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Finnish Energy's views on the revision of the TEN-E Regulations

Finnish Energy (ET), the association representing Finnish companies that produce, acquire, transmit and sell electricity, gas, district heat and district cooling and offer related service, welcomes the revision of Guidelines Trans-European Energy Networks.

We share the Commission's view on the need for modernizing the regulation by aligning it with the policy objectives of the Green Deal and the Clean Energy Package (CEP) regulatory framework, notably supporting an increased role of DSOs. TEN-E together with PCI-framework and CEF-funding is an important tool to facilitate energy network -projects with benefits overarching national borders.

Regarding **electricity smart grids**, we consider that the requirement having TSOs from at least two Member States involved and excluding infrastructure for low-voltage projects should be re-considered. These fail to acknowledge that the continuous increase of renewables and electrification, in line with climate and energy targets, does and will require considerable investments in the distribution system's infrastructure. Also, the same technical criteria as for TSO-driven projects make these funds for smart grid projects not accessible to most of the DSOs.

Also, more local network projects, with broader benefits, needs to be recognized in the regulation. Such can be smart grid projects which provide solutions that are used or can be used more broadly in EU, or network projects which significantly provide for regional secure supply of electricity or gas on a regional, or which significantly provide for reaching European climate targets by enabling emission reductions. Such could be, for example, heat network project connecting more tightly heat and electricity infrastructure together and/or significantly reducing the emission caused by heating needs.

Especially companies acting in distribution find the reporting requirements somewhat burdensome. PCI-status is not considered too helpful for to enable project to proceed, except having access to European financing. Hence, some streamlining in reporting and applying for PCI-status is foreseen important.

We welcome the inclusion of **hydrogen and smart gas grids infrastructure**. Gas infrastructure is a bridging solution and recognizing the foreseen future with ever-increasing share of low-carbon gases and need to update gas grids to fit for purpose is welcome. Hydrogen networks may become important in the future, and it is important to recognize them also in the guidelines.

We consider **Electrolyser category** not fit in the scope of TEN-E and it needs to be removed. The core of TEN-E are the energy transmission networks, namely electricity transmission infrastructure.

We welcome the explicit stakeholders involvement in the **network planning process**. The current structure on TYNDPs is still on national plans, and there is a clear need for a more TOP-DOWN- approach.

While we agree that **offshore-infrastructure** needs more focus, we emphasize that all electricity generation forms need to be treated equally. Offshore must carry its connection costs in the same manner as onshore. We are somewhat hesitant whether new **priority corridors** for offshore are needed, or whether the already existing priority corridors could be updated to have a stronger focus on offshore.

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