



LNG role on SoS in the SEE

CEER Workshop on the role of LNG to improve regional SoS in Europe

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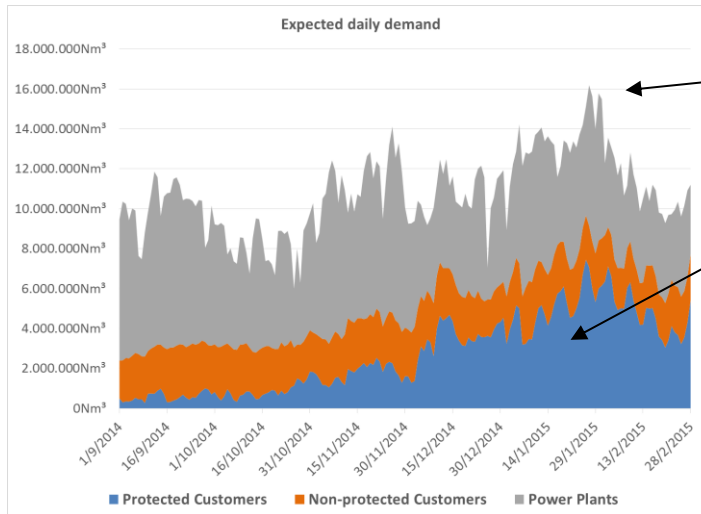
ST scenarios

- Disruption of the Ukrainian route to the EU during a period of 1 month (1.2.2015 - 28.2.2015)
- Disruption of the Ukrainian route to the EU during a six month period (1.9.2014 - 28.2.2015)
- Disruption of all Russian supplies to the EU during a period of 1 month (1.2.2015 - 28.2.2015)
- Disruption of all Russian supplies to the EU during a six month period (1.9.2014 - 28.2.2015)



Source: JRC
Joint Risk
Assessment
GR-BG

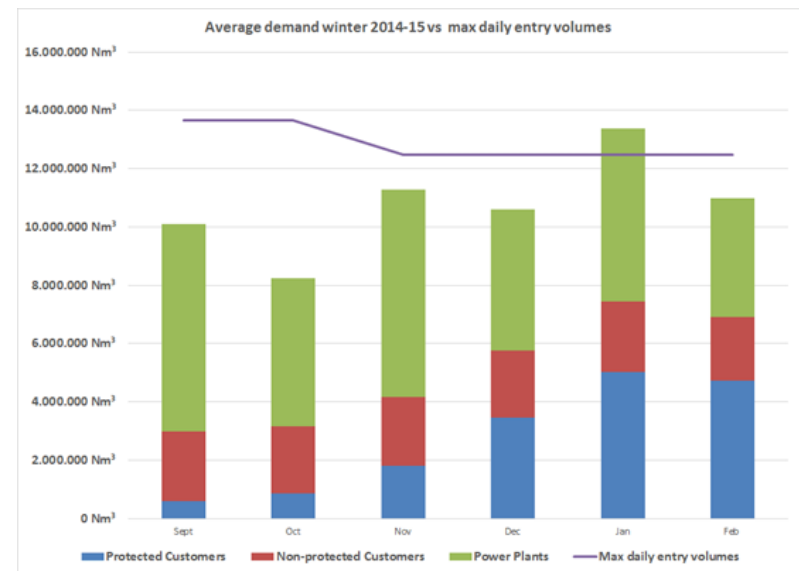
Daily demand



Peak demand occurs typically during January or February.

Up to 40% of peak demand attributed to protected customers.

Average daily demand comfortably served in 5 out of 6 months by the LNG terminal capacity.

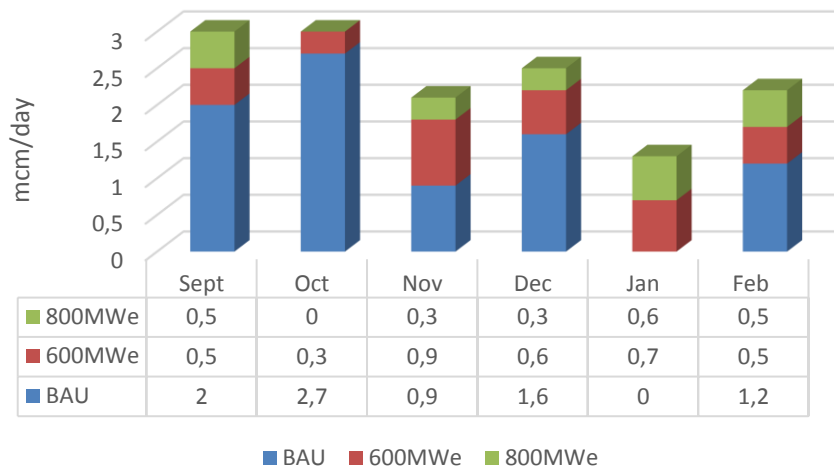


Reverse flow potential to BG

Assuming maximization of electricity exports from BG to GR...

	Sep	Oct	Nov	Dec	Jan	Feb
BAU imports (Mwe)	463	312	288	291	335	392
Max NTC (Mwe)	600					
Max NTC including FYROM and TR interconnections	800					

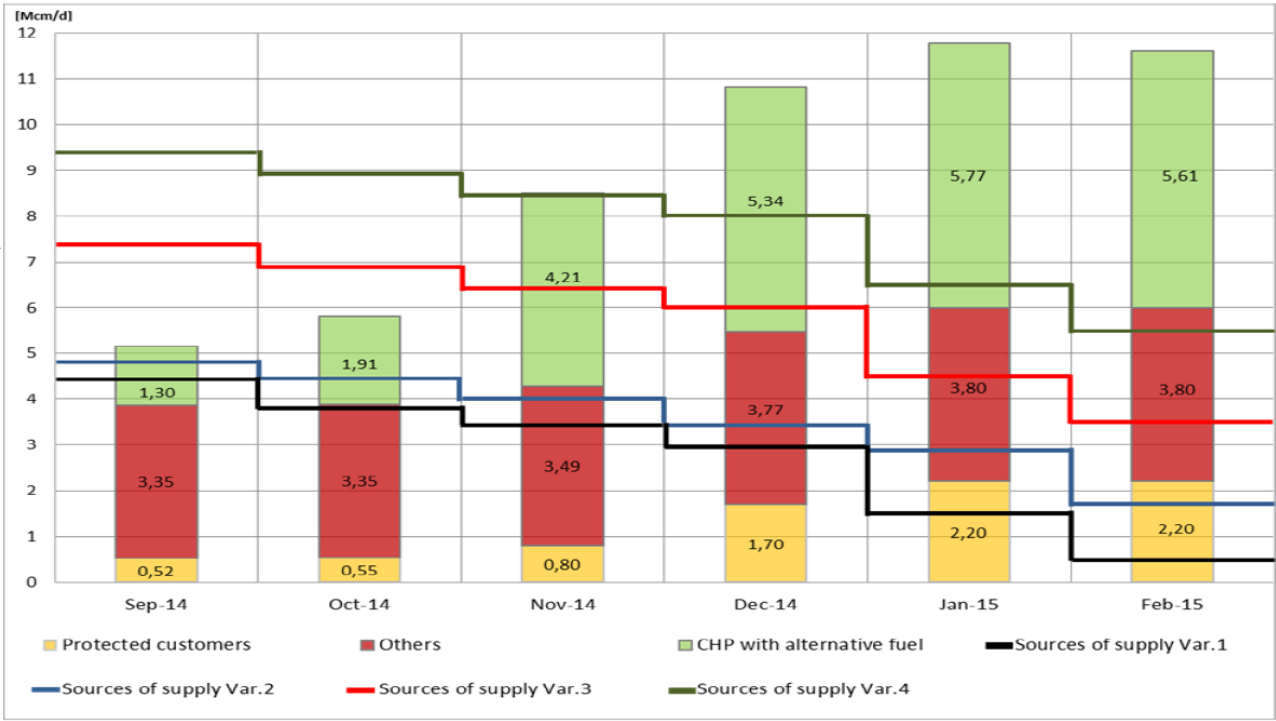
Reverse flow to BG - electricity import effect


































Reverse flow of gas to BG can increase significantly

Effect on BG

LNG

LNG cargoes required for 6 month Interruption

	Sep	Oct	Nov	Dec	Jan	Feb
Protected (~10)				  	  	 
Large Industrial (~6)						
Power (~13)	  	 	  	 	  	 

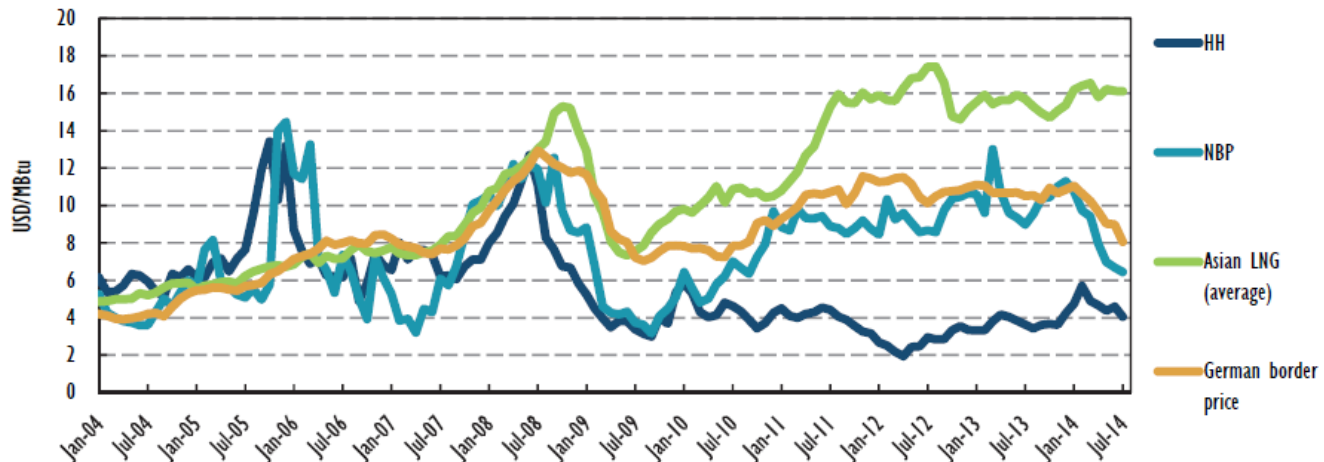


73000 m3 LNG



125000 m3 LNG

... but...



*"On the basis of analysis [...] provided by the International Energy Agency to the Commission as well as discussions with market experts there appears to be sufficient flexibility in the market to procure such cargoes. It is clear however that if such purchases are not linked to an option or a [long] term contract, the price can be expected to be very high, possibly **even double the market price of gas today**"*

Report on the findings of the South-East-European Focus Group, SWD(2014) 326 final

Solution?

New Infrastructure connecting the region with EU Gas Hubs



http://ec.europa.eu/energy/infrastructure/transparency_platform/map-viewer/

Issues limiting the crisis mitigation role of the LNG spot market



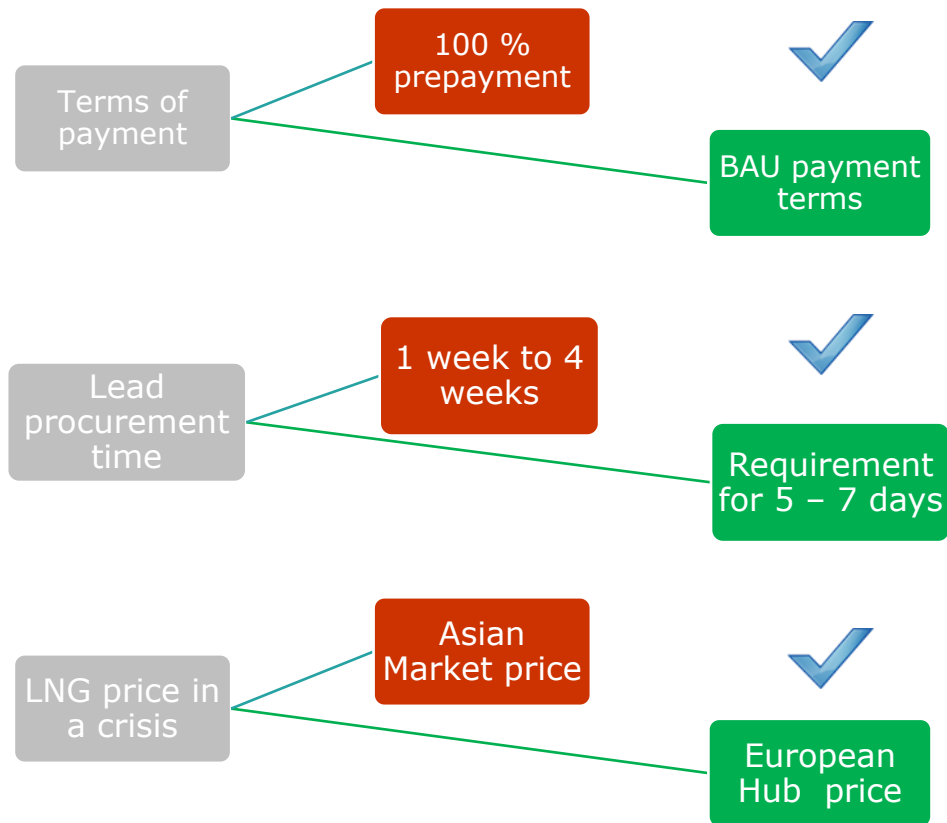
Terms of payment

Lead procurement time

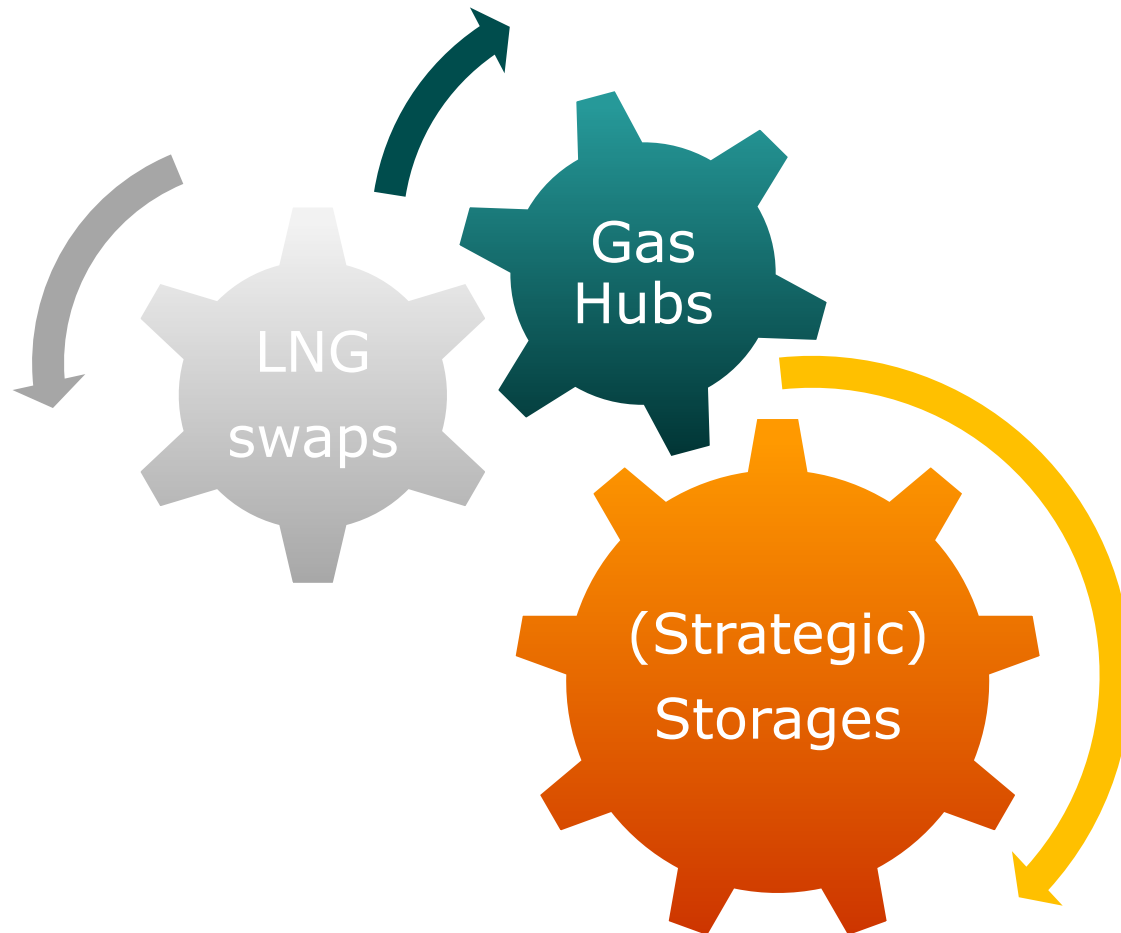
LNG price in a crisis

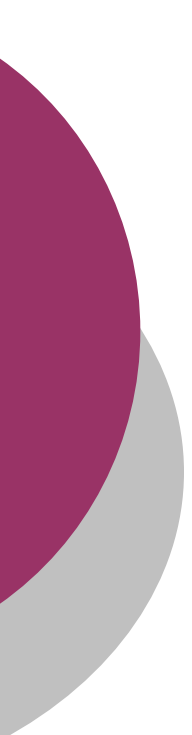
Requirements

Current



Can LNG become the (interim) physical link of isolated regions with major EU Hubs?





Thank you for your attention

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