

# ENERGY COMMUNITY GAS FORUM

Green agenda for the Energy  
Community

Pushing decarbonisation forward...

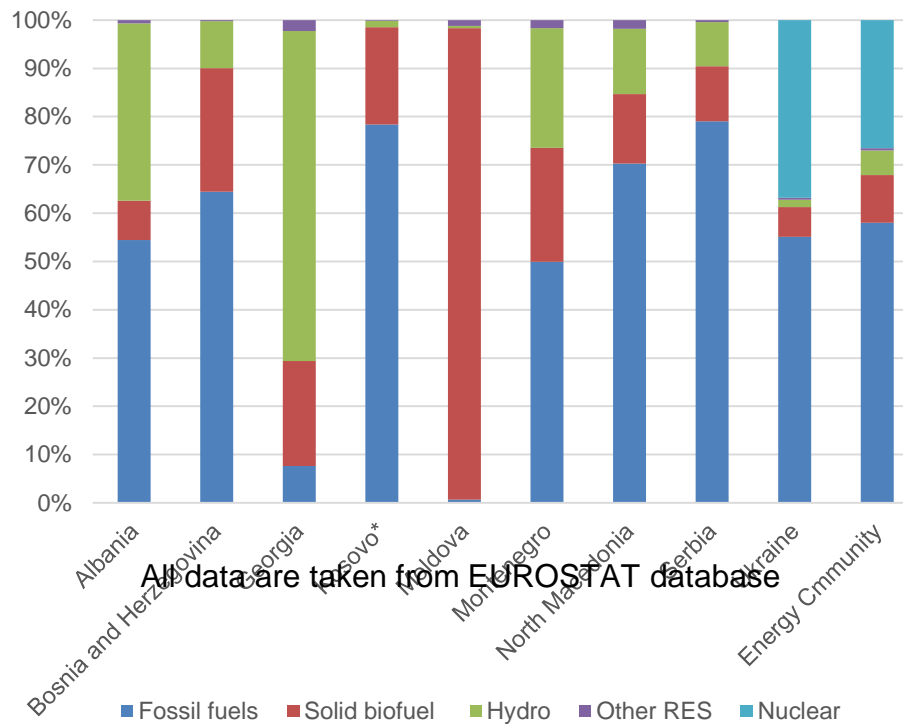
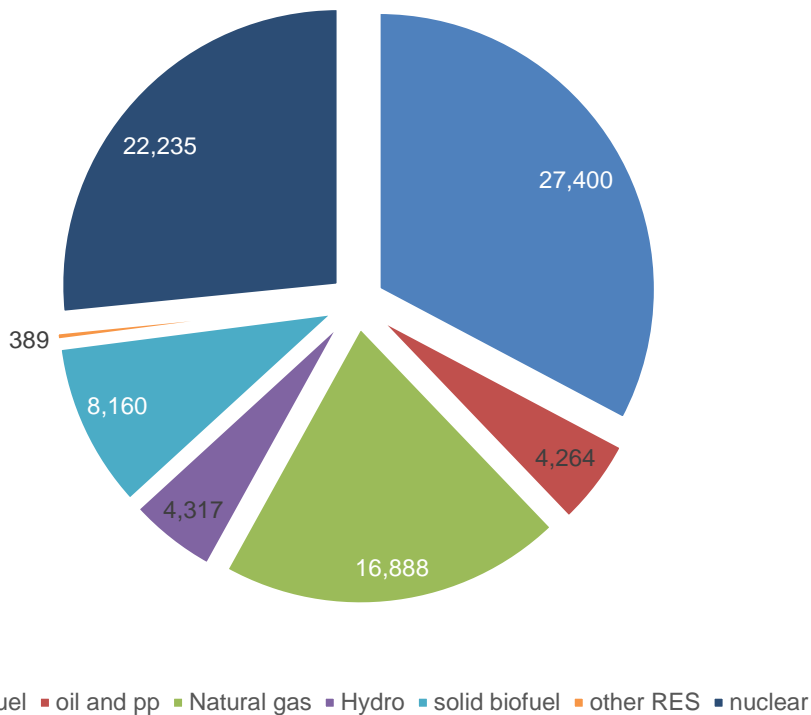
**30 September 2020**

**Dirk Buschle**

**Deputy Director, Energy Community Secretariat**

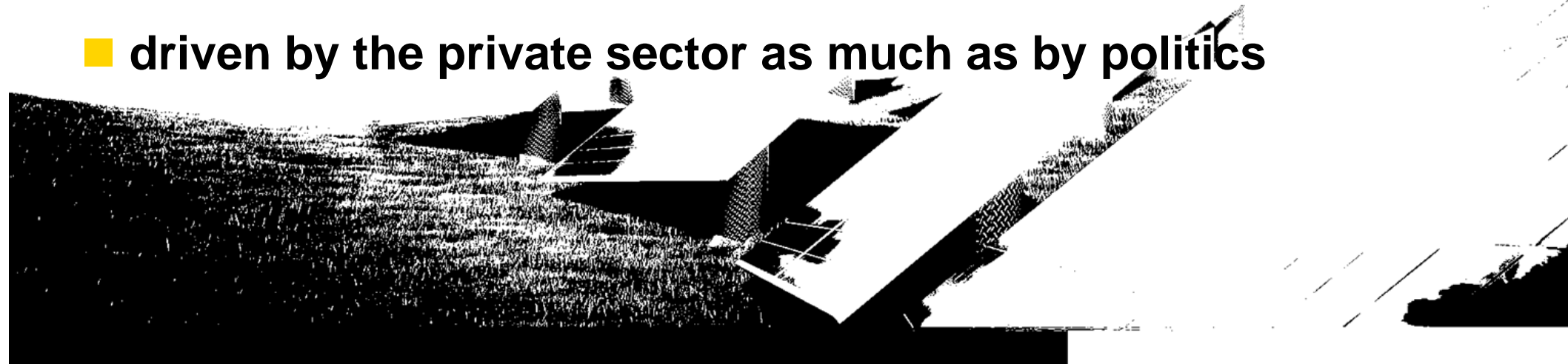
## European energy policy: shifting focus

### primary energy production in the energy community

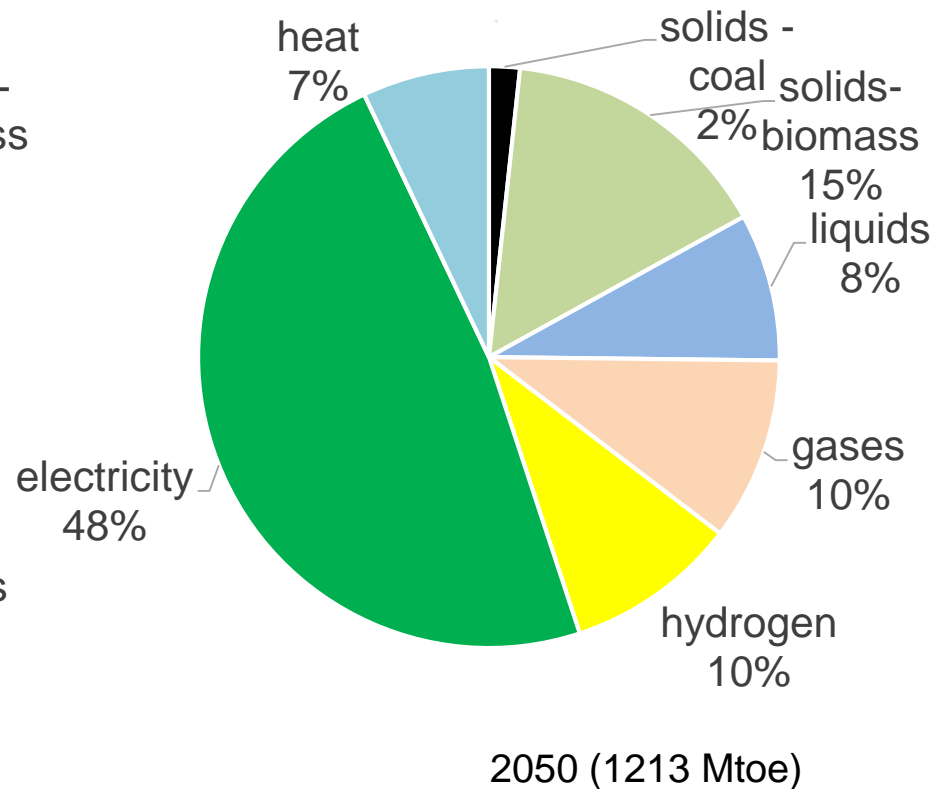
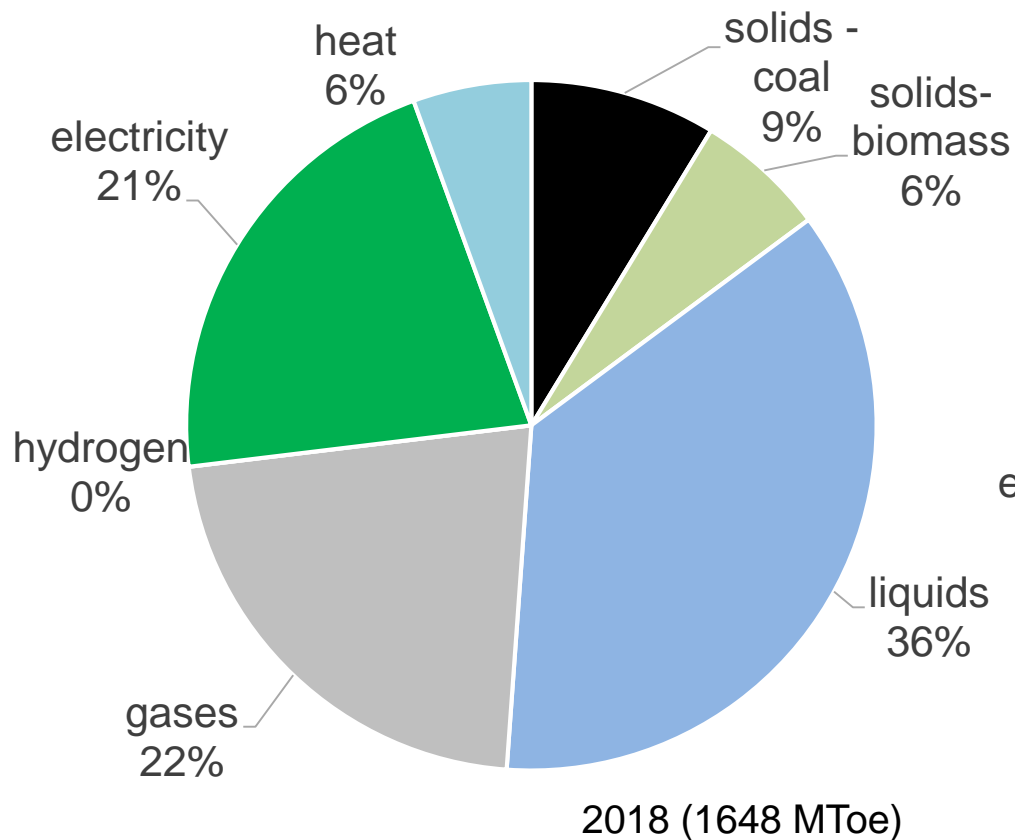


## **decarbonization and the green deal: more than buzzwords**

- **guidance for long-term investment decisions**
- **embedded in international, european and national rules**
- **condition for infrastructure prioritization and finance**
- **driven by the private sector as much as by politics**

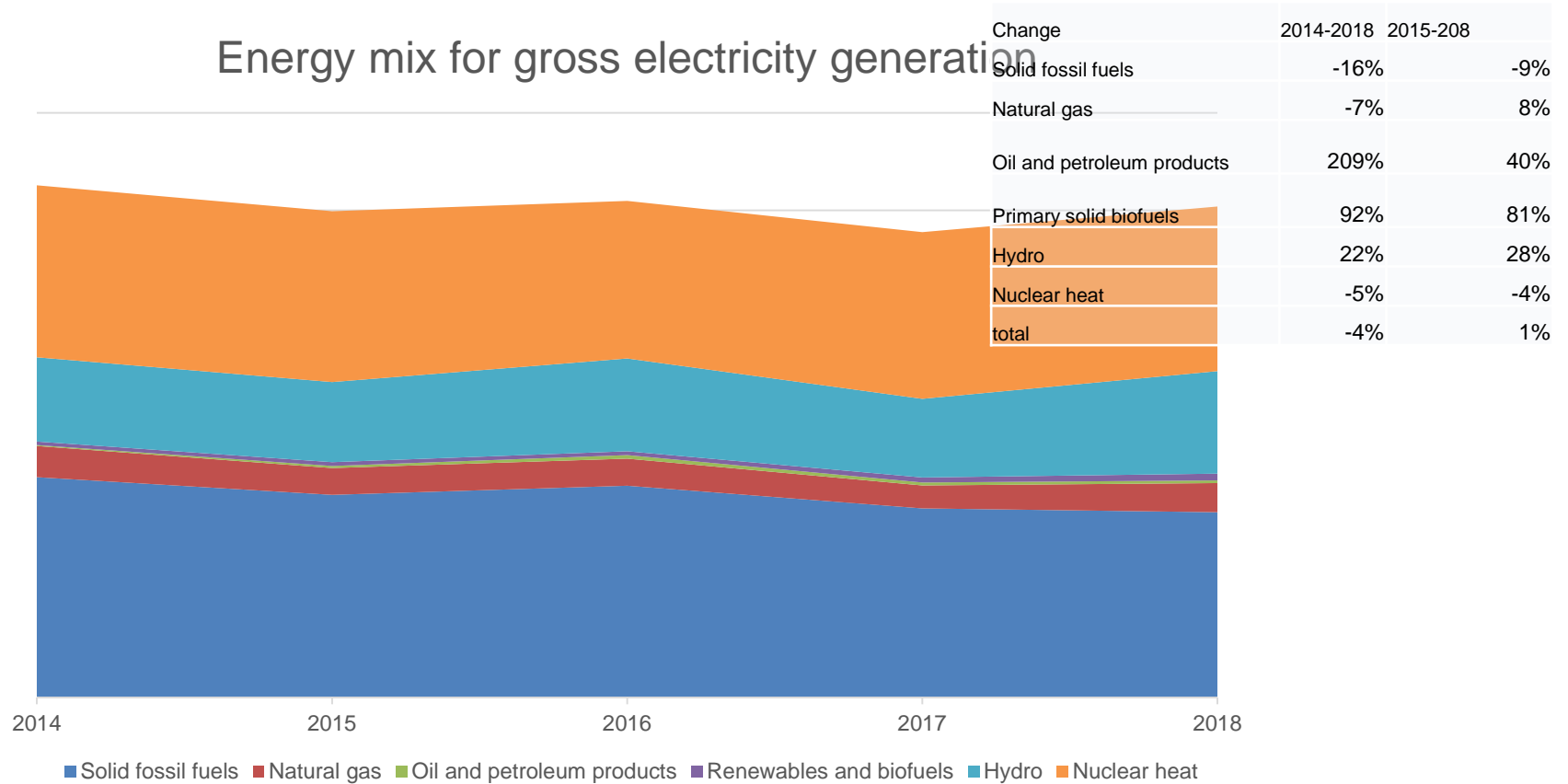


# changing energy carriers



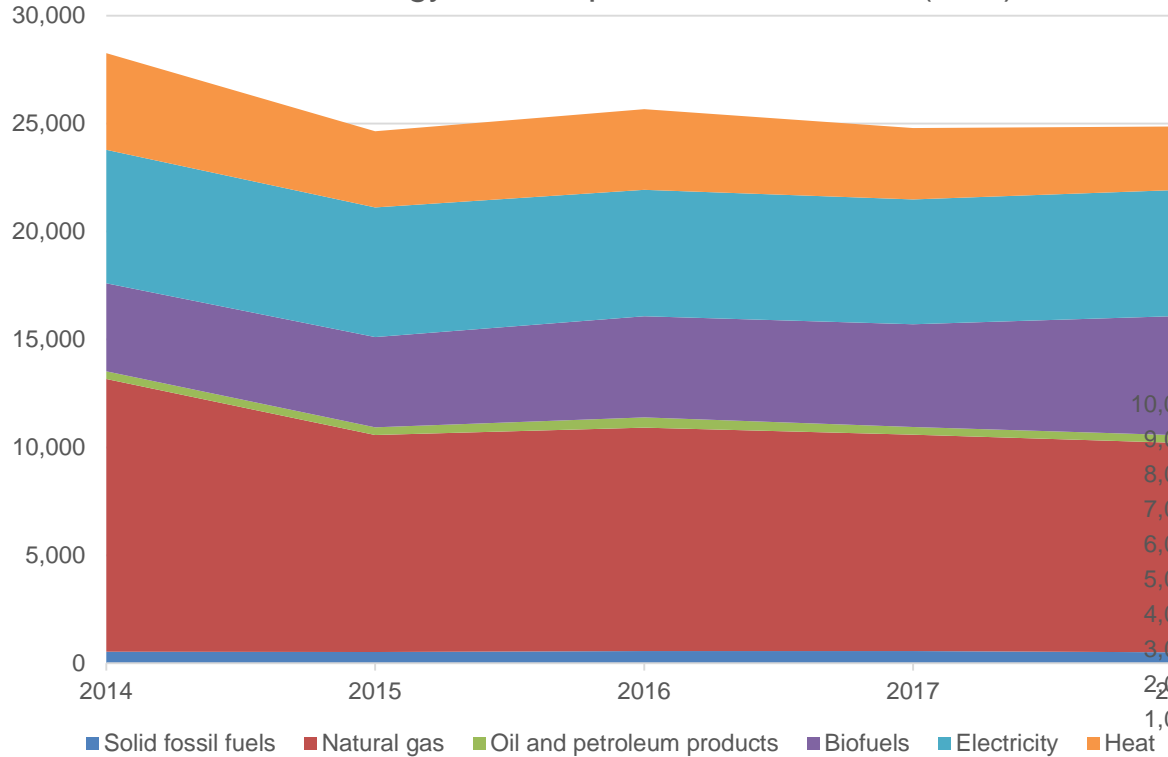
# trends in the energy community: electricity production

## Energy mix for gross electricity generation



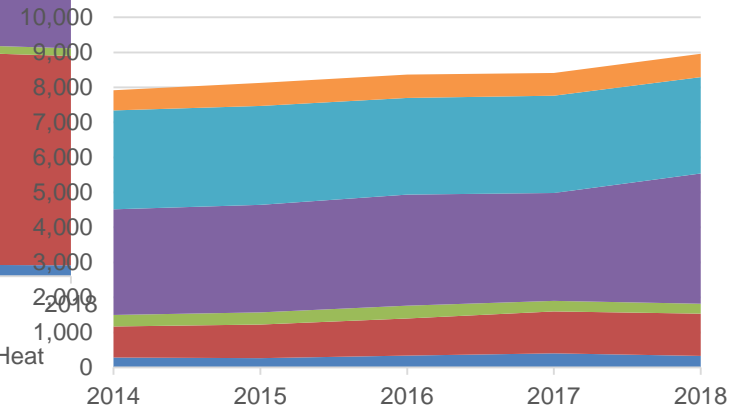
# trends in energy community – households

Energy consumption in households (ktoe)



change in %	2014-2018	2015-2018
Solid fossil fuels		-4%
Natural gas	-23%	-4%
Oil and petroleum products		-1%
Biofuels	35%	33%
Electricity	-5%	-3%
Heat	-34%	-17%
total	-12%	1%

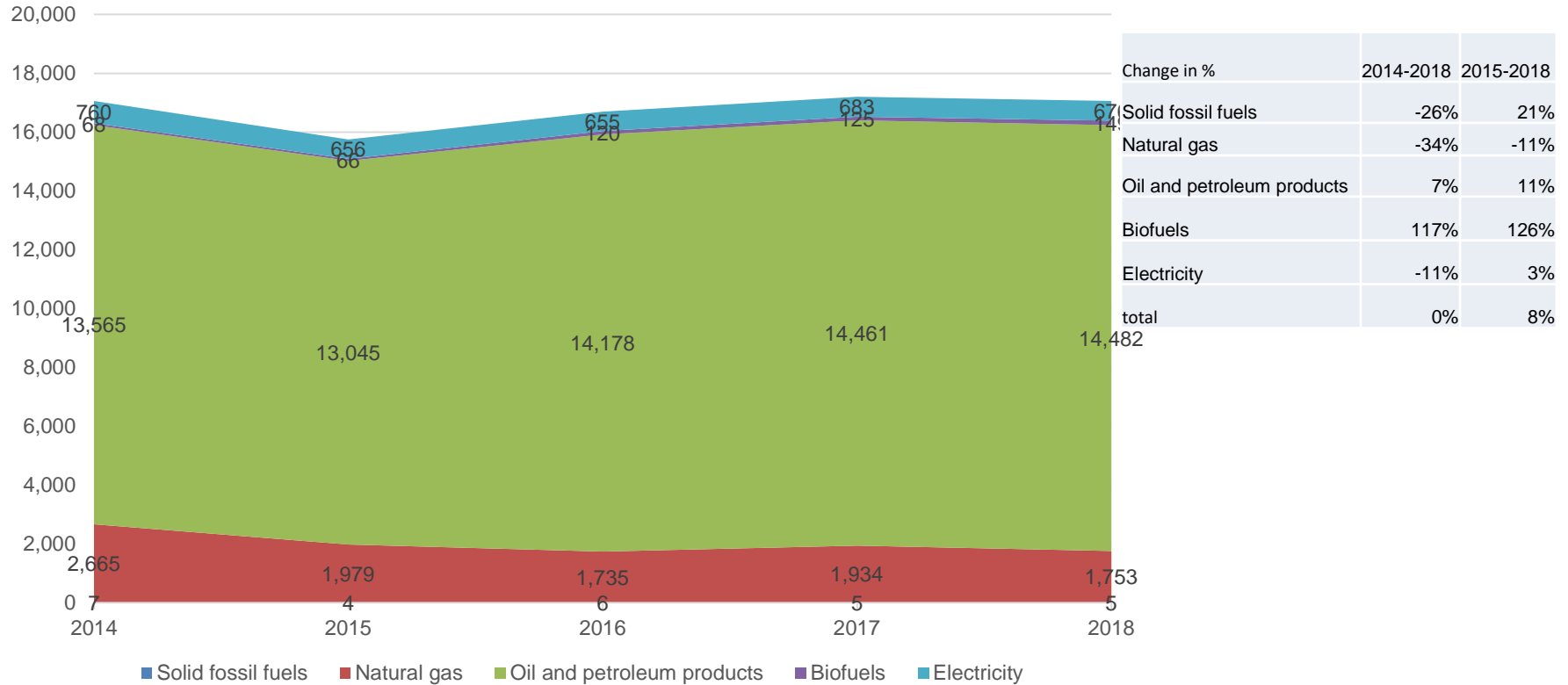
Energy consumption in households w/o Ukraine)





# trends in the energy community - transport

Fuel consumption in transport (ktoe)



## the role of gas: electrons vs molecules?

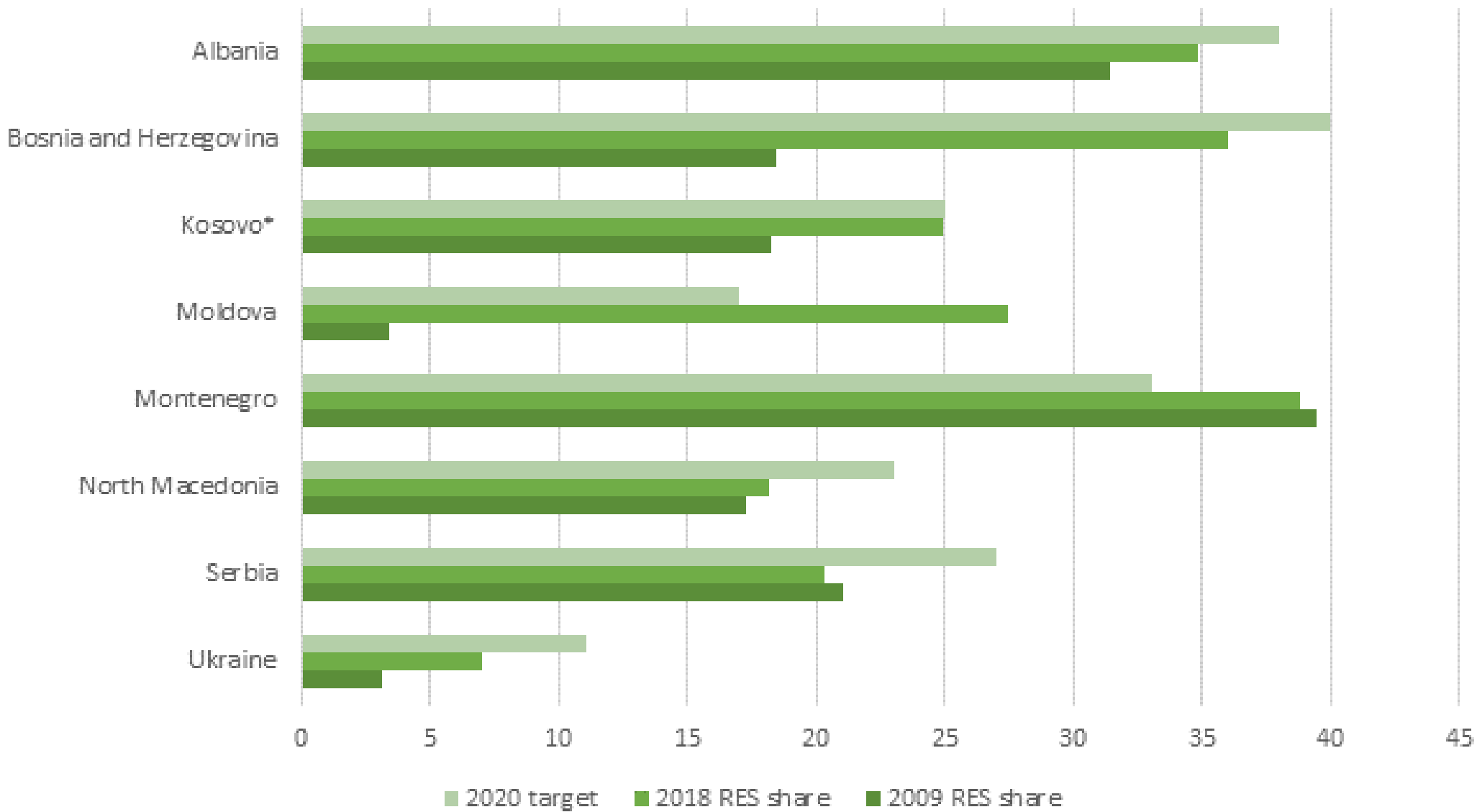
- not the end of gas: H<sub>2</sub>
- not the end of gas infrastructure
- but: the end of a stand-alone gas sector
  - ☀ fuel2fuel competition
  - ☀ coal: an easy win?





## energy community: stepping up the pace, providing certainty

- **targets, plans and clear responsibilities**
- **what works best?**
  - ☀ **supporting renewables, incl H<sub>2</sub>**
  - ☀ **LCPD and end of coal subsidies**
  - ☀ **carbon price, direct or indirect**
- **change needs to be driven**



**Burshtynska TPP (power unit 1)**



20,000-x

X

Expected expiry of opt-out period:

extrapolation



November 2020

Remaining hours

13,045

Operating hours consumed in 2018

6,955

**Burshtynska TPP (power unit 2)**



Expected expiry of opt-out period:

March 2021

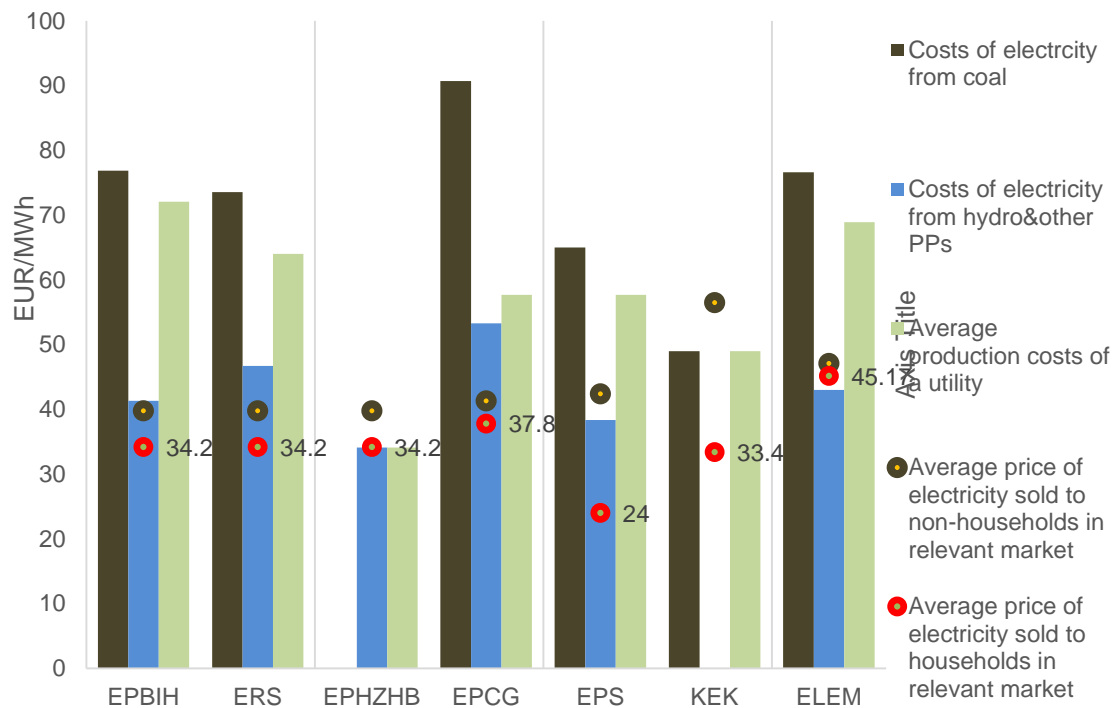
Remaining hours

13,801

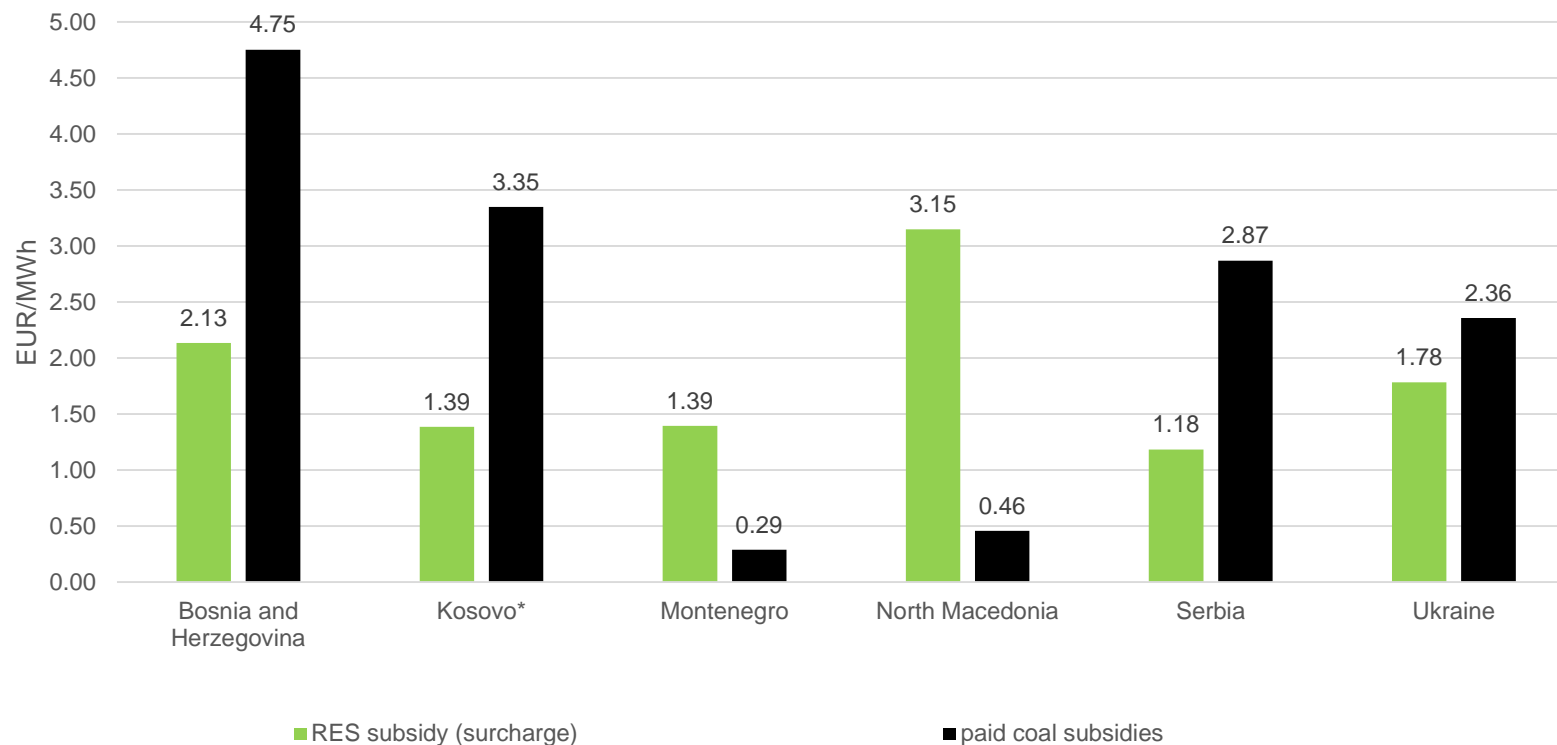
Operating hours consumed in 2018

6,199

# estimated full costs of production of electricity and selling prices

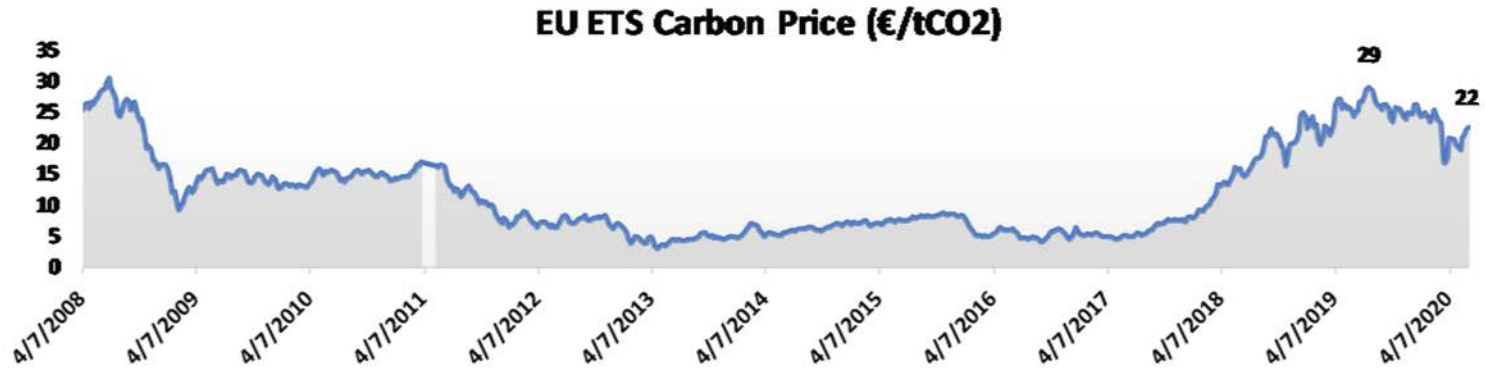
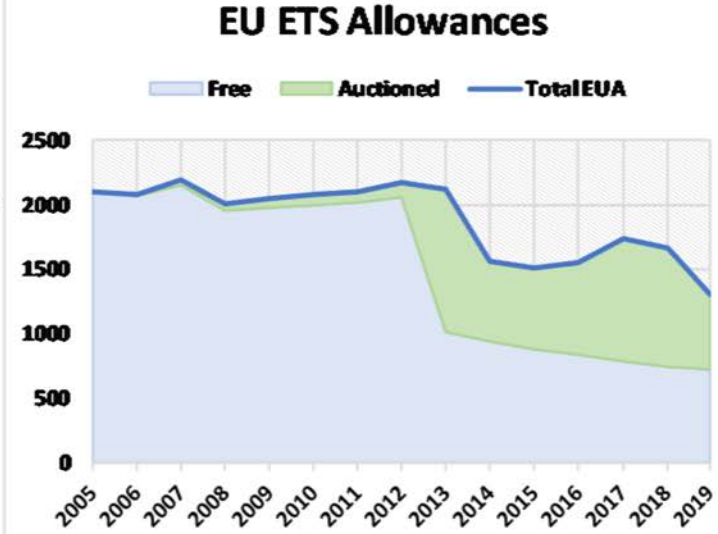
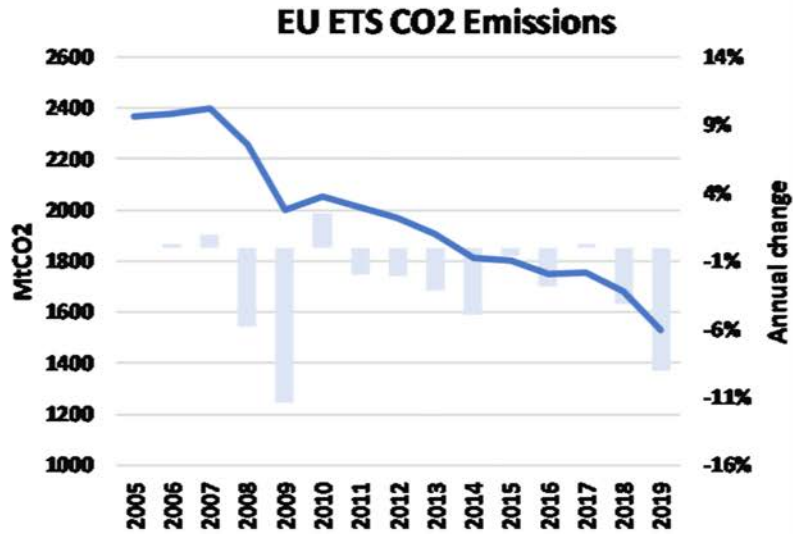


## subsidies for RES and coal in the end users prices in 2017



## EU ETS as a powerful enabler

- 2013 Milestone: abolishing free allowances in the power sector
- 2018 Milestone: Market Stability Reserve reduces expected surplus of allowances
- Auctioning has established carbon pricing in internal accounting and costing of heavy emitters
- The reduction of allowances surplus accelerated coal phase-out in all countries







**THANK YOU**  
**FOR YOUR ATTENTION**

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