



Regulatory Challenges for a Sustainable Gas Sector

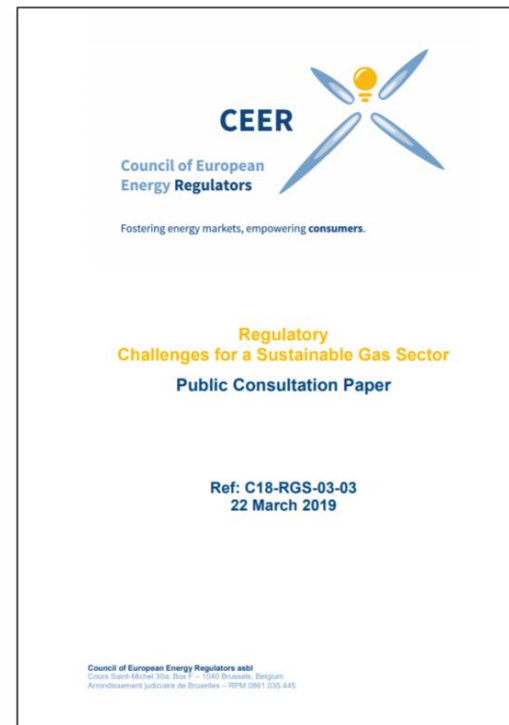
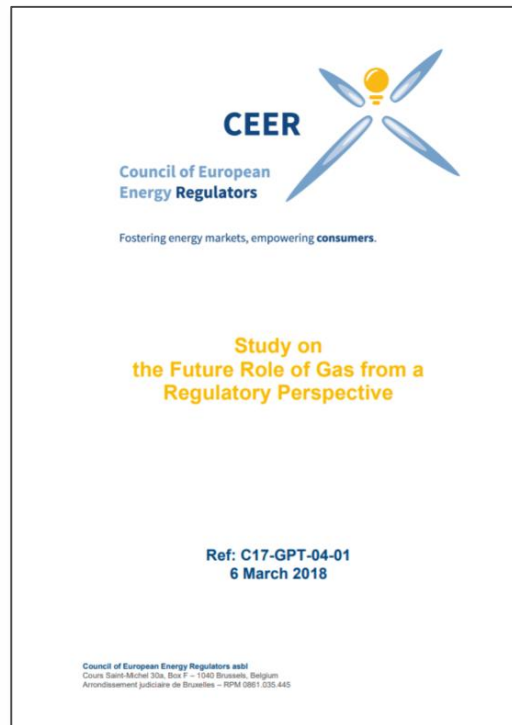
Markus Krug, Co-Chair CEER Work Stream on Regulatory Gas Strategy

Converse, 9 September 2019

Fostering energy markets,
empowering **consumers**.

Background

- CEER carried out a study on the future role of gas (FROG)
- Based on this study, CEER consulted on Regulatory Challenges for a Sustainable Gas Sector



Main regulatory challenges for renewable gases addressed

Scope of network operator activities

Role and tariffication of power-to-gas infrastructures

Regulation of hydrogen networks in the future

EU system for trading renewable gas guarantees of origin

Potential decommissioning of gas network infrastructures

Decarbonization as the main theme of the last Madrid Forum

Discussion contributions from various stakeholders

Sector coupling for decarbonisation – Assessing regulatory barriers in linking the gas and electricity sectors – Frontier Economics

Avoid unintended interactions between regulated and contestable activities – CEER

Cross-border and impacts of potential decommissioning of gas infrastructures – CEER

Interlinked model and TYNDP joint scenario development – ENTSOs

The role of CCS/U technologies in the energy transition – IOGP

Reduction of fugitive methane emissions in the gas value chain – GIE/Marcogaz

Certification and Guarantees of Origin for renewable and low-carbon gases – ENTSOG/GIE

Gas quality standardisation in the energy transition – CEN

There is a need for further discussion on these topics.



Much discussed topics and points of view – 1

Unbundling

Involvement of the network operators in new tasks that are central to sector coupling and the transition of the energy system and that go beyond network operation (e.g. construction and operation of power-to-gas plants, biomethane processing plants, gas filling stations, etc.).



"These are market tasks, network operators should not be involved."

"Network operators are best placed to take over these tasks."



Important: Graph is indicative and corresponds to the subjective impression of the current discussion!

Much discussed topics and points of view – 2

Support schemes

Gas-specific support schemes (e.g. quotas) or incentives (e.g. feed-in tariffs) with the aim of replacing natural gas with renewable gases.

eurelectric



Gas Infrastructure Europe



"Should not exist at EU level."

"Mandatory to bring about change."



Important: Graph is indicative and corresponds to the subjective impression of the current discussion!

Much discussed topics and points of view – 3

Carbon Capture and Storage

"Neutralisation" of the climate effects of natural gas by capturing the resulting CO₂ and sequestration (CCS) or integration into closed cycles (CCU)



*"Only renewable gas is
the solution"*

*"CCS and CCU will
play an essential role."*



Much discussed topics and points of view – 4

Guarantees of Origin

Differentiation of the different climate effects of natural gas and renewable/decarbonized gases in line with climate targets

*"RED II as legal basis
is sufficient"*

*"Scope must go
beyond networks."*

*"Scope must go
beyond renewable
gases."*

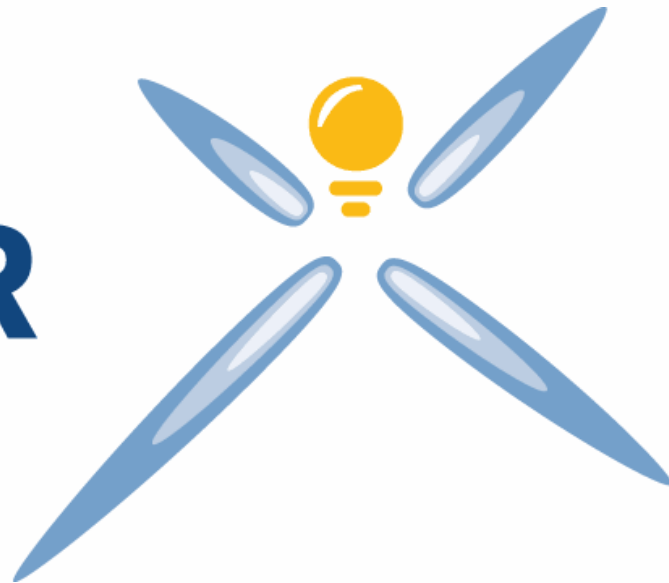


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Thank you for your attention!

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