

Press Release

ENTSOG submits its response to European Commission's consultation on upcoming Gas and Hydrogen markets Decarbonisation Package

(Brussels, 18 June, PR0243-21) **ENTSOG** has submitted its response to the European Commission's (EC) consultation on 'Gas networks - revision of EU rules on market access', an EC initiative to revise EU gas rules to facilitate the market entry of renewable and low-carbon gases and remove any undue regulatory barriers.

On 26 March 2021, the EC opened a public consultation on their plans for the upcoming Gas and Hydrogen markets Decarbonisation Package, revising Directive 2009/73/EC and Regulation (EC) No 715/2009.

ENTSOG has submitted its feedback on 17 June through the provided online questionnaire, and also submitted a supplementary note elaborating on a number of points. ENTSOG welcomes EC's analysis of hydrogen and gas markets and agrees in principle with the challenges identified. Both in the questionnaire and supplementary note, ENTSOG identified key positions it believes should be considered in the final outcome, particularly in relation to hydrogen:

- 1. **Repurposed and retrofitted gas infrastructure** will serve as the driver for competitive hydrogen markets.
- 2. Integrating hydrogen into the gas legislation **and building on similar legislative principles** is particularly relevant for the current stage of hydrogen development.
- 3. To achieve a level playing field and at the same time offer the flexibility for the emerging markets and grids, we need a proven regulatory framework with effective exemptions, solutions and well-suited rules for repurposing/retrofitting of gas assets.
- 4. **Adequate financing and cost recovery** for development of hydrogen networks to be guaranteed.
- 5. **Planning and investment clarity** for initial hydrogen projects is crucial, based on the experience of the gas TSOs.





Jan Ingwersen, ENTSOG General Director, commented, "ENTSOG believes that the Gas Directive and Regulation should be amended to achieve ramp-up of a European hydrogen market and maximise synergies and integration between gas and hydrogen, especially via repurposing and retrofitting existing gas infrastructure. This amendment will contribute to the EU decarbonisation goals while maintaining an integrated gas market and encouraging investment in renewable and low carbon gases."

ENTSOG's overall feedback is summarised in a position document, available on the ENTSOG website, <u>here</u>.

EC have indicated that stakeholder feedback will be considered to enable the development of a regulation proposal, planned for the end of 2021.

Should you require any further information, please contact Carmel Carey at ENTSOG.Communications@entsog.eu.

Editorial notes

> The European Network of Transmission System Operators for Gas (ENTSOG) was founded in line with Regulation (EC) 715/2009 and has played a key role in facilitating integration of the European gas markets, ensuring technical interoperability and providing security of supply by gas infrastructure planning. Looking forward, ENTSOG is contributing to the net-zero decarbonisation by 2050, in particular, by the integration of renewable and low carbon gases via future-proof gas transmission pipelines, in line with the EU energy and climate goals. More information on ENTSOG can be found on our website — www.entsog.eu or contact info@entsog.eu.