

CEDEC Brief News—February 2020

EC presents: New initiatives in the digital sector VIP of the month: Margrethe Vestager Energy infrastructure: ITRE vote on TEN-E guidelines resolution CEDEC meets the new Commission: Simson and Timmermans cabinet Storage: Draft EP report on a comprehensive approach to energy storage From our members — innovation in reality Reading of the month Ongoing consultations Upcoming meetings & events

EC presents: New initiatives in the digital sector

On 19 February the Commission presented its way forward for the digital future of Europe. The non-legislative measures adopted by the EC include two communications entitled "Shaping Europe's digital future" and "A European strategy for data", and a "White Paper on Artificial Intelligence". With the objective of making the EU a global leader in the digital economy in mind, the EC proposes a set of key actions, of which some will also impact local energy companies. On cybersecurity, the EC will put forward a European cybersecurity strategy, including a joint Cybersecurity Unit and a review of the NIS Directive. To create a single European data market, the EC plans to put in place an enabling legislative framework for the governance of common European data spaces (including for energy), which shall help in deciding what data can be used in which situations and in prioritising interoperability requirements and standards within and across sectors. A proposal for a Data Act will aim at fostering business-tobusiness data sharing and at providing clarifications on data sharing scenarios and property rights. The EC also intends to subject the State aid rules to a fitness check.

Interested parties can provide their feedback on the European strategy for data and the White Paper on Artificial Intelligence (cf. ongoing consultations).

VIP of the month: Margrethe Vestager

The Iron Lady of Denmark (or "Tax Lady" in <u>Trump's</u> <u>version</u>), the Valkyrie, the digital czar. It's amazing how

Commission euro many nicknames you can get when you do your job well. Since being nominated Commissioner for Competition in 2014, her pixie haircut and flower colourful dresses have shaped the nightmares of big Silicon Valley based tech giants like Apple – who got the <u>highest fine ever</u> – or Facebook - despite she doesn't have an account - but also of some European usually-like-minded Presidents (e.g. Macron). Someone must have appreciated it though, because she got promoted and will now also oversee EU digital policy under the title of European Commission Executive Vice-President for "Europe fit for the digital age". To put it simple, her role has grown more challenging: she's got to reform EU competition rules to allow Europe a "second chance" on tech to rival China and the U.S "keeping global markets honest", following a liberal-but-not-too-liberal approach. Straightforward isn't it?

Energy infrastructure: ITRE vote on TEN-E guidelines resolution ahead of Commission evaluation

The ITRE Committee has voted on a non-binding <u>resolution</u> on 18 February calling the EC to come up with a proposal before the end of the year for a revision of the <u>TEN-E Regulation</u> (Trans-European Networks for Energy), updating the guidelines for selection of energy Projects of Common Interest (PCIs) in the EU. Since its adoption in 2013, the Paris Agreement was agreed and the energy landscape underwent significant changes, calling now for an alignment of the guidelines with EU energy- and climate policies. In its <u>EU Green Deal</u> and its <u>2020 Work Programme</u> the EC already announced its plan for evaluation and revision of the TEN-E guidelines in Q4 2020. ITRE members demand an up-to-date European energy infrastructure. Priority corridors should follow the evolution of the energy system and maintain consistency with Union policy priorities, most of all the long-term decarbonisation objectives and the energy efficiency first principle. The EP is expected to vote on the resolution during the next plenary meeting in Strasbourg on 11 March 2020. In the same vein, ITRE members voted against an <u>objection</u> tabled by the Greens/EFA on the current <u>4th PCI list</u>.

CEDEC meets new Commission: Simson and Timmermans cabinet

CEDEC contributed to a high-level exchange with

European Commissioner Kadri Simson and her cabinet on 27 January, together with other EU associations representing electricity DSOs. The roundtable focussed on the interplay of decentralized energy systems and sector integration, fitting perfectly with CEDEC membership of local companies active in electricity and gas.

On 10 February 2020, CEDEC met with cabinet members of Vice-President Timmermans to discuss about upcoming Commission measures and challenges in the energy sector. CEDEC brought up the problem of silo-thinking and welcomed the holistic and cross-sectoral approach embedded in the EU Green Deal. The



role of local energy companies and the importance of integrated solutions were underlined, also in terms of the potential of local resources that local companies can develop. The cabinet and CEDEC also exchanged views on energy taxation, energy efficiency and the TEN-E guidelines.

Storage: Draft EP report on a comprehensive approach to energy storage

On 19 February Rapporteur and ITRE member Claudia Gamon (Renew/AT) published her <u>draft EP own initiative report on</u> <u>energy storage</u>. The report addresses regulatory barriers, power to gas technologies, the role of batteries, pumped storage, thermal storage as well as the role of consumers. It calls on the Commission to establish a task force to develop a comprehensive strategy on storage as well as an analysis of the costs of retrofitting gas infrastructure for the use of green hydrogen. Member States shall actively encourage public support at local level and fully explore their energy storage potential, while abolishing any kind of undue barriers, such as double taxation or charges related to energy storage projects. ITRE members can provide amendments to the draft report until 23 March. The vote in the committee is expected on 23 June 2020, followed by a plenary vote in July.

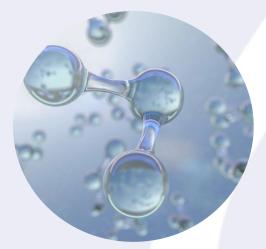
From our members:

Smart sector integration – Green hydrogen and decarbonisation

"<u>Westküste 100</u>" is a cross-industry partnership on the west coast of Schleswig-Holstein, in Germany, formed together with the Region Heide development agency and the Westküste University of Applied Science. The aim is to produce green hydrogen from offshore wind energy and use the waste heat generated in the process. The hydrogen will then fed into gas grids and used to produce climate-friendly aviation fuels. Unavoidable CO2 from a local cement plant will becaptured and used in the fossil-free production of aviation fuel. What is special and innovative about this real-world laboratory project is the integration of different material cycles within an existing regional infrastructure. Discover more about this project <u>here</u>.

Reading of the month

JRC study: <u>"Energy poverty through the lens</u> of EU research and innovation projects"



Ongoing consultations

Public consultation on draft ETS State aid Guidelines – deadline: 10 March 2020Public consultation to establish the priority list of Network Codes – deadline: 14 April 2020Public consultation on MiFID and MiFIR – deadline: 20 April 2020Public consultation on the White Paper for Artificial Intelligence – deadline: 19 May 2020Public consultation on the European Data Strategy – deadline: 31 May 2020

Upcoming meetings & events

- CEDEC Working Group Gas (Brussels): 3 March 2020
- CEDEC WG Digitalisation kick-off call: 2 March 2020
- CEDEC WG Digitalisation (Brussels): 18 March 2020
- EU Gas Regulatory Forum (Madrid): 29 & 30 April 2020
- EU Electricity Regulatory Forum (Florence): 7 & 8 May 2020

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