



# Proposed revision of the TEN-E regulation: Gas for Climate is ready to take on the challenge.

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- Gas for Climate values the opportunity in TEN-E for the creation of a dedicated hydrogen infrastructure and proposes to speed up the repurposing of existing gas pipelines to achieve the 2030 and 2050 EU climate targets.
- Gas for Climate welcomes the newly created smart gas grids category, enabling the integration of renewable and low-carbon gases. Investments that contribute to both the decarbonisation and the smartening of the network are proposed as eligible to qualify for PCI status.
- Policy support for CO<sub>2</sub> transport and storage infrastructure is key to overcome the current financial gap that CCUS technologies experience. Gas for Climate thus proposes to consider including CO<sub>2</sub> storage and CO<sub>2</sub> transport for CCU under the TEN-E scope.

Today, the Gas for Climate consortium publishes a position paper on the proposed revision of the Trans-European Networks for Energy (TEN-E) regulation presented by the European Commission. In this position paper, Gas for Climate welcomes many of the additions introduced and provides feedback that could further strengthen the proposal.

Speeding up the repurposing of existing gas pipelines is key to prepare the EU gas infrastructure to transport 100% hydrogen and to achieve the EU climate targets in time. Gas for Climate proposes to enable access to CEF funding for the investments allowing the infrastructure to transport pure hydrogen.

Dedicated hydrogen production facilities and transport infrastructure will have a key role in the development of offshore grids. In view of the foreseen major developments in the offshore wind sector, Gas for Climate anticipates the need to jointly organise an integrated offshore





























electricity and hydrogen network development as well as investment plans allowing for a better integrated, more efficient EU energy system.

It is crucial that the scope of the newly created smart gas grids category includes all grid assets contributing to the decarbonisation of the gas sector and not only those that help digitally smarten the network. In that way, smart gas grids will be able to facilitate the integration of biomethane, renewable and low-carbon hydrogen together with hydrogen blends in the EU's energy system. Gas for Climate proposes to clarify the evaluation of the cross-border impact for smart gas grid projects. Quantifiable and transparent indicators based on ENTSOG's CBA guideline for project assessments in the PCI selection process are proposed. These result from the network and market modelling assessment.

 $CO_2$  transport and storage infrastructure are key in the production of low-carbon hydrogen, in the reduction of process emissions and in enabling negative emissions through the combination of biomethane with CCUS. Policy support and public financial assistance are required for CCUS technologies, especially in the early deployment stages. Gas for Climate proposes to consider including  $CO_2$  transport for CCU applications and  $CO_2$  storage under the TEN-E scope, as part of the  $CO_2$  infrastructure category.

Download the position paper <u>here</u>.

#### **Notes for editors**

Gas for Climate was initiated in 2017 to analyse and create awareness about the role of renewable and low carbon gases in the future energy system in full compliance with the Paris Agreement target to limit global temperature increase to well below 2 degrees Celsius. To this end, the entire economy has to become (net) zero carbon by mid-century.

The Gas for Climate group consists of eleven leading European gas transport companies (DESFA, Enagás, Energinet, Fluxys Belgium, Gasunie, GRTgaz, ONTRAS, OGE, Snam, Swedegas and Teréga) and two renewable gas industry associations (European Biogas Association and Consorzio Italiano Biogas). The CEOs of the thirteen members are: Piero Gattoni (Consorzio Italiano Biogas), Nicola Battilana (DESFA), Harm Grobrügge (European Biogas Association), Marcelino Oreja Arburúa (Enagás), Torben Brabo (Energinet), Pascal De Buck (Fluxys), Han Fennema (Gasunie), Thierry Trouvé (GRTgaz), Ralph Bahke (ONTRAS), Jörg Bergmann (OGE), Marco Alverà (Snam), Hans Kreisel (Swedegas), Dominique Mockly (Teréga).



# For more information, please contact the Gas for Climate member organisations:

CIB - Consorzio Italiano Biogas

Alessandro Vitale Tel: +39 0371/4662633

Mail: a.vitale@consorziobiogas.it

**DESFA** 

Panagiotis Panousos Tel: (+30) 213 0884 250 Mail: p.panousos@desfa.gr

Enagás

Alexandra Issacovitch Tel: +34 917099442

Mail: vaissacovitch@enagas.es

Energinet Nicolai Sørensen Tel: +45 21805172

Mail: NSO@energinet.dk

European Biogas Association

Angela Sainz Arnau Tel: +32 400 1089

Mail: sainz@europeanbiogas.eu

Fluxys Belgium Laurent Remy Tel: +32 2 282 74 50

Mail: Laurent.Remy@fluxys.com

Gasunie Nicolas Kraus Tel: +32 2 234 63 55 Mail: N.Kraus@gasunie.nl GRTgaz

Jean Marc Brimont Tel: +33 6 89 87 16 23

Mail: jeanmarc.brimont@grtgaz.com

**ONTRAS Gastransport GmbH** 

Johannes Stolle Tel: +49 341271112055

Mail: Johannes. Stolle@ontras.com

OGE

Christian Page Tel: +49 201 3642-12541 Mail: christian.page@oge.net

Snam

Salvatore Ricco Tel: +39 335 770 9861

Mail: salvatore.ricco@snam.it

Swedegas Igor Vlassiouk Tel: +46 70 560 18 41

Mail: igor.vlassiouk@nordionenergi.se

Teréga

Mathilde Woringer Tel: +33 5 59 13 32 52

Mail: mathilde.woringer@terega.fr

### **About CIB - Consorzio Italiano Biogas**

CIB aggregates and represents the agricultural biogas and biomethane value chain in Italy. Formed in March 2006, CIB provides information to its members to improve, optimize and innovate biogas production processes, fostering greener and efficient low carbon farming practices through its flagship initiative Biogasdoneright®. CIB brings together farmers that run biogas plants, industrial companies that supply equipment and technology, companies operating in the fields of agriculture, consultancy, mechanization and transports; research centers and agricultural associations that supply data and promote anaerobic digestion in agriculture. CIB is also a founding member of EBA -the European Biogas Association. For more information, go to <a href="https://www.consorziobiogas.it">www.consorziobiogas.it</a>.

#### **About DESFA**

The Hellenic Gas Transmission System Operator (DESFA) S.A., founded in March 2007, is responsible for the operation, management, utilization and development of the National Natural Gas System and its interconnections, in a technically sound and economically efficient way, in order to best serve its users with safety, reliability and adequacy. DESFA's shareholders are SENFLUGA S.A. (66%) and the Greek State (34%). DESFA is committed to support the fulfilment of the National Energy & Climate Plans targets, by planning its energy transition towards the decarbonized economy. For more information: www.desfa.gr.

## **About Enagás**

Enagás is a TSO (Transmission System Operator) with 50 years' experience in the development, operation and maintenance of energy infrastructures, operating in eight countries: Spain, the United



States, Mexico, Chile, Peru, Albania, Greece and Italy. The company has more than 12,000 kilometres of gas pipelines, three strategic storage facilities and eight regasification plants. In Spain, it is the main natural gas transporter and the Technical Manager of the Gas System. Enagás is firmly committed to the decarbonisation process and therefore is bounded to the development of projects to promote renewable gases - green hydrogen and biomethane - sustainable mobility and energy efficiency, among other areas. The company is a world leader in its sector in the Dow Jones Sustainability Index (DJSI), according to the latest revision of this index. For more information, go to <a href="https://www.enagas.es">www.enagas.es</a>.

### **About Energinet**

Energinet was founded in 2004 as an independent public enterprise owned by the Danish Ministry of Climate, Energy and Utilities. Energinet owns, operate and develop the transmission systems for both electricity and natural gas in Denmark. Energinet's aim is to enable a cost-effective transition of the energy system to 100 % renewable energy while maintaining the high level of security of supply. For more information, go to <a href="https://www.energinet.dk">www.energinet.dk</a>.

## **About European Biogas Association**

The EBA is the voice of renewable gas in Europe. Founded in February 2009, the association is committed to the active promotion of the deployment of sustainable biogas and biomethane production and use throughout the continent. EBA counts today on a well-established network of 40 national organisations and over 100 scientific institutes and companies from Europe and beyond. For more information, go to <a href="mailto:europeanbiogas.eu">europeanbiogas.eu</a>.

## **About Fluxys Belgium**

Fluxys Belgium is the independent operator of both the natural gas transmission grid and gas storage infrastructure in Belgium. Through its wholly owned subsidiary Fluxys LNG, the company also operates the Zeebrugge liquefied natural gas (LNG) terminal. Fluxys Belgium is a subsidiary of Fluxys, the gas infrastructure group based in Belgium and active across Europe. We are committed to continue building a greener energy future for the generations to come. People, industry and societies all need energy to thrive and progress. Fluxys Belgium accommodates this need: we put energy in motion through our infrastructure. We move natural gas while paving the way to transport in our infrastructure hydrogen, biomethane or any other carbon-neutral energy carrier of the future. For more information, go to <a href="https://www.fluxys.com/belgium">www.fluxys.com/belgium</a>.

## **About Gasunie**

Gasunie is a European energy infrastructure company. The company provides the transport of natural gas and green gas via its subsidiaries Gasunie Transport Services B.V. (GTS) in the Netherlands and Gasunie Deutschland in Germany. The company also offers other services in the energy infrastructure field, including hydrogen, heat, CCS, gas storage and LNG. Gasunie commits itself to accelerating the energy transition and to the realization of a climate neutral energy supply. For more information, go to www.gasunie.nl.

#### About GRTgaz

GRTgaz is a world expert in gas transmission networks and systems and a leading European gas transmission system operator. In France, GRTgaz owns and operates more than 35,000 km of buried pipes and 26 compression stations used to ship gas between suppliers and consumers. GRTgaz is committed to ensuring security of supply to consumers, connecting territories and communities with great care for the environment. GRTgaz delivers innovative and accessible solutions to accelerate and secure a successful energy transition by connecting the energies of tomorrow, driving the growth of renewables and new uses for gas while fostering synergy between electricity and gas systems. For more information, go to <a href="https://www.grtgaz.com">www.grtgaz.com</a>.

## **About ONTRAS**

ONTRAS Gastransport GmbH is a German gas transmission system operator in the European gas transport system based in Leipzig. ONTRAS operates Germany's second-largest gas transmission system, with approximately 7,500 km of pipelines and about 450 interconnection points. The green side of ONTRAS has been at the heart of our company culture for many years. Our goal is to reach a 100%



carbon-neutral gas supply by 2050. There are currently 22 biogas plants connected to the ONTRAS transmission network injecting 180 million cubic meters of biomethane every year – approximately 17% of the total German biomethane in the gas network. Furthermore, two power-to-gas facilities are currently connected to the ONTRAS network converting electricity generated by wind turbines into hydrogen which is then injected into our grid. We work together with a variety of partners to examine the possible application of hydrogen and explore the massive potential of our own infrastructure for the transport of renewable energy. For more information, go to www.ontras.com.

#### **About OGE**

With a gas transmission system spanning 12,000 kilometres, OGE, seated in Essen, is among Europe's leading transmission system operators. Two thirds of natural gas consumed in Germany flows through our pipeline system, comprising about 100 compressor units and about 1100 exit points. All over the country, our approximately 1,450 staff ensure safe, environmentally friendly and customer-oriented gas transmission. We also offer the technical and commercial services to go with it, and we provide commercial, technical and IT services for other companies on the basis of third-party arrangements. Moreover, we actively support the European gas market and work together with the European distribution network operators to create the prerequisites for transnational gas transportation and trading. For more information, go to <a href="https://www.oge.net/en">www.oge.net/en</a>.

#### **About Snam**

Snam is one of the world's leading energy infrastructure operators and one of the largest Italian listed companies in terms of market capitalization. Through its international subsidiaries, it also operates in Albania, Austria, China, France, Greece, India, UAE and UK. The company has the largest natural gas transmission network and storage capacity among European peers and is also one of the main operators in regasification. As part of a €7.4 billion plan to 2024, Snam invests to make its infrastructure hydrogen ready and develop new energy transition businesses such as sustainable mobility, biomethane and energy efficiency. Snam also aims to enable and promote the development of hydrogen to foster decarbonisation in the energy sector and industries. Snam's business model is based on sustainable growth, transparency, the promotion of talent and diversity and the social development of local areas through the initiatives of Fondazione Snam. For more information about the company, please visit www.snam.it.

# **About Swedegas**

Swedegas, part of Nordion Energi, is specialized in gas infrastructure with the aim to drive the energy transition and becoming the first gas grid in Europe with 100% green gas. We operate the gas grid in Sweden, which extends from Dragör in Denmark to Stenungsund in Sweden and transports energy to distributors and customers with direct links. The gas grid supplies 33 municipal areas and several combined heat and power plants and is also used in more than 34,000 households and in the transport sector. Swedegas is the hub of the gas market and we assume full responsibility for the long-term development of the gas grid and for ensuring the market has safe, effective and assured access to gas. For more information, go to <a href="https://www.swedegas.com">www.swedegas.com</a> or <a href="https://www.nordionenergi.se/en">www.nordionenergi.se/en</a>.

#### **About Teréga**

Teréga has a network of more than 5,000 km of pipelines and two underground storage facilities, representing 16% and 24% of national capacity respectively. Teréga is a major player in energy and has been located in South-West France for over 70 years. As part of its public-service obligations, Teréga transports natural gas to more than 400 delivery stations in the most secure, cost-effective, and reliable conditions. Teréga enjoys a strategic position in Europe, where it provides interconnections that guarantee security of supply. Teréga is aware of the vital role of renewable gases in the energy transition. Teréga wants to help accelerate the green revolution through increasing involvement in biomethane, natural gas for vehicles, and Power to Gas. For more information, go to <a href="https://www.terega.fr">www.terega.fr</a>.



# For questions about the study, please reach out to: Daan Peters - daan.peters@guidehouse.com

## **About Guidehouse**

Guidehouse is a leading global provider of consulting services to the public and commercial markets with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges with a focus on markets and clients facing transformational change, technology-driven innovation and significant regulatory pressure. Across a range of advisory, consulting, outsourcing, and technology/analytics services, we help clients create scalable, innovative solutions that prepare them for future growth and success. Headquartered in Washington DC, the company has more than 7,000 professionals in more than 50 locations. Guidehouse is led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets and agendasetting issues driving national and global economies. For more information, please visit: <a href="https://www.quidehouse.com">www.quidehouse.com</a>.