Briefing for Director-General Juul Jørgensen

Visit to Washington D.C.
2-4 November 2022

Contact:
<table>
<thead>
<tr>
<th>When</th>
<th>17:30 – 19:00</th>
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<tbody>
<tr>
<td>Where</td>
<td>(tbc)</td>
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<tr>
<td>Who</td>
<td><strong>Roundtable discussion with LNG industry (20 industry participants, incl. leaders of major associations)</strong></td>
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**Companies**

1. Cheniere Energy  
2. Chesapeake Energy  
3. Chevron  
4. Commonwealth LNG  
5. ConocoPhillips  
6. Delfin Midstream  
7. Devon Energy  
8. EOG Resources  
9. EQT Corp.  
10. ExxonMobil  
11. Excelerate Energy  
12. Glenfarne Group  
13. Golden Pass LNG  
14. Sempra Infrastructure  
15. Tellurian, Inc.  
16. Venture Global

**Associations & NGOs**

1. American Council for Capital Formation  
2. American Exploration and Production Council  
3. American Petroleum Institute  
4. Energy Policy Research Foundation (EPRINC)  
5. Global Energy Institute, US Chamber of Commerce
Participants

EU objectives

- Present the EU energy situation;
- Inform about the next steps of the Energy Platform and the legislative proposal for Joint Purchasing
- Encourage U.S. Companies to take part in the joint purchasing, Inquire about their expectations for submissions of offers;

KEY MESSAGES

18 October package

- On 18 October 2022, COM proposed emergency and temporary measures to address high gas prices and increase security of supply to be better prepared for this winter and next winter to:
  - enable joint purchasing of gas;
  - address market volatility and high gas prices by advancing work on a new LNG pricing benchmark and short-term market correction mechanism that can be triggered in case of need to limit prices; and
ensure more solidarity between Member States in case of serious supply shortages and allocation of gas in case of a security of supply emergency.

EU Energy Platform and joint purchasing

- Continue developing the EU Energy Platform around the three pillars: (i) international outreach and negotiations, (ii) optimisation of the use of EU’s infrastructure to better absorb increased supplies through LNG and pipelines and (iii) demand aggregation and joint purchasing.

- Operationalisation of the EU Energy Platform including with demand aggregation tools and improved transparency.

- **Priority is storage filling for the winter 2023/24** & mandatory gas volumes equivalent to 15% of the respective storage targets to go via Demand Aggregation tool to contribute to Member States reaching their storage targets next year.

- **Legal proposal** now in the Council for Member States to consider, Commission hopes for early agreement end of November to set up the system by Q1/Q2 2023.

How will it work? In two steps:

1. **Demand aggregation**

- Process: the Commission will facilitate aggregation using a service provider operating an IT tool to collect demand and supply offers and matching them.

- Needed demand information: volumes, demand profile, delivery time, duration and place – we work on the details.
• Matching offers: the service provider will publish the aggregated demand and organise tenders to attract supply offers. The most competitive offers are then matched with demand.

• Who participates: all gas companies and companies consuming gas from the EU or Energy Community;

2. Joint Purchasing

• Following the matching of demand with supply, companies can voluntarily conclude contracts with the gas suppliers.

• EU companies can do it individually or jointly;

• In case they decide to do so jointly, energy companies would be able to set up a ‘gas purchasing consortium’.

• Such consortia will leverage on joint negotiation in the market in order to seek further advantageous conditions and conclude contracts.

Governance of the EU Energy Platform

• **Steering board**: representatives of both the Commission, MS and participation of the representatives of Energy Community Contracting Parties will oversee the process to ensure security of supply, transparency and solidarity.

• **Industry Advisory Group** has been established (IAG): EU companies with experience in buying on global markets and potentially willing to participate in demand aggregation and joint purchasing provide an industrial perspective to the Commission.

• **Regional Groups**: we continue the work with Member States in regional groupings to focus on short-term diversification options and needs (South-East, Central-Eastern including Energy Community, South-West, Baltics and North-West).