

TEN-E Revision Summary Paper BOA0944-20 28 May 202008 Jun 2020 Rev 2

## ENTSOG Summary Position to Revision of Trans-European Networks for Energy Regulation (TEN-E) [Roadmap Contribution]

Since its foundation in 2009, the European Network of Transmission System Operators for Gas (ENTSOG) contributed to EU's energy objectives: development of the EU Internal Energy Market and security of energy supply.

With the commitment for European Green Deal's climate neutrality, ENTSOG and its 44 Members have proved a progressive approach to decarbonisation in the Joint Scenario Report by ENTSOG and ENTSO-E for TYNDP 2020<sup>1</sup>. Renewable, decarbonised & low-carbon gases projects enhance GHG reductions meeting the cross-border condition of TEN-E. Therefore, support to sustainability through renewables penetration, equally on electricity and gas side, is vital to achieve the decarbonisation without compromising security of supply, competition and affordability achievements.

## 1. Ensure a level playing field between electricity and gases

ENTSOG believes that the future EU energy system should build on a **Hybrid Energy System**, with a level playing field and interlinkage between gas and electricity. For a cost-efficient decarbonisation, a coordinated and coherent interaction between electricity and gases (natural gas, biomethane, synthetic methane and hydrogen) is essential. As shown by Joint TYNDP 2020 Scenario Report, due to the **intermittency of RES** the power sector also needs decarbonised gases to ensure security of supply and to reach climate neutrality. **Power to Gas** enables renewable energy supply in the form of **hydrogen to be transported via gas grids**<sup>2</sup> to sectors hard to electrify and alleviates electricity infrastructure by avoiding the curtailment of non-dispatchable renewable electricity and contributes to **hydrogen economy**.

## 2. Projects to be considered for revised TEN-E

**Regional differences** of the decarbonisation pathways shall be considered while assessing possible inclusion in the PCI process. In some Member States, support to **Just Transition projects** is required for energy security, market competition reasons and for substituting more carbon intensive fuels, i.e. coal to gas switch.

<sup>&</sup>lt;sup>1</sup> Joint TYNDP 2020 Scenario Report

<sup>&</sup>lt;sup>2</sup> Existing **gas infrastructure** offers multiple **benefits**: 1) significant GHG reduction by replacing coal, specifically in Central Eastern Europe; 2) transporting renewable and decarbonised gases using the high capacity storage (1130 TWh) and long-distance transmission grids (225 000 km); 3) cost-efficient energy transition specifically to hard to decarbonise sectors: transport, heating & cooling, energy intensive industries, agriculture.



Renewable & decarbonised gases projects are needed to adapt and build gas grids for transport of hydrogen and biomethane. Energy Transition Related projects (ETR)<sup>3</sup>, already included in the TYNDP 2020 project collection, should be considered in the PCI selection as they address sustainability goal and support technologies such as Power to Gas; biomethane plants and reverse flows from DSO-TSO; hydrogen via steam methane reforming or pyrolysis, CCS/U; CO2 pipelines; repair gas grids against methane leakage; smart grid integration, and other projects.

Market-driven projects play a significant role for market mergers and regional markets developments. Thus, TEN-E Regulation shall ensure that they enjoy the access to accelerated approval and permit granting procedures.

A fast-track selection procedure should be allowed for projects already selected in the previous PCI process; having those projects only monitored and not fully re-assessed. Such solution would provide stability of the list and credibility of the process while guaranteeing costs savings for promoters and EC.

## 3. TEN-E Governance: Role of ENTSOG

DSO-TSO coordination at national and European level should be considered, with a focus on data collection, on renewables generation and on demand technology deployment. ENTSOG together with ENTSO-E have applied transparent stakeholder processes and follow ACER's recommendation to further investigate the interaction between gas and electricity projects and infrastructure with the Interlinked Model. ENTSOs are able to apply the collective knowledge and responsibilities of gas and electricity TSOs and conduct TYNDP together with EC, ACER & stakeholders.

ENTSOG underlines the need for **refurbishment** and **upgrading** of the gas infrastructure and allowing such projects to be supported in TEN-E as necessary for a future proof system. The TEN-E should thus enhance the utilisation of existing gas infrastructure and recognise its capacity to transport new gases.

<sup>&</sup>lt;sup>3</sup> For more information, please retrieve <u>ENTSOG's press release on call for submission of ETR projects</u>, 14 May 2020.