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European Union Agency for the Cooperation
of Energy Regulators

Staying the uphill course: Updates on the gas sector

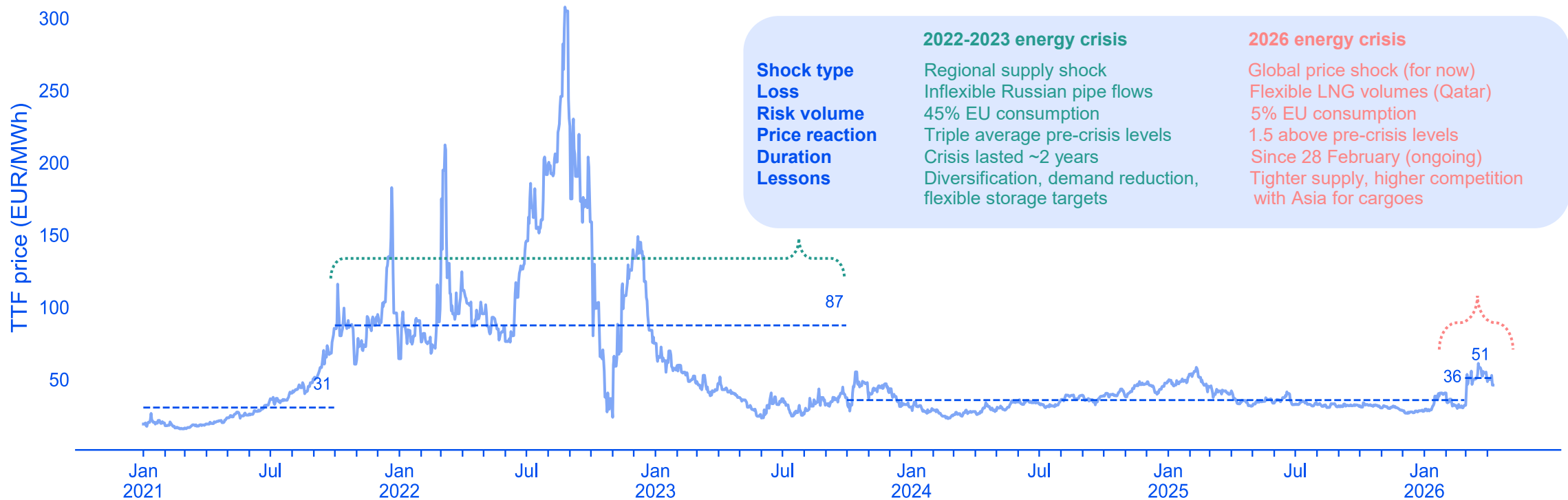
Informal Ministerial Meeting, Cyprus, 13 May 2026

Volker Zuleger, *ACER Director ad-interim*

2026 energy crisis compared to the 2022-2023 crisis

The EU is vulnerable to energy shocks:

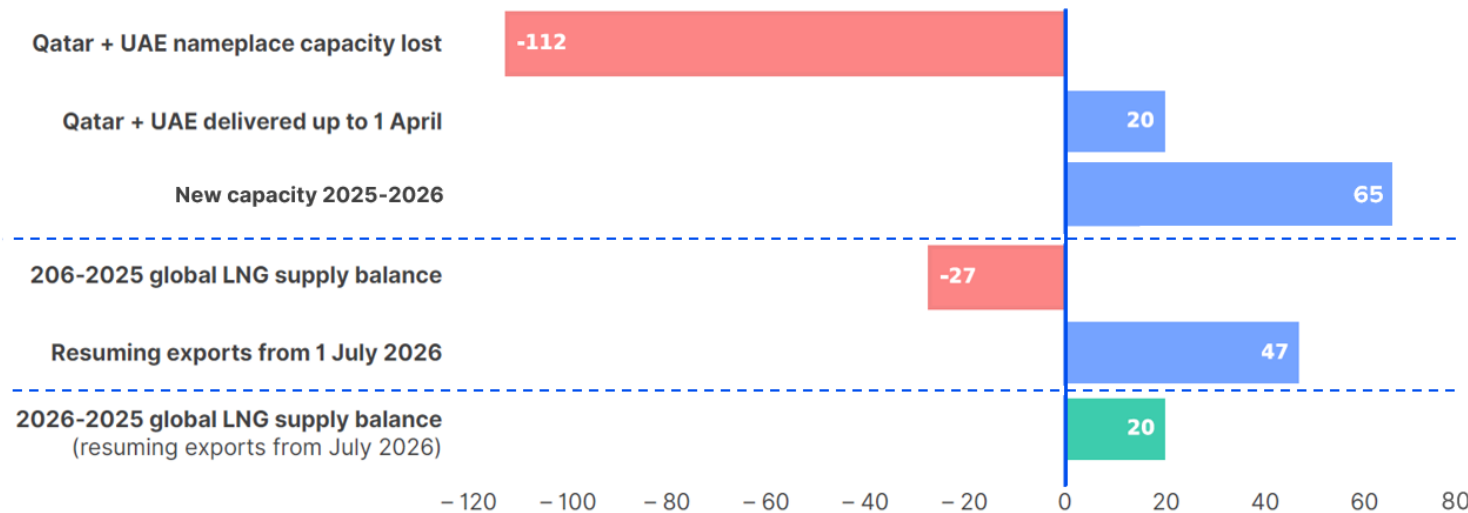
To date, the 2026 energy crisis is not at the same level of magnitude than the 2022-2023 crisis



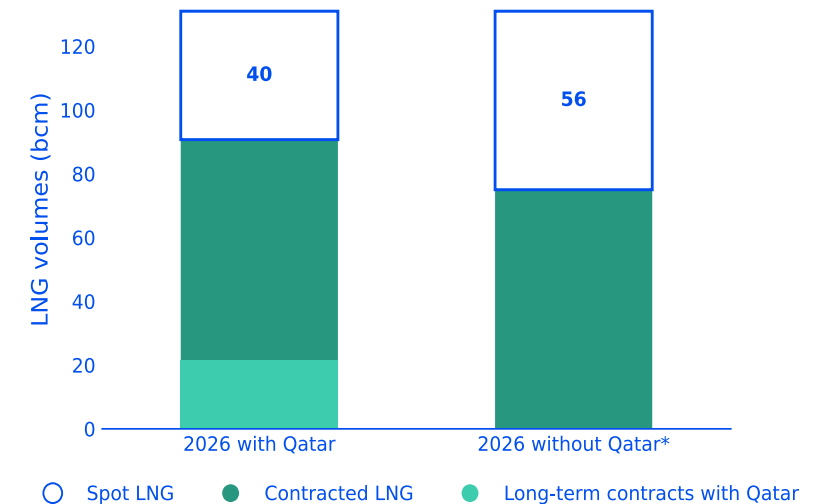
The 2022-2023 energy crisis reshaped the EU natural gas market and led to a higher exposure to LNG global market. While the EU emerged more resilient to supply shocks through diversification and demand reduction, its exposure to global LNG markets left the EU more vulnerable to global price volatility and transport disruptions. These vulnerabilities could spill over to higher costs for industry and households, threatening EU competitiveness and affordability, and broader economic stability.

If Qatari disruptions persist until the end of the year, a global LNG supply gap may emerge. It may then be challenging for the EU to procure LNG through short-term markets.

Global LNG balance 2026-2025 variation if the Strait of Hormuz were closed until the end of 2026 (bcm)



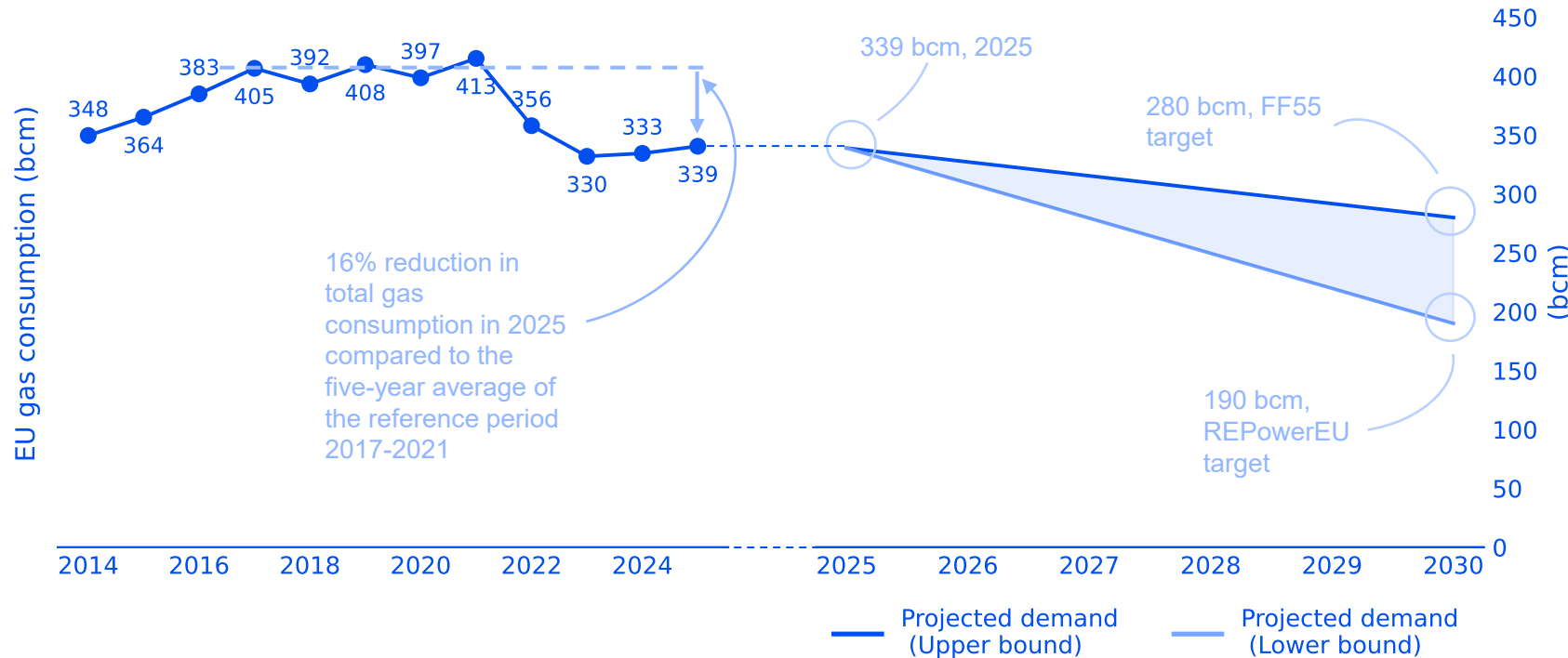
EU LNG supply contractual portfolio, including Qatar (bcm)



Source: ACER based on ICIS. Note: For ramp up projects, nameplate capacity has been considered as that observed in March with an availability factor of 0.95. In addition, resuming exports from 1 July 2026 assumes that both Qatar/UAE LNG production and the Strait of Hormuz reopening returns to pre-conflict levels. This scenario considers 17% curtailment of Qatar's LNG export capacity. Note also that Qatar and UAE produced gas above their nameplate capacity (112 bcm together) in 2025. LNG demand is assumed constant year-on-year.

Medium-term gas delivery contracts with delivery flexibility can provide predictable prices, while adjusting to gas consumption changes.

Historical gas consumption in the EU, 2014-2025 (bcm) and projected gas consumption under Fit-for-55 and REPowerEU decarbonisation scenarios, 2026-2030 (bcm)



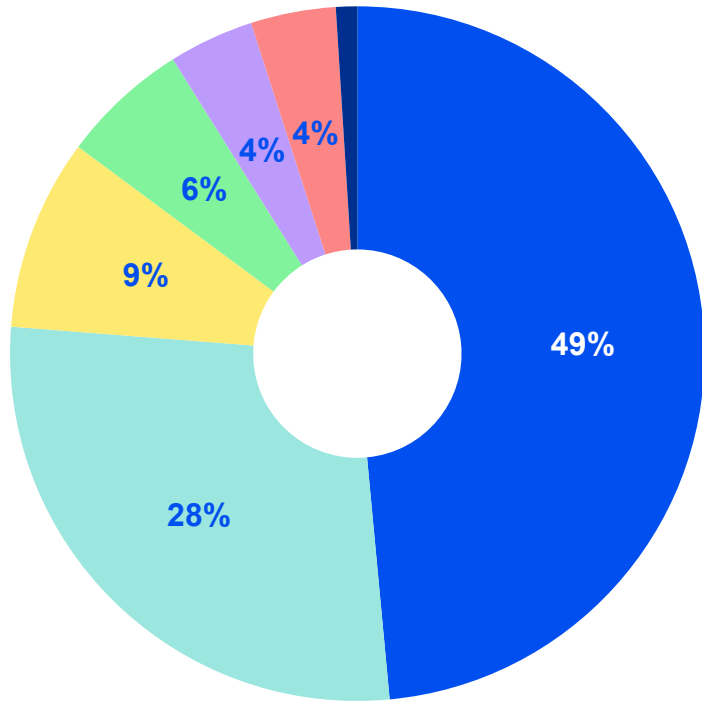
38 bcm
to contract from short-term markets in 2030.

Source: [ACER's LNG Monitoring Report](#) (May 2026).

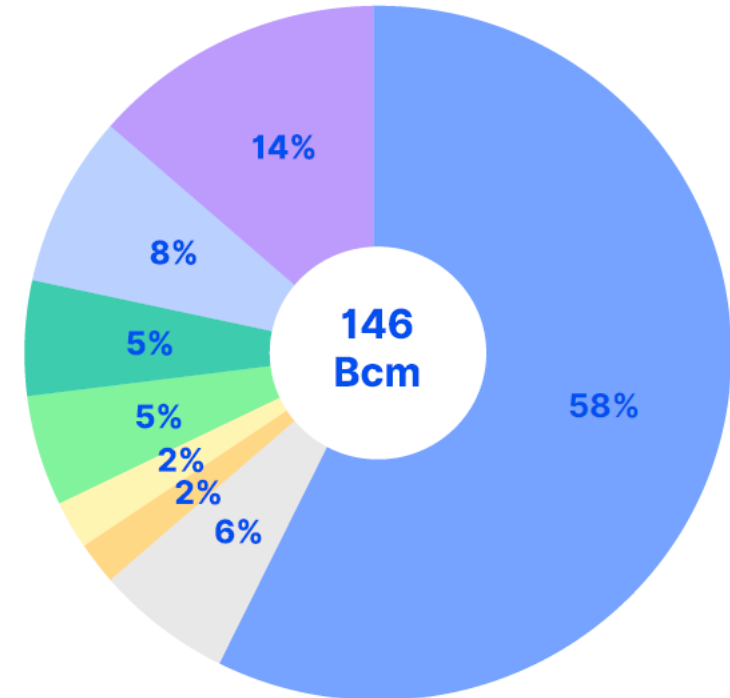
Note: The volumes to contract from short-term markets in 2030 assume that consumption is in line with the FF55 target.

Introducing the new gas and LNG supply

EU gas sources in 2025 (% , Bcm)



EU LNG sources in 2025 (% , Bcm)

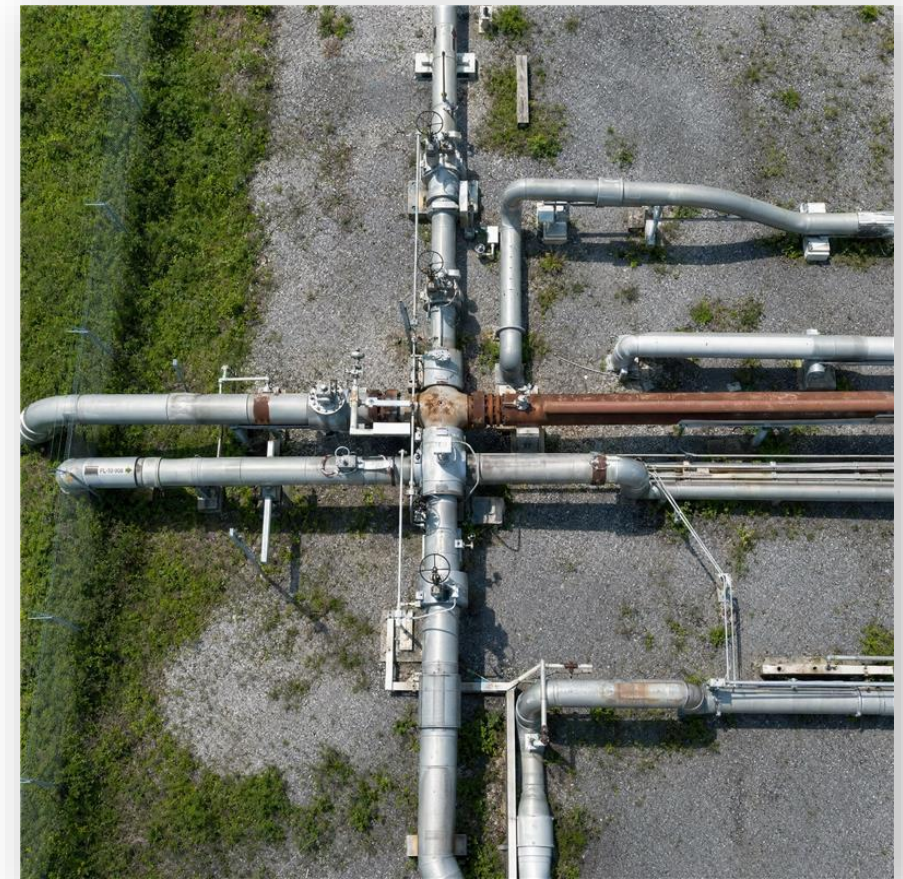
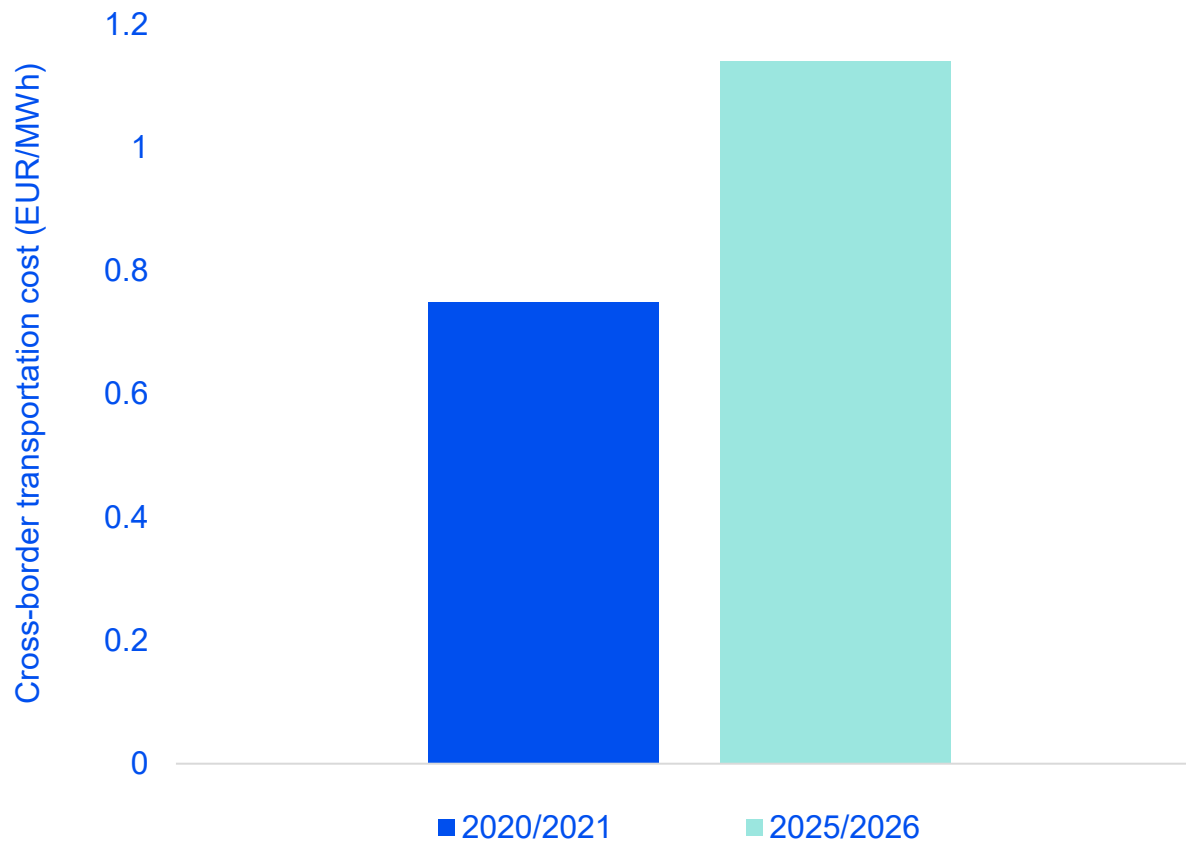


■ LNG ■ Norway ■ Algeria & Libya ■ Russia - pipeline ■ Azerbaijan ■ United Kingdom ■ Turkiye

■ Trinidad ■ Norway ■ Algeria ■ Nigeria ■ Qatar ■ Russia ■ USA ■ Others

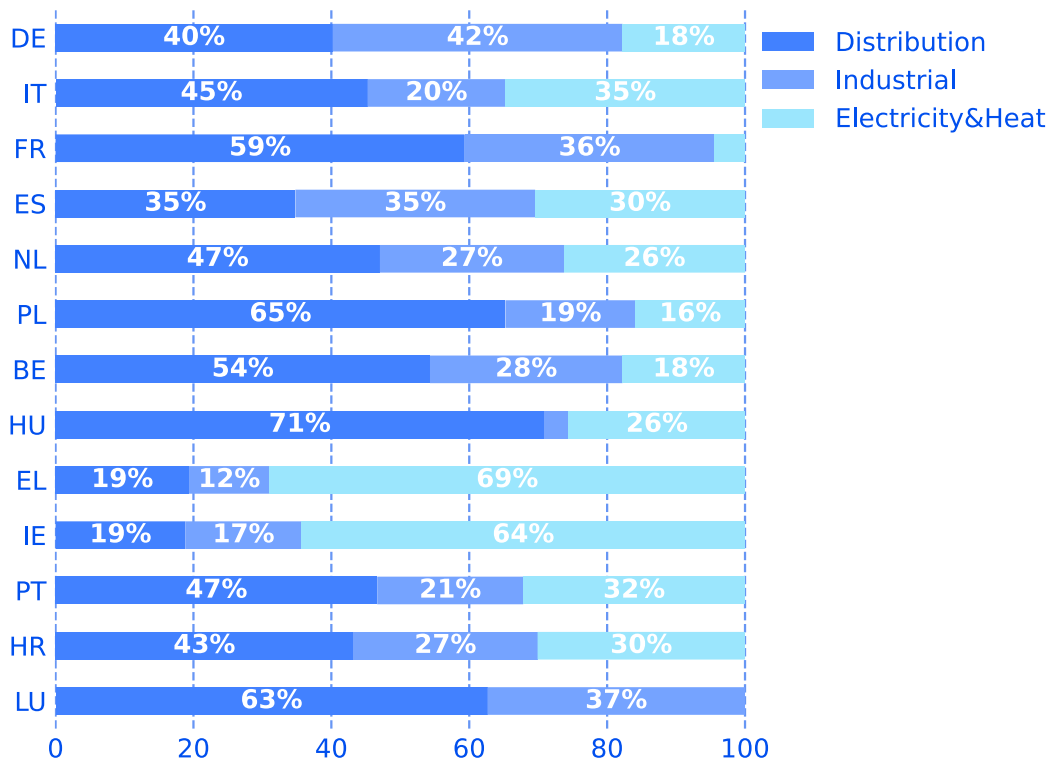
The financing of gas networks at a crossroad?

Average gas transportation cost on selected border,
2025/2026 vs 2020/2021 (EUR/MWh)




Challenges of decarbonising the gas system differ among countries, influenced by either industry decarbonisation or electrification efforts

Sectoral breakdown* of gas consumption for selected Member States, 2025 (%)



Coming soon:
ACER's report on the decarbonisation of the gas sector (June 2026) will analyse the gas system decarbonisation outlook and impacts.



Source: ACER based on Eurostat and JRC's ENaGaD.

*Estimated sectoral breakdown for some countries based on Eurostat and ENaGaD data. This figure shows relative terms only and do not reflect differences in absolute size, population, gas consumption usage, or industrial output across Member States, which are critical to emphasise the national challenges for decarbonising the gas systems.

Thank you. Any questions?

See ACER Market
Monitoring reports



The contents of this document do not necessarily reflect the position or opinion of the Agency.



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✉ info@acer.europa.eu
🖱 acer.europa.eu

🦋 [@eu-acer.bsky.social](https://bsky.app/profile/eu-acer.bsky.social)
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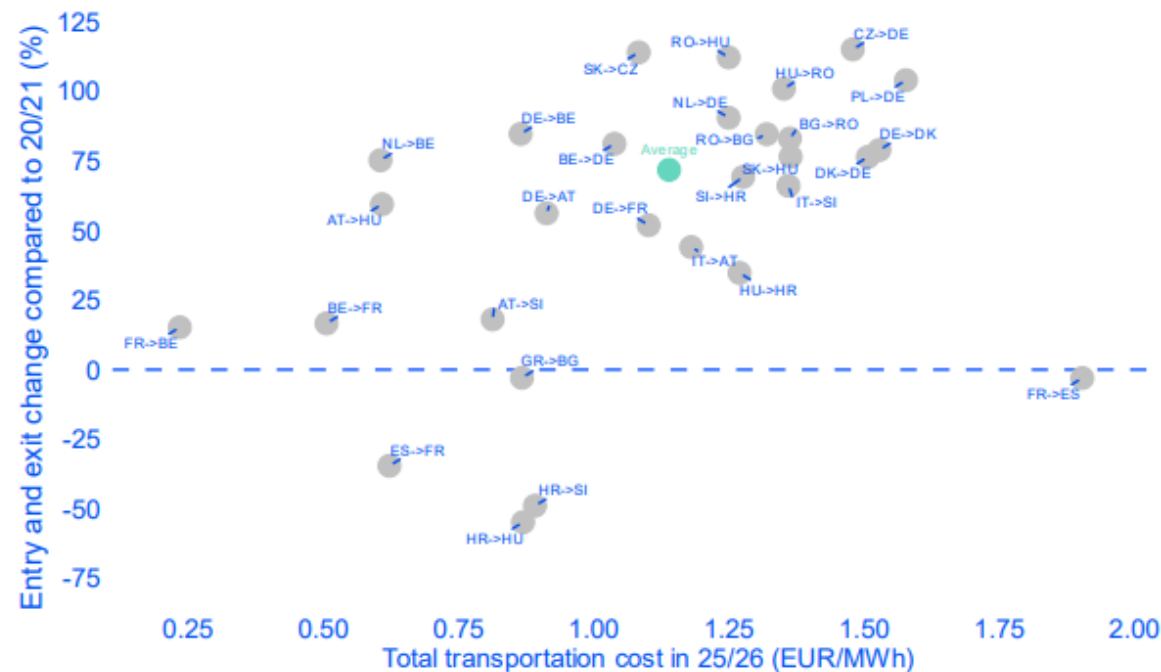


- **Supporting the integration of energy markets in the EU** (by common rules at EU level). Primarily directed towards transmission system operators and power exchanges.
- **Contributing to efficient trans-European energy infrastructure**, ensuring alignment with EU priorities.
- Monitoring energy markets to ensure that they function well, **detering market manipulation and abusive behaviour**.
- Where necessary, **coordinating cross-national regulatory action**.
- Governance: **Regulatory oversight is shared** with national regulators. **Decision-making** within ACER is collaborative and joint (formal decisions requiring 2/3 majority of national regulators). **Decentralised enforcement** at national level.
- Headquartered in Ljubljana, Slovenia. **Engaged across the EU**.

Significant transmission tariff increases in recent years

Transmission tariffs (both domestic and cross-border) have increased in the 2020-26 period, driven by lower demand, lower network flows and inflation. Rising tariffs can affect market integration and negatively impact natural gas demand.

Relative change in cross-border capacity reserve prices for yearly products at selected borders, 2025/2026 vs 2020/2021 (EUR/MWh)



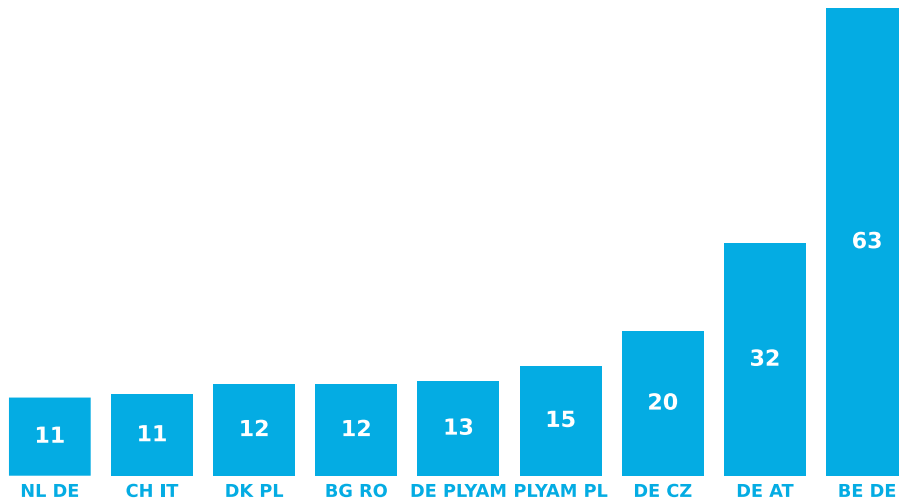
EU cross-border transport costs have risen by circa 75% since 2021 on average.

Source: ACER calculations based on European Network of Transmission System Operators Gas data. The relative change refers to the sum of entry and exit reserve price tariffs, excluding potential additional charges and levies (e.g., in Germany). Note 1: 2022 vs 2021 average increase lagged behind inflation, which may indicate also a certain catching up. Note 2: Other factors may offset the trend though. Chiefly, in many EU gas systems amortisation is well advanced, and if investments remain modest, this could mitigate the upward pressure on tariffs in the coming years.

Eastward gas flows reinforced to meet rising demand

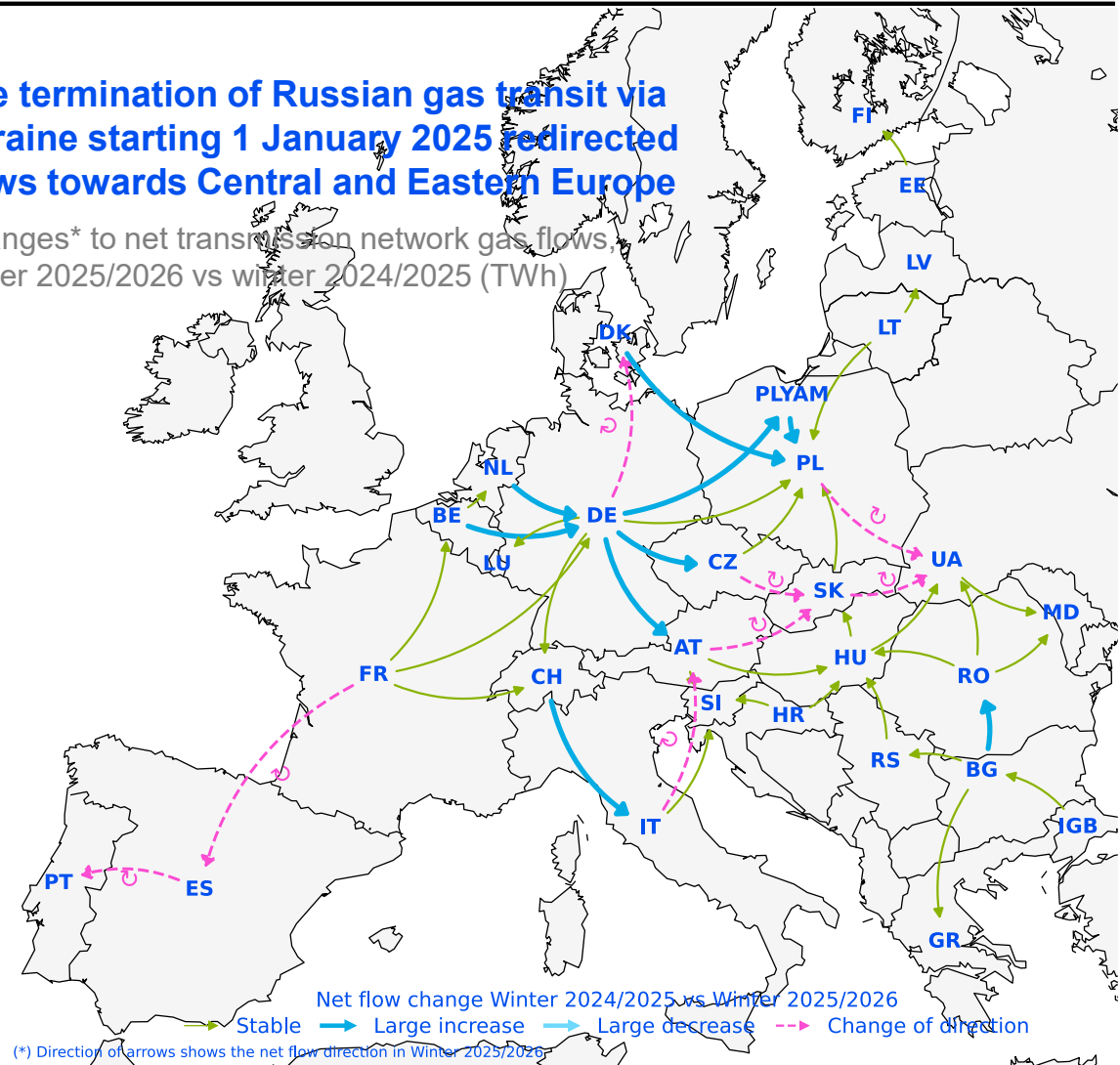
Changes in cross-border flows reflected the need for gas to be shipped eastward across the EU, especially in land-locked countries

Largest changes* to net transmission network gas flows, winter 2025/2026 vs winter 2024/2025 (TWh)




The termination of Russian gas transit via Ukraine starting 1 January 2025 redirected flows towards Central and Eastern Europe

Changes* to net transmission network gas flows, winter 2025/2026 vs winter 2024/2025 (TWh)



Source: ACER based on ENTSOG and JRC's [eurogastp Python package](#). *Large changes are defined as those exceeding 10 TWh in absolute terms. Note: The aggregation of cross-border gas flows is based on tailored strategies that generate timeseries for each edge of the target topology using JRC's [eurogastp Python package](#). Low-calorific gas flows and pipelines are excluded from this analysis. PLYAM represents the Polish part of the Yamal pipeline.

Europe's challenge: Secure supply, advance decarbonisation

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**EUROPE'S LNG CHALLENGE:
SECURING SUPPLY WHILE
ADVANCING DECARBONISATION** LNG REPORT

2026 Monitoring Report - Analysis of the European LNG market developments
13.05.2026

**ACER HAS THE DATA AND OVERSIGHT
OF LIQUEFIED NATURAL GAS (LNG).**
ACER's daily LNG price assessments
(based exclusively on actual transactions)
provide transparency on the
EU LNG spot transactions and prices.

In 2025, EU LNG imports reached a record
146 bcm,
delivered through 1,850 cargoes.
On average, that is 36 cargoes per week.

In 2025, global LNG production grew by
36 bcm,
marking the strongest annual increase since 2022.

New LNG export projects approved
in 2025 reached
90 bcm,
supporting future supply availability.

**THE EU IS BECOMING
INCREASINGLY RELIANT ON US LNG,**
which accounted for 58% of LNG imports
and around 25% of total EU gas demand.

US LNG
58%

TTF
74%
TRADES

TTF, THE DUTCH TRADING HUB,
remained the main benchmark
for EU spot LNG trades,
used to price 74% of transactions.

New LNG supply helped stabilise prices,
but Middle East tensions
renewed volatility and briefly pushed
TTF ABOVE 70 EUR/MWH.

A full-year closure of the Strait of Hormuz in 2026
would leave the global LNG supply 27 bcm short.
If Qatar & UAE exports resume and the Strait
reopens by 1 July 2026, net supply could still
grow by 20 bcm compared with 2025.

ACER RECOMMENDS
▶ Cutting gas demand.
▶ Diversifying supply sources.
▶ Accelerating renewables to strengthen
Europe's energy security.

The EU will continue reducing its
reliance on Russian gas, with the
phase-out regulation set to end Russian
LNG imports by end-2026 and pipeline gas
imports by end-2027.