

The background is a dark blue globe showing the continents of Europe and Asia. Overlaid on the globe are numerous glowing blue lines that represent energy transmission paths, connecting various points across the landmasses.

*PECI – PMI Seletion – Legal
Background
Regulation 347/2013*

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- 1) Project Categories and conditions – wrap up***
- 2) Eligible Projects***
- 3) Considerations for project submission***
- 4) Considerations for PECI/PMI label***
- 5) The methodological process of selection***

Project categories – PECI/PMI



General Criteria	Potential Benefits outweigh costs	Involves at least 2 CPs or a CP and a MS
		Located in one CP and has a Cross-border impact
	Fits in the defined project categories	
Specific Criteria	Electricity	Market Integration
		SoS
		Sustainability
	Gas	Same + Competition
	Smart Grid	
	Oil	SoS
Mitigation of Environmental Risk		
PECI	If involves a CP and a MS has to be PCI first in EU	
PMI	If involves a CP and a MS and is not PCI in the EU	



The energy infrastructure categories to be developed are the following:

*(a) **transmission pipelines** for the transport of natural gas and bio gas that form part of a network which mainly contains high-pressure pipelines, excluding high-pressure pipelines used for upstream or local distribution of natural gas;*

*(b) **underground storage** facilities connected to the above-mentioned high-pressure gas pipelines;*

*(c) **reception, storage and regasification or decompression** facilities for liquefied natural gas (LNG) or compressed natural gas (CNG);*

*(d) **any equipment or installation essential** for the system to operate safely, securely and efficiently or to enable bi-directional capacity, including compressor stations;*

The energy infrastructure categories to be developed are the following:

(a) pipelines used to transport crude oil;

(b) pumping stations and storage facilities necessary for the operation of crude oil pipelines;

(c) any equipment or installation essential for the system in question to operate properly, securely and efficiently, including protection, monitoring and control systems and reverse-flow devices;

Please re-consider submitting the project if:

- *Project commissioning is realistically beyond 10 years*
 - Lost of risks are associated with the project
 - Discounting decreases benefits
- *If the project depends on the realization of another project first*
- *If no or minimal action has been taken since the previous PECE/PMI label has been awarded*
- *If the project is completely unrealistic politically/ it is unrealistic to receive the approval of the Contracting Party/Member State concerned*

During PECI/PMI selection promoters and authorities do everything to receive the label, which is OK

Newertheless, PLEASE NOTE:

- *PECI/PMI label requires project implementation from the promoter by Regulation 347/2013*
- *Project is identified as Community Interest*
- *If implementation does not go ahead, there are possible measures in the Regulation in line with Article 6 . e.g. Project Coordinator, nomination of alternative project promoter, etc... .*

- *Project Promoters cannot utilize benefits if Competent Authorities are not set up*
- *Although finally we have received the Implementation Plans from all promoters*
BUT:
 - Some are fully uncoordinated
 - Some lack significant amount of data
 - Naturally, the implementation of a cross-border project requires multi-stakeholder cooperation; in case the Implementation Plan cannot be coordinated and filled out jointly, on time and in good quality, that questions also project reality

PECI/PMI selection process – project assesment workflow / methodology

- Market simulations – Socio-economic benefits per country
- Utilization of ENTSO-E/SECI data for electricity networks

1
Projec Data
Submission

2
Project
Eligibility
check

3
Verification
of project
data

4
Cost-Benefit
Analysis
NPV/IRR

5
Multi-Criteria
Analysis and
result
Aggregation

6
Relative
ranking of
projects

Indicators s.a.:

- Enhancement of competition
- Improvement of System Adequacy
- Project Maturity

PECI/PMI selection process – project assessment workflow / methodology Con't

- ✓ All project steps are carried out once
- ✓ This is the subsequent order of carrying them out
- ✓ Due to the timeline, there is no possibility to jump back, once a stage is concluded

- ✓ Active participation of participants is asked for to ensure that:
 - All understand and agree with the assessment methodology
 - Assumptions regarding the assessment, projects and scenarios has been understood, consulted and accepted
 - Input data (project and country) is provided on time and is agreed
 - Eventual missing data replacement sources are agreed



All the above is key to ensure that everybody is confident with the assessment results, the eventual project ranking and the selection



*Thank you
for your attention!*

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