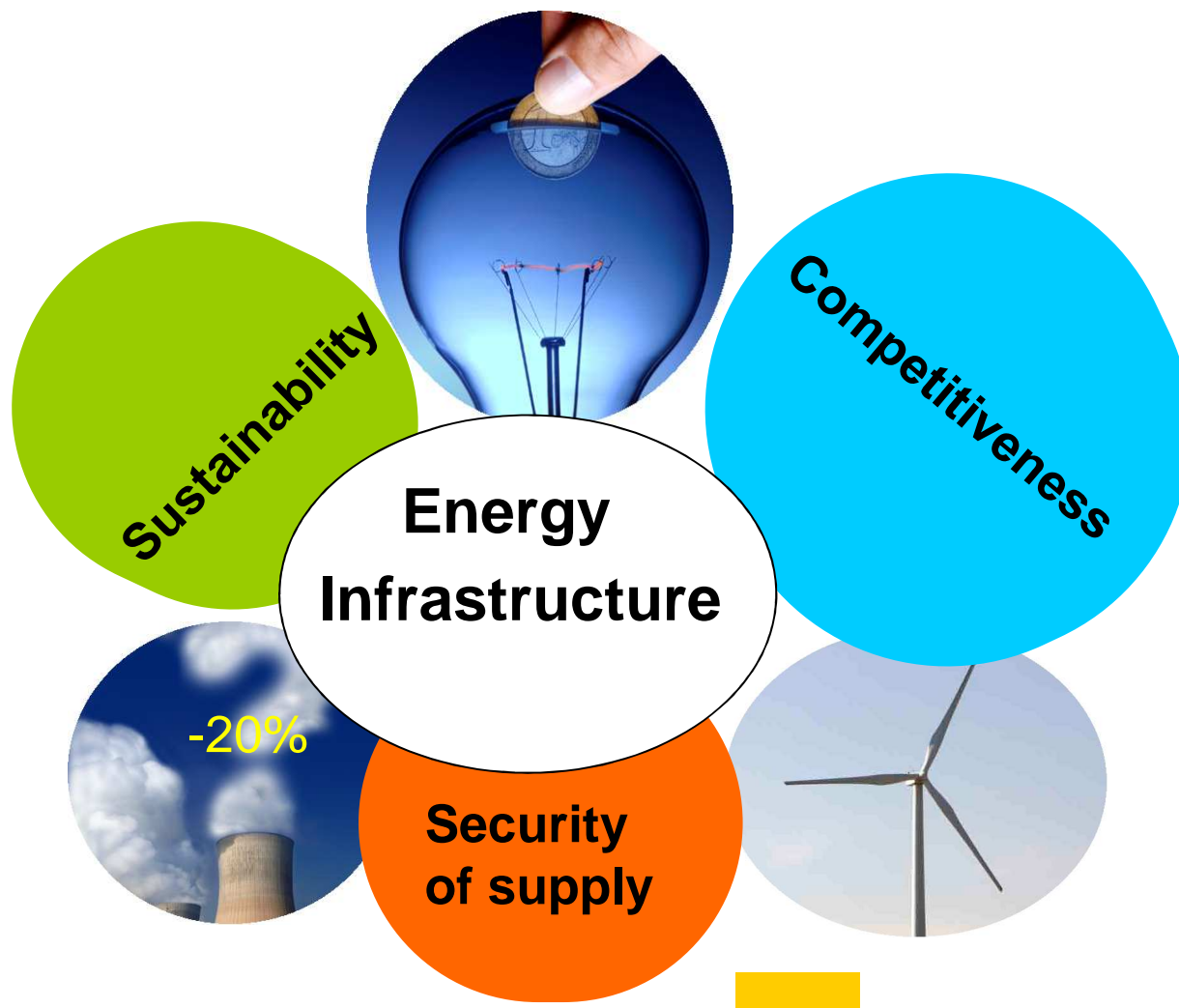




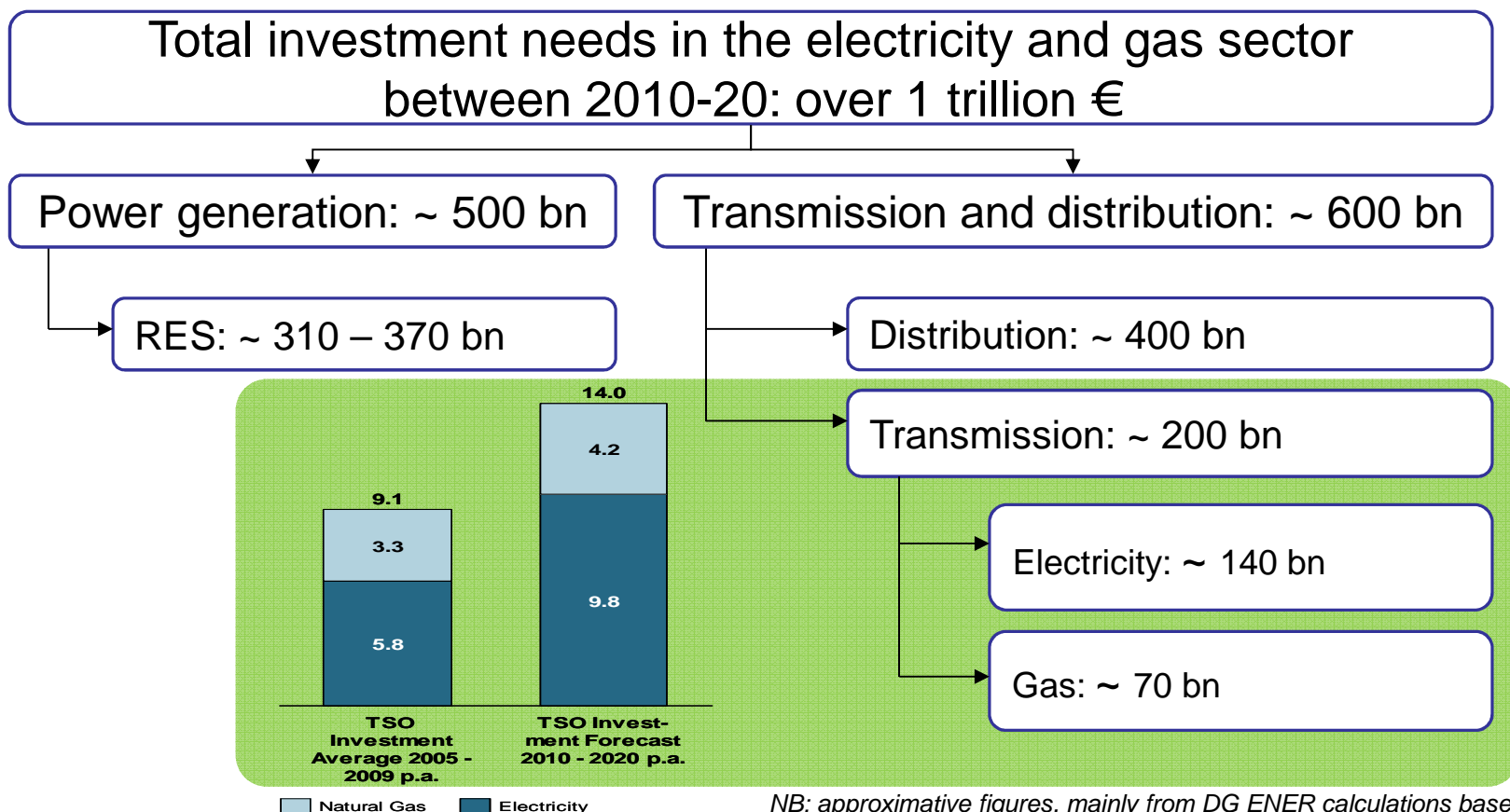
Latest Developments EU Energy Infrastructure

Massimo Lombardini
European Commission, DG Energy
International Relations Unit
2nd Workshop Energy Regulators, Tbilisi 18/6/2013

Infrastructures needed for all energy goals



The EU energy system will need substantial investment to get fit for 2020 and beyond



NB: approximative figures, mainly from DG ENER calculations based on data from PRIMES, ENTSOs, KEMA etc.



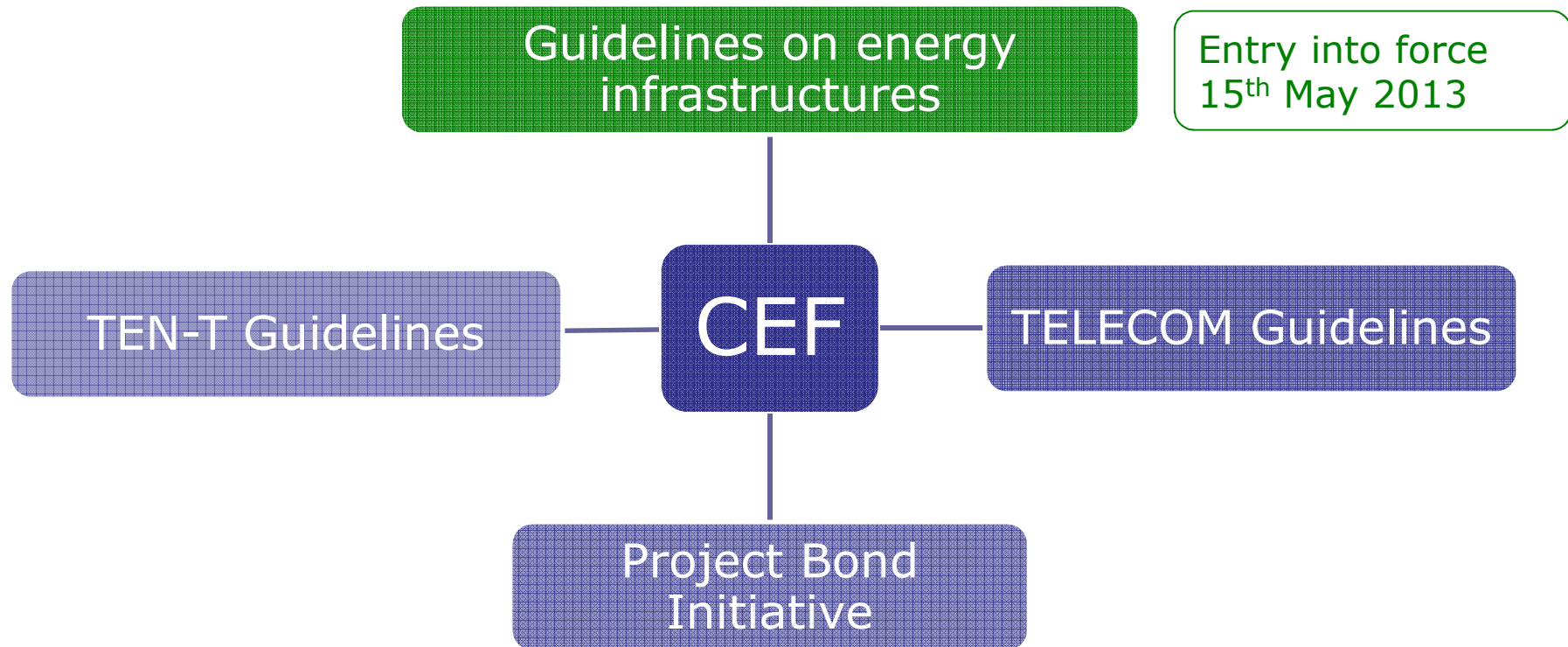
Challenges for infrastructure development?

- **Permitting and public acceptance**
- **Coordination, diverging interests**
- **Financing, investment challenge, crisis**





Connecting Europe Facilities (CEF)





Regulation on guidelines for trans-European energy infrastructure May 2013

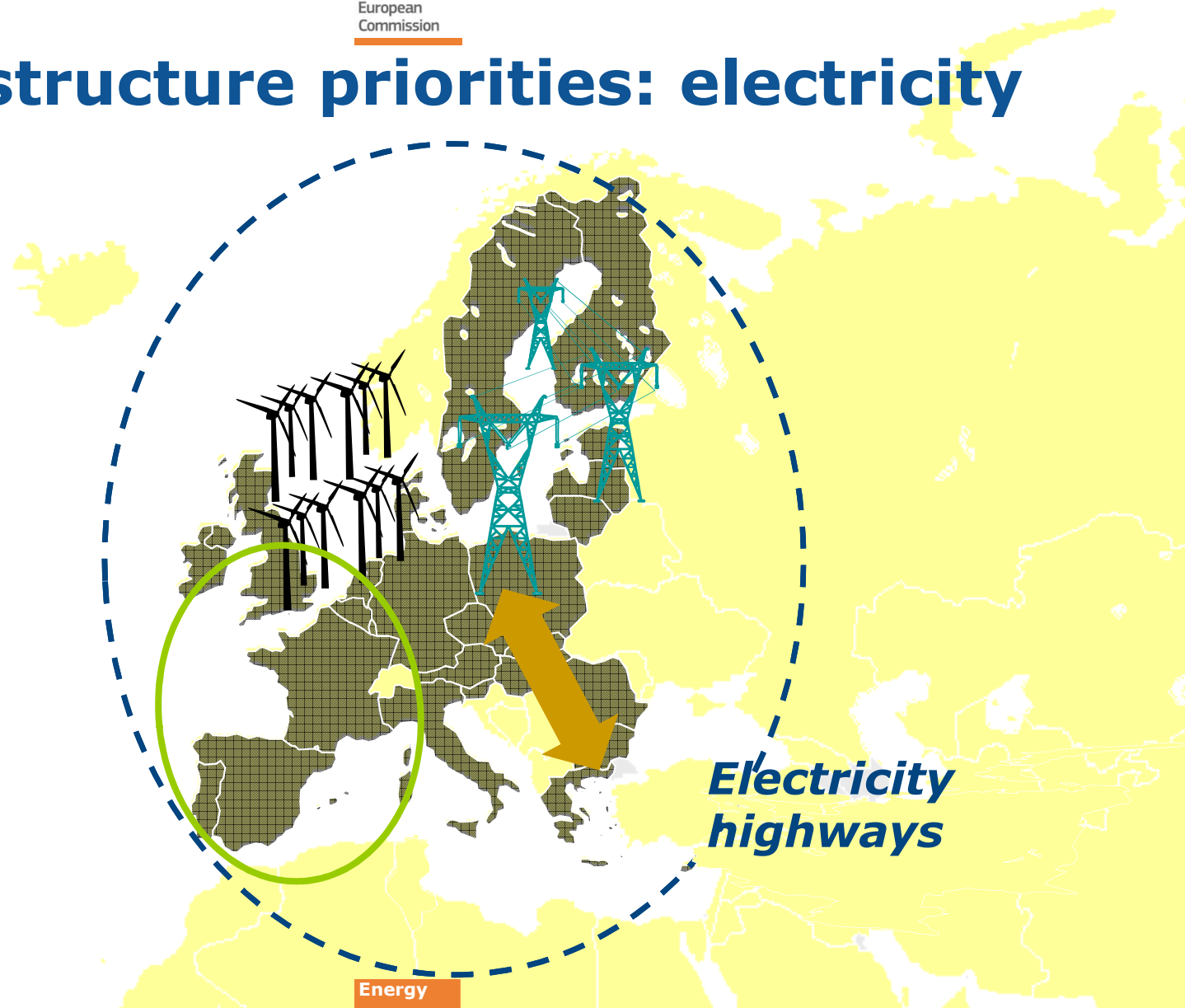
Implementation of 12 priority corridors/areas, necessary to meet EU's energy and climate policy goals by 2020 and beyond...

...by providing policy and regulatory certainty through a stable and appropriate regulatory framework to promote the necessary investments.



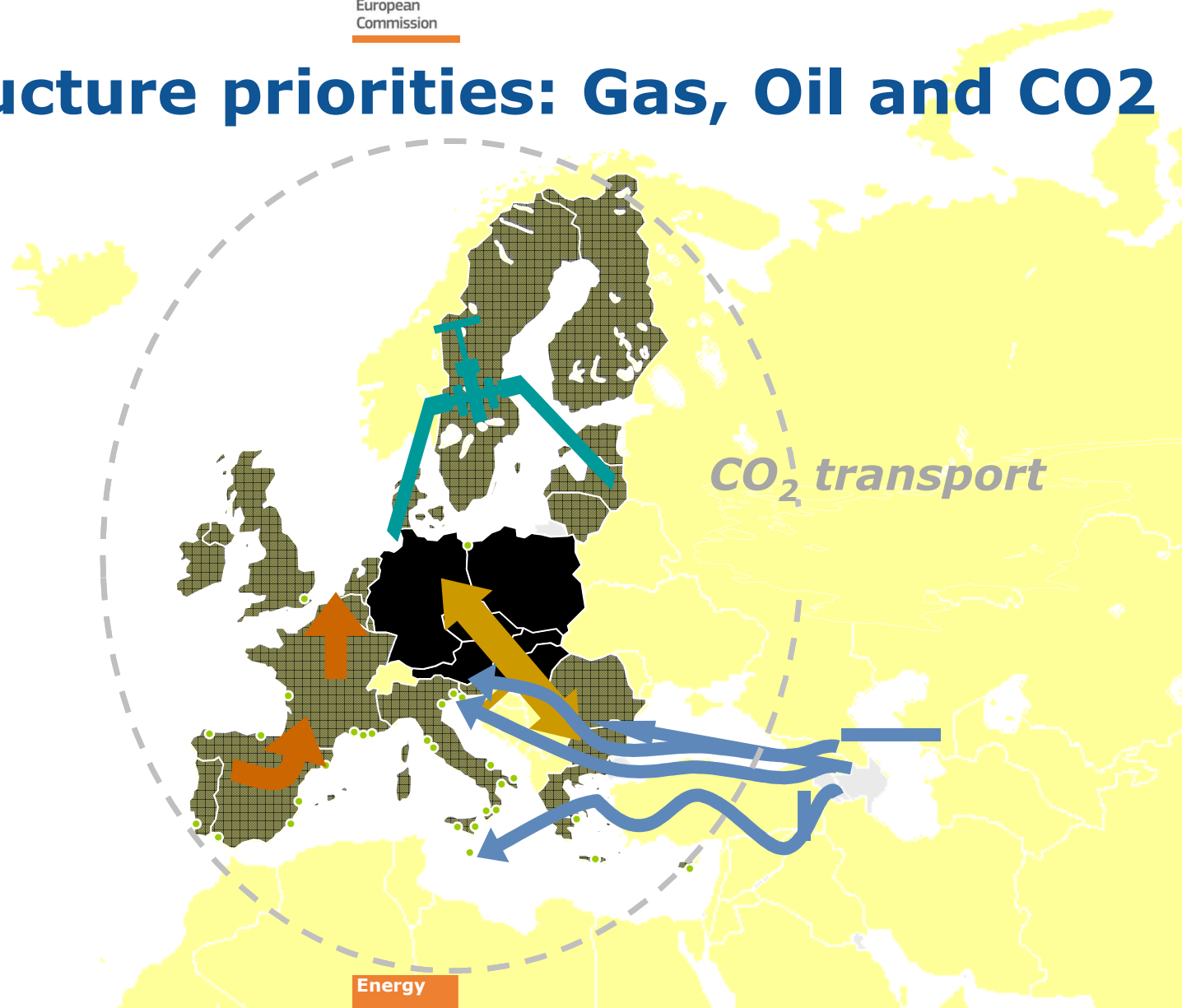
Infrastructure priorities: electricity

- BEMIP
- North South interconnections in Western Europe
- North South interconnections in Central and South Eastern Europe
- Northern Seas Off-shore grid
- “Smart grids”



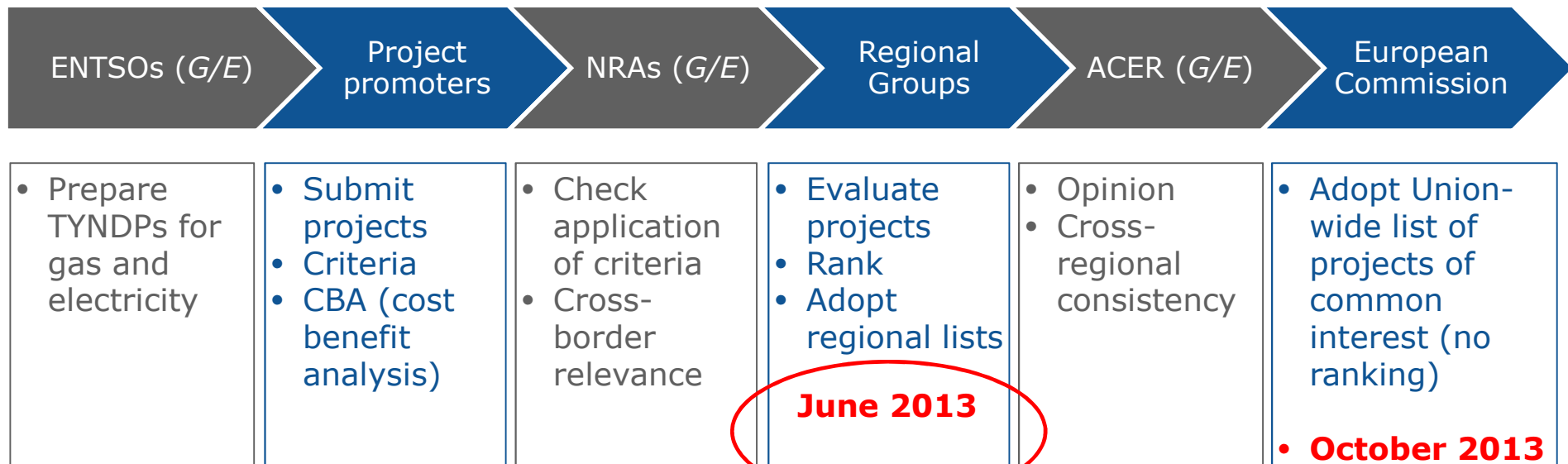
Infrastructure priorities: Gas, Oil and CO₂

- Southern Corridor
- BEMIP
- North-South interconnections in Western Europe
- North-South interconnections in Central and South Eastern Europe
- Oil security of supply in Central Eastern Europe





Process to identify Projects of Common Interest



Identification of PCIs

General criteria

Contributes to the implementation of the infrastructure priorities

Economic, social and environmental viability

Involves at least two Member States:

- **Cross-border infrastructures**
- **Infrastructure with significant cross-border impact**

Specific criteria

- **Market integration**
- **Security of supply**

Diversification

Secure system operations

- **Sustainability**

Integration of RES

GHG avoidance

→ Cost-benefit analysis (from 2015 onwards included in 10-year network development plans by ENTSOs)

Accelerate permit granting for PCIs

Priority

- Most preferential treatment in Member States
- Streamlining of EA procedures

**ONE
STOP
SHOP**

Competent Authority to manage
permit granting process



3 and a half years time limit for the
permit granting decision

Increased ***transparency*** and
enhanced public participation



Financing – PCI

Eligibility criteria (in guidelines):

- Grants for studies and financial instruments – available to all PCIs
- In exceptional cases, grants for works for PCIs where:
 - CBA positive externalities
 - Commercially not viable
 - Cost-allocation decision done

~~9,1 bn €~~ → 5,1 bn €



Summary – for electricity and gas

TYNDP projects (*+others in 2012/13*)

Projects of common interest

Accelerated permit granting

Cross-border cost allocation

Regulatory incentives

Financial instruments and grants for studies



Grants for works, if:

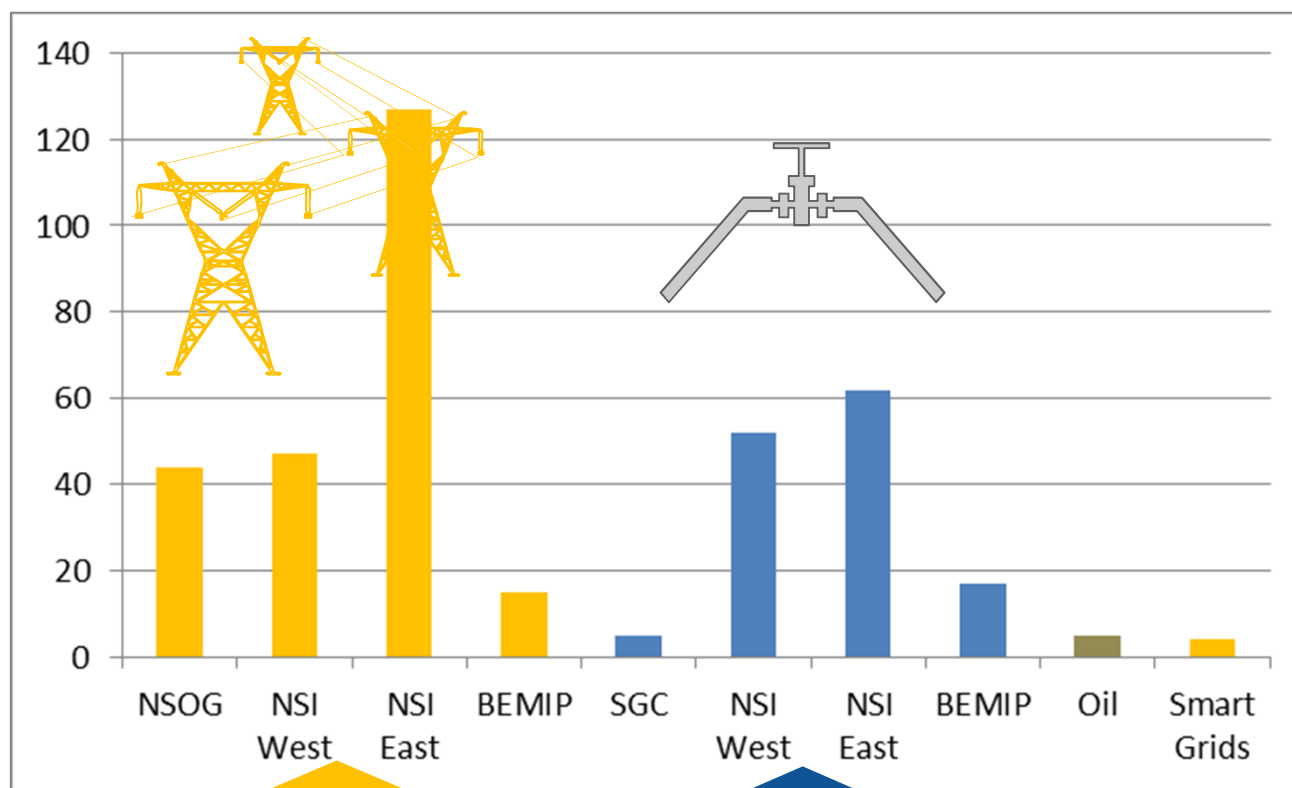
Positive externalities

&

No commercial viability



PCI candidates under assessment

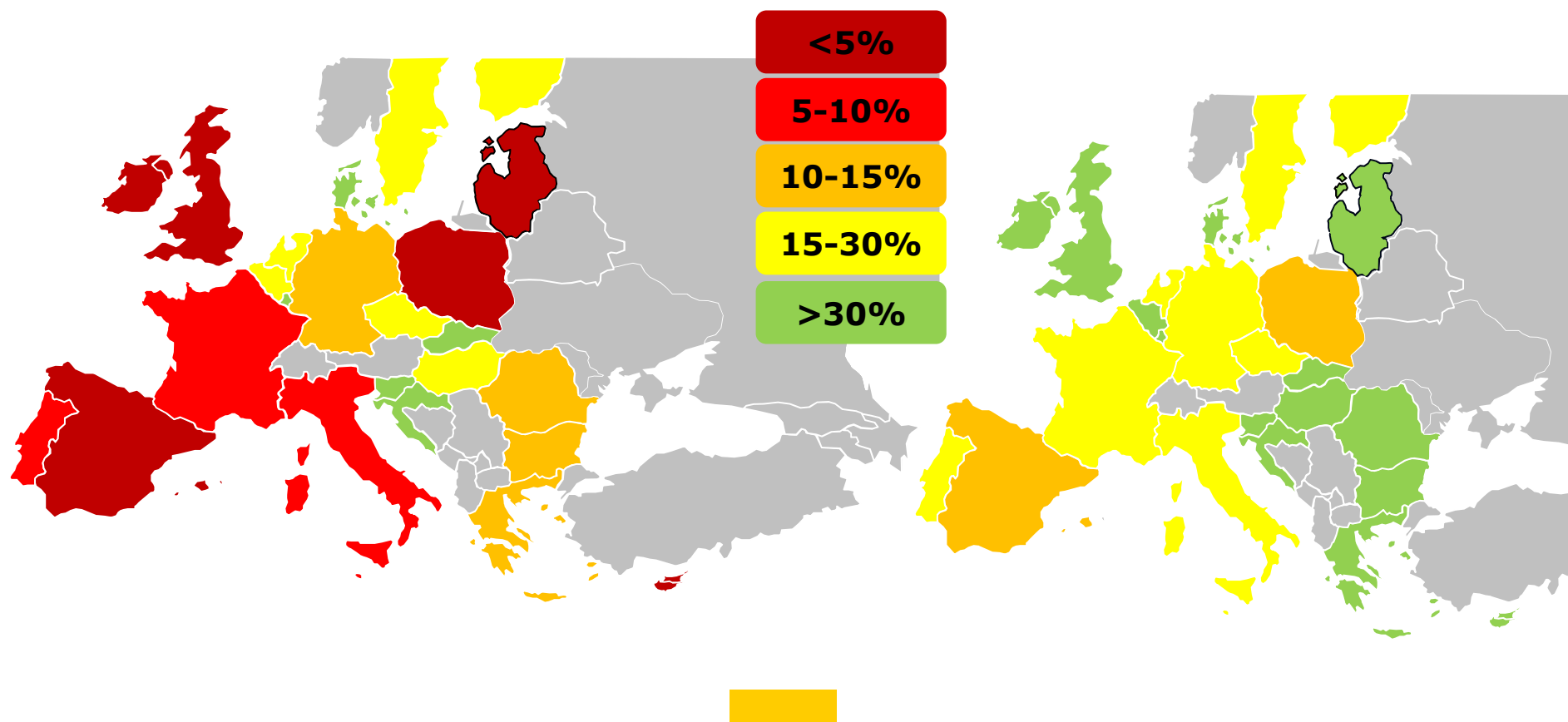


Total: 233

Total: 136

Impact of PCIs – interconnection 2011 vs 2020+

Import capacity/net generation capacity before and after PCI implementation
– 2020+





External Dimension

Co-operation with third countries is encouraged, projects with and in Third countries may become projects of common interest

*In the field of energy, projects outside the EU ,yet in EU interest, can be supported through grants and financial instruments**

*Strict process: Regional Group which is composed of the relevant Member States to propose projects, potentially also outside the EU, that are most adequate for the implement of the corridor
Regional Groups may invite Third countries to the meetings*

Again, only projects lacking commercial viability but showing positive externalities could qualify for funding

** Important to note that the CEF proposal and in particular the provisions on financial support outside the EU is still under negotiation with the Council and the EP*





European
Commission

Thank for your attention

http://ec.europa.eu/energy/infrastructure/strategy/2020_en.htm

