
















Procedure file

| Basic information | |
|--|---------------------------------------|
| COD - Ordinary legislative procedure (ex-codecision procedure) Regulation | 2020/0360(COD) Procedure completed |
| Trans-European energy infrastructure | |
| Subject 3.60.06 Trans-European energy networks | |
| Legislative priorities Joint Declaration 2022 | |

| Key players | | | |
|--|---|--|------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| |  Industry, Research and Energy |  KRASNODEBSKI Zdzisław | 05/01/2021 |
| | | Shadow rapporteur | |
| | |  BERENDSEN Tom | |
| | |  BERGKVIST Erik | |
| | |  GAMON Claudia | |
| | |  TOUSSAINT Marie | |
| | |  BORCHIA Paolo | |
| | |  PEREIRA Sandra | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
|  Economic and Monetary Affairs | The committee decided not to give an opinion. | | |
|  Environment, Public Health and Food Safety | | 18/02/2021 | |
| |  TOUSSAINT Marie | | |
|  Internal Market and Consumer Protection | The committee decided not to give an opinion. | | |
|  Transport and Tourism | | 25/01/2021 | |
| |  BORCHIA Paolo | | |
|  Regional Development | | 21/01/2021 | |

Council of the European Union
European Commission

Commission DG

Commissioner

[Energy](#)

SIMSON Kadri

European Economic and
Social Committee
European Committee of the
Regions

Key events

| | | | |
|------------|---|-------------------------------|---------|
| 15/12/2020 | Legislative proposal published | COM(2020)0824 | Summary |
| 18/01/2021 | Committee referral announced in Parliament, 1st reading | | |
| 27/09/2021 | Vote in committee, 1st reading | | |
| 27/09/2021 | Committee decision to open interinstitutional negotiations with report adopted in committee | | |
| 30/09/2021 | Committee report tabled for plenary, 1st reading | A9-0269/2021 | Summary |
| 04/10/2021 | Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71) | | |
| 06/10/2021 | Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71) | | |
| 26/01/2022 | Approval in committee of the text agreed at 1st reading interinstitutional negotiations | GEDA/A/(2022)000198 | |
| 05/04/2022 | Results of vote in Parliament | | |
| 05/04/2022 | Debate in Parliament | | |
| 05/04/2022 | Decision by Parliament, 1st reading | T9-0105/2022 | Summary |
| 06/05/2022 | Act adopted by Council after Parliament's 1st reading | | |
| 30/05/2022 | Final act signed | | |
| 03/06/2022 | Final act published in Official Journal | | |

Technical information

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|------------------------|--|
| Procedure reference | 2020/0360(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| Legal basis | Treaty on the Functioning of the EU TFEU 172 |

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|--|---|
| Mandatory consultation of other institutions | European Economic and Social Committee European Committee of the Regions |
| Stage reached in procedure | Procedure completed |
| Committee dossier | ITRE/9/04916 |

Documentation gateway

| | | | | | |
|---|------|-------------------------------|------------|------|---------|
| Legislative proposal | | COM(2020)0824 | 15/12/2020 | EC | Summary |
| Document attached to the procedure | | SEC(2020)0431 | 15/12/2020 | EC | |
| Document attached to the procedure | | SWD(2020)0346 | 15/12/2020 | EC | |
| Document attached to the procedure | | SWD(2020)0347 | 15/12/2020 | EC | |
| Committee draft report | | PE691.151 | 26/03/2021 | EP | |
| Amendments tabled in committee | | PE691.345 | 21/04/2021 | EP | |
| Amendments tabled in committee | | PE691.400 | 21/04/2021 | EP | |
| Amendments tabled in committee | | PE691.401 | 21/04/2021 | EP | |
| Committee opinion | REGI | PE691.110 | 22/06/2021 | EP | |
| Committee opinion | ENVI | PE689.773 | 29/06/2021 | EP | |
| Committee opinion | TRAN | PE689.672 | 30/06/2021 | EP | |
| Committee of the Regions: opinion | | CDR0722/2021 | 01/07/2021 | CofR | |
| Committee report tabled for plenary, 1st reading/single reading | | A9-0269/2021 | 30/09/2021 | EP | Summary |
| Coreper letter confirming interinstitutional agreement | | GEDA/A/(2022)000198 | 22/12/2021 | CSL | |
| Text adopted by Parliament, 1st reading/single reading | | T9-0105/2022 | 05/04/2022 | EP | Summary |
| Draft final act | | 00002/2022/LEX | 30/05/2022 | CSL | |
| Commission response to text adopted in plenary | | SP(2022)281 | 01/06/2022 | EC | |

Additional information

| | | |
|-------------------|--------------------------|------------|
| Research document | Briefing | 25/02/2021 |
|-------------------|--------------------------|------------|

Final act

[Regulation 2022/869](#)
[OJ L 152 03.06.2022, p. 0045](#)

Final legislative act with provisions for delegated acts

Delegated acts

| | |
|--------------------------------|------------------------------|
| 2023/3007(DEA) | Examination of delegated act |
|--------------------------------|------------------------------|

PURPOSE: to revise the EU rules on Trans-European Networks for Energy (the TEN-E Regulation) to better support the modernisation of Europe's cross-border energy infrastructure and achieve the objectives of the European Green Deal.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation (EU) No 347/2013 (TEN-E Regulation) has enabled the EU to achieve the main objectives of its energy policy by establishing rules for the definition and development of projects of common interest (PCIs), which will ensure the interoperability of trans-European energy networks, the functioning of the internal energy market, security of supply in the Union and the integration of renewable energies.

While the objectives of Regulation (EU) No 347/2013 remain largely valid, the current TEN-E framework does not yet fully reflect the expected changes to the energy system that will result from the new political context and in particular the upgraded 2030 targets and the 2050 climate neutrality objective under the European Green Deal.

The EU needs to significantly increase electricity production from renewable sources if the share of electricity generated from renewable energy sources, increasingly located offshore, is to exceed 80% by 2050. It is estimated that the upscale of offshore renewable energy in Europe by 2050 would cost EUR 800 billion, two-thirds of which would be spent on associated grid infrastructure.

The European Council endorsed an electricity interconnection target of at least 15 %. An estimated annual average investment of EUR 50.5 billion for electricity transmission and distribution grids is required for achieving the 2030 targets alone.

Hydrogen is expected to account for approximately 46% - 49% of all renewable and low-carbon gases in 2050. By 2030, total investments needs in hydrogen electrolyzers are estimated between EUR 24-42 billion. About EUR 65 billion would be needed for hydrogen transport, distribution and storage.

To move towards a climate-neutral economy powered by clean energy, Europe therefore needs new infrastructures adapted to new technologies.

CONTENT: the proposal for a revision of the EU rules on Trans-European Energy Networks (TEN-E) aims in particular to:

- enable the identification of cross-border projects and investments throughout the EU and with neighbouring countries that are necessary for energy transition and the achievement of climate objectives;
- improve infrastructure planning for energy system integration and offshore grids;
- shorten permitting procedures for PCIs to avoid delays in projects that facilitate the energy transition.

Sustainability criteria

All projects should meet mandatory sustainability criteria and respect the do no harm principle as set out in the Green Deal in order to allow a rapid and cost-efficient decarbonisation of the energy system and the economy more generally.

Categories of eligible infrastructure

The proposal updates the categories of infrastructure eligible for financial support under the TEN-E policy, removing support for oil and gas infrastructure.

In particular, the proposal:

- updates the criteria for smart electricity grids, taking into account elements relating to innovation and digital aspects. Smart grid technologies should help to improve energy network support for high-capacity recharging to support the decarbonisation of the transport sector;
- gives a greater role to renewable and low-carbon gases by creating a new category of infrastructure for smart gas networks. The objective is to support investments in distribution and/or transport to integrate green gases (typically biogas and biomethane, but also hydrogen) into the network based on innovative technologies;
- focuses on infrastructures using hydrogen, including transport and certain types of electrolyzers;
- insists on the need to develop the network necessary for the expected considerable increase in electricity production from offshore grids for renewable energy sources.

Governance

The proposal:

- revises the governance framework by increasing stakeholder involvement throughout the process, strengthening the role of the EU Agency for the Cooperation of Energy Regulators (ACER) and enhanced oversight by the Commission;
- reinforces the transparency obligation imposed on project promoters and revises existing provisions in order to increase clarity and transparency of cross-border cost allocation and speed up investments in cross-border infrastructure;
- introduces new provisions on support for interconnection projects with third countries (projects of mutual interest or PMIs) that demonstrate their mutual interest and contribution to the overall EU energy and climate objectives of security of supply and decarbonisation;
- updates the eligibility of projects for Union financial assistance for the new infrastructure categories. While projects of mutual interest will be eligible for Union financial assistance, only the investments located on the territory of the Union will be eligible for Union financial assistance from the Connecting Europe Facility in the form of grants for works under specific conditions.

Budgetary implications

ACER would take on additional responsibilities in monitoring the 10-year network development plan. This requires a limited number of additional resources. The impact on expenditure is estimated at EUR 0.889 million for the period 2022-2027.

Trans-European energy infrastructure

The Committee on Industry, Research and Energy adopted the report by Zdzisław KRASNOŹBSKI (ECR, PL) on the proposal for a regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Regulation (EU) No 347/2013.

The proposed regulation aims to revise the EU rules on Trans-European Energy Networks (TEN-E) to align them with the upgraded 2030 targets and the 2050 climate neutrality objective under the European Green Deal.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

EU list of projects of common interest and projects of mutual interest

Projects of common interest are infrastructure projects considered essential for delivering on EU objectives in the energy field, including improved interconnection between national markets, greater competitiveness, security of supply and promotion of renewables.

The decision-making body of each Group should adopt a regional list of proposed projects of common interest. Where a Group draws up its regional list: it should prepare and publish a report containing at least a description of each individual project, the promoters Presentations and the methodology adopted by the Group.

Members stressed that the projects should be in line with the energy efficiency first principle and contributes to sustainability.

Projects of mutual interest should be assimilated with projects of common interest and be eligible for cross-border cost allocation decisions for the part of the investment costs located on the territory of the EU or in countries applying the Union *acquis* and which have concluded an agreement with the EU.

New infrastructure categories

Members suggested that the following specific criteria should apply to projects of common interest falling within specific energy infrastructure categories. For district heating and cooling systems falling under the energy infrastructure category, the project is to contribute significantly to sustainability by enabling and facilitating the integration of renewable and waste heat and cold to reduce greenhouse gas emissions, as well as a better integration and interlinking of the sectors.

Phasing-out of natural gas

Members supported funding the development of hydrogen infrastructure, such as electrolysers, as well as carbon capture and storage. They also insisted on the need to support public participation in the selection process. Projects based on natural gas will no longer be eligible for EU funding. However, a temporary derogation will allow, under strict conditions, natural gas projects from the fourth or fifth list of projects of common interest to be eligible for a streamlined authorisation procedure.

Repurposing natural gas

The selected projects should help Member States to move away from solid fossil fuels such as coal, lignite, peat and oil shale, according to Members. The report also proposed funding projects that repurpose existing natural gas infrastructure for hydrogen transport or storage.

Offshore grids

While commending the inclusion of offshore grids into the scope of the regulation, the report highlighted that Member States are currently in different phases of development of their offshore infrastructure. More investment is needed in offshore renewable energy and new radial links connecting new offshore wind capacities, as well as hybrid integrated projects, are needed.

Scenarios for the ten-year network development plans

By 31 July 2022, the Agency, after having conducted an extensive consultation process involving all relevant stakeholders, should publish the framework guidelines for the joint scenarios to be developed by ENTSO for Electricity and ENTSO for Gas.

Members proposed that the guidelines should establish standards for a transparent, non-discriminatory and robust development of scenarios taking into account best practices in the field of network development planning. The joint scenarios should also include a long-term perspective until 2050 and include intermediary steps as appropriate.

The report noted that while being eligible for inclusion in regional groups project lists as soon as this Regulation enters into force, smart electricity grids, smart gas grids, hydrogen, electrolysers and heating and cooling networks are not currently included in the Union-wide ten-year network development plan. The requirement for those projects should only apply as of 1 January 2024 for the purposes of the second Union list drawn pursuant to this Regulation.

Integrated energy market and network model

The needs of an integrated energy market go beyond a physical cross-border footprint of infrastructure projects in order to contribute to the TEN-E pillars, such as sustainability or security of supply. There is a need for cross-border projects that have a positive effect on the Union's power grid, such as smart electricity grids or electrolysers, without involving a physical common border.

The integrated model should be updated to include heating infrastructure not later than 31 December 2024. Where relevant, the model should also take into consideration the distribution infrastructure. As part of the integrated model the ENTSO for Electricity and the ENTSO for Gas shall develop a common cost benefit methodology to be used for the cross-sectorial assessment.

Cost allocation and cross-border allocation

The costs for the development, construction, operation and maintenance of projects of common interest should in general be fully borne by the users of the infrastructure. The cost allocation should ensure that end-users are not disproportionately burdened, especially if that could lead to energy poverty.

Trans-European energy infrastructure

The European Parliament adopted by 410 votes to 146, with 72 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Regulation (EU) No 347/2013.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

The Regulation lays down guidelines for the development and interoperability of the trans-European energy infrastructure corridors and priority areas set out in Annex I which contribute to:

- ensuring climate change mitigation, in particular to achieve the Union's 2030 energy and climate objectives and its objective of climate neutrality by 2050, and
- ensure interconnections, energy security, market and system integration, competition that benefits of all Member States and affordable energy prices.

The regulation provides for the identification of projects of common interest and projects of mutual interest (projects promoted by the EU in cooperation with third countries) on the EU list. It will also facilitate the implementation of EU-listed projects by streamlining, coordinating more closely and speeding up permit granting procedures, as well as increasing transparency and public participation.

Members supported funding for projects related to the development of hydrogen infrastructure and carbon capture and storage. The revised TEN-E framework will encourage investment in hydrogen and CO2 networks and the development of offshore networks.

The revised framework provides for, inter alia:

- ending support for new natural gas and oil projects and introducing mandatory sustainability criteria for all projects. The Union will have to facilitate energy projects in disadvantaged, less connected, peripheral, outermost or isolated regions in order to provide access to trans-European energy networks to accelerate the decarbonisation process and reduce dependency on fossil fuels;
- include in the scope of the Regulation projects of mutual interest, where they are sustainable and demonstrate EU-wide benefits;
- simplify and speed up permitting and authorisation procedures, including the creation of a single contact point per project for permits and authorisations. Projects that are no longer on the list of projects of common interest, but for which an application has been accepted for examination

by the competent authority, will be able to retain their rights and obligations in terms of quicker granting process;

- to allow, during a transitional period until 31 December 2029, the use of hydrogen assets converted from natural gas assets to transport or store a predefined mixture of hydrogen with natural gas or biomethane. The eligibility of these projects for EU financial support will end on 31 December 2027;
- in the case of Cyprus and Malta, which are still not interconnected to the trans-European gas network, to allow one interconnector per Member State under development or planning which has been granted the status of a project of common interest and which is necessary to ensure the permanent interconnection of Cyprus and Malta to the trans-European gas network. The derogation will apply until Cyprus or Malta, respectively, is directly interconnected to the trans-European gas network or until 31 December 2029;
- include in the scope of the Regulation certain types of electrolysers with a capacity of at least 50 MW, supplied by a single electrolyser or by a group of electrolysers which form a single coordinated project and which contribute to sustainability. Electrolysers will not be eligible for funding;
- highlight the role of energy from renewable sources in relation to all assets, including smart gas grids;
- create a non-binding cooperation possibility in the field of offshore grid planning;
- add an explicit reference to Article 136 of the EU Financial Regulation, which lists the situations in which a person or entity is excluded from being selected to receive EU funding, such as fraud, corruption or conduct relating to criminal organisations;
- strengthen the TEN-E governance process by enhancing the role of relevant stakeholders. The consultation should be open and transparent and should be organised in a timely manner to allow for stakeholders feedback in the preparation of key phases of the Union-wide ten-year network development plans, such as the scenario development, infrastructure gaps identification and the cost-benefit analysis methodology for project assessment. The ENTSO for Electricity and the ENTSO for Gas should give due consideration to the input received from stakeholders during consultations and should explain how they took that input into account.