

2009 - 2014

Committee on Transport and Tourism

2011/0300(COD)

04.6.2012

# OPINION

of the Committee on Transport and Tourism

for the Committee on Industry, Research and Energy

on the proposal for a regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC (COM(2011)0658 – C7-0371/2011 – 2011/0300(COD))

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# SHORT JUSTIFICATION

# Introduction

Major efforts are needed to modernise and expand not only Europe's transport but also its energy infrastructure to meet the Union's energy policy objectives of competitiveness, sustainability and security of supply<sup>1</sup> and to complete the internal energy market from which EU transport sector will benefit. The Commission proposal especially aims at establishing the proper procedures and the rules for that undertaking.

Already in 2010<sup>2</sup> the Commission called for a new EU energy infrastructure policy to coordinate and optimise network development, highlighting the need to replace the existing Trans-European Networks for Energy (TEN-E) policy by a more effective regulatory framework bearing in mind solidarity between Member States.

In June 2011, the Commission adopted its Communication on the next multi-annual financial framework  $(2014-2020)^3$ , proposing the creation of a Connecting Europe Facility to complete the priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, out of which EUR 9.1 billion are dedicated to energy.

As far as TRAN committee's area of responsibility is concerned, it should stress the usefulness of creating synergies when implementing EU transport infrastructure (via the TEN-T) and energy infrastructure projects, to coordinate, where possible, transport and energy infrastructure projects and to streamline administrative, permission and environmental procedures for common energy and transport corridors.

Other transport-related aspects of the proposal relate to how oil, gas and electricity are shipped to and within the EU: it is essentially oil and gas that are also transported by ship, road or rail and where a change in transport policy can make a difference.

80% of imported crude oil is delivered to the EU by tankers. An important feature of the internal EU oil transport network is that the Western part is connected via pipeline to major European ports while most of the refineries in Central and Eastern Europe (EU-12) are supplied through the Druzhba oil pipeline system from Russia (about 60 million tons/year) with limited connections between the Western and Eastern European networks. This is due to the fact that the Eastern European pipeline infrastructure was conceived and built during the Cold War period. Moreover, in these countries, unlike in the EU-15, the oil demand is expected to grow by 7.8% between 2010 and 2020, and overall oil will remain an important part of the EU's energy mix beyond that date. This puts pressure to develop oil pipeline infrastructure to ensure security of supply in Central and Eastern Europe.

The transport of oil bears major environmental risks. In case of supply disruptions in the Druzhba system, the limited alternative supply options would lead to a big increase in tanker traffic in the environmentally sensitive Baltic area, the Black Sea and in the Turkish Straits, creating big concerns about the potential danger of accidents and oil spills. Each month 3,500-

<sup>&</sup>lt;sup>1</sup> European Council conclusions 4 February 2011

<sup>&</sup>lt;sup>2</sup> see COM(2010)677

<sup>&</sup>lt;sup>3</sup> see COM(2011) 500/I final and COM(2011) 500/II final (Policy Fiches)

5,000 ships cross the waters of the Baltic Sea. Up to 25% of these ships are tankers transporting approximately 170 million tonnes of oil a year. Besides reducing the risk of oil spills a reduction in tanker traffic would also lower CO2 and NOX emissions.

Natural gas plays also an important role in energy field for EU transportation being a sustainable and low-emission energy source delivering clean energy for power generation (especially CHP), which might be easily transferred into transport needs. Directly, it can address the "clean transport" goals when used as fuel (LNG and CNG). Simultaneously, the EU relies heavily on natural gas imports, which are highly infrastructure dependent.

Growing energy demand could be supported by higher usage of LNG and CNG. Accordingly, we should make better and more efficient usage of existing and planned energy infrastructure networks.

In order to complete the internal gas market, the EU should be equipped with the appropriate natural gas infrastructure. New transmission capacities for supply, interconnections between Member States, as well as new storage and regasification facilities need to be developed. Action needs to be taken to address existing investment gaps, while enhancing and developing national transmission networks. The new Guidelines should also cover the issue of energy islands and missing interconnection between national natural gas markets, visible in areas like the Baltic region and Central and Eastern Europe.

# Suggestions

Based on the above it is suggested to focus on

(1) promoting synergies between EU infrastructure projects in the area of transport and energy, inter alia by encouraging competent authorities to grant joint permissions including in the environmental field

(2) developing further the existing pipeline network in the EU to improve the connection between EU-12 and EU-15 and ensure security of oil supply in the EU-12 region

(3) reducing the potential risk of environmental disasters caused by tankers traffic.

(4) promoting the role of regional LNG terminals with particular attention to ship bunkering, rail and truck transport

(5) promoting the role of natural gas as a sustainable source of energy

(6) pursuing market integration and finishing isolation of energy markets

(7) supporting the EU's goals of sound and flexible national transmission networks

# AMENDMENTS

The Committee on Transport and Tourism calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

#### Amendment 1

#### Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

#### Amendment

(4a) The challenge of autonomy and energy supply in the outermost regions should be taken into account, given their geomorphological conditions and geographical location, particularly when identifying projects of common interest, since these regions are privileged locations for the development of renewable energies, a key condition for achieving European energy and climate targets.

#### Amendment 2

## **Proposal for a regulation Recital 5**

#### Text proposed by the Commission

(5) Evaluation of the current TEN-E framework has clearly shown that this policy, while making a positive contribution to selected projects by giving them political visibility, lacks vision, focus, and flexibility to fill identified infrastructure gaps.

#### Amendment

(5) Evaluation of the current TEN-E framework has clearly shown that this policy, while making a positive contribution to selected projects by giving them political visibility, lacks vision, focus, and flexibility to fill identified infrastructure gaps; *highlights in this context the importance of identifying potential future gaps in energy demand and supply*.

Amendment 3

## Proposal for a regulation Recital 7 a (new)

Text proposed by the Commission

#### Amendment

#### (7a) The Union's internal pipeline

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network requires further integration between its Western and Eastern parts in order to ensure security of supply throughout the Union.

Amendment 4

Proposal for a regulation Recital 7 b (new)

Text proposed by the Commission

Amendment

(7b) The Union's internal pipeline network requires further integration between its Western and Eastern and South-Eastern parts in order to ensure security of supply throughout the Union.

Amendment 5

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Reducing the use of risk-prone means for transporting oil, such as tankers, is an important element in lowering the environmental risk associated with the transportation of oil.

Amendment 6

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) To ensure voltage and frequency stability, particular attention should be focused on the stability of the European electricity network under the changing conditions caused by the growing incoming supplies of volatile renewable energy. Further research efforts are

needed in order to enable smart grids, storage capacities, and intelligent energy mix concepts to compensate for supply fluctuations in electricity generated from renewable sources.

Amendment 7

## Proposal for a regulation Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The creation of a Union-oriented linkage of its offshore potential is highly important. The integration of the North Sea, Baltic Sea and Black Sea offshore potentials is vital to the development of the Union's internal energy market.

Amendment 8

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

## Amendment

(17a) To reflect the growing demand for electricity up to 2020, which will be double that for gas, the Union funding for electricity projects should be earmarked to ensure that sufficient funds are available, in line with the Union's long-term energy policy, in particular for those in the area of transport electrification.

Amendment 9

Proposal for a regulation Recital 18 a (new)

#### Amendment

(18a) Cooperation through horizontal projects in the energy and transport area should be promoted in order to develop synergies with high Union added value.

Amendment 10

#### Proposal for a regulation Recital 19 a (new)

Text proposed by the Commission

#### Amendment

(19a) Planning and implementation of Union projects in the area of energy and transport infrastructure should be coordinated to generate synergies where this makes sense from an economic, technical and environmental point of view and with due regard to the relevant safety aspects.

Amendment 11

Proposal for a regulation Recital 20 a (new)

Text proposed by the Commission

#### Amendment

(20a) The construction of energy infrastructure networks should not, under any circumstances, damage Europe's (artistic, cultural, touristic, or environmental) heritage, as referred to in the European Parliament resolution of 27 September 2011 on 'Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe'<sup>1</sup>, in which the Commission and the Member States are urged to 'take all appropriate measures to safeguard Europe's heritage and assets for future generations'.

# <sup>1</sup>Texts adopted, P7\_TA(2011)0407.

Amendment 12

Proposal for a regulation Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) The competent authorities should consider granting joint permits to projects of common interest which create synergies between Union infrastructure projects in the area of energy and transport.

Amendment 13

**Proposal for a regulation Recital 21 b (new)** 

Text proposed by the Commission

Amendment

(21b) When planning the various trans-European networks, the preferred option should be integration of transport, communication, and energy networks in order to save as much space as possible and, wherever possible, reuse existing and/or disused routes so as to reduce the socio-economic, environmental, and financial impact to a minimum.

Amendment 14

Proposal for a regulation Recital 24 a (new)

Text proposed by the Commission

Amendment

(24a) Given the cross-border nature of projects, longer time-frames should be

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laid down for public consultation in all the Member States involved, taking into account not least the need to have all the relevant information in the languages of the Member States concerned and the variety of procedures followed in individual Member States, the object being to ensure the full participation of all stakeholders involved (citizens affected, local and regional authorities, etc.).

#### Justification

As is the case with transport, the cross-border nature of many energy infrastructures poses an additional challenge where public consultation procedures are concerned. To overcome these difficulties and secure greater acceptance of the projects, without detracting from the urgency of the action, it is suggested that longer time-frames be allowed for consultation, bearing in mind the obvious needs resulting from the fact that the languages used and the procedures followed are different in each Member State.

#### Amendment 15

## Proposal for a regulation Recital 25 a (new)

Text proposed by the Commission

#### Amendment

(25a) Energy infrastructure, especially where transport networks are concerned, should be planned and laid down in such a way as to ensure that there would be no convoys carrying hydrocarbon products within or close to residential areas, in order to rule out all possibility of endangering residents' safety.

#### **Amendment 16**

#### Proposal for a regulation Recital 29

Text proposed by the Commission

(29) The European Energy Programme for Recovery (EEPR) has demonstrated the

#### Amendment

(29) The European Energy Programme for Recovery (EEPR) has demonstrated the

added value of leveraging private funding through significant Union financial aid to allow implementation of projects of European significance. The European Council of 4 February 2011 recognised that some energy infrastructure projects may require limited public finance to leverage private funding. In the light of the economic and financial crisis and budgetary constraints, targeted support, through grants and financial instruments, should be developed under the next multiannual financial framework, which will attract new investors into the energy infrastructure priority corridors and areas, while keeping the budgetary contribution of the Union to a minimum.

added value of leveraging private funding through significant Union financial aid to allow implementation of projects of European significance. The European Council of 4 February 2011 recognised that some energy infrastructure projects may require limited public finance to leverage private funding. In the light of the economic and financial crisis and budgetary constraints, targeted support, through grants, financial instruments, and *State guarantees*, should be developed under the next multi-annual financial framework, which will attract new investors into the energy infrastructure priority corridors and areas, while keeping the budgetary contribution of the Union to a minimum

#### Amendment 17

#### Proposal for a regulation Recital 30

#### Text proposed by the Commission

(30) Projects of common interest in the fields of electricity, gas and carbon dioxide should be eligible to receive Union financial assistance for studies and, under certain conditions, for works under the proposed Regulation for a Connecting Europe Facility (CEF Regulation), either in the form of grants or in the form of innovative financial instruments. This will ensure tailor-made support can be provided to those projects of common interest which are not viable under the existing regulatory framework and market conditions. Such financial assistance should ensure the necessary synergies with funding from instruments under other Union policies. In particular, the Connecting Europe Facility will finance energy infrastructure of European relevance, while Structural Funds will finance smart energy distribution networks of local or regional

#### Amendment

(30) Projects of common interest in the fields of electricity, gas and carbon dioxide, or to develop and set up energy infrastructure to decarbonise transport, should be eligible to receive Union financial assistance for studies and, under certain conditions, for works under the proposed Regulation for a Connecting Europe Facility (CEF Regulation), either in the form of grants or in the form of innovative financial instruments. This will ensure *that* tailor-made support can be provided to those projects of common interest which are not viable under the existing regulatory framework and market conditions. Such financial assistance should ensure the necessary synergies with funding from instruments under other Union policies. In particular, the Connecting Europe Facility will finance energy infrastructure of European

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importance. The two sources of funding will thereby complement each other.

relevance, while Structural Funds will finance smart energy distribution networks of local or regional importance. The two sources of funding will thereby complement each other.

## Justification

As set out in the transport White Paper, the EU is aiming to decarbonise transport. To enable that goal to be achieved, financial support has to be provided in order to develop and set up infrastructure for electricity, hydrogen, and other emission-reducing energy sources, both in urban fleet nodes and for long-haul transport.

Amendment 18

Proposal for a regulation Article 4 – paragraph 2 – point c – indent 6 a (new)

Text proposed by the Commission

Amendment

- accommodation of significant higher volumes of low carbon electricity applications such as electric vehicles through advanced technical and market intervention;

#### **Amendment 19**

#### Proposal for a regulation Article 4 – paragraph 2 – point d

Text proposed by the Commission

(d) concerning oil transport projects falling under the categories set out in point 3 of Annex II, the project shall contribute significantly to the following three specific criteria:

 security of supply reducing single supply source or route dependency;

 efficient and sustainable use of resources through mitigation of environmental risks;

### Amendment

(d) concerning oil transport projects falling under the categories set out in point 3 of Annex II, the project shall contribute significantly to the following three specific criteria:

 security of supply reducing single supply source or route dependency *and achieving increased connectivity*;

- efficient and sustainable use of resources through mitigation of environmental risks, *notably by reducing the use of risk-prone means for transporting oil, such as*  - interoperability;

*tankers*; – interoperability;

## Amendment 20

## Proposal for a regulation Article 6 – paragraph 1

Text proposed by the Commission

1. When a project of common interest encounters significant implementation difficulties, the Commission may designate a European coordinator for a period of up to one year renewable twice.

## Amendment

1. When a project of common interest encounters significant implementation difficulties, should the national authorities or local or regional government bodies be unable to reach agreement in due time, the Commission may designate a European coordinator for a period of up to one year renewable twice.

## Amendment 21

## Proposal for a regulation Article 6 – paragraph 3

## Text proposed by the Commission

3. The European coordinator shall be chosen on the basis of his or her experience with regard to the specific tasks assigned to him or her for the concerned project(s).

## Amendment

3. The European coordinator shall be chosen on the basis of his or her experience with regard to the specific tasks assigned to him or her for the concerned project(s). Before being appointed, the European coordinator or candidates for this post shall appear before the relevant committee of the European Parliament.

## Amendment 22

Proposal for a regulation Article 8 – paragraph 4 – subparagraph 1

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With the objective of meeting the time limits set out in Article 11 and reducing the administrative burden for the completion of projects of common interest, Member States shall, within *nine months* from the entry into force of this Regulation, take measures to streamline the environmental assessment procedures. These measures shall be without prejudice to obligations resulting from Union legislation.

#### Amendment

With the objective of meeting the time limits set out in Article 11 and reducing the administrative burden for the completion of projects of common interest, Member States shall, within *twelve months* from the entry into force of this Regulation, take measures to streamline the environmental assessment procedures. These measures shall be without prejudice to obligations resulting from Union legislation.

## Amendment 23

## Proposal for a regulation Article 10 – paragraph 5

## Text proposed by the Commission

5. For projects crossing the border of two or more Member States, the public consultations pursuant to paragraph 4 in each of the Member States concerned shall take place within *a delay of* no more than *two months* from the start date of the first public consultation in one of these Member States.

## Amendment

5. For projects crossing the border of two or more Member States, the public consultations pursuant to paragraph 4 in each of the Member States concerned shall take place within no more than *four months* from the start date of the first public consultation in one of these Member States. *Consultations shall be held in the official languages of the Member States concerned.* 

## Justification

As is the case with transport, the cross-border nature of many energy infrastructures poses an additional challenge when projects are subject to public consultation. Without detracting from the urgency of the projects, it is suggested, in order to secure greater acceptance, that longer time-frames be allowed for consultation in cases where projects extend across a border.

Amendment 24

Proposal for a regulation Article 17 – introductory part

The Commission shall establish an infrastructure transparency platform easily accessible to the general public. This platform shall contain the following information:

#### Amendment

The Commission shall establish an infrastructure transparency platform *on the internet in the EU official languages* easily accessible to the general public. This platform shall contain the following information:

Amendment 25

## Proposal for a regulation Article 17 – point c a (new)

Text proposed by the Commission

#### Amendment

(ca) information about the updated list of projects of common interest;

#### Amendment 26

### Proposal for a regulation Article 17 – point c b (new)

Text proposed by the Commission

Amendment

(cb) information about the work of regional groups, including links to the work of the regional groups.

Amendment 27

## Proposal for a regulation Annex I – part 4 – point -10 (new)

Text proposed by the Commission

Amendment

(-10) Transport decarbonisation energy infrastructure network:

development and establishment of infrastructure networks for the supply of

emission-reducing energy in the transport sector (hydrogen, electric vehicles, battery exchange), both in urban nodes and along transport corridors.

Member States concerned: all;

#### Justification

It is important that the TEN-E guidelines should, among other thematic areas, cover the establishment and construction of infrastructure for the supply of energy to help reduce  $CO_2$  emissions in transport. There are obvious examples of such infrastructure, including hydrogen refuelling stations and the electric battery switching system, an innovative project that has recently received TEN-T funding (Greening European Transportation Infrastructure for Electric Vehicles).

Amendment 28

Proposal for a regulation Annex II – point 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) infrastructure associated with supplying electricity for electric or hybrid vehicles;

## Amendment 29

Proposal for a regulation Annex II – point 1 – point e b (new)

Text proposed by the Commission

Amendment

(eb) port facilities to supply docked vessels with electricity generated on shore instead of electricity generated on-board using their own engines;

#### Amendment 30

Proposal for a regulation Annex III – part 1 – point 1 – subparagraph 3 a (new)

### Amendment

(3a) Each group shall publish the agendas and minutes of its meetings on the internet.

Amendment 31

Proposal for a regulation Annex IV – point 4 – subpoint f a (new)

Text proposed by the Commission

#### Amendment

(fa) Accommodation of significantly higher volumes of low carbon electricity applications such as electric vehicles, through advanced technical and market intervention.

Amendment 32

Proposal for a regulation Annex IV – point 5 – subpoint c

Text proposed by the Commission

(c) Efficient and sustainable use of resources shall be evaluated by assessing the extent to which the project makes use of already existing infrastructure and contributes to minimising environmental and climate change burden and risks.

#### Amendment

(c) Efficient and sustainable use of resources shall be evaluated by assessing the extent to which the project makes use of already existing infrastructure and contributes to minimising environmental and climate change burden and risks, *for example by substituting risk-prone means of transportation such as tankers by less risky modes of transportation*.

Amendment 33

Proposal for a regulation Annex VI – point 3 – subpoint d a (new)

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Amendment

(da) the possibilities for lodging a complaint with, or appealing to, the competent authorities.

Justification

To enhance the legitimacy of projects and secure greater acceptance, the legal remedies available and the authorities concerned should be spelt out.

# PROCEDURE

Title	Trans-European energy infrastructure, and repeal of Decision No 1364/2006/EC
References	COM(2011)0658 - C7-0371/2011 - 2011/0300(COD)
<b>Committee responsible</b> Date announced in plenary	ITRE 15.11.2011
<b>Committee(s) asked for opinion(s)</b> Date announced in plenary	TRAN 15.11.2011
Rapporteur(s) Date appointed	Bogdan Kazimierz Marcinkiewicz 24.1.2012
Discussed in committee	27.3.2012
Date adopted	8.5.2012
Result of final vote	$\begin{array}{cccc} +: & & 41 \\ -: & & 0 \\ 0: & & 1 \end{array}$
Members present for the final vote	Magdi Cristiano Allam, Inés Ayala Sender, Georges Bach, Izaskun Bilbao Barandica, Philip Bradbourn, Antonio Cancian, Philippe De Backer, Christine De Veyrac, Saïd El Khadraoui, Ismail Ertug, Carlo Fidanza, Knut Fleckenstein, Jacqueline Foster, Mathieu Grosch, Jim Higgins, Juozas Imbrasas, Dieter-Lebrecht Koch, Georgios Koumoutsakos, Werner Kuhn, Jörg Leichtfried, Bogusław Liberadzki, Eva Lichtenberger, Marian-Jean Marinescu, Gesine Meissner, Hubert Pirker, Dominique Riquet, Petri Sarvamaa, Vilja Savisaar-Toomast, Olga Sehnalová, Brian Simpson, Keith Taylor, Silvia-Adriana Țicău, Giommaria Uggias, Thomas Ulmer, Peter van Dalen, Artur Zasada
Substitute(s) present for the final vote	Spyros Danellis, Michel Dantin, Eider Gardiazábal Rubial, Sabine Wils, Janusz Władysław Zemke
Substitute(s) under Rule 187(2) present for the final vote	Janusz Wojciechowski