Disclaimer: part of this information is also in EVP briefing, to check against delivery

LTTs for the slides

**Slide 2**

- This slide provides an overview of the participation in the four tendering rounds ofAggregateEU in 2023;
- The joint purchasing mechanism, which was brought into existence in just a few months during the energy crisis, has delivered outstanding results, better than anyone could have expected.
- With **182 companies** subscribed so far, the AggregateEU mechanism has become a new avenue for buyers and sellers of gas in Europe.
- Importantly, the Platform has consistently delivered good results. In total, over the **four rounds** organised in 2023, **113 buyers expressed demand of 54,1 bcm** and **48 sellers submitted offers of 61,1 bcm**. **42.1 bcm** of the demand was **matched** by suppliers.
- Demand was notified and aggregated for all **26 national balancing points/national markets** and the **two LNG virtual points** (North-West, and South-East).

**Slide 3**

- Now, looking into 2024 and the extension of the Platform legal basis.
- In December 2023, the Council of the EU approved the Commission’s proposals and adopted the prolongations.
- This year, in addition to the short-term products that will continue, we offer a **new product** upon request of various industries.
- This mid-term product allows buyers to submit their demand for a longer period than previously possible, this time for 6-month delivery periods: ‘summer’ and ‘winter’, covering respectively April until September, and October until February.
- These windows are available until the end of the year 2029.
- In these mid-term tenders, the entity of buyers will not be visible to the seller or sellers they are matched to, and it’s the initiative of the buyer to potentially get in touch with sellers.
- This year’s first round of this new product starts on 15 February, with the second one planned for September this year.
- We will compare the two available products on AggregateEU on the next slide.
Slide 4

- Unlike the current short-term Aggregate tendering of 1 month, the new mid-term product will have a runtime of 6 months.
- The minimum amount for the short-term product is 30 GWH for LNG and 5 GWh for the pipeline natural gas/ NBP, while the volumes for the medium-term are 1,800 GWh for LNG and 30 GWH for the NBP.
- In the short-term tendering rounds we aggregate multiple buyers by month and location. There will be NO aggregation for the medium-term product: individual demands will be published anonymously.
- For the short-term product, the sellers propose volumes/amount of gas and price. In the medium-term product there will be only indication of volumes/amount of gas and NO reference to price. In addition, a seller must express the interest for the entire demand of a buyer.
- Pro-rata matching is included in the short-term tendering process. However, we will not have pro-rata matching for the mid-term products.

Defensives

**Why are we going for mid-term tenders (while AggregateEU is an emergency instrument in the context for the crisis)?**
- We are adapting the product to what industrial consumers and suppliers really need: more predictability and stability in the demand and supply of gas. If we want to increase the security of supply in Europe, we need to understand the needs from those market players that play an important role in this regard.
- The way in which AggregateEU enhances Security of Supply in Europe is by bringing industrial consumers closer to gas suppliers, and providing alternative sources of natural gas, such as LNG. This allows for better price discovery and direct negotiations as well as increasing supplier diversification opportunities. By offering mid-tenders on AggregateEU, we are providing European industries with the opportunity to have more visibility on their gas supply, something that not only increases Security of Supply but also their competitiveness.

**Why there is no price in bids in mid-term tenders**
- Since the pricing and other provisions (e.g. flexibility requirements) can significantly vary in a 6-month or 5-year contract, it was not possible to immediately develop a system that would adapt according to the length of the demand profile. This is namely why this was left to the bi-lateral discussion.
Finally, such a method also fits with the reported business practice for mid-term contracts where the pricing provisions are discussed when all other provisions are agreed.

**Why the buyers are anonymous at tendering stage?**

- The buyers are anonymized at the tendering stage to avoid discrimination and exposed buyers that are looking for alternative suppliers. After the end of the tendering phase, buyers will receive the contact details of sellers and can decide to contact them to start negotiations.