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**To:** PELTOMAKI Antti Ilmari (GROW)  
**Cc:** [REDACTED] (GROW); COZIGOU Gwenole (GROW); [REDACTED] (GROW); [REDACTED] (GROW)  
**Subject:** Meeting with Eurogas, 11 February 2019

Antti Peltomaki, [REDACTED] and [REDACTED] (DG GROW) met with [REDACTED] Eurogas Secretary General on 11 February 2019.

Eurogas explained that:

- Eurogas looks at the whole gas distribution grid in Europe and is committed to contribute to emission reductions and reduce the carbon footprint of the gas sector.
- Currently only 4% of gas supply is decarbonised, mainly biogas
- Gas and electricity will be a solution on several industries, where gas can provide reliable bulk energy and feedstock, replacing more emitting fuels (=coal, oil)
- In addition to hydrogen, the only sustainable gas is 2<sup>nd</sup> generation biogas and gas made from waste streams.
  - A framework for investments needs to be created
  - The quantity of both 2<sup>nd</sup> gen. biogas and waste streams are scarce. Hydrogen seen as the major way to decarbonise gas grid.
- LNG in shipping could replace oil, with immediate emission reductions with existing technology
- EU is leader in both hydrogen production (electrolysers) and LNG/CNG engines, which could be an important competitive advantage in a transition to reduced emissions.
- Italy is projecting 50GW of PV by 2030. It currently has 20GW and is already experiencing the limitations of the electricity grid. Converting excess electricity to hydrogen at either distribution grid level or at generation points could enable much higher renewable shares.
  - Eurogas will present a study around June/Sep on financial models that support such solutions.
- Eurogas asked whether it (and Hydrogen Europe) could join the Clean Energy Industry Forum [after the meeting [REDACTED] advised Eurogas to contact the Arias Canete cabinet or SG.E.2 about this].

[REDACTED] described the policy context and ongoing initiatives, including:

- The EII initiative and climate neutrality,
- the 2050 goals,
- The Strategic Forum and IPCEI, and other financing possibilities
- That for some industries the investment cycles are long and maybe only one investment cycle remains to meet the emission reduction objectives 2030
- Solutions need to consider the competitiveness aspects of industry
- Relevant also to the Industry 2030 initiative

[REDACTED] informed about:

- The EII HLG initiative to develop an industrial transformation masterplan this year and invited Eurogas to join in the collaborative work with industry, MS and civil society

On Strategic Forum, Eurogas

- expressed interest in taking part in the work -> We'll send an invite as expert),
- wanted to know more about IPCEI. -> We'll provide with a recent IPCEI presentation from COMP
- was eager to have gas engines included in the low-carbon value chain. On this point JY explained that it has not been included in the initial proposals but this could be discussed with the Members if synergies could be found.