

SUBMISSION TO CONSULTATION ON THE ENTSOG ANNUAL WORK PROGRAMME (AWP) 2021

Climate Action Network (CAN) Europe is Europe's leading NGO coalition fighting dangerous climate change. With over 160 member organisations from 38 European countries, representing over 1.700 NGOs and more than 40 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.

SEPTEMBER 2020

CAN Europe's submission focuses on the work strands that are currently covered by CAN Europe, namely the system development under the Ten Year Network Development Plan (TYNDP), transparency issues and methane leakage.

Question 1: Does the AWP 2021 adequately identify activities which ENTSOG should prioritise?

Yes.

Further comments:

Prioritise Paris Agreement compatible infrastructure planning

We are in a climate emergency. Swift emission reductions are indispensable to limit temperature rise to 1.5°C, in line with the Paris Agreement. The EU is currently discussing an increase of the level of ambition of its 2030 climate target. European energy infrastructure urgently needs to be prepared for a massive increase of renewable energy generation besides the mobilisation of energy savings potentials.

ENTSOG's annual work programme for 2021 thus should make Paris Agreement compatible energy infrastructure planning a priority. The draft work programme however does not clearly refer to this challenge. Scenarios under the TYNDP 2020 still assume relatively high shares of fossil gas and gaseous energy carriers. This is not in line with scenarios that are in line with the Paris Agreement's 1.5°C target, neither with the European Commission's own scenarios such as the 1.5TECH and 1.5LIFE scenarios of its Long-term strategic vision "A clean planet for all".

Question 2: Are there any other activities that should be included in the AWP 2021, or activities which should take priority within the document?

Yes.

If 'YES', what other activities should be addressed?

Increase the variation of TYNDP scenarios

CAN Europe misses a clear commitment to increasing the variation of TYNDP scenarios in the draft AWP. While we welcome the inclusion of a carbon budget into the modelling, we are very concerned about the current set of scenarios. These scenarios do not suggest realistic pathways to reach the Paris Agreement's 1.5°C target. They are neither in line with the promises of the European Green Deal nor with a timely achievement of net zero emissions.

In 2021, ENTSOs should assess a 100% renewable energy pathway including stronger energy savings towards net zero emissions in 2040 as a part of its scenario building (see also <u>CAN</u> <u>Europe feedback on ENTSOs' proposals for TYNDP 2022 storylines, July 2020, CAN Europe submission to the consultation on the TYNDP scenarios, January 2020, and the <u>CAN Europe and EEB letter on TYNDP scenarios, February 2020</u>).</u>

Launch a transparent assessment of availabilities and costs of different gases

The decarbonisation of the gas grid plays an important role in the draft AWP. A first priority is to think about decommissioning the existing fossil gas grid and secondly to think about how to repurpose existing grid infrastructure for non-fossil gases only such as hydrogen produced from renewable electricity or limited amounts of biomethane to be used mainly on distribution grid level (small scale and in local). Against this backdrop, it is necessary to assess availability and costs of different non-fossil gases and so-called decarbonised gases with a transparent set of parameters.

Different energy and non-energy related solutions need to be considered, such as electricity grids, heat networks, storage solutions, demand side response measures, buildings as strategic energy infrastructure elements, etc. Findings then would also have to be integrated into the Cost Benefit Analysis (CBA) methodology, in particular with regard to clarifying the sustainability criterion.

Prepare for a reform of the PCI selection process in line with the European Green Deal

Following the European Parliament's vote on the 4th PCI list in February 2020, the European Commission stressed that future PCIs need to support the ambition of the European Green Deal. This conditionality requires an overhaul of the process of identifying investment needs. Future PCI selection must not counteract EU climate targets. Regarding the future role of ENTSOG in this process, we refer to the joint NGO letter to the Executive Vice-President of the European Commission on fossil free and nature-compatible trans-European energy infrastructure and to the NGO briefing on the revision of the TEN-E Regulation.

Clarify which infrastructure is needed to bring renewable hydrogen to targeted sectors

The draft AWP highlights the importance of "repurposing, retrofitting and refurbishment" of gas grids for the transport of hydrogen in view of supporting the energy transition. While hydrogen that is exclusively sourced from renewable electricity will play a role in a few targeted sectors such as industry and transport, we expect that an independent assessment will be provided regarding the costs related to the conversion of existing transport infrastructure and newly built



infrastructure. In order to identify the most cost-efficient solution, interlinkages with electricity infrastructure and heat networks also need to be taken into account.

Model for a cross-sectoral optimisation of all energy infrastructure

In this context, we also refer to <u>our comments on the ENTSOs' Interlinked Model</u> presented on 28 July 2020: For an adequate cross-sectoral optimisation of all energy infrastructure, the interplay of all potential flexibility options needs to be taken into account (e.g. a more efficient use of existing infrastructure, demand response, different storage technologies, flexible renewable and non-renewable generation capacities).

Improve accessibility of data

Facilitating open data access for modelling should be added as a priority activity. CAN Europe welcomes the improved data disclosure with the help of a dedicated website that illustrates key figures from the TYNDP 2020 scenarios. Most data however is still not accessible. It is not clear to what extent switching to the Plexos simulation software will increase transparency for stakeholders. Introducing an open data licence for TYNDP data and models would allow to enhance feedback and verification of modelling results by science, civil society and industries. Early information and appropriate capacity building for stakeholders are key for improving stakeholders' engagement.

Reduce methane leakage from extraction to end use

As mentioned before, methane emissions associated with an infrastructure project should be fully taken into account. The carbon footprint of a project should include carbon dioxide as well as methane emissions occurring at extraction, transmission and end use stage. This should apply for domestic and externally generated emissions. The methane strategy which is about to be published is asking for legislation on data collection as well as on banning venting and flaring.

ENTSOG has a clear responsibility in ensuring that any fossil gas transported should be free from fugitive methane emissions. ENTSOG should work with its national TSOs to live up to this responsibility. While playing an active role in the work around decommissioning gas infrastructure, the ENTSO's should also ensure that fossil gas remaining in the system until 2035¹ is methane leakage free.

Are there elements of the AWP 2021 which should be excluded?

No.

Question 3: Do you have any additional general comments?

Regarding chapter 5.1, the definition of what "new 'climate oriented' TSO products and services are is not clear.

¹ See also: CAN Europe: Position on the use of gas in the future energy system, January 2020.



3