

Task Force 2 Gas Advocacy



Working Program

Natural gas has a vital role to play in a sustainable energy future

Natural gas characteristics

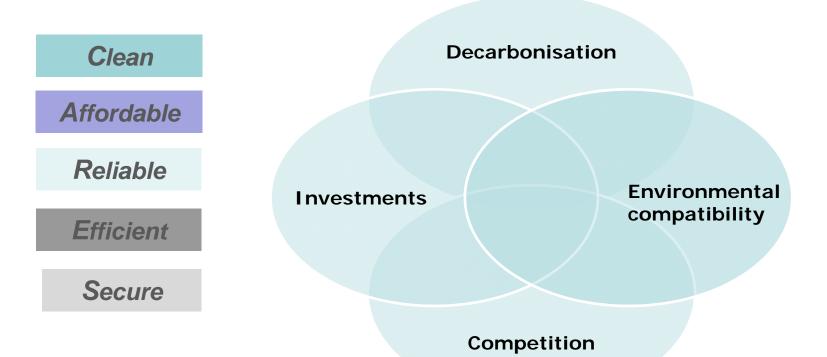


Main Gas Advocacy's challenges of the next triennium



Need for coherent policies







Decarbonisation will be a central point of the next future

 to analyze this element under a technological and sectorial perspective.

Focus on:

- Electric Generation
- Residential
- Industry
- Transport
- to **evaluate** the impact of the decarbonisation politics collaborating with other IGU's structures.
- to **elaborate** clear messages for granting to natural gas a role in the energy mix of *decarbonized* future (e.g. natural gas partner of renewables; capacity payment mechanisms for gas fired electricity generations plants).



Environmental compatibility will play an increasing role

- trading of CO₂ emission rights between sectors and geographical areas could be promoted to reach regional (e.g. European) and global objectives of decarbonisation.
- incentivize mechanisms for renewables should be properly designed (e.g. incentives connected to the price of the energy commodities)
- the role of shale gas: point of attention

Competition with other fuels is important

 incentivizing taxation mechanisms should be proposed to sustain the less polluting fuels as natural gas.



Investments are crucial for natural gas's future

- availability, security of gas supply and market design are linked to upstream, LNG and transmission infrastructures for this reason we could discuss a flexible balancing between long term and short term perspectives (e.g. role of bankability of new investments, needs for liquidity instruments....)
- flexibility tools (e.g. storage investments) are crucial for balancing especially in a scenario where the intermittence of the renewables grow

for this reason we would like to stimulate the debate on storage facility and evolution of residential consumptions

• **CCS** investments are crucial to assure the presence of natural gas in a *decarbonize* future after 2030

for this reason we would like to stress the necessity to invest in CCS technologies starting from now



Background

- Several typology of stakeholders with variable knowledge of the sector
- Different countries:
 - energy requirements
 - structure of energy market

cultural evaluation of gas

Different focus





What we would like to do

In IGU

- Stimulate the discussion on:
 - role of natural gas in the fuel mix
 - bancability of investments
 - interregional and intrasectorial trading of CO2
 - incentives to RES
- fuel taxation
 Define key messages
 market segmentation
 focus on stakeholders

Outside IGU

- Establish relations with Institutions through:
 - presentations
 - positioning in crucial moments (e.g. public consultations)
 - continuous relationship
- Underpin the role of Natural Gas with other stakeholders
 (in collaboration with PGC B)

Methodology for the next triennium

- strong collaboration with the other IGU's structures:
 - collect the technical issues from WOCs and PGCs
 - elaborate a communication strategy with PGC E
 - provide a contribution to TF 1
- segmentation of the stakeholders:
 - governatives bodies and authorities
 - politicians
 - press and public opinion
 - costumers
- differentiation of the specific messages in relation to the specificities of the countries



The topics for the first phase

- Capacity payment tools for European power generations
- The regulation of the unconventional gas
- International trading of CO2 linkage between European Trading System and Australia
- Communication of reduction of grenhousees



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Thank you for your attention

