

THE NEW TEN-E REGULATION WITH A FOCUS ON H2 PROJECTS

Regulatory School Training – Regulatory framework for hydrogen 14 February 2022

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Contents

- New TEN-E Regulation status
- **Key New Features**
- Implications for the EnC

New TEN-E Reg. Status



- 4th and final trilogue on the Regulation 14 December 2021
- Council and Parliament reach provisional agreement
- Council and Parliament to formally adopt the text
- 04/04/2022 Indicative plenary sitting date
- EnC Implementation to start in spring 2022
- First EU list to be adopted by 30 November 2023



Brussels, 17 December 2021 (OR. en)

15036/21

Interinstitutional File: 2020/0360(COD)

ENER 556 TRANS 754 RELEX 1098 ECOFIN 1245 ENV 998 CODEC 1650

NOTE	
From:	General Secretariat of the Council
To:	Permanent Representatives Committee
No. Cion doc.:	14088/20 + ADD 1
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on guidelines for trans-European energy infrastructure and repealing Regulation (EU) No 347/2013
	- Analysis of the final compromise text with a view to agreement

https://data.consilium.europa.eu/doc/document/ST-15036-2021-INIT/en/pdf

Key New Features - PMI



PROJECTS
OF
MUTUAL
INTEREST
– General
Criteria

Originally a category in the EnC TEN-E Regulation for identified key projects between EU MS and EnC CPs, without a PCI label in the EU

Introduced now in the new EU TEN-E for projects:

Project promoted by the Union and the third countries

Potential benefits outweigh the costs on EU level

Contributing to the Union's overall energy and climate objectives and those of third countries by not hindering the capacity of the third country to phase out fossil fuel generation assets for its domestic consumption and to

sustainability, including through the integration of renewable energy into the grid and the

transmission and **distribution** of renewable generation to major consumption centres and storage sites,

Located on the territory of at least one MS and one third country and has a significant cross-border impact and brings benefits on the *Union Level* [not in at least 2 MSs any more]

Support the priority status of the project and commit to similar accelerated permit granting as in the EU – note the lacking adoption of the 347 and missing Competent Authorities

Key New Features - PMI



At the same time, the third country shall have a high level of convergence of the policy framework and demonstrate legal enforcement mechanisms to support the policy objectives of the Union, in particular to ensure:



a well-functioning internal energy market;



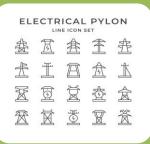
security of energy supplies



an energy system, including production, transmission and distribution, [] towards the objective of climate neutrality

Key New Features – Eligible Project Categories





Electricity

- High and extra high voltage overhead, underground and submarine lines or any associated equipment enabling transmission of offshore RES electricity
- Energy storage facilities connected to TSO or DSO grid >110kV
- Smart electricity grids



Smart Gas Grids

- A plethora of equipment and installations aiming to enable and facilitate the integration of a plurality of low-carb and renewable gases (incl. biomethane and H2) into the gas network
- •digital systems and components integrating ICT, control systems and sensor technologies to enable the interactive and intelligent monitoring, metering, quality control and management of gas production, transmission, distribution, storage and consumption within the network
- •Equipment to enable reverse flows from the DSO to TSO network
- •Upgrades indispensable to the functioning of the infra for the integration of low carb and RES gases



Hydrogen

- High pressure pipelines, including repurposed gas pipes
- Storage connected to the high pressure pipelines
- Reception, storage, regas, decompression facilities for liquefied H2 or H2 embedded in other substances
- Equipment enabling H2 or H2-derived fuel use within the TEN-T core network
- Any of the above can be new or repurposed gas assets

Key New Features – Eligible Project Categories





Electrolysers

- At least 50MW capacity as a single unit or as a set of them in a coordinated project
- Complies with certain lifecycle GHG emission savings requirements relative to fossil fuel, including indirect emissions
- With a network-related function, particularly with a view on system flexibility and overall system efficiency of electricity and hydrogen networks
- Related equipment, including pipeline connection to the network



CO2 infrastructure

- Dedicated pipelines to transport CO2 from more than one source to permanent geological storage
- Fixed facilities for liquefaction, buffer storage and converters of carbon dioxide in view of its further transportation through pipelines and in dedicated modes of transport such as ship, barge, truck, and train.
- Surface and injection facilities associated with infrastructure within a geological formation that is used, for the permanent geological storage of CO2, where they do not involve the use of CO2 for the enhanced recovery of hydrocarbons and are necessary to allow the crossborder transport and storage of CO2

Key New Features – Contribution to the Specific



More complex system of specific criteria for each project category, compared to previous TEN-E

Criteria

Smart gas grids:
Market functioning and Cust. Service;
Smart energy sector integratin by linking other ener. carriers, linking sectors and enabling D response

Smart gas grids:
Netw. Security;
increasing interop. of
gas
TSO/DSO/Storage
system; solving
injection of different
gas qualities

Sustainability by enhancing deployment of lowcarb & RES H2; SoS; enabling flexibility services

Electrolysers:

H2 Infra: SoS; flexibility and competition Electr. Lines:
Market Integration
& SoS

Network Security, flexibility & Smart Sector Integr.

Specific

Avoid CO2
emissions;
Increase
resilience &
security of CO2
transport

Smart Electricity

Grid:

H2 infra:

Criteria

Market Integration –
enhancing
connections and
contributing to H2
market via
connections and
storage

Key New Features – Some other features



highlighted

New offshore grid initiative – South and East Region – Mediterranean and Black Sea – EnC CPs not included

For energy storage, smart electricity and gas grids, electrolysers and CO2 infra, COM to assign who develops CBA Methodology

Newly defined consultation process requirements for ENTSOs when defining the CBA methodology and the TYNDP scenarios, along with the consultation rules for ACER when defining the scenario framework guidelines (see below)

By 31 December 2024 new, consistent model to be submitted by the ENTSOs, integrating the different sector CBA methodologies, including electricity, gas and hydrogen transmism infra as well as storage, LNG and electrolysers

ACER's stronger role: e.g. publication of Framework Guidelines for the joint scenarios to be developed by the ENTSOs' for the TYNDP, in line with the Union's 2030 and 2050 climate goals, by 31 July 2022.

Involvement of the European Scientific Advisory Board on Climate Change

Implications for the EnC



Adaptation and Adoption

 Planned for this year. Q1/Q2 EU formal adoption is necessary to keep the planned timeline and adopt this year.

PECI/PMI lists, new PECI/PMI process

- MC in November 2021 decided to prolong the validity of the 2020 PECI/PMI lists until adoption of the new TEN-E in the EnC
- If finished this year, new PECI/PMI process is planned for next year

Adaptation questions

- PMI status
- E.g. offshore grid initiative
- Enhanced CBA and scenario building process, role of ACER
- PMI CBCA



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