

CEDEC Brief News—July 2020

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EU Green Deal: EC presents Energy System

Integration and Hydrogen strategies

On 8 July the EC has finally officially published two key blocks of the European Green Deal: the Energy System Integration Strategy and the Hydrogen Strategy.

You can read the CEDEC press releases on the two strategies <u>here</u>.

The Energy System Integration Strategy delineates the pathway to achieve an integrated energy system allowing the further decarbonisation of the economy and the achievement of the climate neutrality by 2050. The EC defines system integration as the planning and operation of the energy system as a whole, across multiple energy vectors, infrastructures and consumption sectors. It is based on making the energy system more "circular", electrifying as much as possible end-uses and complement with renewable and low-carbon gases whenever electrification is not the best option. In six pillars the Commission details the objectives and the policy and legislative initiatives to reach them: from how to promote "energy-efficiency-first" principle, on how to spread electrification, how to decarbonise hard-to-decarbonise sectors through new gases, how to make the energy market fit for distributed resources, how to have more integrated energy infrastructures and how to make the most of digitalisation. It also stresses the local dimension of system integration: through local generation and smart use of distributed energy supply, it can contribute

VIP of the month: Paolo Gentiloni

After being tried and tested by various challenging roles in Italian politics – e.g. Secretary General of the Partito Democratico, Prime Minister, Minister of

Foreign Affairs - Paolo Gentiloni has got the role of reforming the EU's economic governance. Admittedly this may have <u>led</u> many to some initial confusion: wasn't the <u>Italian</u> economy the one that most desperately needs reforming? Anyway, the Commissioner for the EU economy and financial affairs ensured that he will not play favourites and that he will keep home affairs separated from work, where he plans to ambitiously fight tax dumping, design an unemployment reinsurance scheme, and review the Stability and Growth Pact. Well, that was before the COVID-19 crisis. Now the list of objectives includes helping European people and companies absorb the shock. To say it in his own words "We must ensure that this crisis will not be remembered as the Great Fragmentation, in which a symmetric shock leads to asymmetric outcomes for countries, sectors, regions, individuals and generations.".

to greater consumers empowerment, improved resilience and security of supply.

The Energy System Integration Strategy is complemented by a <u>Hydrogen Strategy</u> elaborating more in detail how clean hydrogen can be scaled up and contribute to the decarbonisation of different sectors. Here the Commission defines different



types of hydrogen, proposes measures to remove current obstacles to market entry and advances the creation of a competitive value chain in the EU. It also launches the European Clean Hydrogen Alliance meant to promote collaboration between public authorities, industry and civil society.

Finally, the two strategies are linked to the post-COVID-19 economic recovery, as means to support European industrial leadership in clean technologies and to trigger new investments, jobs and growth.

Clean Energy Package implementation: Launch of EU DSO Entity website and online registration for DSOs

Following the official submission of the draft statutes to ACER and the Commission on 24 June, the website of the future EU DSO Entity is now publicly available at the following address: <u>https://www.eudsoentity.eu/</u>. Interested DSOs can formally register as member of the EU DSO Entity through the website (by 31 December the latest), in view of the first General Assembly planned in March 2021. DSOs can register directly via the website or with the support of CEDEC or their national association, at their request.

Council: Start of Germany Presidency under the motto "Together for Europe's recovery"

On 1 July 2020, Germany took over the 6-month presidency of the Council of the EU until 31 December 2020. Under the motto "Together for Europe's recovery", the German Presidency is putting the focus on overcoming the consequences of the COVID-19 pandemic and seeking answers to the challenges of the future. Particular attention will be given to the major societal transformation processes such as climate change and digitalisation, to make Europe stronger, more equitable and more sustainable.

On energy and climate, the German Presidency highlights the need for an ambitious climate and environmental policy. Whilst welcoming the European Green Deal as a comprehensive and ambitious strategy, the German Presidency will engage to provide broad-based support for its implementation, ensuring that the Green Deal will help overcome the consequences of the COVID-19 pandemic. The Presidency will aim at the adoption of Council Conclusions on the EC's new Circular Economy Action Plan and its implementation. During its 6-month term, the Presidency-in-Office also intends to work towards concluding the deliberations on the draft of the first European Climate Law. Hydrogen is also set to play a role in the coming months. At national level, Germany presented its <u>National Strategy on Hydrogen</u> in June, which defines the steps needed to create a market for hydrogen technologies in Germany. Germany also has signed a joint political declaration of the Pentalateral Energy Forum on the role of hydrogen to decarbonise the energy system in Europe. Further topics mentioned in the Presidency Programme are: the rapid development of offshore wind energy, framework conditions for joint renewable projects, the expansion of carbon pricing to cover all sectors and the introduction of a moderate minimum carbon price within the EU ETS as well as active external energy policy to flank the European Green Deal.

More information on the German Presidency and its Presidency Program can be found on the German Presidency's website.

From our members: open for new stories!

Summer holidays are the best time to share positivity and think about good practices, innovative projects and useful case studies. In other words, should you wish to be published in our next Brief News, this is time to talk to us about what your company and association is doing. Moreover, it might serve as inspiration to other CEDEC members and readers. To share your story, please write an email to info@cedec.com or anyone else in the CEDEC Secretariat.

Reading of the month

DG ENER – <u>Quarterly Report on</u> European Electricity Markets with a special focus on the impact of the pandemic



Ongoing consultations

Public consultation on CEER 2021 Work Programme – deadline 31 July 2020Public consultation on the roadmap for a EU Methane Strategy – deadline 5 August 2020Public consultation on the Sustainable and Smart Mobility Strategy – deadline 23 Sep. 2020Public consultation on the revision of the NIS Directive – deadline 2 October 2020

Upcoming meetings & events

- CEDEC WG Smart Grids: 10 September 2020
- Do not think about it and enjoy your summer holidays!

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