

## Combined evaluation roadmap and inception impact assessment on Trans-European energy infrastructure

### DRAFT REPLY FROM UFE

Alongside the publication of the evaluation roadmap and inception impact assessment, UFE welcomes the intention of the EC to review the guidelines for trans-European Energy infrastructure by the end of the year. Indeed, while the current regulation has proven to be effective, UFE believes that, **in the light of both the Green Deal and the recovery plan, updating the existing framework to better match tomorrow's energy transmission and distribution landscape is mandatory**. As recognised by the EC, one of the new objectives of the TEN-E regulation should be to “facilitate an accelerated integration of renewable energy into energy networks”. In that regard, UFE would like to react to the following points:

According to the EC<sup>1</sup>, the energy sector is lacking 10 billion € per year worth of investments in power grids to meet the 2030 target and effectively integrate the foreseen share of renewable energy. Indeed, infrastructure projects are costly long-lived assets that typically have an economic life of 20 to 60 years meaning that **the current investment cycle will be the deciding factor** by resolutely allowing electricity networks to play their full and decisive role in reaching carbon neutrality by 2050. Therefore, the revision of the **TEN-E regulation should first and foremost help promoting decarbonisation at various levels thanks to a consistent framework where all projects would be assessed on equal footing based on an adequate CBA methodology so as to select the most beneficial project from a European perspective**.

Regarding the **decarbonisation of the gas grid**, the economic rationales of the technologies encompassed within the aegis of the smart sector integration remain fragile<sup>2</sup>. To avoid any dilution of funding, cost-effective solutions must prevail and the adequacy of new decarbonised gas infrastructures (that should be based on the existing network) to CBA criteria should be reviewed with the same thoroughness as the other infrastructure projects (decisions relating to the construction or conversion of networks dedicated to the transport of hydrogen need to result from genuine market expectations and should consider the likelihood that the potential uplift of cost-efficient H2 generation and demand does not materialise). In the meantime, UFE welcomes the EC's willingness to **support through public funding “new technological developments” like smart grids and other digitalisation projects smartening either transmission or distribution networks provided that they have a European scale impact**. In addition, **potential new priority corridors** encompassing EV charging networks, cybersecurity, digitalisation, critical infrastructure, should be looked at as well as an efficient way to better foster synergies with the transport and digital sectors. However, broadening the scope of the eligible infrastructure categories (by modifying criteria that are too restrictive and/or effectively enlarging the list) need to go hand in hand with a **higher dotation of the overall envelope** to avoid hindering the trans-European efficiency of the investments resulting from the TEN-E.

Furthermore, to align with the Green Deal objectives, **sustainability criteria must be added and declined specifically into each category of projects**. Alongside this addition, the PCI status should be challenged, in the light of the aforementioned sustainability criteria when the list is updated.

When it comes to **future grid planning**, the regulation should first of all **promote and enhance a stronger cooperation between TSOs and DSOs as part of a multi-system approach**. As a matter of fact, system operators will have to face similar challenges that could be related to the digitalisation of

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<sup>1</sup> [https://ec.europa.eu/info/sites/info/files/economy-finance/assessment\\_of\\_economic\\_and\\_investment\\_needs.pdf](https://ec.europa.eu/info/sites/info/files/economy-finance/assessment_of_economic_and_investment_needs.pdf)

<sup>2</sup> See more in [UFE's answer to EC's consultation on Energy sector integration](#)

the system and/or cybersecurity and could benefit from that shared knowledge. Finally, the revision of the TEN-E should not lead to additional obligation to those existing in particular in national frameworks regarding the administrative process to obtain public authorisations.