

AEGPL: Who we are and what we do

ULPGA Congress
Kiev, October 20th, 2015



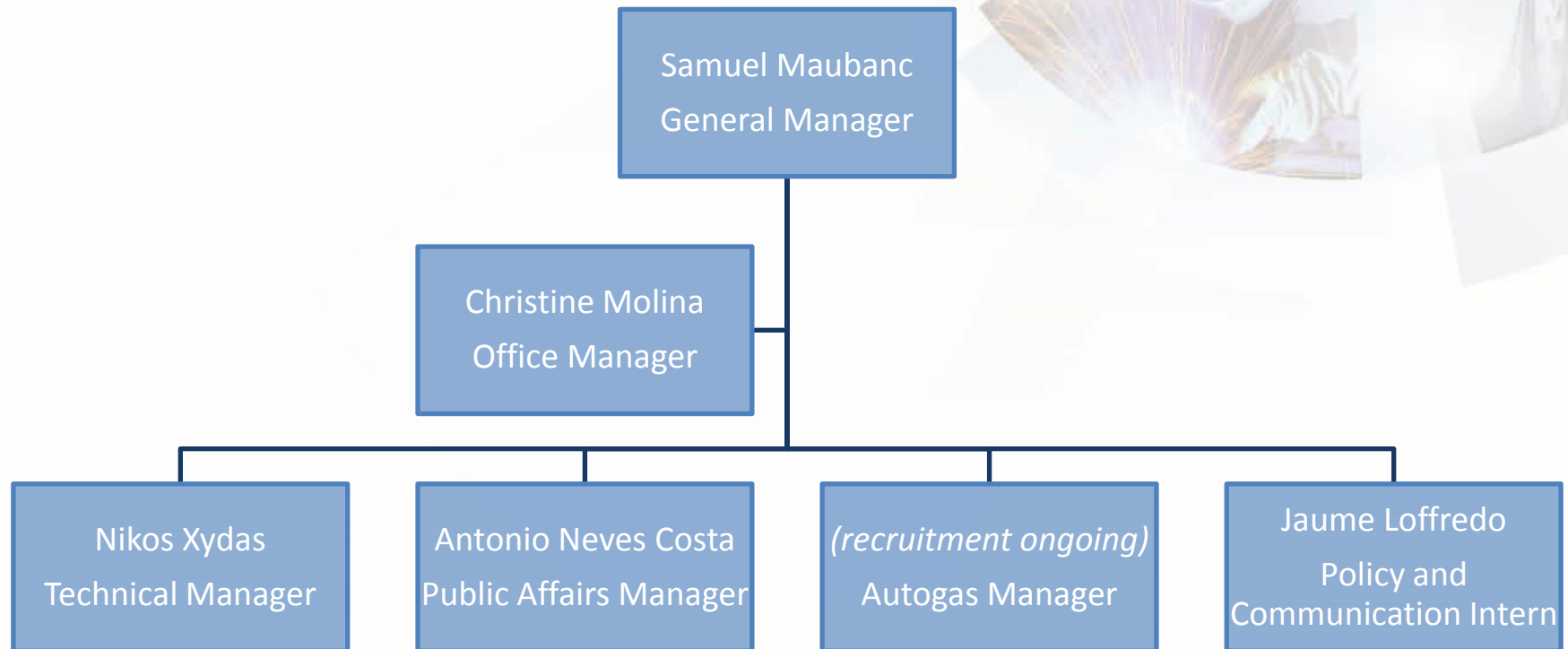
| AEGPL: the European LPG Association

Based in Brussels, AEGPL is comprised of 44 members:

- 16 National LPG Associations
- 10 major LPG Distributors, most of them world leaders:
 - Pan-European: SHV Energy, UGI, Total, Repsol, Veroniki, DCC Energy LPG
 - Nat. Distributors: Autogas Nord, Aygaz, Butagaz, Afriquia Gaz
- 18 Affiliate Members: equipment manufacturers, transporters, consultants, etc.

Main activity: Engage with EU decision-makers and the wider policy community to defend the interest of the LPG industry

The AEGPL permanent staff



| What does AEGPL do for its members?

- 1) Informs its members on all regulatory threats and opportunities
- 2) Enables its members to shape our industry's common responses to policy makers
- 3) Publishes studies and communications materials to demonstrate LPG benefits
- 4) Supports its members in their own lobbying and advocacy actions at national level
- 5) Raises the visibility of LPG at European level
- 6) Organises and hosts the AEGPL Annual Congress

1) Informing members on all regulatory threats and opportunities

- Distribution of newsflash and policy memos
- Bi-monthly “Members updates”
- Regular updates within the EU Policy, Technical, and Autogas Coordination groups
- Comprehensive library of material stored in the Members area of the AEGPL website
- Weekly EU news digest

Key EU-based Legislative and Technical Dossiers (Updated as of July 2015)

EU Level Dossiers						
Work Area I: LPG as a Heating Fuel						
Initiative	Nature/Objective	AEGPL's Goal(s)	AEGPL Actions	Key dates	Impact (Out of 5)	Members' Role
General promotion of LPG as a Heating Fuel	<ul style="list-style-type: none"> • AEGPL-led campaign, highlighting advantages of LPG beyond the natural gas grid • Establishing a niche for LPG (clean, gaseous fuel available everywhere) within the EU energy model • Recalling the need to preserve this niche when developing policy • Tracking new issues such as energy poverty and black carbon 	<ul style="list-style-type: none"> • Broader awareness of LPG and its potential contribution to Europe's energy/environmental challenges • Enhancing the LPG industry's level of influence with a view to amending specific legislative acts 	<ul style="list-style-type: none"> • Drafting and publication of "Beyond the Grid" Roadmap • Combination of communication initiatives and bilateral meetings with policy-makers and other stakeholders • Participation in Commission consultation on Energy for 2030 • Drafting and circulation of AEGPL position paper on Commission proposal for Energy and Climate Framework for 2030 in Q1-Q2 2014 	<ul style="list-style-type: none"> • "Beyond the Gas Grid" Roadmap published in June, 2011, events held in 2012 • Submission to 2030 consultation in July 2013 • Corresponding media campaign and contribution to debate 3/4 2013 • Commission released its proposal for 2030 Energy and Climate Policy Framework on January 24th 2014 	<p>5</p> <p>Fundamental precursor to lobbying on specific dossiers</p>	<ul style="list-style-type: none"> • Ensure that efforts in Brussels are mirrored/echoed in national capitals: Spanish and Polish translations already completed • Build relationships with a core group of MEPs • Provide expertise/HR support for drafting of Roadmap and other AEGPL documents • National level campaigns undertaken eg UKLPG-Delta study and PA campaign for London 2013 – Targeting Carbon released October 2013
Legislative Dossiers						
EU Energy Union Package COM (2015) 0680	<ul style="list-style-type: none"> • Top-level proposal defining the European Union's strategy in the field of energy. • The proposal suggests that one of the priorities of the EU should be increasing its level of security of supply by diversifying its natural gas imports 	<ul style="list-style-type: none"> • AEGPL generally supports the need of the objective of increasing the number of points of entry of energy products. • Highlights how LPG supply is already secure. • Highlights that natural gas cannot be a solution in all areas and there LPG can have a pivotal role in helping the EU to reach its environmental and political goals. 	<ul style="list-style-type: none"> • Written and sent out a position paper on the Energy Union to the relevant MEPs. • Engaged in meetings with MEPs highlighting the benefits of LPG. 	<ul style="list-style-type: none"> • Vote in Transport Committee: July 14th 2015 • Vote in Environment Committee: September 15th 2015 • Vote in Industry Committee: October 13th 2015 • Vote in Plenary: November 11th 2015 	<p>4</p> <p>Important political value even if the proposal is not legally binding as it defines the future EU Energy strategy.</p>	<ul style="list-style-type: none"> • AEGPL received valuable contributions from its members which helped to establish our position
EU Heating and Cooling Strategy	<ul style="list-style-type: none"> • Top-level proposal which will define EU priorities in the sector of residential heating and cooling. 	<ul style="list-style-type: none"> • AEGPL believes that one-size-fits-all approaches cannot address the needs of both rural and urban residential sector. • Calls for measures taking into account the specificities of the rural areas (i.e. more frequent blackouts, hence electricity not suitable, no natural gas grid). 	<ul style="list-style-type: none"> • Drafted position paper and sent out to members. • Engaged in meetings with the Commission highlighting the pivotal role of LPG in Rural areas 	<ul style="list-style-type: none"> • Proposal to be published in Q4 2015 	<p>4</p> <p>Important political value even if the proposal is not legally binding as it defines the future EU strategy in this sector.</p>	<ul style="list-style-type: none"> • Provide input to AEGPL position

2) Enabling members to shape our industry's common responses to EU policy makers

Transparent and participative approach in defining our industry's positions:

- Strategic position papers debated and approved in Steering Committee
- Free participation in AEGPL coordination and working groups
→ both physical meetings and conference calls



2.1) The Working Groups

- EU Policy Coordination Group
 - Energy Taxation Working Group
 - Energy Efficiency Working Group
 - Alternative Fuels Working Group
- Technical Coordination Group
 - Transport RID/ADR/AND Working Group
 - Bleve Prevention Working Group
- Autogas Coordination Group



4) Supporting members in their own lobbying actions at national level

Disseminating case studies and coordinating national lobbying actions:

A few recent examples:

- BLEVE prevention in RID-ADR
- Transposition of Energy Efficiency Directive
- Implementation of Packaging Waste Directive
- Sharing experiences: the Oil Stocks Directive
- Application of EN589 across Europe

Responding to individual helpdesk requests:

A few recent examples:

- Portuguese and Turkish underground parking laws
- Procurement of green vehicles in the Czech Republic
- Spanish consumer organisation negative article on Autogas
- State-regulated prices
- Ownership of bulk tanks

AEGPL MEP outreach: “making friends before we need them”



MEP Outreach 2015

Meeting report for the Spanish LPG association

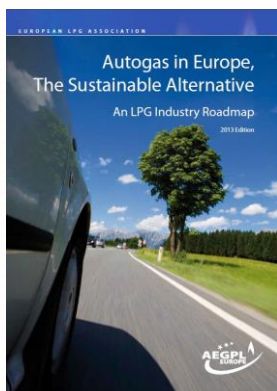
Time/Day	Content of the discussion	Follow-up requested or suggested?
22 January		
9:30	<p>Meeting with Iratxe García Pérez MEP</p> <ol style="list-style-type: none"> General impression – rather positive about LPG, rather negative about LNG, neutral? Positive impression. Iratxe has a lot interest in meet Iratxe. Asked many questions about growth potential for LPG and new transport technologies Main topics discussed: Energy Union, Energy efficiency Directive, Regulation on Non-Road Mobile Machinery Questions asked or particular comments made by the MEP: 	Send position paper on Energy union



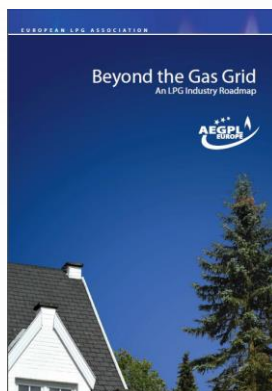
In addition to targeted outreach conducted by AEGPL staff, we organise outreach programmes towards Members of the European Parliament for our national associations members

→ 37 meetings in January 2015

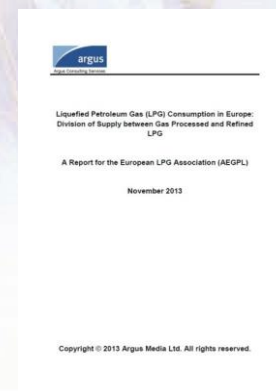
3) Publishing studies and materials to demonstrate LPG benefits



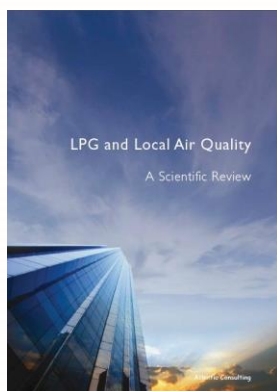
**Autogas in Europe:
The Sustainable Alternative**



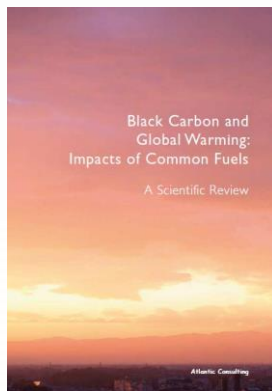
**Beyond the Gas Grid
An LPG Industry Roadmap**



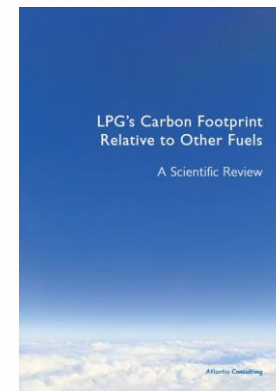
**Origin of LPG: gas
processed vs. refinery**



LPG and Local Air Quality

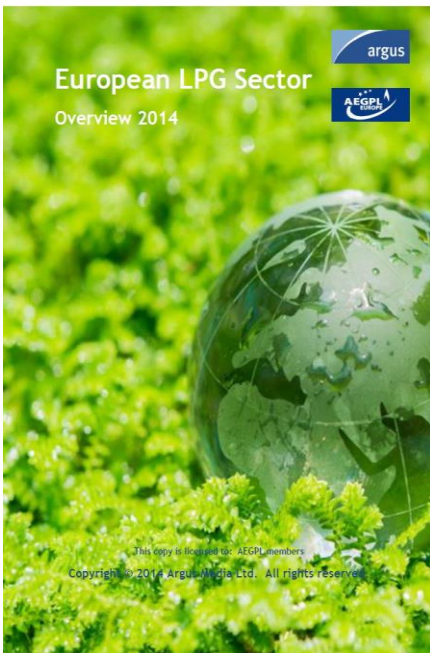


Black Carbon and Global Warming

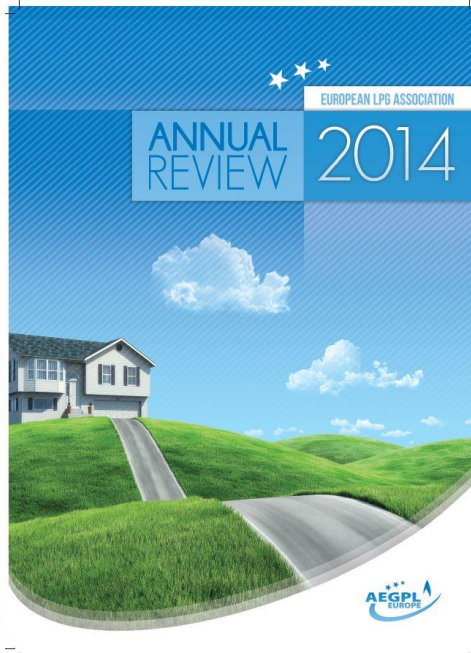


LPG Carbon Footprint

4) Internal AEGPL publications



European LPG Sector
Statistical Report



AEGPL Annual Review

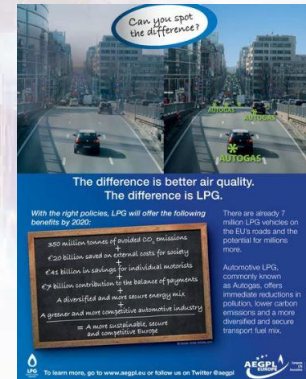


AEGPL Guide to the
European Parliament

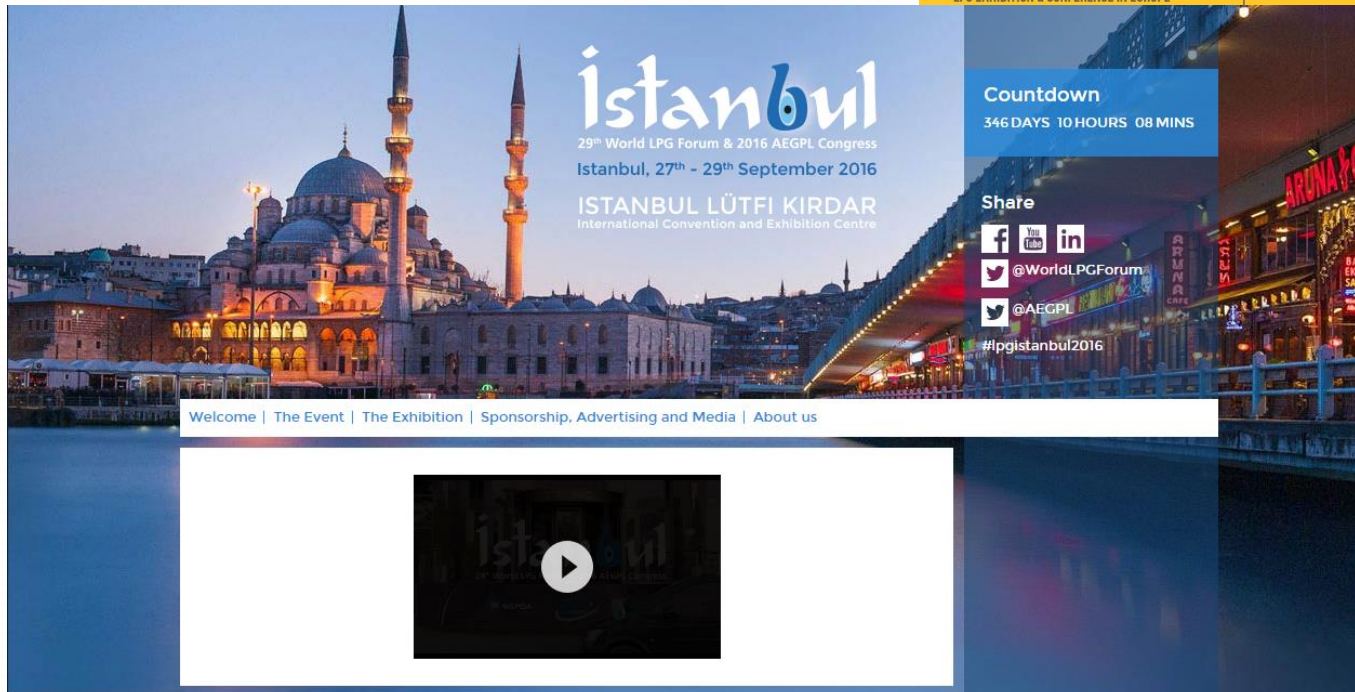


AEGPL Association Network

5) Raising the visibility of LPG at European Level



6) AEGPL Congress

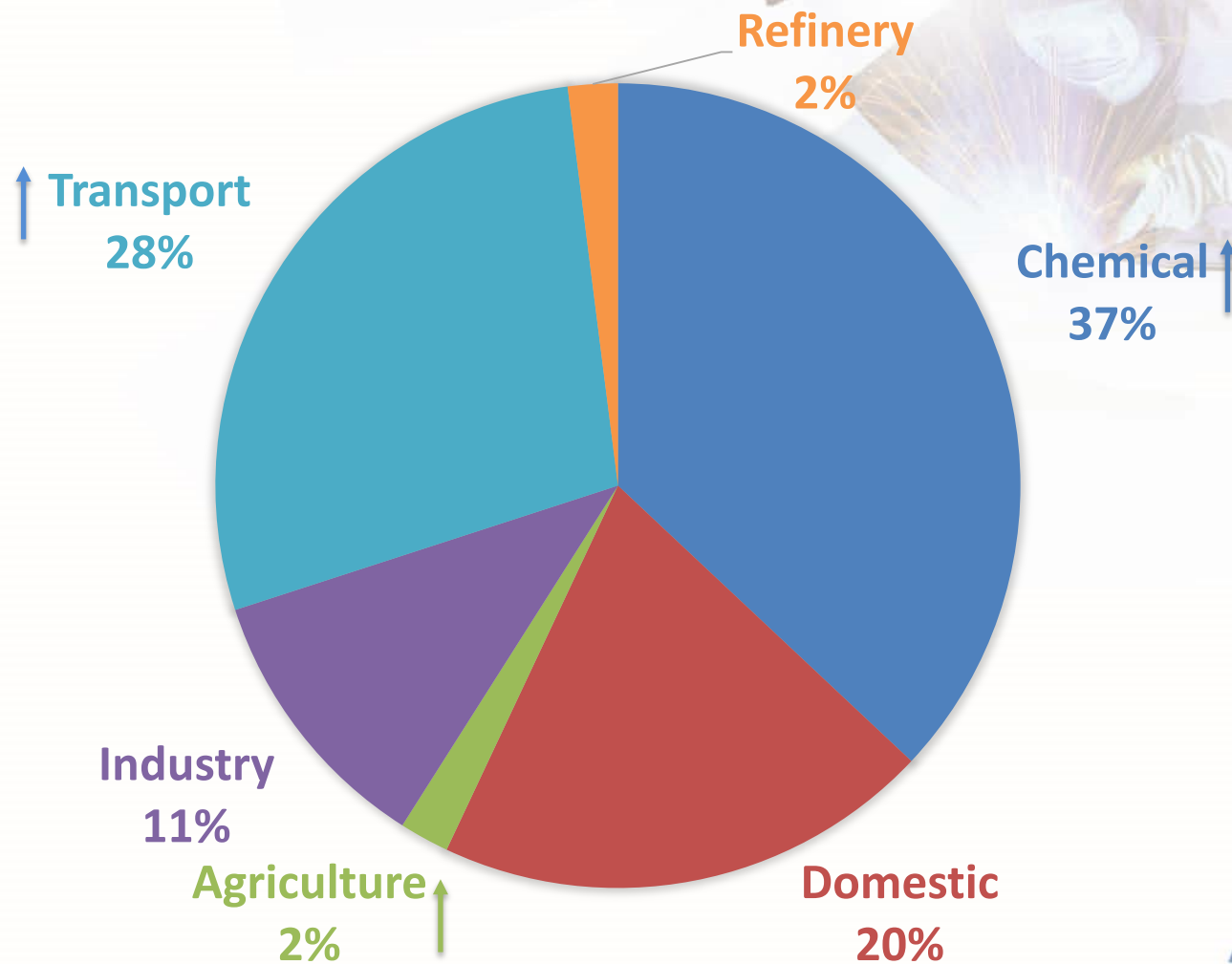




The Ukrainian LPG Market

Stats and Features

LPG Demand by Sector - Europe

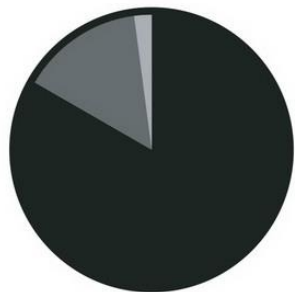


Positive signs

❖ Unique conditions for development of LPG:

- ✓ Automotive sector unwilling to use expensive petrol and diesel fuel;
- ✓ Authorities keen on replacing supplies of Russian natural gas with other energy sources;
- ✓ Consumption is growing at a fast pace;
- ✓ Successful work on reforming of a regulatory system, which earlier hindered market development.

Consumption structure



AUTOGAS

83%



CYLINDERS

15%



OTHER

2%



Study on European LPG Trends - Ukraine

- LPG consumption in Ukraine increased after seeing decreases in 2013.
- Total consumption increased by 7% to 1 million tonnes per year, with the country's dominant Autogas sector seeing demand rise to 911,000 t/yr and the vehicle fleet grow to over 1.6mn vehicles. (91% total consumption).
- Ukraine's LPG production is largely derived from gas processing plants.
- Primary energy demand is still dominated by natural gas and coal, and LPG only represents less than 1% of overall primary energy consumption in Ukraine – ROOM FOR GROWTH!





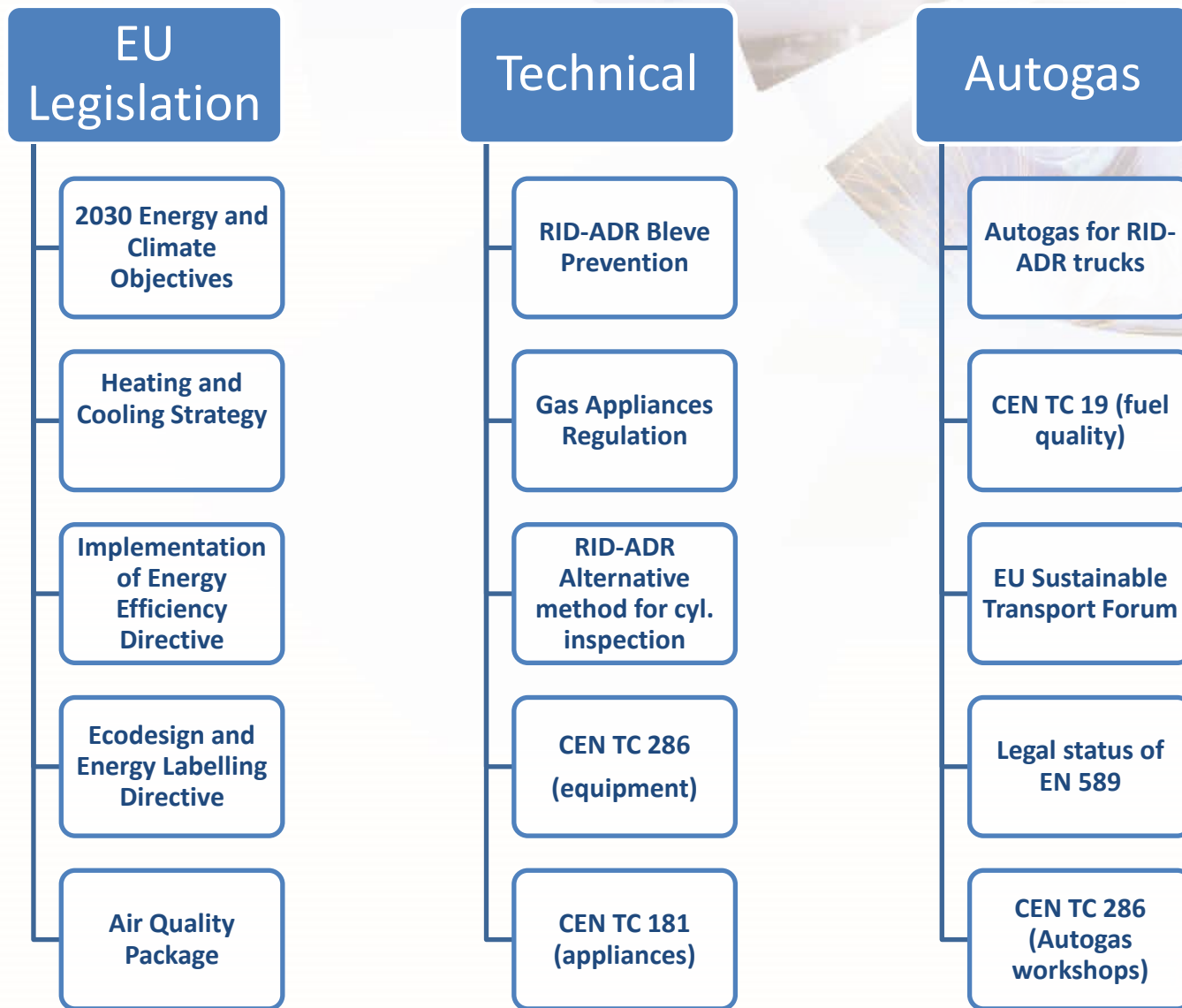
Examples of lobbying activities

EU-Ukraine Association Agreement

- The EU-Ukraine Association Agreement was signed in September 2014 and will enter into force on 31st December 2015
- It includes a Deep and Comprehensive Free Trade Area that will go further than classic free trade areas.
- It will both open up markets but also address competitiveness issues and the steps needed to meet EU standards and trade on EU markets.
- Energy (including nuclear issues) - Particular focus on issues concerning security of supply, the gradual integration of energy markets, energy efficiency, renewable energy sources and nuclear safety.



Selection of ongoing AEGPL lobbying dossiers



AEGPL action on eco-design for LPG appliances

Article 1 Subject matter and scope

1. This Regulation establishes eco-design requirements for the placing on the market and putting into service of domestic ovens (including when incorporated in cookers), domestic hobs and domestic electric range hoods, including when sold for non-domestic purposes.
2. This Regulation shall not apply to:
 - (a) appliances that use energy sources other than electricity or gas;

³ OJ L 316, 14.11.2012, p. 12.

EN

4

EN

- (b) appliances which offer 'microwave heating' function;
- (c) small ovens;
- (d) portable ovens;
- (e) heat storage ovens;
- (f) ovens which are heated with steam as a primary heating function;
- (g) covered gas burners in hobs;
- (h) outdoor cooking appliances;
- (i) appliances designed for use only with gases of the "third family" (propane and butane);
- (j) grills.

Removed from scope of Eco-design regulations:

- Outdoor cooking appliances
- Cooking appliances running exclusively on LPG
- Patio heaters

Avoided a ban:

- Cabinet heaters



Avoiding mandatory thermal coating of LPG tankers

- Ongoing talks in UNECE to introduce RID-ADR measures against BLEVE
 - Strong political pressure from Netherlands, Germany, and France in favour of thermal coating
 - May cover both road and rail tankers
 - Potential cost on the industry: over €400 million!
- **Leading role of AEGPL in defeating adoption in Geneva in September 2014**

We won a first battle but war continues...



AEGPL campaign against the Energy Taxation Directive



- During the 4 years of negotiations, AEGPL coordinated an intensive campaign at EU and national level
- Proposal could have killed the Autogas segment but would have also badly hit the LPG heating and industrial sectors
- Finally withdrawn in 2015, but the Commission may strike again...

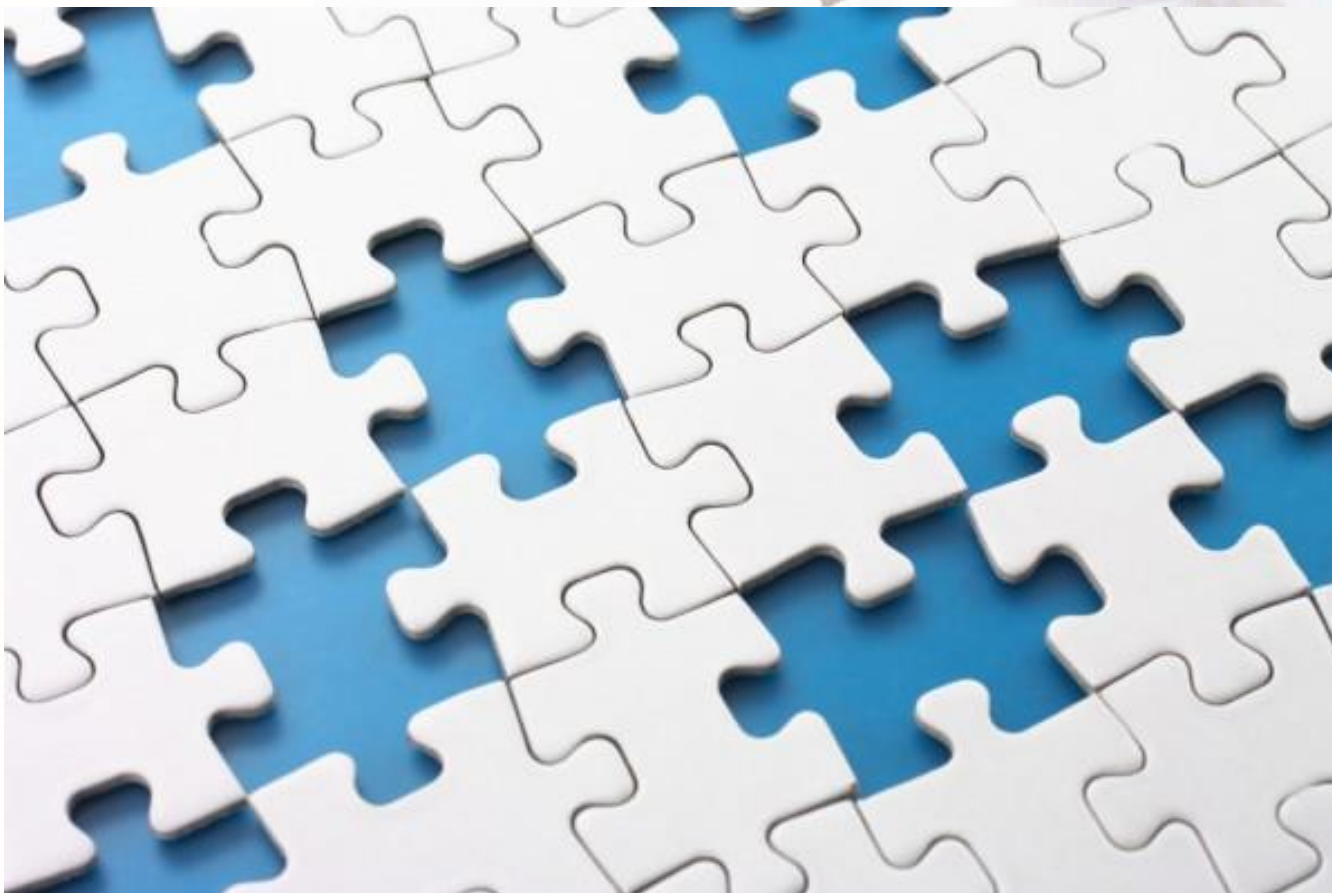
Conclusion

| Interaction

European
Association

National
Association /
Companies

| Cooperation



| Strength in numbers





Thank you!
Дякую!

Antonio Neves Costa
AEGPL

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