



BENEFITS FROM GAS STORAGE TO THE EU ENERGY BALANCE & PRICE VOLATILITY

FINDING EFFICIENT STORAGE POLICY



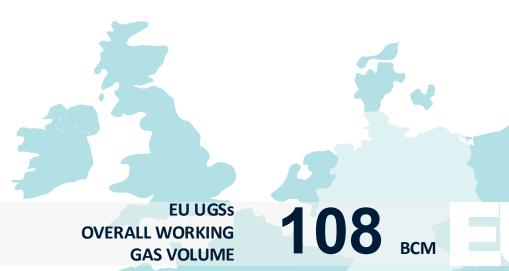
VIENNA June 11, 2025





UKRAINIAN GAS STORAGES IN 2025





30.95

UA UGSs OVERALL WORKING GAS VOLUME

COMMERCIAL OFFER

for injection season 2025

5* E

Available working gas volume for non-residents (in 2025)

*Depends on volumes & import trajectory for Ukraine

1.30 EUR MWh

cca full annual storage tariff w/o VAT

NON-RESIDENTS

180

32 COUNTRIES RESIDENTS

1179 ¹

incl. 4
BIOMETHANE
PLANTS

BIOMETHANE

6 E

Injected since Sept. 2024

2020

UNBUNDLING

SSO UA MILESTONES IN INTEGRATION WITH EUROPE'S GAS MARKET



SSO UA AS A PART OF EU ENERGY BALANCE

2024

- Service Portfolio Improved
- Updated legislation to allow biomethane export
- ✓ Injected into UGSs ≈ 1 mcm of biomethane
- ✓ 100% nominations confirmed
- E-WORLD 2024 (Essen)

2025+

KEEP MOVING TOWARDS EU+UA GAS MARKET COUPLING

- Migration to SAP S/4 HANA Switching to ENERGY UNITS
- Passing Customs Warehouse authorization according to updated legislation:
 - authorization of the system economic operator
 - authorization of the Customs Warehouse
 - authorization of broker activity
- Amending the UA Law "On the Natural Gas Market" to fully implement Regulation (EU) 2017/1938 on gas supply security

2020 2022

CUSTOMER-ORIENTED SSO

- The commercial function set up
- Non-resident CustomerPortfolio built
- ✓ I-Platform launched

CERTIFIED & RELIABLE SSO

2022

2023

- Certified in accordance with EU regulations
- Customer Portfolio increased
- ✓ I-Platform updated

GAS MARKET OVERVIEW



COMMERCIAL DRIVERS VS REGULATORY MEASURES

Supply side

- Infrastructure flexibility (capacities, affordability, accessibility)
- Production levels & lifting costs
- > Diversification of sources
- LNG supply chain

Demand side

- > Economic drivers
- > Weather conditions
- > Fuel switching capabilities
- > Energy efficiency measures

Growing burden for the Market Players

Unfavorable price spreads at European hubs

Challenges in **refilling** the storages

Unsuccessful auctions on EU storage capacity before start of the injection season

Challenges in entering into Long-term supply contracts due to uncertainty of MER requirements and EU regulations on corporate sustainability for producers

- Obligatory storage targets
 (Storage regulation 1032/2022)
- Additional variable fees included into tariffs (e.g. component of the tariff)
- Potential obligation on EU sustainability & reporting regulations



WAYS TO FIND THE BALANCE



ASSESSMENT & EVALUATION

Storage regulation should be subject to a thorough **impact assessment** to evaluate its economic security & market implications before a prolongation is considered

Evaluation of the **impact** on natural gas system of a **tariff regime** whereby no tariffs will be charged for access to GTS at IPs between Member States, or at IPs with 3rd countries whose systems connect two or more Member States

EUROPEAN COMMISSION & MEMBER STATES COORDINATION

Strengthening coordination by the EC to **implement infrastructure projects** in regions **where bottlenecks remain**

Additional **consulting** of Member States with the market **before introducing requirements/levies** beyond the EU Storage Regulation

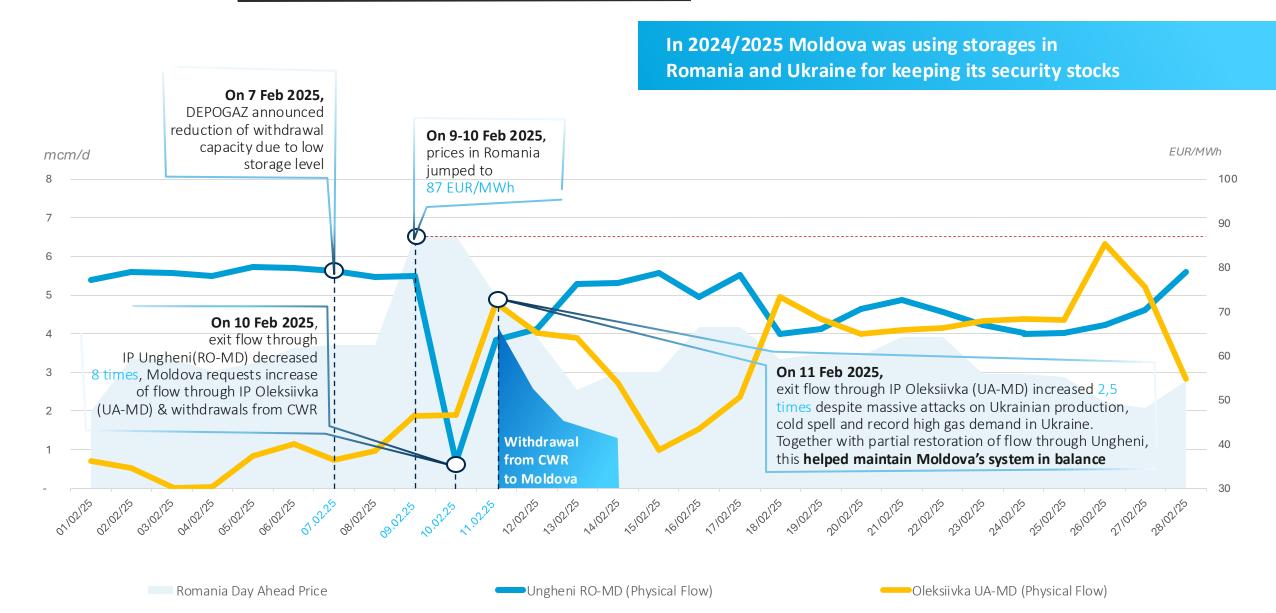
USING STORAGES TO STRENTHEN EUROPE'S ENERGY SECURITY

Initiation by the EC of creation of pan-European gas storage reserves*, which would be managed not by the National governments but an European body/regulator using capacities of the Ukrainian UGSs

^{*} As part of a review of the EU Energy security architecture planned for late 2025-early 2026

UKRAINIAN GAS STORAGES AS CONTRIBUTOR IN DECREASING ENERGY SECURITY DEFICIT FOR NEIGHBORING COUNTRIES









THANK YOU FOR YOUR ATTENTION



VIENNA

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