

Outline of the doctoral thesis

'Natural gas storage service'

The topic of this PhD dissertation is natural gas storage service. It aims to establish structural position of the company providing storage services and the function of this company in state responsibilities implementation. The aim of this PhD dissertation is to run an analysis on the issues mentioned above and most of all to verify if natural gas storage is a business activity in the field of service supply or if obligation of providing economic services of general economic interest can be imposed on entities in connection with natural gas storage.

The thesis here is that the character of gas and energy market determines existence of regulations as instruments for influence and guarantee of market sustainability mainly due to infrastructure conditioning and despite permanent and significant competition growth.

Starting point is the description of selected national legislation authorities and EU regulations that are crucial for natural gas market functioning. The analysis on these factors enables estimation of the scope of business activity freedom, restrictions and imposing liabilities on companies providing fuel gas supply services due to services of general economic interest. This dissertation will establish basic concepts, definitions and institutions that are significant for natural gas market functioning.

Wide scope of this dissertation issues makes it necessary to analyse many subjects that may pertain a basis for independent research. However, it is legitimate to refer to all topics described in the dissertation in order to find an answer on the role and significance of responsibilities imposed on companies providing energy storage services. In the first place we must point out that there is no legal definition of storage service or contract on storage services provision.

Natural gas storage market needs to be recognised as one of the most significant and often unappreciated sectors that are part of energy market in the broad sense. Every year during seasonal growth of natural gas usage and furthermore during all kinds of political crises concerning gas market we can see its significance in the guarantee of state functioning and economic safety.

The division of this PhD dissertation into chapters is correlated with issues set forth above. Chapter 1 is an introduction to the issues put forward. It includes the expose of third energetic package, that had fundamental significance for competitive gas market development (including fuel gas storage) as well as analysis on EU law influence on Polish gas market. Regulations in energy security and natural gas security of supply are difficult to harmonize with legislation leading to establishment of liberal and competitive natural gas market. Storage construction and provision of free and transparent access for all stakeholders should contribute to guarantee the adequate level of competition and gas supply safety. Transformation of Polish legislation in this field proceeds from EU law requirements implementation, most of all from the gas directive and its core provisions that refer to the independence of legislative authorities for infrastructure sectors, system operators and providing third party access to network infrastructure and storage facilities.

EU liberalization activities include fuel gas storage due to significance of storage infrastructure in gas system as a whole and gas market competition growth. According to gas directive, from technical and economic point of view, storage infrastructure is necessary to provide effective access to the system in order to provide gas supply to consumers. Gas storage is a sector that should be developed by Member States with regard to competition rules and in a way that guarantees supply safety, technical safety and environmental balance.

Chapter 2 includes analysis on regulations embraced in art.3 pt 2 of 2009/73/WE directive concerning common rules for the internal market in natural gas, according to which Member States are prerogative to impose obligations on energy companies due to public utility services of general interest. These obligations in particular refer to security of supply, regularity, quality and gas supply price. Such obligations shall be clearly defined, transparent, non-discriminatory, verifiable and shall guarantee equality of access for natural gas undertakings to national consumers. Therefore, considerations are if particular obligations, related to natural gas storage, may be imposed on companies due to natural gas supply safety. Furthermore, this chapter consists of analysis on service definition, economic activity definition and business activity restrictions. Main reason for such restrictions in energy sector is energetic security.

In Chapter 3 author determines restrictions on business activity and points out essential conditions for starting business activity in the field of fuel gas storage services. Fundamental legal regulations impose the obligation to separate storage system operator and the obligation

to gain concession and tariff. However, it should be emphasized that it is not a comprehensive index as it merely consists of basic obligations that determine doing business in the field of fuel gas storage.

The obligation to facilitate storage capacity of installations by companies providing fuel gas storage services is imposed by public law. That implies that access is given to all entities meeting specific criteria. The rule of equal treatment in terms of access to storage service should be considered as a ban on unequal treatment of requests on storage service supply, provided that there is no objective reason to do so. However, the entity which gets privileged access to storage installation is transmission system operator.

Chapter 4 covers the issues of the gas-stocking obligation and its main purpose that is guarantee energetic safety of the country. Furthermore, it includes expose of the role of natural gas storage in providing access to storage capacities in order to fulfill reserve supply obligations proceeding from the Act on stocks of crude oil, petroleum products and natural gas, the principles of proceeding in circumstances of a threat to the fuel security of the state and disruption on the petroleum market. The conclusion that there are possibilities of reaching safety level in market liberalisation conditions is definitely legitimate.

These two matters are not mutually exclusive - it is possible to guarantee both competition growth and security of supply at the same time. Free and equal access to storage infrastructure and storage services guarantees gas supply security.

The ending includes general conclusions that sum up all the deliberations considered in this PhD dissertation. It also provides solution to research issues put forward in the introduction.

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