

## **CEDEC Brief News** | April 2021

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# EC presents: public consultation on future Hydrogen and Gas markets decarbonization package

On the 26th of March the European Commission has launched a detailed public consultation on the future rules for decarbonized gas and hydrogen markets and networks. Through this consultation the EC is asking stakeholders to provide input on a large number of (sensitive) elements that would shape the development of renewable, decarbonized and low-carbon gases in the next decade and would allow these gases to play a role towards the climate neutrality objective. Based on the outlines of the roadmap – some of which derive from still-to-check assumptions and the questionable conviction that gases would be used in the future only in heavy transport

and heavy industry – the questionnaire is divided in 8 sections. Amongst others it addresses consumer protection, infrastructure planning, market access, gas quality, security of supply, and regulation of future pure hydrogen networks and markets.

The <u>public consultation</u> will be open until the **18th of June 2021**. The related legislative proposal is expected by the end of 2021.

## **European Clean Hydrogen Alliance: EC launches the project collection**

The European Commission has just launched one of the milestones of the European Clean Hydrogen Alliance: the collection of projects for building an investment pipeline to meet the objectives of the EU Hydrogen Strategy. This initiative allows all members of the Alliance to submit investment projects in the field of hydrogen through the EU Survey platform. For companies and project owners in general, to include the project in the pipeline would be an occasion to network and partner with other project submitters (building larger, integrated projects), obtain visibility towards public and private investors and address gaps and bottlenecks in the value chain to enable the rapid scaling up of clean hydrogen.

The project collection will run **until the 7th of May**. As member of the Alliance and of the Roundtable on buildings CEDEC would be happy to provide support and more info to anyone interested in this initiative.

## Spotlight on: The big consultancies influencing the European Commission?

An exclusive Euractiv article reveals that between 2016 and 2019 the European Commission spent more than €462 million on contracts with the so-called "big four" consultancies: PWC, KPMG, Deloitte and EY. Apparently, the Commission's tendency to hire big consultancy firms' services has been skyrocketing over recent years, with criticism mounting in tow. Many are suspicious of these consultancy firms having so much influence – particularly in regard to their "policy recommendations" on sensitive public policy topics, for instance through the EC's Structural Reform Support Programme launched in 2017. Energy policy is not excluded from this. Among those critical voices is the European Ombudsman, Emily O'Reilly, who suggested that the Commission should update its guidelines for public procurement procedures for policyrelated service contracts, giving clarity to staff as to when to exclude bidders due to conflicts of interest that may negatively affect the performance of the contract. The examples listed in the Euractiv article are pretty revealing.

#### **European Parliament: ITRE kicks off legislative work on TEN-E**

On 13 April the ITRE committee discussed the <u>draft report</u> on the guidelines for trans-European energy infrastructure as prepared by MEP Zdzisław Krasnodębski (ECR, PL). The debate in the ITRE had started with an exchange of views on the Commission's TEN-E proposal on 25 March.



The rapporteur's draft received initial criticisms from different political groups, especially for his support for gaseous fuels. While acknowledging that the state of the EU gas market has improved substantially since 2013, he underlines that there is still a lack of interconnections in smaller gas markets (e.g. in South East Europe). He calls for ensuring continuity of gas PCIs, which reached planning status but did not yet enter the permitting phase, by introducing transitional provisions in the new TEN-E framework. He further welcomes the inclusion of the smart gas grid category and proposes to broaden the definition to not only limit them to digital solutions. Technical and engineering investments, such as in metering infrastructure, should also paly a role. As regards electrolysers, the rapporteur suggests that they should not be included in the scope of the TEN-E Regulation, as they "cannot be considered as contributing to interconnection, nor their trans-European character is fully justified." Further, the rapporteur proposes to introduce the definition of 'retrofitting' and 'repurposing' in Article 2. As regards hydrogen, he amends the criteria for hydrogen projects to also include low-carbon hydrogen, arguing that for the development of the hydrogen economy different types of hydrogen are needed.

ITRE members have time to table their **amendments until 20 April.** The draft report is scheduled for vote on 15 July 2021.

### European Parliament: ITRE draft report on Data Governance Act published

On 26 March 2021 the ITRE rapporteur Angelika Niebler (EPP, DE) tabled her draft report amending the EC proposal for a regulation on European data governance, the so-called "Data Governance Act". The report intends to bring more clarity into the legislative proposal. This lack of clarity had been addressed by several MEPs during the first exchange of views in the ITRE on 18 March. The draft report clarifies especially the concept of data intermediaries by adding a definition in Article 2 and by outlining which providers fall outside the scope of the Regulation. Further, the rapporteur proposes the possibility of soft certification for data intermediaries. Data intermediaries meeting the requirements would be able to obtain the right to call themselves 'data intermediaries of the Union'.

During the ITRE meeting of 13 April the rapporteur informed that she has left some aspects of the proposal untouched, such as the topics of data access by third countries or the interplay with the data protection rules laid down in the <u>General Data Protection</u> <u>Regulation (GDPR)</u>, as she considers the Commission proposal balanced in this regard. There are also no changes to the provisions concerning data altruism.

The deadline for tabling **amendments in ITRE is 26 April.** The vote on the draft report is scheduled for 15 July, after the associated committee, the Committee on Civil Liberties, Justice and Home Affairs (LIBE) will adopt its opinion on 21 June.

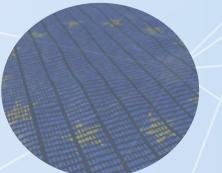
### **CEDEC publishes Report on Smart Grid Key Performance Indicators**

As co-author, CEDEC was actively involved in the drafting and publication of the report <u>"Smart Grid Key Performance Indicators: A DSO perspective"</u> which aims to proactively propose to NRAs a set of indicators able to measure the performances of smart grids. The document presents a **DSOs perspective** emerging from the work of a TSOs & DSOs joint task force created in March 2020 under the initiative the four European Associations representing DSOs, **CEDEC**, E.DSO, EURELECTRIC and GEODE and ENTSO-E.

The trigger for this common work is the 2019 Electricity Directive, which tasks the National Regulatory Authorities (NRAs) to develop a new methodology that can help monitor a necessary infrastructure upgrade using smart grids. The report makes available to the NRAs, collectively and/or individually, a limited set of KPIs: seven DSOs KPIs plus a common TSO-DSO KPI. It also provides guidelines for the selection, definition and implementation of these KPIs in the Member States.

#### Reading of the month

DG ENER – Quarterly Report on European Electricity Markets (Volume 13)



### Ongoing consultations

- → Public consultation on new rules on preventing methane leakage in the energy sector deadline 1 May 2021
- → Public consultation on hydrogen and gas market decarbonization package deadline 18 June 2021
- → Public Consultation on the revision of the Energy Performance of Buildings

  <u>Directive</u> deadline 22 June 2021

#### **Upcoming meetings & Events**

- → EU Gas Regulatory Forum (Madrid Forum): 29-30 April 2021
- ightarrow CEDEC WG Digitalisation: 5 May 2021
- → CEDEC WG Network Codes Electricity: 5 May 2021