To:

Ms Ursula von der Leyen, President of the European Commission

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Mr Frans Timmermans, Executive Vice-President of the European Commission, Mr Valdis Dombrovskis, Executive Vice-President of the European Commission, Ms Kadri Simson, European Commissioner for Energy, Mr Virginijus Sinkevičius, Commissioner for Environment, Oceans and Fisheries, Ms Elisa Ferreira, Commissioner for Cohesion and Reforms, Ms Ditte Juul-Jørgensen, Director-General, DG Energy

Tuesday, 08 December 2020

Fossil gas infrastructure should be excluded in the revised TEN E Regulation

Dear Madame President,

The European Commission is in the final stages of the interservice consultation on the Trans-European Networks for Energy (TEN E) Regulation. We remain concerned about the final outcome. As things stand today, the revised TEN E Regulation would leave the door open for a significant inclusion of fossil gas within its scope. This outcome would show lack of political coherence from the Commission and it would fail to align Europe's energy infrastructure to the objectives of the Paris Agreement and the European Green Deal.

Firstly, while specific categories aiming to integrate energy efficiency or renewable heat are missing, three new gas-related categories – "smart gas grids", "hydrogen" and "electrolysers/power to gas" – have been added to the text. In order for these categories to be coherent with EU's climate objectives, only renewable gases infrastructure should be allowed. Any mentions of "low carbon" gases should be removed and the blending of renewable gases with fossil gas should be explicitly excluded.

Secondly, we would like to express our concerns about the reiteration of current conflicts of interest in the revised **governance** of TEN E. At present, Transmission System Operators (TSOs), and especially ENTSO-G, play a strong role not only in infrastructural planning and evaluation of projects, but also in the modelling. This has led to a consistent <u>overestimation</u> of gas demand projection and infrastructure needs. As a neutral actor, the Commission should profoundly reshape the governance, by giving more oversight power to independent and science-based actors, such as the Joint Research Center (JRC), to ensure that infrastructure planning is in line with climate science. ENTSO-G's role should be limited to technical implementation. Transparency should also be enabled by strengthening the role of civil society and the EU Parliament.

Thirdly, the **criteria** against which projects on the list of Projects of Common Interest (PCI) are assessed need to be revised. The recent Ombudsman's <u>decision</u> concerning gas projects on the 4th PCI list stated that **sustainability** was not assessed correctly. Indeed all gas projects have been compared to coal infrastructure and therefore automatically being rated as contributing positively towards CO₂ mitigation. The Commission's recently published <u>sustainability report</u>, which will be used for the 5th PCI list and the revised TEN E, does not take into account full life-cycle emissions of projects, i.e. from extraction and transmission to end use. The operationalisation of the "energy efficiency first" principle during any stage of project evaluation and planning, should also be prioritised.

Dear Madame President, the current status of the TEN E revision is not in line with the Commission's proposal for a 55% climate target for 2030, and much less with the science-based target of 65%. You need to be courageous and decide to end subsidizing <u>unneeded</u> fossil gas projects today, to reach those targets and avoid converting billions of consumers' and taxpayers' money into stranded assets in ten years' time.

We hope you can make sure your Commission seizes this chance and paves the way for a fossil-free, energy-efficient and renewable energy based infrastructure.

Yours sincerely,

Wendel Trio, director Climate Action Network Europe,

On behalf of ClientEarth, Food & Water Action Europe, Friends of the Earth Europe, Global Witness, Greenpeace











