## Natural gas: common rules for the internal market

1991/0385(COD) - 12/02/1998 - Council position

The common position incorporates in full or in part 38 amendments adopted by Parliament and accepted by the Commission in its amended proposal. The Council reached unanimous agreement on the text of the common position on the basis of the following general outline: - the recently adopted directive for the internal market in electricity has served as the basis during the discussion; objective reasons have been put forward in those cases where this directive differs from the directive for the internal market in electricity; the Directive introduces competition in the natural gas sector in order to enhance the competitiveness of the Community and to strengthen security of supply, while at the same ensuring public service obligations; - the internal market in natural gas shall be opened gradually on the basis of both qualitative and quantitative criteria, but Member States may open their markets more quickly than required by the Directive if they wish; - the internal market in natural gas shall be achieved by creating a right of access to the system and by making it possible to build new parallel pipelines; Member States may choose a system of either negotiated or regulatory access, or both; - access to upstream pipeline networks is needed to achieve a competitive market in natural gas, but such access should have regard to the special economic, technical and operational characteristics of such networks; - access to the system and authorization to build and/or operate systems should be based on the principles of objectivity, transparency and nondiscrimination; - refusal of access to the system shall be possible under certain circumstances; such refusals must be duly substantiated; an independent authority shall be designated in each Member State to settle disputes in relation to access to the system; - derogations shall be possible in certain cases to take account of specificities of the natural gas market; in particular, such derogations may be granted in order to avoid serious economic and financial difficulties because of take-or-pay commitments; - the differences between the national system have been recognized; thus, temporary derogations shall also be possible concerning national markets and other geographically limited areas which have not yet reached a developed natural gas market.