DRAFT REPORT


Committee on Industry, Research and Energy

Rapporteur: Zdzisław Krasnodębski
Symbols for procedures

* Consultation procedure
*** Consent procedure
***I Ordinary legislative procedure (first reading)
***II Ordinary legislative procedure (second reading)
***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in bold italics in the left-hand column. Replacements are indicated in bold italics in both columns. New text is indicated in bold italics in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in bold italics. Deletions are indicated using either the symbol or strikeout. Replacements are indicated by highlighting the new text in bold italics and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2020)0824),
– having regard to Article 294(2) and Article 172 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0417/2020),
– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
– having regard to the opinion of the European Economic and Social Committee of [xx xx 2021]¹,
– having regard to the opinion of the Committee of the Regions of [xx xx 2021]²,
– having regard to Rules 59 of its Rules of Procedure,
– having regard to the opinions of the Committee on the Environment, Public Health and Food Safety, the Committee on Transport and Tourism and the Committee on Regional Development,
– having regard to the report of the Committee on Industry, Research and Energy (A9-0000/2021),

1. Adopts its position at first reading hereinafter set out;
2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ OJ C 0, 0.0.0000, p. 0.
² OJ C 0, 0.0.0000, p. 0.
(5) The evaluation of Regulation (EU) No 347/2013 has clearly shown that the framework has effectively improved the integration of Member States’ networks, stimulated energy trade and hence contributed to the competitiveness of the Union. Projects of common interest in electricity and gas have strongly contributed to security of supply. For gas, the infrastructure is now well connected and supply resilience has improved substantially since 2013. Regional cooperation in Regional Groups and through cross-border cost allocation is an important enabler for project implementation. However, in many cases the cross-border cost allocation did not result in reducing the financing gap of the project, as intended. While the majority of permitting procedures have been shortened, in some cases the process is still long. The financial assistance from the Connecting Europe Facility (CEF) has been an important factor as grants for studies have helped projects to reduce risks in the early stages of development, while grants for works have supported projects addressing key bottlenecks that market finance could not sufficiently address.

Justification
The sentence on gas infrastructure was removed as it seems to be forced into the paragraph, and the issue of gas was further addressed in recital 11.
Amendment 2
Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) Security of supply, as one main driver behind Regulation (EU) No 347/2013, has been significantly improved through projects of common interest. Moreover, the Commission’s climate target impact assessment\(^\text{27}\) expects the consumption of natural gas to be reduced significantly because its non-abated use is not compatible with carbon-neutrality. On the other hand, the consumption of biogas, renewable and low-carbon hydrogen and synthetic gaseous fuels will increase significantly towards 2050. Therefore, the natural gas infrastructure no longer needs support through the TEN-E policy. The planning of energy infrastructure should reflect this changing gas landscape.

Amendment

(11) Security of supply, as one main driver behind Regulation (EU) No 347/2013, has been significantly improved through projects of common interest. Moreover, the Commission’s climate target impact assessment\(^\text{27}\) expects the consumption of natural gas to be reduced significantly because its non-abated use is not compatible with carbon-neutrality. On the other hand, the consumption of biogas, renewable and low-carbon hydrogen and synthetic gaseous fuels will increase significantly towards 2050. Therefore, the potential natural gas infrastructure no longer needs support through the TEN-E policy. The planning of energy infrastructure should reflect this changing gas landscape. However, in some Member States natural gas projects represent substantial potential for reduction of CO\(_2\) emissions, including by facilitating transition from solid fossil fuels, in particular coal, lignite, peat and oil shale, to natural gas. Although 80% of gas projects that are projects of common interest (gas PCIs) are expected to be commissioned by 2025, it appears that the project planning for gas PCIs was too optimistic\(^\text{27a}\). More than half of gas PCIs from the fourth Union list of projects of common interest established pursuant to Regulation (EU) No 347/2013 were located at NSI East Gas priority corridor, due to the persisting need to improve security of supply standards, diversification of gas supply, competitiveness and gas market integration in Central Eastern and South Eastern Europe. The revision of Regulation (EU) No 347/2013 should not negatively affect not yet completed projects at this and other priority
Natural gas infrastructure projects which were already included in the fourth or fifth Union list of projects of common interest established pursuant to Regulation (EU) No 347/2013 should therefore be able to maintain this status and be eligible for the first Union list of projects of common interest to be established under this Regulation.

Amendment 3

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The Commission’s communication on energy system integration underlines the need for integrated energy infrastructure planning across energy carriers, infrastructures, and consumption sectors. Such system integration starts from the point of departure of applying the energy efficiency first principle and taking a holistic approach beyond individual sectors. It also addresses the decarbonisation needs of the hard to abate sectors, such as parts of industry or certain modes of transport, where direct electrification is, currently, technically or economically challenging. Such investments include hydrogen and electrolysers, which are progressing towards commercial large-scale deployment. The Commission’s Hydrogen Strategy gives priority to hydrogen production from renewable electricity, which is the cleanest solution and is most

27 SWD(2020) 176 final
27a ACER (2020), Consolidated Report on the progress of electricity and gas Projects of Common Interest

Or. en
compatible with the EU climate neutrality objective. In a transitional phase however, other forms of low-carbon hydrogen are needed to more rapidly replace existing hydrogen and kick-start an economy of scale.

 compatible with the EU climate neutrality objective. In a transitional phase however, other forms of low-carbon hydrogen are needed and therefore should be equally supported within the framework of this Regulation to more rapidly decarbonise existing hydrogen production focusing on a diverse range of clean technologies in terms of sustainability and greenhouse gas emissions and to kick-start an economy of scale.

Justification

Blending of hydrogen and methane will be instrumental in scaling up renewable hydrogen production capacities, facilitating transport of hydrogen when volumes are not sufficient for dedicated hydrogen systems. Projects which relate to retrofitting of current gas infrastructure for transmission of methane and hydrogen blends will be contributing to foundation of future repurposed gas infrastructure and should therefore be eligible for PCI status and related financing opportunities.

Amendment 4

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) Moreover, the Commission’s Hydrogen Strategy concluded that for the required deployment of hydrogen a large-scale infrastructure network is an important element that only the Union and the single market can offer. There is currently very limited dedicated infrastructure in place to transport and trade hydrogen across borders. Such should consist of a significant extent of assets converted from natural gas, complemented by new assets dedicated to hydrogen. Furthermore, the Hydrogen Strategy sets a strategic goal to increase installed electrolyser capacity to 40 GW by 2030 in order to scale up the production of renewable hydrogen and facilitate the decarbonisation of fossil-fuel

Amendment

(14) Moreover, the Commission’s Hydrogen Strategy concluded that for the required deployment of hydrogen a large-scale infrastructure network is an important element that only the Union and the single market can offer. There is currently very limited dedicated infrastructure in place to transport and trade hydrogen across borders. Such should consist of a significant extent of assets converted from natural gas, complemented by new assets dedicated to hydrogen. Furthermore, the Hydrogen Strategy sets a strategic goal to increase installed electrolyser capacity to 40 GW by 2030 in order to scale up the production of renewable hydrogen and facilitate the decarbonisation of fossil-fuel
dependent sectors, such as industry or transport. Therefore, the TEN-E policy should include new and repurposed hydrogen transmission infrastructure and storage as well as electrolyser facilities. Hydrogen transmission and storage infrastructure should also be included in the Union-wide ten-year network development plan so as to allow a comprehensive and consistent assessment of their costs and benefits for the energy system, including their contribution to sector integration and decarbonisation, with the aim of creating a hydrogen backbone for the Union.


Amendment 5
Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) Moreover, a new infrastructure category should be created for smart gas grids to support investments which integrate renewable and low carbon gases such as biogas, biomethane, and hydrogen, in the network and help manage a resulting more complex system, building on innovative digital technologies.

Amendment

(15) Moreover, a new infrastructure category should be created for smart gas grids to support investments which integrate renewable and low carbon gases such as biogas, biomethane, and hydrogen, in the network and help manage a resulting more complex system, building on innovative digital technologies as well as technology, mechanical or engineering solutions for gas quality and grid management.

Justification

Implementation of the concept of injection of new gases into gas grids requires investments
not only in ICT solutions but also in infrastructure elements such as valves, compression stations, metering infrastructure, etc.

Amendment 6

Proposal for a regulation
Recital 16

Text proposed by the Commission

(16) Regulation (EU) No 347/2013 requires a candidate project of common interest to prove a significant contribution to at least one criterion from a set of criteria in the process for the elaboration of the Union list, which may, but does not need to, include sustainability. That requirement, in line with the specific needs of the internal energy market at the time, enabled development of projects of common interest which addressed only security of supply risks even if they did not demonstrate benefits in terms of sustainability. However, given the evolution of the Union infrastructure needs and the decarbonisation goals, the Conclusions of the 2020 July European Council, according to which “Union expenditure should be consistent with Paris Agreement objectives and the "do no harm" principle of the European Green Deal, sustainability in terms of the integration of renewable energy sources into the grid or the reduction of greenhouse gas emissions, as relevant, should be assessed in order to ensure that TEN-E policy is coherent with energy and climate policy objectives of the Union. The sustainability of CO2 transport networks is addressed by their purpose to transport carbon dioxide.

Amendment

(16) Regulation (EU) No 347/2013 requires a candidate project of common interest to prove a significant contribution to at least one criterion from a set of criteria in the process for the elaboration of the Union list, which may, but does not need to, include sustainability. That requirement, in line with the specific needs of the internal energy market at the time, enabled development of projects of common interest which addressed only security of supply risks even if they did not demonstrate benefits in terms of sustainability. However, given the evolution of the Union infrastructure needs and the decarbonisation goals, the Conclusions of the 2020 July European Council, according to which “Union expenditure should be consistent with Paris Agreement objectives and the "do no harm" principle of the European Green Deal, sustainability in terms of the integration of renewable energy sources into the grid or the reduction of greenhouse gas emissions, as relevant, should be assessed in order to ensure that TEN-E policy is coherent with energy and climate policy objectives of the Union taking also into account the specificities of each Member State and the needs to implement different pathways towards decarbonisation. The sustainability of CO2 transport networks is addressed by their purpose to transport carbon dioxide.
Amendment 7

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) Furthermore, to achieve the Union’s 2030 and 2050 climate and energy targets and climate neutrality objective, Europe needs to significantly scale up renewable electricity generation. The existing infrastructure categories for electricity transmission and storage are crucial for the integration of the significant increase in renewable electricity generation in the power grid. In addition, that requires stepping up investment in offshore renewable energy\(^{30}\). Coordinating long-term planning and development of offshore and onshore electricity grids should also be addressed. In particular, offshore infrastructure planning should move away from the project-by-project approach towards a coordinated comprehensive approach ensuring the sustainable development of integrated offshore grids in line with the offshore renewable potential of each sea basin, environmental protection and other uses of the sea.

Amendment

(18) Furthermore, to achieve the Union’s 2030 and 2050 climate and energy targets and climate neutrality objective, Europe needs to significantly scale up renewable electricity generation. The existing infrastructure categories for electricity transmission and storage are crucial for the integration of the significant increase in renewable electricity generation in the power grid. In addition, that requires stepping up investment in offshore renewable energy\(^{30}\). Coordinating long-term planning and development of offshore and onshore electricity grids should also be addressed, including by aligning the offshore planning process with the TYNDP development. In particular, offshore infrastructure planning should move away from the project-by-project approach towards a coordinated comprehensive approach ensuring the sustainable development of offshore electricity networks in line with the offshore renewable potential of each sea basin, environmental protection and other uses of the sea.

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\(^{30}\) Offshore Strategy Communication

Justification

Amendment aims at including both types of offshore electricity infrastructures: 1) integrated performing dual function of interconnection and transmission, called 'offshore grids for renewable energy" and 2) non-integrated (radial) offshored grid formed by transmission lines connected to a power system.
Amendment 8

Proposal for a regulation
Recital 19

Text proposed by the Commission

(19) Relevant Member States should be able to assess the benefits and costs of the afferent sea basin offshore grids for renewable energy and carry out a preliminary cost sharing analysis at sea basin level to underpin joint political commitments for offshore renewable energy development at sea-basis level. Therefore, the Commission should develop uniform principles for a cost-benefit and cost-sharing methodology for the deployment of the integrated offshore network development plans which should enable Member States to carry out an adequate assessment.

Amendment

(19) Relevant Member States should be able to assess the benefits and costs of the afferent sea basin offshore electricity networks for renewable energy and carry out a preliminary cost sharing analysis at sea basin level to underpin joint political commitments for offshore renewable energy development at sea-basis level. Therefore, the Commission should develop uniform principles for a cost-benefit and cost-sharing methodology for the deployment of the integrated offshore network development plans which should enable Member States to carry out an adequate assessment.

Or. en

Justification

Amendment aims at including both types of offshore electricity infrastructures: 1) integrated performing dual function of interconnection and transmission, called 'offshore grids for renewable energy" and 2) non-integrated (radial) offshored grid formed by transmission lines connected to a power system.

Amendment 9

Proposal for a regulation
Recital 20

Text proposed by the Commission

(20) The Union-wide ten-year network development plan process as basis for the identification of projects of common interest in the categories of electricity and gas has proven to be effective. However, while the European Network of Transmission System Operators for Electricity and for Gas (ENTSOs) and

Amendment

(20) The Union-wide ten-year network development plan process as basis for the identification of projects of common interest in the categories of electricity and gas has proven to be effective. However, while the European Network of Transmission System Operators for Electricity and for Gas (ENTSOs) and
transmission system operators have *an* important role to play in the process, more scrutiny is *required*, in particular as regards defining the scenarios for the future, identifying long-term infrastructure gaps and bottlenecks and assessing individual projects, to enhance trust in the process. Therefore, due to the need for independent validation, the Agency for the Cooperation of Energy Regulators (‘the Agency’) and the Commission should have an increased role in the process, including in the process for drawing up the Union-wide ten-year network development plan pursuant to Regulation (EU) 2019/943 of the European Parliament and of the Council\(^\text{31}\) and Regulation (EC) No 715/2009 of the European Parliament and of the Council\(^\text{32}\).

transmission system operators have *the most* important role to play in the process, *due to their unique expertise on modelling and scenarios and their knowledge on the infrastructural needs and challenges of the Member States*, more scrutiny is *expected*, in particular as regards defining the scenarios for the future, identifying long-term infrastructure gaps and bottlenecks and assessing individual projects, to enhance trust in the process. Therefore, due to the need for independent validation, the Agency for the Cooperation of Energy Regulators (‘the Agency’) and the Commission should have an increased role in the process, including in the process for drawing up the Union-wide ten-year network development plan pursuant to Regulation (EU) 2019/943 of the European Parliament and of the Council\(^\text{31}\) and Regulation (EC) No 715/2009 of the European Parliament and of the Council\(^\text{32}\).


**Amendment 10**

**Proposal for a regulation**

**Recital 23**

*Text proposed by the Commission*

(23) Following close consultations with all Member States and stakeholders, the Commission has identified 13 strategic

*Amendment*

(23) Following close consultations with all Member States and stakeholders, the Commission has identified 13 strategic
trans-European energy infrastructure priorities, the implementation of which is essential for the achievement of the Union’s 2030 and 2050 energy and climate policy targets. Those priorities cover different geographic regions or thematic areas in the field of electricity transmission and storage, offshore grids for renewable energy, hydrogen transmission and storage, electrolyzers, smart gas grids, smart electricity grids, and carbon dioxide transport.

Amendment 11

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) In order to simplify and expedite the permitting process for offshore grids for renewable energy, the Member States around a particular sea basin should create unique points of contact, referred to as an ‘offshore one-stop shop’, in view of regional specificities and geography, for the for facilitating and coordinating the process of granting of permits to such projects. Moreover, the establishment of a one-stop shop per sea basin for offshore grids for renewable energy should reduce complexity, increase efficiency and speed up the permitting process of offshore transmission assets often crossing many jurisdictions.

Amendment

(33) In order to simplify and expedite the permitting process for offshore electricity networks for renewable energy, the Member States around a particular sea basin should create unique points of contact, referred to as an ‘offshore one-stop shop’, in view of regional specificities and geography, for the for facilitating and coordinating the process of granting of permits to such projects. Moreover, the establishment of a one-stop shop per sea basin for offshore electricity networks for renewable energy should reduce complexity, increase efficiency and speed up the permitting process of offshore transmission assets often crossing many jurisdictions.
Amendment 12
Proposal for a regulation
Recital 43

Text proposed by the Commission

(43) Member States that currently do not attribute the highest national significance possible to energy infrastructure projects as regards the process of permit granting, should be encouraged to consider introducing such a high national significance, in particular by evaluating whether that would lead to a quicker permit granting process.

Justification

Member States should be encouraged to have procedural solutions which are the most efficient in the view of existing legal order and its specificities.

Amendment 13
Proposal for a regulation
Recital 44

Text proposed by the Commission

(44) Member States that do not currently have in place accelerated or urgent judicial procedures applicable to energy infrastructure projects should be encouraged to consider introducing such procedures, in particular by evaluating whether that would lead to a quicker implementation of such projects.

Justification

Member States should be encouraged to have procedural solutions which are the most efficient in the view of existing legal order and its specificities.
Amendment 14

Proposal for a regulation
Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation lays down guidelines for the timely development and interoperability of the priority corridors and areas of trans-European energy infrastructure set out in Annex I (‘energy infrastructure priority corridors and areas’) that contribute to the Union’s 2030 climate and energy targets and the climate neutrality objective by 2050.

Amendment

1. This Regulation lays down guidelines for the timely development and interoperability of the priority corridors and areas of trans-European energy infrastructure set out in Annex I (‘energy infrastructure priority corridors and areas’) that contribute to the integration of the Union energy markets, security of supply, affordability of energy carriers and that are in line with the Union’s 2030 climate and energy targets and the climate neutrality objective by 2050.

Or. en

Amendment 15

Proposal for a regulation
Article 1 – paragraph 2 – point a

Text proposed by the Commission

(a) addresses the identification of projects of common interest necessary to implement priority corridors and areas falling under the energy infrastructure categories in electricity, smart gas grids, hydrogen, electrolyzers, and carbon dioxide set out in Annex II (‘energy infrastructure categories’);

Amendment

(a) addresses the identification of projects of common interest necessary to implement priority corridors and areas falling under the energy infrastructure categories in electricity, smart gas grids, hydrogen, carbon dioxide and natural gas projects set out in Annex II (‘energy infrastructure categories’);

Or. en

Justification

This deletion is in line with the deletion of the provisions regarding electrolyzers in the Priority corridor for hydrogen in Annex I and as a new infrastructure category to be developed according to the Annex II, as not falling under the scope of articles 170-172 TFUE. The suggested cross-border impact of electrolyzers is also questionable. At the same time natural gas projects that were included in the fourth or fifth Union list established pursuant to
Regulation (EU) No 347/2013 were granted eligibility limited only to the first list established under the new Regulation.

Amendment 16

Proposal for a regulation
Article 2 – paragraph 1 – point 9

Text proposed by the Commission

(9) ‘smart gas grid’ means a gas network that makes use of innovative digital solutions to integrate in a cost efficient manner a plurality of low-carbon and renewable gas sources in accordance with consumers’ needs and gas quality requirements in order to reduce the carbon footprint of the related gas consumption, enable an increased share of renewable and low-carbon gases, and create links with other energy carriers and sectors;

Amendment

(9) ‘smart gas grid’ means a gas network that makes use of innovative digital, technological, mechanical or engineering solutions in the view of integrating in a cost efficient manner a plurality of low-carbon and renewable gas sources and their blends with methane in accordance with consumers’ needs, gas quality and system safety requirements enabling the reduction of the carbon footprint of the related gas consumption, and an increased share of renewable and low-carbon gases, as well as creating links with other energy carriers and sectors;

Or. en

Justification

In order to support the development of clean gases, the definition of 'smart gas grids' should not be limited to digital solutions but broadened to cover necessary technical investments such as valves, compressor stations and metering infrastructure. In some cases, digital solutions may be required for the integration of decentralised renewable and low-carbon gases, in other cases not. For example, a solution might be physical or digital or a combination of physical and digital methods to create smart gas grids.

Amendment 17

Proposal for a regulation
Article 2 – paragraph 1 – point 9 a (new)

Text proposed by the Commission

(9a) ‘repurposing’ means the technical upgrade or modification of existing natural gas infrastructure for the use of
pure hydrogen;

Amendment 18
Proposal for a regulation
Article 2 – paragraph 1 – point 9 b (new)

Text proposed by the Commission

Amendment

(9b) ‘retrofitting’ means the technical upgrade or modification of existing natural gas infrastructure to enable or increase the blending of hydrogen or biomethane with methane;

Or. en

Amendment 19
Proposal for a regulation
Article 2 – paragraph 1 – point 15

Text proposed by the Commission

Amendment

(15) ‘relevant national regulatory authorities’ means the national regulatory authorities in the Member States to which the project provides a significant positive impact;

Or. en

Justification

As currently worded, the definition would exclude NRAs from a 'net loser' hosting Member State in a cross-border cost allocation decision (Article 16). The definition of 'relevant NRA' for the purpose of investment requests should be expanded, clarifying that NRAs of all hosting Member States are considered as 'relevant NRAs', irrespective of whether or not the project provides a significant positive impact.
Amendment 20

Proposal for a regulation
Article 3 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The Commission shall be empowered to adopt delegated acts in accordance with Article 20 supplementing this Regulation concerning the scope and composition of the priority corridors and areas.

Amendment

deleted

Or. en

Justification

The composition of priority corridors and thematic areas constitutes one of the key pillars of TEN-E Regulation. Hence, any potential review of these provisions should follow a full legislative process that duly considers views of interested parties.

Amendment 21

Proposal for a regulation
Article 3 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Commission shall be empowered to adopt delegated acts in accordance with Article 20 of this Regulation amending annexes to this Regulation in order to establish the Union list of projects of common interest (‘Union list’), subject to the second paragraph of Article 172 of the Treaty on the Functioning of the European Union.

Amendment

The Commission shall be empowered to adopt delegated acts in accordance with Article 20 of this Regulation in order to establish the Union list of projects of common interest (‘Union list’), subject to the second paragraph of Article 172 of the Treaty on the Functioning of the European Union.

Or. en

Justification

Annexes, including the one on composition of priority corridors and thematic areas, constitute one of the key pillars of TEN-E Regulation. Hence, any potential review of these provisions should follow a full legislative process that duly considers views of interested parties.
Amendment 22

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

**Text proposed by the Commission**

(a) the project contributes significantly to the decarbonisation objectives of the Union and those of the third country and to sustainability, including through the integration of renewable energy into the grid and the transmission of renewable generation to major consumption centres and storage sites, and;

**Amendment**

(a) the project contributes significantly to the decarbonisation objectives of the Union and those of the third country and to sustainability, including through the integration of renewable and low-carbon energy into the grid and the transmission of renewable and low-carbon generation to major consumption centres and storage sites, and;

Or. en

Amendment 23

Proposal for a regulation
Article 4 – paragraph 2 – point b

**Text proposed by the Commission**

(b) the potential overall benefits of the project, assessed in accordance with the respective specific criteria in paragraph 3, outweigh its costs, including in the longer term;

**Amendment**

(b) the potential overall benefits of the project identified on the territory of the Union and in countries applying the Union acquis and which have concluded an agreement with the Union, assessed in accordance with the respective specific criteria in paragraph 3, outweigh its costs on the same perimeter, including in the longer term;

Or. en

Justification

Article 4 should refer to the benefits and costs located in the EU territory or in countries where the EU acquis applies by agreement, in order to ensure that only projects beneficial to the countries under EU-acquis become PMIs. This includes, for example, the Energy Community countries, who have committed to applying the EU energy acquis and who share borders, and energy markets with EU Member States.
Amendment 24

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

Text proposed by the Commission

(d) for the part located on Union territory, the project is in line with Directives 2009/73/EC and (EU) 2019/944 where it falls within the infrastructure categories described in points (1) and (3) of Annex II;

Amendment

(d) the project is in line with Directives 2009/73/EC and (EU) 2019/944 where it falls within the infrastructure categories described in points (1) and (3) of Annex II;

Or. en

Justification

If the project has to contribute to the decarbonisation objectives and to sustainability in both the EU and the third country, it should all the more be in line with the EU energy law.

Amendment 25

Proposal for a regulation
Article 4 – paragraph 2 – point e – point i

Text proposed by the Commission

i) a well-functioning internal energy market;

Amendment

i) a well-functioning internal energy market, in particular through the application of third-party access, ownership unbundling and transparent and cost-reflective tariffs;

Or. en

Amendment 26

Proposal for a regulation
Article 4 – paragraph 2 – point e – point ii

Text proposed by the Commission

ii) security of energy supplies based on cooperation and solidarity;

Amendment

ii) security of energy supplies based on a diversification of sources,
cooperation and solidarity;

Amendment 27

Proposal for a regulation
Article 4 – paragraph 3 – point a – introductory part

Text proposed by the Commission

(a) for electricity transmission and storage projects falling under the energy infrastructure categories set out in points (1)(a), (b), (c) and (e) of Annex II, the project is to contribute significantly to sustainability through the integration of renewable energy into the grid and the transmission of renewable generation to major consumption centres and storage sites, and at least one of the following specific criteria:

Amendment

(a) for electricity transmission and storage projects falling under the energy infrastructure categories set out in points (1)(a), (b), (c) and (e) of Annex II, the project is to contribute to sustainability through the integration of renewable and low-carbon energy into the grid and the transmission of renewable and low-carbon generation to major consumption centres and storage sites, and at least one of the following specific criteria:

Justification

All three criteria should be equally treated.

Amendment 28

Proposal for a regulation
Article 4 – paragraph 3 – point d – introductory part

Text proposed by the Commission

(d) for hydrogen projects falling under the energy infrastructure categories set out in point (3) of Annex II the project is to contribute significantly to sustainability, including by reducing greenhouse gas emissions, by enhancing the deployment of renewable hydrogen and supporting variable renewable power generation by offering flexibility and/or storage solutions.

Amendment

(d) for hydrogen projects falling under the energy infrastructure categories set out in point (3) of Annex II the project is to contribute significantly to sustainability, including by reducing greenhouse gas emissions, by enhancing the deployment of renewable and low-carbon hydrogen and supporting variable renewable power generation by offering flexibility and/or storage solutions.
Furthermore, the project is to contribute significantly to at least one of the following specific criteria:

storage solutions. Furthermore, the project is to contribute significantly to at least one of the following specific criteria:

Justification

The development of hydrogen economy requires support for deployment of different types of hydrogen, while focusing on the diverse range of clean technologies in terms of sustainability and greenhouse gas emissions in order to decarbonise existing hydrogen production. Not a particular technology, but solely sustainability of and CO₂ emissions associated with hydrogen production should matter.

Amendment 29

Proposal for a regulation
Article 4 – paragraph 3 – point e

Text proposed by the Commission

(e) for electrolysers falling under the category set out in point (4) of Annex II, the project is to contribute significantly to all of the following specific criteria:

(i) sustainability, including by reducing greenhouse gas emissions and enhancing the deployment of renewable hydrogen.

(ii) security of supply, including by contributing to secure, efficient and reliable system operation, or by offering storage and/or flexibility solutions, such as demand side response and balancing services;

(iii) facilitating smart energy sector integration through linking different energy carriers and sectors.

Amendment

deleted

Justification

The TEN-E regulation is supposed to deal with trans-European networks in the area of energy infrastructures according to art. 170 - 172 TFUE. The rapporteur disagrees with the Commission's intention to deviate from this scope by creating a specific PCI category for
electrolyser facilities. They cannot be considered as contributing to interconnection or interoperability of national networks, nor their trans-European character can be justified. The suggested cross-border impact of electrolyzers (direct or indirect benefits to at least two Member States) and sustainability criteria (greenhouse gas emissions savings) could on that basis be potentially extended to any production source based on renewable sources. This is in fact another attempt to over-subsidise non commercially viable renewables energy sources.

**Amendment 30**

**Proposal for a regulation**

**Article 4 – paragraph 3 – point f – introductory part**

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<th>Text proposed by the Commission</th>
<th>Amendment</th>
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<tr>
<td>(f) for smart gas grid projects falling under the energy infrastructure category set out in point (2) of Annex II, the project is to contribute significantly to sustainability by enabling and facilitating the integration of renewable and low-carbon gases, such as biomethane, or renewable hydrogen, into the gas distribution and transmission networks in order to reduce greenhouse gas emissions. Furthermore, the project is to contribute significantly to at least one of the following specific criteria:</td>
<td>(f) for smart gas grid projects falling under the energy infrastructure category set out in point (2) of Annex II, the project is to contribute significantly to sustainability in the view of enabling and facilitating the integration of renewable and low-carbon gases, such as biomethane, hydrogen, or synthetic gas and their blends with methane into the gas distribution and transmission networks, as well as storage systems, enabling the reduction of greenhouse gas emissions. Furthermore, the project is to contribute significantly to at least one of the following specific criteria:</td>
</tr>
</tbody>
</table>

**Justification**

In order to support the development of clean gases, the definition of 'smart gas grids' should not be limited to digital solutions but broadened to cover necessary technical investments such as valves, compressor stations and metering infrastructure. This will allow for more comprehensive approach in terms of blending renewable and decarbonised gases with natural gas. Storage systems constitute an important part of the process and therefore should also be included. Taking into account that blending of renewable and low-carbon gases with natural gas will be instrumental in scaling up hydrogen production capacities, projects which relate to retrofiving of current gas infrastructure and contribute to decarbonisation of the gas infrastructure should be eligible for the PCI status.
Amendment 31

Proposal for a regulation
Article 4 – paragraph 3 – point f – point i

Text proposed by the Commission

(i) network security and quality of supply by improving the efficiency and interoperability of gas transmission and distribution in day-to-day network operation by, among others, addressing challenges resulting from the injection of gases of different qualities through the deployment of innovative technologies and cybersecurity;

Amendment

(i) network security and quality of supply by retrofitting, increasing the capacity or improving the efficiency and interoperability of gas transmission and distribution or storage systems in day-to-day network operation by, among others, addressing challenges resulting from the injection of gases of different qualities through the deployment of solutions in at least one of the following areas: innovative technologies, technological, mechanical or engineering improvements or cybersecurity;

Or. en

Amendment 32

Proposal for a regulation
Article 4 – paragraph 3 – point f – point iii

Text proposed by the Commission

(iii) facilitating smart energy sector integration through the creation of links to other energy carriers and sectors and enabling demand response.

Amendment

(iii) facilitating smart energy sector integration through the creation of reverse flows or links to other energy carriers and sectors and enabling demand response.

Or. en

Amendment 33

Proposal for a regulation
Article 4 – paragraph 3 – point f – point iii a (new)

Text proposed by the Commission

(iiiia) enabling transport of renewable
and decarbonised gases from production units to transmission or distribution network;

Or. en

### Amendment 34

**Proposal for a regulation**

**Article 4 – paragraph 3 – point f a (new)**

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(fa) for natural gas projects that were included in the fourth or fifth Union list established pursuant to Regulation (EU) No 347/2013 and falling under the energy infrastructure category set out in point 5a of Annex II to this Regulation, the project is to contribute significantly to sustainability, including by enhancing the switch from solid fossil fuels, in particular coal, lignite, peat and oil shale, to natural gas, as provided for in the integrated national climate and energy plans referred to in Article 3 of Regulation (EU) 2018/1999, by reducing greenhouse gas emissions and by improving air quality; furthermore, the project is to contribute significantly to at least one of the following specific criteria:</td>
<td></td>
</tr>
<tr>
<td>(i) market integration, including through lifting the isolation of at least one Member State and reducing energy infrastructure bottlenecks; interoperability and system flexibility;</td>
<td></td>
</tr>
<tr>
<td>(ii) security of supply, including through appropriate connections and diversification of supply sources, supplying counterparts and routes;</td>
<td></td>
</tr>
<tr>
<td>(iii) competition, including through diversification of supply sources, supplying counterparts and routes.</td>
<td></td>
</tr>
</tbody>
</table>

**Justification**

In some Members States natural gas projects contribute to sustainability and represent substantial CO2 emission reduction potential an improve of air quality, such as transition from solid fossil fuels to natural gas. More than a half of gas PCI from the fourth list were located at NSI East corridor, due to the persisting need to improve security of supply standards, diversification of gas supply, competitiveness and gas market integration in the region. There is a concern that a number of strategic projects will not be finished until the end of the revision of this Regulation. Therefore, as a provisional solution, strategic natural gas infrastructure projects which were already registered as projects of common interest should have the opportunity to maintain this status and be eligible for the first list to be adopted under the revised TEN-E.

**Amendment 35**

Proposal for a regulation
Article 4 – paragraph 3 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a. Natural gas projects referred to in point (fa) of paragraph 3 of this Article shall be eligible to be included only in the first Union list adopted in accordance with Article 3(4).</td>
<td></td>
</tr>
</tbody>
</table>

Or. en
Justification

A provision limiting eligibility of strategic natural gas infrastructure projects, which were already registered as projects of common interest on the fourth or fifth list of PCI projects, to the first list to be adopted under the revised TEN-E.

Amendment 36

Proposal for a regulation
Article 5 – paragraph 4 – subparagraph 1

Text proposed by the Commission

By 31 December of each year following the year of inclusion of a project of common interest on the Union list pursuant to Article 3, project promoters shall submit an annual report, for each project falling under the categories set out in points (1) to (4) of Annex II, to the competent authority referred to in Article 8.

Amendment

By 28 February, each year following the year of inclusion of a project of common interest on the Union list pursuant to Article 3, project promoters shall submit an annual report, for each project falling under the categories set out in points (1) to (4) of Annex II, to the competent authority referred to in Article 8.

Justification

Extending the deadline for submitting annual reports would allow using actual data rather than forecasts.

Amendment 37

Proposal for a regulation
Article 5 – paragraph 5

Text proposed by the Commission

5. By 31 January, each year, the competent authorities referred to in Article 8 shall submit to the Agency and to the respective Group the report referred to in paragraph 4 of this Article supplemented with information on the progress and, where relevant, on delays in the implementation of projects of common interest located on their respective territory with regard to the permit granting

Amendment

5. By 31 March, each year, the competent authorities referred to in Article 8 shall submit to the Agency and to the respective Group the report referred to in paragraph 4 of this Article supplemented with information on the progress and, where relevant, on delays in the implementation of projects of common interest located on their respective territory with regard to the permit granting
processes, and on the reasons for such delays. The contribution of the competent authorities to the report shall be clearly marked as such and drafted without modifying the text introduced by the project promoters.

Or. en

**Justification**

Extending the deadline for submitting annual reports would allow using actual data rather than forecasts.

**Amendment 38**

**Proposal for a regulation**

**Article 8 – paragraph 6**

*Text proposed by the Commission*

6. By [31 July 2022] and for each specific Regional Group per priority offshore grid corridor, as defined in Annex I, national competent authorities in Member States belonging to the respective Group, shall jointly create unique points of contact, ‘offshore one-stop shops’, for project promoters, which shall be responsible for facilitating and coordinating the permit granting process for offshore grids for renewable energy projects of common interest, taking into account also the need for coordination between the permitting process for the energy infrastructure and the one for the generation assets. The offshore one-stop shops shall act as a repository of existing sea basin studies and plans, aiming at facilitating the permitting process of individual projects of common interest and coordinate the issuance of the comprehensive decisions for such projects by the relevant national competent authorities. Each Regional Group per priority offshore grid corridor, with the assistance of the national competent

*Amendment*

6. By [31 July 2022] and for each specific Regional Group per priority offshore grid corridor, as defined in Annex I, national competent authorities in Member States belonging to the respective Group, shall jointly create unique points of contact, ‘offshore one-stop shops’, for project promoters, which shall be responsible for facilitating the permit granting process for offshore grids for renewable energy projects of common interest and energy infrastructure for offshore renewable electricity projects of common interest, by ensuring an uninterrupted flow of information between members of the Regional Group and serve as information-sharing platform for peer-learning. The offshore one-stop shops shall act as a repository aggregating the existing sea basin studies and plans, aiming at facilitating the permitting process of individual projects of common interest. Each Regional Group per priority offshore grid corridor, with the assistance of the national competent authorities in the Member States
authorities in the Members States belonging to the Group, shall set-up the offshore one-stop shops depending on regional specificities and geography and determine their location, resource allocation and specific rules for their functioning. 

Or. en

Justification

The rapporteur introduces an additional category (aa) in point (1) of Annex II including radial connections of the offshore wind farms to their national onshore power systems, called thereafter 'energy infrastructure for offshore renewable electricity’. Questions arise on how the offshore-one stop shop per sea basin would interplay with the responsibilities and competencies of the national authorities in this field. Another matter for concern is the additional administrative burden for the States, in particular those having access to several sea basins.

Amendment 39

Proposal for a regulation
Article 9 – paragraph 1

Text proposed by the Commission

1. By [1 May 2023], the Member State or competent authority shall, where applicable in collaboration with other authorities concerned, publish an updated manual of procedures for the permit granting process applicable to projects of common interest to include at least the information specified in point (1) of Annex VI. The manual shall not be legally binding, but it may refer to or quote relevant legal provisions. The national competent authorities shall coordinate and find synergies with neighbouring countries in developing their manual of procedures.

Amendment

1. By [1 May 2023], the Member State or competent authority shall, where applicable in collaboration with other authorities concerned, publish an updated manual of procedures for the permit granting process applicable to projects of common interest to include at least the information specified in point (1) of Annex VI. The manual shall not be legally binding, but it may refer to or quote relevant legal provisions. The national competent authorities shall cooperate with the authorities of neighbouring countries with a view to exchange of good practices and facilitate the permit granting process.

Or. en
Justification

The aim of a manual of procedures is to provide explanations to potential investors regarding legal procedures in the Member States on permit granting process. In this light the coordination in developing manuals between Members States is useless, and at the same time would constitute a significant administrative burden and entails costs (eg. translation to several languages).

Amendment 40

Proposal for a regulation
Article 10 – paragraph 1 – point a – subparagraph 4

Text proposed by the Commission

The competent authorities shall ensure that permit granting is accelerated in line with this Chapter for each category of projects of common interest. To that end, the competent authorities shall adapt their requirements for the start of the permit granting process and for the acceptance of the submitted application file, to make them fit for projects which, that due to their nature, or smaller scale, may require less authorisations and approvals for reaching the ready-to-build phase, and, therefore, might not require the benefit of the pre-application procedure. Such smaller scale projects may include gas and electricity smart grids and electrolyzers.

Amendment

The competent authorities shall ensure that permit granting is accelerated in line with this Chapter for each category of projects of common interest. To that end, the competent authorities shall adapt their requirements for the start of the permit granting process and for the acceptance of the submitted application file, to make them fit for projects which, that due to their nature, or smaller scale, may require less authorisations and approvals for reaching the ready-to-build phase, and, therefore, might not require the benefit of the pre-application procedure. Such smaller scale projects may include gas and electricity smart grids.

Or. en

Amendment 41

Proposal for a regulation
Article 10 – paragraph 8 a (new)

Text proposed by the Commission

8a. The requirements and time limits laid down in this Article shall be without prejudice to any more favourable treatment in the permit granting process

Amendment

8a. The requirements and time limits laid down in this Article shall be without prejudice to any more favourable treatment in the permit granting process
provided for in national law.

Or. en

Justification

If national law of a given Member State applies more favourable terms and conditions to similar infrastructure projects than the ones laid down in the article, the same most favourable terms and conditions should be applied to the PCI projects.

Amendment 42

Proposal for a regulation
Article 11 – paragraph 6

Text proposed by the Commission

6. Where the changes to the methodologies are considered to be of incremental nature, not affecting the definition of benefits, costs and other relevant cost-benefit parameters, as defined in the latest Energy system wide cost-benefit analysis methodology approved by the Commission, the ENTSO for Electricity and the ENTSO for Gas shall adapt their respective methodologies taking due account of the Agency’s opinion, as set out in paragraph 2, and submit them for the Agency’s approval.

Amendment

6. Where the changes to the methodologies are considered to be of incremental nature, not affecting the definition of benefits, costs and other relevant cost-benefit parameters, as defined in the latest Energy system wide cost-benefit analysis methodology approved by the Commission, the ENTSO for Electricity and the ENTSO for Gas shall adapt their respective methodologies taking due account of the Agency’s opinion, as set out in paragraph 2, and submit them for the Commission’s approval together with a document justifying the proposed changes and why those changes are considered to be of incremental nature.

Or. en

Justification

In relation to only incremental changes to the CBA, where the full approval process is not required, the COM proposal introduces a 'double' process which is administrative and unnecessarily time-consuming, given the objective. The amendment aims to simplify the process.
Amendment 43
Proposal for a regulation
Article 11 – paragraph 7

**Text proposed by the Commission**

7. *In parallel, the ENTSO for Electricity and the ENTSO for Gas shall submit to the Commission a document justifying the reasons behind the proposed updates and why those updates are considered of incremental nature.* Where the Commission deems that those updates are not of incremental nature, it shall, by written request, ask the ENTSO for Electricity and the ENTSO for Gas to *submit to it the methodologies.* **In such case the process described in paragraphs 2 to 5 applies.**

**Amendment**

7. Where the Commission deems that those updates are not of incremental nature, it shall, by written request, ask the ENTSO for Electricity and the ENTSO for Gas to *follow the process set out* in paragraphs 2 to 5.

**Justification**

*In relation to only incremental changes to the CBA, where the full approval process is not required, the COM proposal introduces a 'double' process which is administrative and unnecessarily time-consuming, given the objective. The amendment aims to simplify the process.*

Amendment 44
Proposal for a regulation
Article 11 – paragraph 8

**Text proposed by the Commission**

8. *Within two weeks of the approval by the Agency or the Commission in accordance with paragraphs 5 and 6, the ENTSO for Electricity and the ENTSO for Gas shall publish their respective methodologies on their websites. They shall publish the corresponding input data and other relevant network, load flow and market data in a sufficiently accurate form in accordance with national law and*

**Amendment**

8. *Within two weeks of the approval by the Commission in accordance with paragraphs 5 and 6, the ENTSO for Electricity and the ENTSO for Gas shall publish their respective methodologies on their websites. They shall publish the corresponding input data and other relevant network, load flow and market data in a sufficiently accurate form in accordance with national law and relevant*
relevant confidentiality agreements.

In relation to only incremental changes to the CBA, where the full approval process is not required, the COM proposal introduces a 'double' process which is administrative and unnecessarily time-consuming, given the objective. The amendment aims to simplify the process.

Amendment 45
Proposal for a regulation
Article 11 – paragraph 9

Text proposed by the Commission

9. The methodologies shall be updated and improved regularly following the procedure described in paragraphs 1 to 6. The Agency, on its own initiative or upon a duly reasoned request by national regulatory authorities or stakeholders, and after formally consulting the organisations representing all relevant stakeholders and the Commission, may request such updates and improvements with due justification and timescales. The Agency shall publish the requests by national regulatory authorities or stakeholders and all relevant non-commercially sensitive documents leading to a request from the Agency for an update or improvement.

Amendment

9. The methodologies shall be updated and improved regularly upon request from the Commission following the procedure described in paragraphs 1 to 6. The Agency, on its own initiative or upon a duly reasoned request by national regulatory authorities or stakeholders, and after formally consulting the organisations representing all relevant stakeholders and the Commission, may request such updates and improvements with due justification and timescales. The Agency shall publish the requests by national regulatory authorities or stakeholders and all relevant non-commercially sensitive documents leading to a request from the Agency for an update or improvement.

Justification

The amendment aims to ensure that there is no expectations to update methodologies in 2-year cycle, but when it is justified, therefore upon request from the Commission.
Amendment 46

Proposal for a regulation
Article 11 – paragraph 10

**Text proposed by the Commission**

10. Every three years, the Agency shall establish and make publicly available a set of indicators and corresponding reference values for the comparison of unit investment costs for comparable projects of the infrastructure categories included in points (1) and (3) of Annex II. Those reference values may be used by the ENTSO for Electricity and the ENTSO for Gas for the cost-benefit analyses carried out for subsequent Union-wide ten-year network development plans. The first of such indicators shall be published by [1 November 2022].

**Amendment**

10. Every three years, the Agency shall establish and make publicly available a set of indicators and corresponding reference values for the comparison of unit investment costs for comparable projects of the infrastructure categories included in points (1) and (3) of Annex II. Those reference values may be used by the ENTSO for Electricity and the ENTSO for Gas for the cost-benefit analyses carried out for subsequent Union-wide ten-year network development plans. The first of such indicators shall be published by [1 November 2022]. *Infrastructure owners, system operators and third-party promoters are obliged to provide the relevant data to the national regulatory authorities and to the Agency.*

Or. en

Amendment 47

Proposal for a regulation
Article 12 – paragraph 1 – subparagraph 1

**Text proposed by the Commission**

By [31 July 2022], the Agency, after having conducted an extensive consultation process involving the Commission and at least the organisations representing all relevant stakeholders, including the ENTSO for Electricity, the ENTSO for Gas, Union DSO entity, and relevant hydrogen sector stakeholders, shall publish the framework guidelines for the joint scenarios to be developed by ENTSO for Electricity and ENTSO for Gas. *Those guidelines shall be regularly updated as*

**Amendment**

By [31 July 2022], the Agency, after having conducted an extensive consultation process involving the Commission, the Member States, and at least the organisations representing all relevant stakeholders, including the ENTSO for Electricity, the ENTSO for Gas, Union DSO entity, and relevant hydrogen sector stakeholders, shall publish the framework guidelines for the joint scenarios to be developed by ENTSO for Electricity and ENTSO for Gas.
Member States should be consulted in this process. The issue of update of guidelines and the conditions required is addressed in the second paragraph, therefore here deleted.

Amendment 48

Proposal for a regulation
Article 12 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The guidelines shall include the energy efficiency first principle and ensure that the underlying ENTSO for Electricity and ENTSO for Gas scenarios are fully in line with the latest medium and long-term European Union decarbonisation targets and the latest available Commission scenarios.

Amendment

The guidelines shall specify standards for a transparent, non-discriminatory and inclusive process of elaboration of scenarios taking into account good practices in the field of network development planning that would aim to ensure that the underlying ENTSO for Electricity and ENTSO for Gas scenarios are in line with energy efficiency first principle and compatible with the latest medium and long-term European Union decarbonisation targets and the latest available Commission scenarios and that they reflect Member States’ climate and energy policies and strategies, as well as technical and economical needs of energy infrastructure development in the Union.

The Agency may update those guidelines where necessary to take into account new developments while avoiding administrative burden for the stakeholders and ensuring the smooth and efficient development of the joint scenarios.

Justification

The Agency framework guidelines should give technical direction on the organisation of process of scenarios elaboration with a focus on aspects of transparency and inclusiveness.
The EU decarbonisation targets (eg. 2030 and 2050) may not address the study years which have to be examined by the TYNDP scenarios. This must be considered when preparing the framework guidelines. Hence, the overall consistency of the scenarios with EU targets and scenarios should be foreseen, while taking into due consideration technological and economical needs of development of energy infrastructure. In order not to endanger already tight timelines on bi-annual TYNDP cycles it was clarified that the guidelines should be updated only if it is duly justified, for example when current guidelines become obsolete due to their inadequacy with commonly used best practices.

**Amendment 49**

**Proposal for a regulation**

**Article 12 – paragraph 4**

**Text proposed by the Commission**

4. The ENTSO for Electricity and the ENTSO for Gas shall publish and submit the draft joint scenarios report to the Agency and the Commission for their opinion.

**Amendment**

4. **Every two years** the ENTSO for Electricity and the ENTSO for Gas shall publish and submit the draft joint scenarios report to the Agency and the Commission for their opinions.

**Or. en**

**Justification**

The changes aim to introduce clarity in the process regarding the content of the opinion and lines of responsibilities. The process was also simplified and shortened taking into account concerns on inability to fit the proposed multi-step approach into two-year TYNDP cycles.

**Amendment 50**

**Proposal for a regulation**

**Article 12 – paragraph 5**

**Text proposed by the Commission**

5. Within three months from the receipt of the draft joint scenarios report together with the input received in the consultation process and a report on how it was taken into account, the Agency shall submit its opinion to the ENTSO for Electricity, ENTSO for gas and the Commission.

**Amendment**

5. Within three months of the receipt of the draft joint scenarios report together with the input received in the consultation process and a report on how it was taken into account, the Agency shall submit its opinion on compliance of the scenarios with framework guidelines to the ENTSO for Electricity and ENTSO for gas.
Justification

The amendment aims to clarify the scope of the ACER's opinion. The process was also simplified and shortened taking into account concerns on inability to fit the proposed multi-step approach into two-year TYNDP cycles.

Amendment 51
Proposal for a regulation
Article 12 – paragraph 6

Text proposed by the Commission

6. The Commission, giving due consideration to the Agency opinion defined under paragraph 5, shall submit its opinion to the ENTSO for Electricity and the ENTSO for Gas.

Amendment

6. Within three months of receipt of the draft joint scenarios report the Commission shall submit its opinion on the compatibility of the scenarios with the latest medium and long-term European Union decarbonisation targets and the latest available Commission scenarios to the ENTSO for Electricity and the ENTSO for Gas.

Justification

The amendment aims to clarify the scope of the ACER's opinion. The process was also simplified and shortened taking into account concerns on inability to fit the proposed multi-step approach into two-year TYNDP cycles.

Amendment 52
Proposal for a regulation
Article 12 – paragraph 7

Text proposed by the Commission

7. The ENTSO for Electricity and the ENTSO for Gas shall adapt their joint scenarios report, taking due account of the Agency’s opinion, in line with the Commission’s opinion and submit the updated report to the Commission for its approval.

Amendment

7. The ENTSO for Electricity and the ENTSO for Gas shall adapt their joint scenarios report, taking due account of the Agency’s and the Commission’s opinions and submit the updated report to the Commission for its approval. The ENTSO

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Amendment 53

Proposal for a regulation
Article 12 – paragraph 7a (new)

Text proposed by the Commission

Amendment

7a. Within [X] months from the receipt of the updated report, the Commission shall take a decision on the approval of the joint scenarios report. In the event that the Commission does not approve the joint scenarios report, it shall provide a new reasoned opinion to the ENTSO for Electricity and the ENTSO for Gas detailing the remaining incompatibility of the scenarios with the Framework Guidelines or with the Union’s medium and long term decarbonisation objectives. The ENTSO for Electricity and the ENTSO for Gas shall adapt their joint scenarios report to ensure their compliance with the Framework Guidelines and the Union’s targets and submit it to the Commission for its approval.

Justification

The amendment clarifies the process in case of Commission's decision not to approve the report.

Amendment 54

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 1
Every two years the ENTSO for Electricity and the ENTSO for Gas shall publish and submit to the Commission and the Agency the infrastructure gaps reports developed within the framework of the Union-wide ten-year network development plans.

Within [X months] of the approval of the joint scenarios report, ENTSO for Electricity and the ENTSO for Gas shall publish the infrastructure gaps reports developed within the framework of the Union-wide ten-year network development plans.

Justification

Given the additional steps and uncertainties in the scenarios’ development and their approval process, the next steps of the process (i.e. infrastructure needs identification) should be linked to the previous ones. The submission of the reports for the ACER's and Commission's opinions is already addressed in par. 2

Amendment 55

Proposal for a regulation
Article 13 – paragraph 1 – subparagraph 2

When assessing the infrastructure gaps the ENTSO for Electricity and the ENTSO for Gas shall implement the energy efficiency first principle and consider with priority all relevant non-infrastructure related solutions to address the identified gaps.

When assessing the infrastructure gaps the ENTSO for Electricity and the ENTSO for Gas shall base their analysis on the scenarios established in accordance with Article 12, implement the energy efficiency first principle and consider all relevant alternatives for the optimisation of the existing transmission system that could contribute to address the identified gaps.

Justification

Prioritising 'non-infrastructure related solution' already in the stage for identification of infrastructure gaps appears to be contradictory to the nature, to energy efficiency first principle and the technology neutrality approach. Moreover Infrastructure Gaps should not identify 'solutions' but only the needs of the system.
Amendment 56

Proposal for a regulation
Article 13 – paragraph 3

Text proposed by the Commission

3. Within three months following receipt of the infrastructure gaps report together with the input received in the consultation process and a report on how it was taken into account, the Agency shall submit its opinion to the ENTSO for Electricity or ENTSO for Gas and the Commission.

Amendment

3. Within two months of receipt of the infrastructure gaps report together with the input received in the consultation process and a report on how it was taken into account, the Agency shall submit its opinion to the ENTSO for Electricity or ENTSO for Gas and the Commission.

Or. en

Amendment 57

Proposal for a regulation
Article 13 – paragraph 4

Text proposed by the Commission

4. The Commission, considering the Agency’s opinion referred to in paragraph 3, shall draft and submit its opinion to the ENTSO for Electricity or the ENTSO for Gas.

Amendment

4. Within one month of receipt of the Agency’s opinion referred to in paragraph 3 the Commission, considering this opinion, shall draft and submit its opinion to the ENTSO for Electricity or the ENTSO for Gas.

Or. en

Justification

The amendment specifies the time limit for the Commission to deliver its opinion. Given the tight schedule of TYNDP process the clarity of the process, including deadlines, is important.

Amendment 58

Proposal for a regulation
Article 14 – paragraph 1
1. By [31 July 2022], Member States, with the support of the Commission, within their specific priority offshore grid corridors, set out in point (2) of Annex I, taking into account the specificities and development in each region, shall jointly define and agree to cooperate on the amount of offshore renewable generation to be deployed within each sea basin by 2050, with intermediate steps in 2030 and 2040, in view of their national energy and climate plans, the offshore renewable potential of each sea basin, environmental protection, climate adaptation and other uses of the sea, as well as the Union’s decarbonisation targets. That agreement shall be made in writing as regards each sea basin linked to the territory of the Union.

Amendment

1. By [31 July 2022], Member States, with the support of the Commission, within their specific priority offshore grid corridors, set out in point (2) of Annex I, taking into account the specificities and development in each region, shall jointly define and agree to cooperate on the indicative, non-binding goals for offshore renewable generation to be deployed within each sea basin by 2050, with intermediate steps in 2030 and 2040, in view of their national energy and climate plans, the offshore renewable potential of each sea basin, environmental protection, climate adaptation and other uses of the sea, as well as the Union’s decarbonisation targets. That agreement shall be made in writing as regards each sea basin linked to the territory of the Union.

Or. en

Justification

The written agreements concerning offshore grid planning, prepared by the Member States within each sea basin, should not limit their capabilities of planning in their exclusive economic zones and territorial seas. They should only provide for the general directions of development (including indicative, non-binding goals) and estimates of the potential for renewable energy generation within a given sea basin and individual country sea areas of the parties concerned.

Amendment 59

Proposal for a regulation

Article 14 – paragraph 2

Text proposed by the Commission

2. By [31 July 2023] the ENTSO for Electricity, with the involvement of the relevant TSOs, the national regulatory authorities and of the Commission and in line with the agreement referred to in paragraph 1, shall develop and publish

Amendment

2. By [31 July 2023] the ENTSO for Electricity, with the involvement of the relevant TSOs, the national regulatory authorities and of the Commission and in line with the agreement referred to in paragraph 1, shall develop and publish
**integrated** offshore network development plans starting from the 2050 objectives, with intermediate steps for 2030 and 2040, for each sea-basin, in line with the priority offshore grid corridors referred to in Annex I, taking into account environmental protection and other uses of the sea. Those **integrated** offshore network development plans shall thereafter be updated every **three** years.

**strategic** offshore network development plans starting from the 2050 objectives, with intermediate steps for 2030 and 2040, for each sea-basin, in line with the priority offshore grid corridors referred to in Annex I, taking into account environmental protection and other uses of the sea. Those **strategic** offshore network development plans shall **provide a high-level outlook on offshore generation capacities potential and resulting needs and constraints for interlinkages in an offshore grid and** thereafter be updated every **four** years.

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**Amendment 60**

**Proposal for a regulation**

**Article 14 – paragraph 3**

**Text proposed by the Commission**

3. The **integrated** offshore network development plans shall be **compatible with the latest** Union-wide ten-Year Network Development Plans in order to ensure coherent development of onshore and offshore grid planning.

**Amendment**

3. The **strategic** offshore network development plans shall be **used as an input for the** Union-wide ten-Year Network Development Plans in order to ensure coherent development of onshore and offshore grid planning **providing for an adequate and reliable transmission grid for transfer of electricity onshore as well as between coastal regions, inland regions, and landlocked Member States and to provide for a stable supply of electricity to centers of consumption**

**Justification**

Importance of the simultaneous development of the onshore and offshore grids in order to avoid structural constraints associated with infrastructure bottlenecks.
Amendment 61

Proposal for a regulation
Article 14 – paragraph 4

Text proposed by the Commission

4. The ENTSO for Electricity shall submit the draft integrated network development offshore plans to the Commission for its opinion.

Amendment

4. The ENTSO for Electricity shall submit the draft strategic network development offshore plans to the Commission for its opinion. Prior to submitting the respective plans, the ENTSO for Electricity shall conduct an extensive consultation process involving all relevant electricity stakeholders, including EU DSO entities, and all offshore sector stakeholders and all the Member States representatives part of the priority offshore grids corridors set out in Annex I.

Or. en

Amendment 62

Proposal for a regulation
Article 14 – paragraph 5

Text proposed by the Commission

5. The ENTSO for Electricity shall adapt the integrated offshore network development plans taking due account of the Commission opinion before the publication of the final reports and submit them to the relevant priority offshore grid corridors, set out in Annex I.

Amendment

5. The ENTSO for Electricity shall adapt the strategic offshore network development plans taking due account of the Commission opinion before the publication of the final reports and submit them to the relevant priority offshore grid corridors, set out in Annex I.

Or. en

Amendment 63

Proposal for a regulation
Article 14 – paragraph 6
6. For the purpose of ensuring the timely development of the offshore grids for renewable energy, should the ENTSO for Electricity not develop, in time, the integrated offshore network development plans, referred to in paragraph 2, the Commission shall, on the basis of expert advice, draw-up an integrated offshore network development plan per sea-basin for each priority offshore grid corridor set out in Annex I.

Amendment

Proposal for a regulation
Article 15 – paragraph 1

Text proposed by the Commission

1. The Commission shall develop, by means of implementing acts, principles for a specific cost-benefit and cost-sharing methodology for the deployment of the integrated offshore network development plan referred to in Article 14(2) in accordance with the agreement referred to in Article 14(1) as part of the guidelines referred to in Article 16(10). Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 21(2).

Amendment

1. The Commission shall develop, by means of implementing acts, principles for a specific cost-benefit and cost-sharing methodology for the deployment of the offshore grids for renewable energy included in the strategic offshore network development plan referred to in Article 14(2) in accordance with the agreement referred to in Article 14(1) as part of the guidelines referred to in Article 16(10). Those principles shall be compatible with the provisions outlined in Article 16(1). Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 21(2).

Justification

The amendment aims to distinguish between the projects referred to in point 1 (e) of Annex II and other offshore infrastructure projects, such as simple radial connections, that do not require a detailed presentation of cost-benefit and cost-sharing methodologies. Furthermore,
the proposed changes take into account the need for extensive consultations process.

Amendment 65
Proposal for a regulation
Article 15 – paragraph 1 a (new)

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. Within 12 months from the publication of the principles referred to in paragraph 1, the ENTSO for Electricity, with the involvement of the relevant TSOs, the national regulatory authorities and the Commission, shall develop cost-benefit and cost-sharing methodology for the deployment of the offshore network development plan. The methodology should aim at making recommendations for allocation of costs by sea basin, and should not be a project by project assessment.</td>
<td></td>
</tr>
</tbody>
</table>

Or. en

Justification

The amendment aims to clarify the role of ENTSO-E in developing the methodology for the deployment of the offshore network plan.

Amendment 66
Proposal for a regulation
Article 15 – paragraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Within 12 months from the publication of the principles referred to in paragraph 1, the ENTSO for Electricity, with the involvement of the relevant TSOs, the national regulatory authorities and of the Commission, shall present the results of the application of the cost-benefit and cost-sharing methodology to the priority</td>
<td></td>
</tr>
</tbody>
</table>

2. Within 12 months of the publication of the methodology referred to in paragraph 1(a), the ENTSO for Electricity, with the involvement of the relevant TSOs, the national regulatory authorities and of the Commission, shall present the results of the application of the cost-benefit and cost-sharing methodology for the offshore grids for renewable
offshore grid corridors. The results of the strategic integrated offshore network development plans and the application of the cost-benefit and cost-sharing methodology to the priority offshore grid corridors shall be used as non-binding guidance by the Commission and the Member States and as input to be considered in the TYNDP process.

Justification

The amendment aims to ensure compatibility and consistency between the TYNDP and offshore development plans.

Amendment 67

Proposal for a regulation

Article 15 – paragraph 3

Text proposed by the Commission

3. Within six months from the presentation of the results as referred to in paragraph 2, the relevant Member States, shall update their written agreement referred to in Article 14(1) with the updated joint definition of the amount of the offshore renewable generation to be deployed within each sea basin in 2050, with intermediate steps in 2030 and 2040, and the relevant agreement to cooperate for the achievement of such amounts.

Amendment

3. Within six months from the presentation of the results as referred to in paragraph 2, the relevant Member States, shall update their written agreement referred to in Article 14(1) taking into account the results as referred to in paragraph 2 with the updated joint definition of the indicative non-binding goals for the offshore renewable generation to be deployed within each sea basin in 2050, with intermediate steps in 2030 and 2040, and the relevant agreement to cooperate for the achievement of such amounts.
Amendment 68

Proposal for a regulation
Article 15 – paragraph 4

Text proposed by the Commission

4. **Within six months from the updated written agreements referred to in paragraph 3, for each sea basin, the ENTSO for Electricity shall update the integrated offshore network development plans by following the procedure set out in Article 14(2) to (5). The procedure described in Article 14(6) shall apply.**

Amendment

4. **When** the ENTSO for Electricity **updates the strategic offshore network development plans by following the procedure set out in Article 14(2) to (5) that update shall be in line with the updated written agreement referred to in paragraph 3 of this Article.**

Or. en

Amendment 69

Proposal for a regulation
Article 16 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Projects falling under the category set out in points (1) **(e)** and (2) of Annex II may benefit from the provisions of this Article where at least one project promoter requests its application to the relevant national authorities.

Amendment

Projects falling under the category set out in points (1) **(d)** and (2) of Annex II may benefit from the provisions of this Article where at least one project promoter requests its application to the relevant national authorities.

Or. en

**Justification**

Correction of a drafting mistake. Point 1 **(e)** is already referred in the first sentence of the paragraph. This sentence relates to the smart grids: electricity and gas.

Amendment 70

Proposal for a regulation
Article 16 – paragraph 3 – subparagraph 4
The national regulatory authorities shall, upon receipt, transmit to the Agency, without delay, a copy of each investment request, for information purposes.

The project promoter shall transmit to the Agency a copy of the investment request, for information purposes.

For simplification of process, project promoters should transmit a copy of their investment request to the Agency directly, at the same time as they send it to national authorities.

Within six months of the date on which the last investment request is received by the relevant national regulatory authorities, those national regulatory authorities shall, after consulting the project promoters concerned, take joint coordinated decisions on the allocation of investment costs to be borne by each system operator for the project, as well as their inclusion in tariffs. The national regulatory authorities shall include all the efficiently incurred investment costs in tariffs in line with the allocation of investment costs to be borne by each system operator for the project. The national regulatory authorities shall thereafter assess, where appropriate, whether any affordability issues might arise due to the inclusion of the investment costs in tariffs.

Within six months of the date on which the last investment request is received by the relevant national regulatory authorities, those national regulatory authorities shall, after consulting the project promoters concerned, take joint coordinated decisions on the allocation of efficiently incurred investment costs to be borne by each system operator for the project, as well as their inclusion in tariffs. The national regulatory authorities shall include the relevant efficiently incurred investment costs in tariffs in line with the allocation of investment costs to be borne by each system operator for the project. The national regulatory authorities shall thereafter assess, where appropriate, whether any affordability issues might arise due to the inclusion of the investment costs in tariffs.
Justification

The amendment aims at leaving to NRAs the decision regarding what are the relevant project's costs to be included in the tariff.

Amendment 72

Proposal for a regulation
Article 16 – paragraph 6 – subparagraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
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<tbody>
<tr>
<td>In that case or upon a request from at least one of the relevant national regulatory authorities, the decision on the investment request including cross-border cost allocation referred to in paragraph 3 as well as the necessity for the inclusion of the cost of the investments, in its totality, as allocated across borders in the tariffs shall be taken by the Agency within three months of the date of referral to the Agency.</td>
<td>In that case or upon a joint request from the relevant national regulatory authorities, the decision on the investment request including cross-border cost allocation referred to in paragraph 3 shall be taken by the Agency within three months of the date of referral to the Agency.</td>
</tr>
</tbody>
</table>

Or. en

Justification

The project should be sent for a decision to ACER in the result of a joint decision of all NRAs concerned. The Regulation should support good cooperation between NRAs on infrastructure development and the decision of ACER should be treated as a last resort solution.

Amendment 73

Proposal for a regulation
Article 20 – paragraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. The power to adopt delegated acts referred to in Article 3 shall be conferred on the Commission for a period of seven years from [1 January 2022]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the</td>
<td>2. The power to adopt delegated acts referred to in Article 3 shall be conferred on the Commission for a period of four years from [1 January 2022]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the</td>
</tr>
</tbody>
</table>
seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

**Justification**

The amendment re-establishes the current provision for the exercise of the delegation, which implies a more regular scrutiny within the periods corresponding to EP legislative terms.

**Amendment 74**

Proposal for a regulation
Article 22 – paragraph 1 – point d

**Text proposed by the Commission**

(d) the progress achieved in the planning, development, construction and commissioning of offshore grids for renewable energy and the enabled deployment of offshore renewable energy;

**Amendment**

(d) the progress achieved in the planning, development, construction and commissioning of offshore grids for renewable energy and **energy infrastructure for offshore renewable electricity, as well as** the enabled deployment of offshore renewable energy;

**Amendment 75**

Proposal for a regulation
Article 30 – paragraph 1

**Text proposed by the Commission**

Regulation (EU) No 347/2013 is repealed from [1 January 2022]. No rights shall arise under the present Regulation for projects listed in the Annexes to Regulation (EU) 347/2013.

**Amendment**

Regulation (EU) No 347/2013 is repealed from [1 January 2022]. **Save where otherwise provided in this Regulation** no rights shall arise under the present Regulation for projects listed in the Annexes to Regulation (EU) 347/2013.

**Decisions on cross-border cost allocations**
granted on the basis of Article 12 of Regulation 347/2013 and related to projects for which at least construction phase has been initiated shall remain valid. This Regulation shall apply to those decisions.

Justification

Repeal of the Regulation 347/2013 should not have negative consequences for the projects, such as those launched by the date of repeal of the current Regulation, and being the subject to CBCA investment decision specifying certain rights and obligation after repeal of the Regulation, e.g. referring to payments.

Amendment 76

Proposal for a regulation
Annex I – part 2 – point 4 – subparagraph 1

Text proposed by the Commission

Northern Seas offshore grid (‘NSOG’): integrated offshore electricity grid development and the related interconnectors in the North Sea, the Irish Sea, the English Channel and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Amendment

Northern Seas offshore grid (‘NSOG’): offshore electricity grid development or integrated offshore electricity grid development and the related interconnectors in the North Sea, the Irish Sea, the English Channel and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Justification

The amendments aim at extending the priority offshore grid corridors to the projects of development of electricity transmission infrastructure from offshore wind farms to their national onshore power systems, connected radially, thus not creating a direct interconnection between power systems.
Amendment 77

Proposal for a regulation
Annex I – part 2 – point 5 – subparagraph 1

Text proposed by the Commission

Baltic Energy Market Interconnection Plan offshore grid (‘BEMIP offshore’): integrated offshore electricity grid development and the related interconnectors in the Baltic Sea and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Amendment

Baltic Energy Market Interconnection Plan offshore grid (‘BEMIP offshore’): offshore electricity grid development or integrated offshore electricity grid development and the related interconnectors in the Baltic Sea and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Or. en

Justification

The amendments aim at extending the priority offshore grid corridors to the projects of development of electricity transmission infrastructure from offshore wind farms to their national onshore power systems, connected radially, thus not creating a direct interconnection between power systems.

Amendment 78

Proposal for a regulation
Annex I – part 2 – point 6 – subparagraph 1

Text proposed by the Commission

South and East offshore grid: integrated offshore electricity grid development and the related interconnectors in the Mediterranean Sea, Black Sea and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Amendment

South and East offshore grid: offshore electricity grid development or integrated offshore electricity grid development and the related interconnectors in the Mediterranean Sea, Black Sea and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.

Or. en
The amendments aim at extending the priority offshore grid corridors to the projects of development of electricity transmission infrastructure from offshore wind farms to their national onshore power systems, connected radially, thus not creating a direct interconnection between power systems.

**Amendment 79**

**Proposal for a regulation**  
Annex I – part 2 – point 7 – subparagraph 1

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Western Europe offshore grid: integrated offshore electricity grid development and the related interconnectors in the North Atlantic Ocean waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.</td>
<td>South Western Europe offshore grid: <em>offshore electricity grid development or</em> integrated offshore electricity grid development and the related interconnectors in the North Atlantic Ocean waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.</td>
</tr>
</tbody>
</table>

**Justification**

The amendments aim at extending the priority offshore grid corridors to the projects of development of electricity transmission infrastructure from offshore wind farms to their national onshore power systems, connected radially, thus not creating a direct interconnection between power systems.

**Amendment 80**

**Proposal for a regulation**  
Annex I – part 3 – title

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 PRIORITY CORRIDORS FOR HYDROGEN <em>AND ELECTROLYSERS</em></td>
<td>3 PRIORITY CORRIDORS FOR HYDROGEN</td>
</tr>
</tbody>
</table>

**Justification**

The amendments aim at extending the priority offshore grid corridors to the projects of development of electricity transmission infrastructure from offshore wind farms to their national onshore power systems, connected radially, thus not creating a direct interconnection between power systems.
Amendment 81
Proposal for a regulation
Annex I – part 3 – point 8 – subparagraph 1

Text proposed by the Commission
(8) Hydrogen interconnections in Western Europe (‘HI West’): hydrogen infrastructure enabling the emergence of an integrated hydrogen backbone connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an EU-wide network for hydrogen transport.

Amendment
(8) Hydrogen interconnections in Western Europe (‘HI West’): hydrogen infrastructure and the repurposing of existing natural gas infrastructure with a view of enabling the emergence of an integrated hydrogen backbone connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an EU-wide network for hydrogen transport.

Or. en

Amendment 82
Proposal for a regulation
Annex I – part 3 – point 8 – subparagraph 2

Text proposed by the Commission
Electrolysers: supporting the deployment of power-to-gas applications aiming to enable greenhouse gas reductions and contributing to secure, efficient and reliable system operation and smart energy system integration. Member States concerned: Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, and Spain;

Amendment
Member States concerned: Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, and Spain;

Or. en

Amendment 83
Proposal for a regulation
Annex I – part 3 – point 9 – subparagraph 1
Hydrogen interconnections in Central Eastern and South Eastern Europe (‘HI East’): hydrogen infrastructure enabling the emergence of an integrated hydrogen backbone connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an EU-wide network for hydrogen transport.

Amendment

Member States concerned: Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Germany, Greece, Hungary, Italy, Poland, Romania, Slovakia and Slovenia;

Amendment 85

Proposal for a regulation
Annex I – part 3 – point 10 – subparagraph 1

Baltic Energy Market Interconnection Plan

Baltic Energy Market Interconnection Plan
in hydrogen (‘BEMIP Hydrogen’): hydrogen infrastructure enabling the emergence of an integrated hydrogen backbone connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an EU-wide network for hydrogen transport.

Amendment 86

Proposal for a regulation
Annex I – part 3 – point 10 – subparagraph 2

Text proposed by the Commission

Electrolysers: supporting the deployment of power-to-gas applications aiming to enable greenhouse gas reductions and contributing to secure, efficient and reliable system operation and smart energy system integration. Member States concerned: Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden.

Amendment

Member States concerned: Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden.

Amendment 87

Proposal for a regulation
Annex I – part 4 – point 13 – subparagraph 1

Text proposed by the Commission

Smart gas grids: Adoption of smart gas grid technologies across the Union to efficiently integrate a plurality of renewable and low-carbon gas sources into the gas network, support the uptake of innovative solutions for network

Amendment

Smart gas grids: Adoption of smart gas grid technologies across the Union to efficiently integrate a plurality of renewable and low-carbon gas sources into the gas network, in particular through their blends with methane, support the
management and facilitating smart energy sector integration and demand response.

uptake of innovative digital, technological, mechanical or engineering solutions for network management and facilitating smart energy sector integration and demand response.

Or. en

Justification

In order to support the development of clean gases, the definition of 'smart gas grids' should not be limited to digital solutions but broadened to cover necessary technical investments such as valves, compressor stations and metering infrastructure.

Amendment 88
Proposal for a regulation
Annex I – part 4 – point 13 a (new)

Text proposed by the Commission

Amendment

(13a) Natural gas infrastructure: Completion of gas infrastructure projects included in the fourth or fifth Union list established pursuant to Regulation (EU) No 347/2013 for the purpose of enhancing market integration, security of supply, and competition and which contribute to sustainability.

Member States concerned: all.

Or. en

Justification

As a provisional solution, strategic natural gas infrastructure projects which were already registered as projects of common interest should have the opportunity to maintain this status and be eligible for the first list to be adopted under the revised TEN-E.

Amendment 89
Proposal for a regulation
Annex II – paragraph 1 – point 1 – point a a (new)
Text proposed by the Commission

Amendment

(aa) any equipment or installation falling under category referred to in point (a) enabling transmission of offshore renewable electricity from the offshore generation sites, (‘energy infrastructure for offshore renewable electricity’);

Justification

The amendment introduces an additional category for energy infrastructure category to recognise the investments related to the development of electricity transmission infrastructure from offshore generation sites connected radially, thus not creating a direct interconnection between the Member States and forming a non-integrated offshore grid.

Amendment 90

Proposal for a regulation
Annex II – paragraph 1 – point 2 – point a

Text proposed by the Commission

(a) any of the following equipment or installation aiming at enabling and facilitating the integration of renewable and low-carbon gases (including biomethane or hydrogen) into the network: digital systems and components integrating ICT, control systems and sensor technologies to enable the interactive and intelligent monitoring, metering, quality control and management of gas production, transmission, distribution and consumption within a gas network. Furthermore, such projects may also include equipment to enable reverse flows from the distribution to the transmission level and related necessary upgrades to the existing network.

Amendment

(a) any of the following equipment or installation aiming at enabling and facilitating the integration of renewable and low-carbon gases (including biomethane, synthetic methane or hydrogen) and their blends with methane into the network: digital systems and components integrating ICT, control systems and sensor technologies to enable the interactive and intelligent integration, monitoring, metering, quality control and management of gas production, transmission, distribution, storage and consumption within a gas network. Furthermore, such projects may also include connections from renewable and low-carbon gases production facilities into transmission or distribution grids, equipment to enable reverse flows from the distribution to the transmission level and related necessary upgrades to the existing network.
network, such as upgrades of various gas infrastructure parts to retrofit the network to be compatible to transport blends of methane and hydrogen.

Justification

In order to support the development of clean gases, the definition of 'smart gas grids' should not be limited to digital solutions but broadened to cover necessary technical investments such as valves, compressor stations and metering infrastructure. This will allow for a more comprehensive approach in terms blending of renewable and decarbonised gases with natural gas. Storage systems constitute an important part of the process and therefore should also be included. Taking into account that blending of renewable and low-carbon gases with natural gas will be instrumental in scaling up hydrogen production capacities, projects which relate to retrofitting of current gas infrastructure and contribute to decarbonisation of the gas infrastructure should be eligible for the PCI status.

Amendment 91

Proposal for a regulation
Annex II – paragraph 1 – point 4

Text proposed by the Commission

Amendment

(4) concerning electrolyser facilities: deleted

(a) electrolysers that: (i) have at least 100 MW capacity, (ii) the production complies with the life cycle greenhouse gas emissions savings requirement of 70% relative to a fossil fuel comparator of 94g CO₂e/MJ as set out in Article 25(2) and Annex V of Directive (EU) 2018/2001 of the European Parliament and of the Council. Life cycle greenhouse gas emissions savings are calculated using the methodology referred to in Article 28(5) of Directive (EU) 2018/2001 or, alternatively, using ISO 14067 or ISO 14064-1. Quantified life-cycle GHG emission savings are verified in line with Article 30 of Directive (EU) 2018/2001 where applicable, or by an independent third party, and (iii) have also a network-related function;
(b) related equipment.


Justification

The TEN-E regulation is supposed to deal with trans-European networks in the area of energy infrastructures according to art. 170 - 172 TFUE. The rapporteur disagrees with the Commission's intention to deviate from this scope by creating a specific PCI category for electrolyser facilities. They cannot be considered as contributing to interconnection or interoperability of national networks, nor their trans-European character can be justified. The suggested cross-border impact of electrolyser (direct or indirect benefits to at least two Member States) and sustainability criteria (greenhouse gas emissions savings) could on that basis be potentially extended to any production source based on renewable sources.

Amendment 92

Proposal for a regulation
Annex II – paragraph 1 – point 5 a (new)

Text proposed by the Commission

Amendment

(5a) concerning natural gas: transmission pipelines for the transport of natural gas, underground storage facilities or reception, storage and regasification or decompression facilities for liquified natural gas (LNG) or compressed natural gas (CNG) or any equipment or installation essential for the system to operate safely, securely and efficiently or to enable bi-directional capacity, including compression stations, which were part of projects natural gas projects that were included in the fourth or fifth Union list established pursuant to Regulation (EU) No 347/2013.

Justification

As a provisional solution, strategic natural gas infrastructure projects which were already registered as projects of common interest should have the opportunity to maintain this status.
and be eligible for the first list to be adopted under the revised TEN-E.

Amendment 93
Proposal for a regulation
Annex IV – point 1 – point f

Text proposed by the Commission
(f) for electrolysers, the project provides at least 100 MW installed capacity and the brings benefits directly or indirectly to at least two Member States;

Amendment
deleted

Or. en

Amendment 94
Proposal for a regulation
Annex IV – point 1 – point g a (new)

Text proposed by the Commission
(ga) for offshore renewable electricity transmission, the project is designed to transfer electricity from offshore generation sites with capacity of at least [500] MW and allows for electricity transmission to onshore grid of a specific Member State, increasing the volume of renewable electricity available on the internal market.

Amendment

Or. en

Justification

The amendment addresses the development of electricity transmission infrastructure connecting the offshore wind farms to the power system of one Member State, while creating a significant cross-border impact with the increased volumes of renewable electricity on the internal market.
Amendment 95

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

Text proposed by the Commission

(a) Sustainability measured as the contribution of a project to: greenhouse gas emission reductions in different end-use applications, such as industry or transport; flexibility and seasonal storage options for renewable electricity generation; or the integration of renewable hydrogen.

Amendment

(a) Sustainability measured as the contribution of a project to: greenhouse gas emission reductions in different end-use applications, such as industry or transport; flexibility and seasonal storage options for renewable electricity generation; or the integration of hydrogen.

Or. en

Amendment 96

Proposal for a regulation
Annex IV – point 6 – point a

Text proposed by the Commission

(a) level of sustainability measured by assessing the share of renewable and low-carbon gases integrated into the gas network, the related greenhouse gas emission savings towards total system decarbonisation and the adequate detection of leakage.

Amendment

(a) level of sustainability measured by assessing the share of renewable or low-carbon gases integrated into the gas network, the related greenhouse gas emission savings towards total system decarbonisation, air pollution mitigation and the adequate detection of leakage.

Or. en

Amendment 97

Proposal for a regulation
Annex IV – point 6 – point b

Text proposed by the Commission

(b) quality and security of supply measured by assessing the ratio of reliably available gas supply and peak demand, the share of imports replaced by local

Amendment

(b) quality and security of supply measured by assessing the ratio of reliably available gas supply and system-wide peak demand, the share of imports replaced by
renewable and low-carbon gases, the stability of system operation, the duration and frequency of interruptions per customer. domestic renewable or low-carbon gases, the stability of system operation, including through assessment of avoided curtailment of renewable electricity generation, and the duration and frequency of interruptions per customer.

**Justification**

The concept of smart gas networks entails that they act as storage facility for renewable energy sources. Hence, it is proposed to evaluate candidate PCI projects in the category of smart grids also against the criterion of avoided curtailment of renewable electricity generation. At the same time savings should not be limited to costs aspects, but entail a broader concept, such as GHG emission reduction related savings and efficient use of energy.

**Amendment 98**

**Proposal for a regulation**

Annex IV – point 6 – point c

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) facilitation of smart energy sector integration measured by assessing the cost savings enabled in connected energy sectors and systems, such as the heat and power system, transport and industry.</td>
<td>(c) facilitation of smart energy sector integration measured by assessing the cost and greenhouse gas emission reduction savings and efficient use of energy enabled in connected energy sectors and systems, such as the heat and power system, transport and industry.</td>
</tr>
</tbody>
</table>

**Justification**

The concept of smart gas networks entails that they act as storage facility for renewable energy sources. Hence, it is proposed to evaluate candidate PCI projects in the category of smart grids also against the criterion of avoided curtailment of renewable electricity generation. At the same time savings should not be limited to costs aspects, but entail a broader concept, such as GHG emission reduction related savings and efficient use of energy.

**Amendment 99**

**Proposal for a regulation**

Annex IV – point 7
The text proposed by the Commission and the Amendment:

(7) concerning electrolyser projects falling under the category set out in point (4) of Annex II the criteria listed in Article 4 shall be evaluated as follows:

(a) sustainability measured by assessing the share of renewable hydrogen or hydrogen meeting the criteria defined in point (4) (a) (ii) of Annex II integrated into the network, and the related greenhouse gas emission savings;

(b) security of supply measured by assessing its contribution to the safety, stability and efficiency of network operation, including through the assessment of avoided curtailment of renewable electricity generation;

(c) the facilitation of smart energy sector integration measured by assessing the cost savings enabled in connected energy sectors and systems, such as the gas, hydrogen, power and heat networks, the transport and industry sectors, and the volume of demand response enabled.

Or. en
EXPLANATORY STATEMENT

The rapporteur welcomes the review of TEN-E regulation. The technological developments in the energy field, the objectives of sectors integration together with the new political context reflected in the EU’s energy and climate targets for 2030 and long-term decarbonisation commitment necessitates the changes in this flagship instrument supporting interconnection of energy networks.

The ambitious goal and accelerated speed of their achievement requires robust development of strategically important priority projects. The rapporteur welcomes the establishment of new categories of projects. While acknowledging the removal of the oil category, the rapporteur believes that regarding gas, the Commission’s estimations of the level of connectivity and supply resilience might be overly optimistic. Although the state of gas market has improved substantially since 2013, there are not yet enough interconnection and competitive conditions in a lot of the smaller gas markets, for example in South East Europe, and connectivity still poses a problem between some Members States and the rest of Europe to ensure that there is a meaningful price convergence with North West Europe. Moreover, in some Member States natural gas projects represent substantial potential for reduction of CO2 emissions, including by facilitating transition from solid fossil fuels, in particular coal, lignite, peat and oil shale, to natural gas, therefore being the essential part of their decarbonisation strategies. As stated by the European Council, in the December 11th 2020 meeting conclusions, to reach climate goals in a sustainable way European legislations shall “respect the right of the Member States to decide on their energy mix and to choose the most appropriate technologies to achieve collectively the 2030 climate target, including transitional technologies such as gas”.

Notwithstanding a decreasing number of gas PCI projects being observed from the first till the fourth list, the current list still includes 32 gas PCIs. More than half of them are located at NSI East Gas corridor (18), then followed SGC (6), BEMIP (5) and only 3 of them present at NSI West. The location of the majority of gas projects in Central Eastern and South Eastern Europe results from the persisting need to improve security of supply standards, diversification of gas supply, competitiveness and gas market integration in this part of Europe. The revision of the Regulation poses a risk for their (timely) completion, therefore further compromising the integrity of the energy market.

The rapporteur acknowledges the provisions in Article 5.9 regarding maintaining by former PCI projects their rights and obligations arising from Chapter III, however is of the opinion that they are not sufficient. 31% of gas PCIs are under consideration and 6% reached planning status but have not yet entered into the permitting phase. Moreover, although 80% of gas PCIs are expected to be commissioned by 2025, experts estimate that the planning for gas PCIs was too optimistic and expect a more distant date of their completion. The rapporteur is of the opinion that it is appropriate to ensure the principle of continuity for these projects by introducing the transitional provisions. Therefore he proposes that the natural gas infrastructure projects which are already included in the fourth Union list established pursuant to Regulation (EU) No 347/2013 or will be included in the fifth one should be able to maintain this status and be eligible for the first Union list to be established under this Regulation. This does not provide for their automatic inclusion since, as all other categories of projects, they will have to take the same selection path, including being assessed against criteria laid down in Article 4.

The rapporteur welcomes inclusion of the category of smart gas grids considering them as the
key enabler of the energy transition and an important tool of the circular economy. However, in his view, in order to support the development of clean gases, the definition of smart gas grids should not be limited to digital solutions but broadened to cover necessary technical and engineering investments such as valves, compressor stations and metering infrastructure. In some cases, digital solutions may be required for the integration of decentralised renewable and low-carbon gases, in other cases not. For example, a solution might be physical or digital or a combination of physical and digital methods to create smart gas grids.

The rapporteur commends the inclusion of offshore grids into the scope of the regulation. The support for “hybrid” offshore projects however should not overshadow the need for supported development of simple radial connections. The Member States are currently in different phases of development of their offshore infrastructure. This is why the more advanced engage with complex integrated infrastructure, whereas the newcomers start with non-integrated (radial) grid where functions of interconnection and wind farm connection to the power system are performed by separate transmission lines. Limiting the support only to “hybrid” projects could have a perverse effect in the development of the offshore renewable electricity equitably in all EU waters. Therefore the rapporteur suggests to extend the scope of the priority infrastructure projects to electricity transmission infrastructure from offshore generation sites connected radially. This category of infrastructure will have a significant cross-border impact as available volumes of electricity generated from renewables will increase on the internal EU energy market.

As for electrolyser facilities the rapporteur shares the view that support for their development is necessary in order to accelerate the transition to clean energy. However, the rapporteur believes that other instruments exist to foster their uptake in the market. The TEN-E aims to deal with trans-European networks in the area of energy infrastructures according to art. 170 - 172 TFUE. Therefore it is difficult to agree with the Commission's intention to deviate from this scope by creating a specific PCI category focused on energy generation. They cannot be considered as contributing to interconnection or interoperability of national networks, nor their trans-European character is fully justified. The suggested cross-border impact of electrolysers (direct or indirect benefits to at least two Member States) and sustainability criteria (greenhouse gas emissions savings) could on that basis be potentially extended to any power generation based on renewable sources posing a difficult task to provide a compelling argument for exclusion of those others technologies. While fully acknowledging the need to ensure accelerated development of electrolysers across the EU and financial support required, the rapporteur believes that this category should be deleted from the scope of the regulation and the above support measure be addressed in other instruments.

The rapporteur notes that there are growing expectations regarding increased scrutiny from the side of public bodies, such as ACER and the Commission, over the infrastructure development process. The rapporteur agrees with the changes proposed, while nevertheless insisting that European Network of Transmission System Operators for Electricity and for Gas (ENTSOs) and transmission system operators should keep the central role in the process due to their unique expertise on modelling and scenarios and their knowledge on the infrastructural needs and challenges of the particular Member States. The suggested amendments aim to reflect this approach as well as to add clarity and necessary simplifications with a view of avoiding administrative burden for the actors and ensuring efficiency of this complex and demanding process.
As for the cross-border cost allocation (CBCA) the rapporteur is of the opinion that few changes proposed by the Commission unintentionally restricts the capacity of the national regulatory authorities (NRAs). While taking into account the Commission position on the necessity to harmonise NRAs approaches, the rapporteur believes that the above could be achieved by appropriate guidelines, whereas the evolution of the costs to be included into tariffs shall be under the sole remit of the NRAs (and ACER, where appropriate). The NRAs should remain free to exclude some project elements from the cost allocation if they conclude that those exceed what is necessary and do not provide a net benefit to the Member States concerned. Likewise, the rapporteur is of the opinion that it is necessary to maintain the principle of good cooperation among NRAs on infrastructure development and that ACER should step in only when there are clearly no prospects for reaching the agreement within six-month time limit and all regulators concerned in a joint request ask for its intervention.
ANNEX: LIST OF ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

The following list is drawn up on a purely voluntary basis under the exclusive responsibility of the rapporteur. The rapporteur has received input from the following entities or persons in the preparation of the draft report:

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<td>ACER - CEER</td>
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<td>URE – Polish Energy Regulator</td>
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<td>Wind Europe</td>
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