Energy Infrastructure Package

Regulation on guidelines for trans-European energy infrastructure & Connecting Europe Facility

9th Coal dialogue

European Commission - ENER
Chryssa Argyriou
Internal Market I: Networks and Regional initiatives
CONTENT

- Do we need more infrastructure in Europe?
- Energy Infrastructure Guidelines
- The Connecting Europe Facility
- Project identification preparatory phase
- What the Regulation provides for CO2 transport networks
Electricity market

- Security of Supply: 21,900 km
- Internal Energy Market: 18,200 km
- Renewable Energy Sources Integration: 44,700 km

Figure 3: Top 100 concerns in Europe in 2020
Gas matters

January 2009 gas crisis
The investment challenge

Estimated investment need is **EUR 200bn** until 2020 (~20bn/y)

About half of this investment is expected to be hindered by:

- Permit granting delays
- Regulatory obstacles
- Financing difficulties

**Source:** Study by Roland Berger, 2011
Legislative proposals

Guidelines on energy infrastructures

Entry into force 15\textsuperscript{th} May 2013

TEN-T Guidelines

CEF

TELECOM Guidelines

Project Bond Initiative
Revision of the TEN-E policy

Process to identify projects of common European interest, with involvement of all stakeholders

Benefits

- Accelerated permit granting
  - 3.5 years
  - One stop shop
  - Participation

- Improved Regulatory treatment
  - Incentives
  - Cost allocation

- Financial support
  - Financial instruments
  - Grants

Benefits

- Incentives
- Cost allocation
- Financial instruments
- Grants
Process

**ENTSOs (G/E)**
- Prepare TYNDPs for gas and electricity

**Project promoters**
- Submit projects
- Criteria
- CBA

**NRAs (G/E)**
- Check application of criteria
- Cross-border relevance

**Regional Groups**
- Evaluate projects
- Rank
- Adopt regional lists

**ACER (G/E)**
- Opinion
- Cross-regional consistency

**European Commission**
- Adopt Union-wide list of projects of common interest (no ranking)
Criteria in the Guidelines

**General criteria**

Contributes to the implementation of the infrastructure priorities

Economic, social and environmental viability

Involves at least two Member States:

- Infrastructure with significant cross-border impact

**Specific criteria**

- Market integration
- Security of supply
  - Diversification
  - Secure system operations
- Sustainability
  - Integration of RES
  - GHG avoidance

→ Cost-benefit analysis
  (in TYNDP by ENTSOs)

+ urgency, number of MS, complementarity and territorial cohesion
Permit granting – Regime of common interest

**Priority status** for PCIs

- Most preferential treatment in Member States
- Streamlining of EIA procedures

**Competent Authority** to manage permit granting process

**3 and a half years time limit** for the permit granting decision

*Increased* transparency *and* enhanced public participation
Priority corridors: gas, oil, CO2 transport

- Southern gas corridor
- North-South interconnections Western EU
- BEMIP
- North-South interconnections CEE & oil

+ carbon dioxide transport infrastructure
Priority corridors: electricity

- Northern Seas Offshore grid
- North-South interconnections Western EU
- BEMIP
- North-South interconnections CEE

+ Electricity highways and smart grids
Financing – Connecting Europe Facility 2014-2020

- **Eligibility criteria (in guidelines):**
  - Grants for studies and financial instruments – available to all PCIs
  - In exceptional cases, grants for works for PCIs where:
    - CBA shows positive externalities
    - Commercially not viable
    - Cost-allocation decision done

5,1 bn €
Next steps in the PCI identification process

- **Entry into force** of Infrastructure Regulation: *15th May*
- **Stakeholder consultation** (environment): *5th June*
- **Agreement of decision making body** (technical level) on *draft* regional PCI lists: *13th June*
- Submission of draft regional PCI lists to **ACER**: *14th June*
- **Opinion of ACER**: *mid-July*
- **Adoption by decision making body** (political level) of the regional PCI lists: *24th July* (tentatively; to be confirmed)
- **Adoption by Commission of the Union wide PCI list through delegated act**, accompanied by a Communication on long term infrastructure vision and a technical working paper: *end September/beginning of October*
The Regulation and the carbon dioxide networks

Priority Thematic Area in view of facilitating the deployment of COS capture and storage and aims to develop carbon dioxide transport infrastructure between MS and with neighbouring countries

- In the short run, through this thematic group we can establish a dialogue with MS and related stakeholders
- In the long run, identify Projects of Common interest falling within the criteria of Article 4 of Regulation 347/2013
Thank you for your attention