

Public consultation on ACER's Framework Guidelines on the joint scenarios for electricity and gas network development plans ("Scenarios Guidelines")

Fields marked with * are mandatory.

Introduction

This consultation of the European Union Agency for the Cooperation of Energy Regulators ('ACER') is addressed to all interested stakeholders.

The purpose of this survey is to collect specific and concrete views from the public on the draft Scenarios Guidelines and inform ACER's decision-making process for adopting the Guidelines by 24 January 2023.

The draft Guidelines are available [here](#). The consultation questions directly refer to this document. Replies to this consultation should be submitted by Monday **14 November 2022, 23:59 hrs (CET)**

Data Protection and Confidentiality

ACER will process personal data of the respondents in accordance with [Regulation \(EU\) 2018/1725](#), taking into account that this processing is necessary for performing ACER's consultation tasks.

More information on data protection is available on [ACER's website](#).

ACER will not publish personal data.

Following this consultation, ACER will make public:

- the number of responses received;
- organisation names, except those with a valid reason for not having their organisation name disclosed;
- all non-confidential responses;
- and ACER's evaluation of responses.

You may request that (1) the name of the organisation you are representing and/or (2) information provided in your response is treated as confidential. To this aim, you need to explicitly indicate whether your answers contain confidential information, and also provide a valid reason if you want that the name of your

organisation remains confidential.

You will be asked these questions at the end of the survey.

1. Respondent's Data

* 1. Name and surname

* 2. Email

* 3. Organisation

* 4. Country of your organisation

- [xx] - All EU Member States
- AT - Austria
- BE - Belgium
- BG - Bulgaria
- HR - Croatia
- CY - Cyprus
- CZ - Czechia
- DK - Denmark
- EE - Estonia
- FI - Finland
- FR - France
- DE - Germany
- GR - Greece
- HU - Hungary
- IE - Ireland
- IT - Italy
- LV - Latvia
- LT - Lithuania
- LU - Luxembourg
- MT - Malta
- NL - Netherlands
- [xx] - Other
- PL - Poland
- PT - Portugal
- RO - Romania
- SK - Slovak Republic
- SI - Slovenia

- ES - Spain
- SE - Sweden

* 6. Activity

- Transmission System Operator (or association)
- Distribution System Operator (or association)
- Other market participant
- End-user (or association)
- Energy supplier (or association)
- Generator (or association)
- Utility (or association)
- Civil society organisation
- Other

Confirmation

- I accept that ACER processes my data in line with its data protection rules

2. Consultation questions

To help the Agency understand your concrete and specific input, we recommend that you connect your feedback as much as possible to the recital numbers in the draft Guidelines.

8. Please write here your specific and concrete feedback on the criteria proposed to ensure a timely scenario preparation process (Section 2 of the draft Guidelines).

Recitals (24) and (25): A more binding timeline is welcome and very important to allow all stakeholders to submit well-founded feedback on the TYNDP scenarios. Short deadlines for written consultations and feedback events on the scenarios have long been a problem, particularly for civil society stakeholders.

Recital (28): The problem with using the NECP process as the foundation of energy and climate targets in the TYNDP scenarios is that the NECPs, collectively, don't add up to the EU's climate and energy targets. They have also been overtaken in ambition by the REPowerEU measures. The NECP process has furthermore been plagued by delays, which counteracts the intention to have a more timely and up-to-date process. Thus, while acknowledging the different timelines of the NECPs' update and the TYNDP 2024 process, it should be ensured that using obsolete data and pursuing non-feasible targets is avoided and guidance on the inclusion of ranges and variabilities in the TYNDP 2024 process is provided. The European Scientific Advisory Body on Climate Change (ESABCC) should have a decisive role in determining this baseline on the basis of current EU policy developments.

Recital (29): Moving towards a decoupled, longer-term storyline process runs the risk of diminishing independent stakeholder input. Put differently, if the qualitative storylines do not meet climate and energy objectives (or the objectives are raised after their adoption), and the storylines are allowed to remain in place for several scenario editions, the quantitative scenarios derived from them will be inadequate. It is thus absolutely essential to have ESABCC sign-off on the storylines and to ensure that stakeholder input is fully taken into account. The two top-down storylines we have now (Distributed Energy and Global Ambition) are out of touch with reality as they create artificial divisions between e.g. decentralised and centralised renewables as well as reducing energy demand vs. decarbonising energy supply. In either case the EU will need to prioritize both. At the very least, a high ambition storyline that stays within a 1.5°C-compatible carbon budget should be added.

9. Please write here your specific and concrete feedback on the proposed criteria to ensure robust objective-driven scenario development (Section 3 of the draft Guidelines).

Recitals (30) and (35): DUH welcomes ACER reiterating that the scenarios must be on target and respect the energy efficiency first principle. In the past, a key problem particularly with gas infrastructure planning has been ENTSO-G recommending ever more gas infrastructure without taking possible energy savings and declining EU gas demand into account. As highlighted in the previous response, however, the NECPs provide an inadequate baseline for the EU's energy and climate ambition. It is unclear what is meant by "latest Commission scenarios". Instead, the ENTSOs should be required to consult with the ESABCC to arrive at an up-to-date assessment of the EU's climate and energy targets as well as available Commission-developed and independent scenarios. Recital (35) recognised some of the problems inherent in using NECPs, but the guidelines leave it entirely up to the ENTSOs to resolve these inconsistencies. This is unacceptable, as the ENTSOs have a clear conflict of interest inherent in planning the infrastructure they operate and earn rents on.

Recital (31): DUH welcomes explicit mention of the EE1st principle, demand-side response and sector integration. Crucially missing from this list of assumptions to be spelled out by the ENTSOs is the level of future fossil energy demand being planned for. EU energy efficiency scenarios foresee rapidly falling demand for fossil gas, for instance, and this has only accelerated with the REPowerEU measures. To avoid stranded assets, TYNDP scenarios need to make this key assumption explicit and assess the infrastructure consequences arising from falling demand (e.g. gas to power switch in heating, and the resulting need to decommission gas infrastructure). It is unrealistic to assume that all EU fossil gas infrastructure can run until the end of its economic life or be usefully adapted for hydrogen.

Recitals (32) and (37): Having stable overarching storylines to determine the direction of TYNDP scenarios makes sense in principle, but we reiterate that these storylines must reflect the true state of EU energy and climate ambition and up-to-date scenarios to avoid planning for climate policy failure. For this reason, it is essential to involve the ESABCC and independent stakeholders in the storyline process. Several shortcomings with the existing storylines have been mentioned above.

Recital (38): Here, the guidelines only afford the long-term perspective until 2050 (i.e. the objective of climate neutrality) "indicative value". This is highly problematic as eventually achieving a climate-neutral energy system is the whole point of aligning infrastructure planning with climate targets.

Recital (39): The Scenarios Guidelines should remain within the mandate provided by the revised TEN-E Regulation, and namely should 'establish criteria for a transparent, non-discriminatory and robust development of scenarios taking into account best practices in the field of infrastructures assessment and network development planning'. However, we consider that the current draft Scenarios Guidelines, by pre-defining the set of scenarios and the drivers, in the current draft the economic growth, of the different variants, go beyond this given mandate. ACER should recognise that the mandate to develop the guidelines has been tasked to ACER and not to the National Regulatory Authorities (NRAs). It is therefore essential for ACER to ensure a level playing field among the various stakeholders and avoid discrimination in favour of the NRAs. The inputs and asks of the NRAs should be considered within the stakeholder engagement processes and considered of equal relevance to other inputs and not prioritised as it may have happened in drafting these guidelines.

10a. Please write here your specific and concrete feedback on the proposed criteria to ensure a transparent, inclusive and streamlined development process, focusing on the stakeholder engagement requirements (Section 4 of the draft Guidelines, recitals (42)-(48)).

Recitals (43) and (44): Instituting a permanent Stakeholder Reference Group (SRG) can contribute to building permanent stakeholder oversight into the TYNDP process and is thus welcomed by DUH. However, close attention must be paid to the balanced composition of the SRG to avoid biased assumptions and data inputs. The key stakeholders referred to in Article 12(3) of the Gas Directive do include “civil society representatives” representatives alongside eight other categories of stakeholders which are almost exclusively industry groups and associations. The guidelines as currently formulated would allow the ENTSOs to fill the SRG almost exclusively with various industry stakeholders while granting only a minimal role to civil society organisations they select. The guidelines should thus make very clear that a variety of civil society groups need to be represented, including environmental and climate groups with different areas of expertise, social and consumer protection organisations. It is noted that ACER, the European Commission, the Joint Research Center and the ESABCC “can become observers to the SRG”. This is too vague to be effective – all of these bodies and the expertise they represent should act as permanent SRG members. To ensure truly independent oversight, the ENTSOs cannot be given the right to determine the SRG composition (43) and potentially act as convener (44) of the SRG. Infrastructure planning has far-reaching societal and environmental implications that go way beyond the ENTSOs limited mandates. Consequently, the ESABCC should be responsible for determining SRG composition and act as convener as it is much better equipped to handle these complex challenges and crucially has no conflict of interest regarding future infrastructure development.

Recitals (45) and (46): Ensuring that timelines for stakeholder engagement on the scenario-building are published early by the ENTSOs is welcome and addresses the concern of short consultation deadlines which has been a problem in the past. However, this can also be limiting as it allows no room for the SRG or broader stakeholder consultations to correct fundamental problems they might identify with proposed storylines and scenarios that could require the ENTSOs to go back to the drawing board. The SRG should thus be given the option to reject or significantly amend proposed storylines and scenarios, also necessitating changes to the stakeholder engagement plan.

10b. Please write here your specific and concrete feedback on the proposed criteria to ensure a transparent, inclusive and streamlined development process, focusing on the information and publication requirements (Section 4 of the draft Guidelines, recitals (49)-(52)).

Recital (51): DUH stresses the importance of an open and streamlined scenario development process. Clear communication and proper documentation, if possible in an open access format, of the scenarios, the underlying assumptions, inputs, data, methodologies, including models, is essential to ensure transparency and replicability. Furthermore, all interested stakeholders should be granted access to the set of data mentioned in recital 51. We are concerned about the distinction being made between “informed stakeholders” and the “wider public” as it could result in a “two-class” system of access to information. There is no reason to restrict a priori the information provided. Furthermore, the list of data to be provided in (51 iii) must include annual greenhouse gas emissions data by member state, including carbon budget considerations. Without this data it is simply not possible to assess TYNDP compliance with EU climate targets.

11. Please write here your specific and concrete feedback on the process for ensuring independent scrutiny of inputs, assumptions and methodologies (Section 5 of the draft Guidelines).

Recital (53): DUH agrees with the need for a scrutiny “process independent from the ENTSOs”, but disputes that these draft guidelines can establish such a process. The telling formulation that the SRG “shall assist” the ENTSOs in independent scrutiny implies that the ENTSOs will ultimately be in charge of “independently” scrutinising themselves, which is a fiction given the obvious conflicts of interest in planning the infrastructure one is paid to operate. The draft guidelines indeed give the ENTSOs the power to determine the composition of the SRG and give the SRG little actual influence as its votes are explicitly not binding (57). This relegates the SRG to the role of a technical advisory group at most, rather than giving it the power to conduct independent oversight. The SRG should be empowered to act as an independent watchdog of the TYNDP process, including being given the power to veto or amend ENTSO proposals as outlined above.

12. Please write here your specific and concrete feedback on the proposed quick-review process to enable updating a scenario in case key assumptions change (Section 6 of the draft Guidelines).

DUH welcomes the introduction of the quick-review process, as a mean to incorporate the impacts of unpredictable and significant events in the TYNDP process. However, it should be further assessed how the updated assumption(s) will interact and align with the scenario-building process, in terms of timeline and how this will influence decisions around PCI selection. In this context, we believe that, indeed, only unforeseen events should qualify as a trigger to the process, and the latter should maintain its exceptional character. To ensure stability, we see the added value of the European Commission holding the activation power, as the politically independent institution of the European Union. ACER, the ENTSOs and the ESABCC should withhold the power to recommend such an activation. In addition to SRG’s recommendations, public consultation should always be embedded in the quick review process, to secure the legitimacy of the updated assumptions.

13. Please write here your specific and concrete feedback on the proposed compliance reporting (Section 7 of the draft Guidelines).

We have no specific feedback on paragraphs (65) to (67).

14. Would you like to share anything else with us regarding the draft Scenarios Guidelines?

As demand for fossil gas (given the rise of heat pumps) is declining, the focus of the TYNDP process must shift from planning new fossil fuel infrastructure to creating the infrastructure for an accelerated energy transition. This also requires assessing the need for decommissioning or repurposing of fossil fuel infrastructure as it is replaced by renewable energy solutions and energy savings. Without a fundamental rethink of infrastructure planning, the EU runs the risk of either building up massive fossil stranded assets or creating carbon lock-in that would eat up the remaining EU carbon budget on a 1.5°C-compatible pathway. To ensure compatibility with EU climate targets, the TYNDP process should be conducted by a fully independent body with the ENTSOs being given a purely advisory role. We elaborate on our proposed changes to EU infrastructure planning in this paper (https://eu.boell.org/sites/default/files/2022-06/Future_role_of_gas_EU_FINAL.pdf).

Confidentiality

* 15. Your response would be published on the Agency’s public consultation web page. Please confirm that:

- My response and name of my organisation can be published
- My response can be published without my organisation's name (You are asked to give a justification below)
- My response contains confidential information; a redacted version may be published (Please ensure you marked the specific text by preceding and closing it with [CONFIDENTIAL]. In addition, you are asked to give a justification below)

Thank you!

Background Documents

[Scenarios Guidelines DRAFT](#)

Contact

[Contact Form](#)