

**Minutes from the meeting with German TSOs Bayernets, OGE, Gascade, Ontras  
29/09/2021 – 18:00-18:45 (online/MS Teams)**

Participants TSOs: [REDACTED] (Open Grid Europe), [REDACTED] (Gascade), [REDACTED]  
[REDACTED] (ONTRAS), [REDACTED] (Bayernets), [REDACTED] (AISBL)

Participants EC: Ms. Tomczak (CAB Timmermans), Ms. Nelen (CAB Timmermans), [REDACTED]  
[REDACTED]

- Stressing the benefits of reusing existing n-gas infrastructure for hydrogen transport, the 4 German TSOs emphasized the importance for existing natural gas network operators to equally pursue H2 network activities.
- Within this context, they outlined 3 priorities for the H2-policies to be developed under the upcoming hydrogen and gas markets decarbonisation package:
  - The current natural gas markets rules should be a blueprint for the H2 market design. The regulation of H2 infrastructure should be integrated in the existing natural gas markets (infrastructure) framework;
  - Under the upcoming legislative framework, the option to allow for different unbundling regimes (e.g. the ITO model) should be held open rather than merely allowing the ownership unbundling model. The latter might come with undue (organizational) costs at the expense of (private) shareholders. As an example for a different situation, the 4 TSOs referred to the organization of the Dutch n-gas TSO (Gasunie) that has recently been tasked with the development of the H2 network being a 100% state-owned organization. Here the problem would be less prominent.
  - Cross mutualization of hydrogen network activities by revenues generated with operating CH4 networks should be allowed to compensate for high initial H2 network costs. This should not be considered as undue cross subsidization as methane consumers will benefit from cross mutualization in future (when gas demand declines in the upcoming decades and a smaller number of gas consumers will otherwise have to bear the costs of the remaining methane infrastructure).
- The Commission took notice of the outlined priorities and stated that the input received by various stakeholders in the OPC has been taken on board in drafting the hydrogen and gas markets decarbonisation package. It indicated that this legislative package is due for the end of this year.