond. Otherwise, investment on gas infrastructure will not take place.

Furthermore, we are seeing that natural gas and electricity are more and more interlinked; this makes ***gas the ideal partner for variable renewables*** which would allow their development and integration. If renewables are going to be developed, natural gas infrastructure will have to be developed too.

However, although we are convinced that gas can contribute to a low carbon economy, we must also remember that the ambitious EU targets on ***decarbonisation will only make sense if a global international agreement against climate change is reached***. If Europe decides to act alone, our efforts will be useless; we will have to face several challenges, including lack of competitiveness, carbon leakage and job losses.



For all these reasons, GIE in cooperation with other 6 gas associations launched the **GasNaturally** campaign. GasNaturally, as many of you know, is a campaign aimed at showcasing the crucial role of gas in the EU energy future. For the first time in history we are seeing the gas industry acting together and speaking with one single voice, and this, for me, means we are progressing on the right direction.

So, after the first session, **the second session** will take us somewhat into the future by exploring the technological developments to come, which, in some cases, have never been so close to us. Indeed, we should understand them better and avoid prejudices and myths; these innovative solutions are keeping options open for us in the long-term. Policy makers, together with the gas industry, should support them and be confident that they can bring us a long-lasting energy future for gas, as well as a large amount of benefits for the European consumers.

Tomorrow, we will also have the opportunity of exploring the latest and forthcoming developments in LNG, underground storage and transmission.

Starting with **LNG terminals**, they are key players in the gas market and they are rapidly adapting their services to the changing market needs. New specific technology developments are taking place simultaneously. LNG terminals together with gas storages provide the flexibility and the security of supply that both the market and the renewable need;

Regarding **storage**, gas storage operators are diversifying their offer and looking into new developments hopefully and with high interest. The role played by underground gas storages in new technologies as power-to-gas should be also stressed; gas storages are solution providers for today and they will remain so tomorrow and in the long-term future.

Finally, we will close our conference talking about gas **transmission**. Gas transport is safe and efficient. For instance, moving energy in the form of gas is up to fifteen times more economical than in the form of electricity. Moreover, our transmission networks are experiencing significant regulatory changes. The network codes will provide and manage effective and transparent access to the transmission networks across the borders. Even though, it has to be ensured



that the process is transparent, that it involves all the parties and that it drives the European gas market in the right direction.

Ladies and gentlemen,

I would like to finish my speech by inviting you to look together into the future. We don't have a crystal ball, but one thing is clear for me: I am fully convinced that if Europe wants a ***more secure, more sustainable and more competitive market*** then, Europe needs much more gas infrastructure.

And yes, you may think that more gas infrastructure is needed, but you might also wonder what the cost of that is. Well, ***gas infrastructure represents less than 10% of the European consumer's bill***. Nevertheless, investments in infrastructure have to be optimized in order to maintain gas competitiveness and preserve its value.

So, as ***summary***, I confirm again that GIE and its members will continue working to demonstrate that gas is here to stay, that gas gives you options, and that gas infrastructure is present in all the equations and scenarios.

Thank you very much for your attention. I wish you a very fruitful and interesting conference.