

BACKGROUND PAPER TEN-E legislation revision

INTRODUCTION

The revision of the regulation for trans-European energy infrastructure - Trans-European Network-Energy (TEN-E [1]) - aims to ensure EU energy infrastructure policy is consistent and aligned with the climate neutrality objective of the Green Deal. The European Commission is expected to present the revised text on 15 December.

Current TEN-E guidelines were defined in 2013 with market integration and security of supply as the ultimate goal. That approach is no longer in line with the 2030 and 2050 decarbonisation goals. The need to reflect higher climate and energy targets, to accelerate the phase out of all fossil fuels, and build out of renewable energy, the role of decentralised technologies and the need to support a more democratically-owned energy system are new features of the changing landscape. Getting energy infrastructure regulation right is central to reaching these objectives.

The TEN-E is a policy that is focused on linking the energy infrastructure of EU countries. As part of the policy, nine priority corridors and three priority thematic areas have been identified. The TEN-E Regulation key objective is the implementation of the projects of common interest (known as "PCIs") which interconnect energy markets across Europe.

Projects receiving PCI status are eligible for EU funding from the Connecting Europe Facility funding instrument and must meet criteria including enhancing security of supply, increasing market competition and integration, and contributing to sustainability objectives. They also receive fast-tracked environmental impact assessments.

For the past seven years, Brussels has funded and fast-tracked cross-border fossil gas projects for 1,5bn € without sufficiently weighing the environmental risks, according to a <u>final decision</u> issued in November 2020 by the European Ombudsman.

During July's plenary session, MEPs called for a revision of funding guidelines for cross-border, trans-European energy infrastructure projects to bring them into line with EU climate policy. The resolution calls for the TEN-E guidelines to be consistent with EU energy and climate targets for 2030, its long-term commitment on decarbonisation and the energy efficiency first principle [2].

- 1. TEN-E regulation must stop subsidising fossil gas infrastructure including infrastructure for fossil based hydrogen that will only deepen the gas lock in effect.
- 2. To address the conflict of interest in particular with the gas transmission industry (ENTSO-G), TEN-E governance needs to be revised towards more independent and science based oversight.
- 3. The TEN-E regulation must foster a climate-proof energy system based on the "energy efficiency first" principle and 100% renewable energy, expanding its scope far beyond transmission infrastructure.



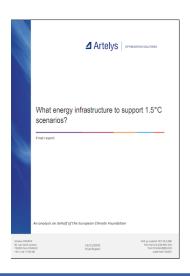
FURTHER STEPS

After the European Commission has published the revised TEN E regulation on December 15, the file will follow the EU's ordinary co-decision procedure. In the upcoming months, the Council of the EU and the European Parliament will develop their respective positions on the text proposed by the Commission. This process will continue well into 2021. We can expect the legislation entering into trilogues (negotiations between Council and European Parliament) by May/June 2021.

SOURCES AND RESOURCES





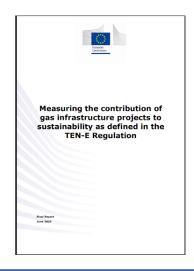


Letter to European
Commission: Fossil gas
infrastructure should be
excluded in the revised TEN E
Regulation

EU gas infrastructure does not need more subsidies

What energy infrastructure to support 1.5°C scenarios?
(Artelys, 2020)







Ombudsman decision on PCI list Measuring the contribution
of gas infrastructure
projects to sustainability as
defined in the TEN-E
regulation

EU funds need to catalyse the transition away from fossil fuels (CAN Europe, position paper 2019)



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Climate Action Network (CAN) Europe is Europe's leading NGO coalition fighting dangerous climate change. With over 170 member organisations from 38 European countries, representing over 1.500 NGOs and more than 47 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.