

# **Stakeholders meeting on the consultation for candidate projects in view of establishing the 2<sup>nd</sup> list of Projects of Common Interest**

*Brussels, 15 & 17 June 2015*

In the context of the consultation (closed at the end of March 2015) on the candidate projects proposed by project promoters in view of establishing the second list of Projects of Common Interest, the Commission has organised two stakeholders' workshops on 15 and 17 June 2015. The objective of the meetings was to engage all stakeholders in order to better understand how the external parties view the project and its attendant risks, impacts, opportunities, and mitigation measures.

This initiative also aimed to identify and consolidate best practices and technologies for collecting feedback from stakeholders in a most efficient manner.

Throughout the first part of the workshop, a set of practical presentations were given to the participants on the different processes, useful tools and procedures of environmental assessment related to projects likely to have significant effects on the environment. The project discussions of the second part were organised based on suggestions from the stakeholders and citizen organisations.

The groups were formed by the project promoter, the relevant Ministry, the stakeholders, the Commission with a role of moderator and observers from the European Parliament and other interested parties.

## **Workshop's outcomes:**

### ***15 June: Electricity session***

The following electricity projects were discussed within the workshop on 15 June:

1. "Extension of the pump storage powerplant Kaunertal"
2. "Celtic Interconnector/Great Island Knockraha (IE) – La Martyre"
3. "Greenlink, Greenwire IE-UK"
4. "Western interconnection FR-ES Gatica-Aquitaine"
5. "RES in North Portugal"

### **1. "Extension of the pump storage powerplant Kaunertal"**

#### **Summary of the discussions**

The project promoter shortly presented the project and its current implementation status. The stakeholders claimed that in the current situation the project would fulfil the eligibility criteria only partially to become a Project of Common Interest. More specifically, the stakeholders noted that the project in its current form included the extension of generation capacities, which does not fall into the scope of the TEN-E regulation. As a result, they requested to remove that part and possibly take into account only the extension of storage facilities.

The project promoters agreed to discuss the eligibility issue in the next meeting of the Regional Group

***Follow-up: The project's eligibility issue will be discussed within the next Regional Group meetings taking place at the end of June 2015.***

## **2. Celtic Interconnector project**

### **Summary of the discussions**

The project promoters briefly presented the project and its current implementation status. The stakeholders' concerns were mostly related to 1. the perceived lack of increase of future energy demand in Ireland, 2. the possible need for additional wind generation capacity to justify the need for this interconnection and 3. the need for (expensive) reinforcement of the national transmission network to accommodate the additional 700 MW of power connection.

Both the Irish and the French project promoters highlighted that the interconnector should primarily deliver benefits in terms of security of supply to the two countries. At the same, the project promoters stated that the interconnector could increase competition on both markets and thus bring lower prices to the final customer, particularly in Ireland. The stakeholders acknowledged there was a significant electricity price differential between France and Ireland but pointed out that Ireland currently produces more energy than it needs and yet prices remain high.

The project promoters also stressed that they were only examining feasibility of the project at the moment. The results of the feasibility study will be publicly available in 2016, at which point it should be decided whether the project is commercially viable or not. In Ireland, the study will be submitted to the national regulator who will determine whether the project gets green light or not. If the project were to be assessed as commercially viable, commissioning could be expected no sooner than in 2025.

***Follow-up: Irish project promoter (Eirgrid) to provide information on the wind curtailment rate in Ireland.***

## **3. Greenlink/wire project**

### **Summary of the discussions**

The project promoter briefly presented the project. The project is undergoing a significant reconfiguration. Initially the focus was on 'Greenwire' a project designed for the export of wind power from Ireland to UK to help UK meet its 2020 RES target (no connection to the Irish grid) In view of the failed negotiations between Ireland and UK on the conditions for remuneration of this wind generation, the project focus has shifted to the Greenlink project, a point-to-point interconnection between the two countries. Greenlink project may be pursued again if the regulatory conditions arise. In absence of possible routes to the market, the project is currently stalled.

The stakeholders concern mostly focused on the Greenwire aspects of the project, and on the conditions for a possible return to this project concept. The stakeholders also expressed their concern that the Greenlink interconnector would only be economically viable if additional wind power generation would be developed in Ireland.

***Follow-up: The Irish Government will inform whether renewable energy produced in Ireland would also count towards the Irish renewable energy target if it were to be exported to the UK.***

#### **4. "Western interconnection FR-ES Gatica-Aquitaine"**

##### **Summary of the discussions**

The project promoters shortly described the key features related to the geological conditions of the projects (undersea canyon, 2000m depth) and the current relevant studies and tests. The stakeholders' main concern was about the unclear coordination among all the projects at the Spanish and French border and the risk of creating interconnection overcapacity. They also questioned the calculation methodology of the generation capacity in Spain, which should focus more on the consumption capacity, which is lower the pick generation. Further, the stakeholders emphasised the need to ensure a safe distance between the cable to the coast so that any possible negative interference with the environment and economic activity in the region can be minimized (such as fisheries). They requested that the local communities should be closely involved in the consultation process on the final route of the interconnector.

The project promoter from both involved countries ensured that all projects at the Spanish and French border would be economically sound and would increase the necessary interconnectivity capacity. They also ensured that concerns of the local communities are seriously taken into account and made an example of the thorough discussions with the fishermen when having built an interconnector between Spain and Morocco.

***Follow-up: The project promoters will keep the stakeholders informed on what municipalities will be affected by the project and on further developments.***

#### **5. "RES in North Portugal"**

##### **Summary of the discussions**

In this group discussion, the stakeholders voiced their concerns to the Commission representatives and exchanged views on the project with other stakeholders participating at the workshop. The representatives of the affected Member State and the project promoter were not present.

The stakeholders indicated that the project would not contribute to the European and National Energy goals. In their opinion, the project is framed within the Portuguese Large Dam Program ("PNBEPH") and the need to drain the additional electric flows in the region. Another issue raised was the compliance with the Water Framework Directive in the Sabor, Tua and Tâmega basins, all tributaries of the Douro. The stakeholder was of the opinion that

these impacts have not been adequately evaluated in the PNBEPH Strategic Environmental Assessment.

Another question was related to the consideration of viable alternatives and whether these were taken into account. Finally, the stakeholder mentioned that it had introduced a complaint to the European Commission 4 years ago and it never received a formal reply.

***Follow-up: The stakeholder will send the reference of the complaint introduced to the European Commission 4 years ago and the Commission will look into the state of play and inform the stakeholder on the outcome.***

### ***17 June: Gas session***

The following electricity projects were discussed within the workshop on 17 June:

1. "Iberian-French corridor: Eastern Axis-Midcat Project"
2. "South Caucasus Pipeline Future Expansion"
3. "TANAP – Trans Anatolian Natural Gas Pipeline"
4. "Shannon LNG PCI at Country Kerry, Ireland"

### **1. "Iberian-French corridor: Eastern Axis-Midcat Project"**

#### **Summary of the discussions**

The project promoter shortly presented the project and its current implementation status. France and Spain agreed on the need to increase gas interconnections through MidCat and internal reinforcements within France, notably the Val de Saône pipeline.

At the moment, the Commission is conducting a "Study on the benefits of additional gas interconnections between Iberian Peninsula and rest of Europe" which will be finalised by the end of 2015 and made public on DG Energy website.

The objective of the study is to assess the benefits and costs related to the upgrade of gas interconnection capacity between the Iberian Peninsula and the rest of the EU. The implications of the development of the capacity will be taken into consideration especially with regards to support of regional trade opportunities and arbitrage (i.e. existence of regional price difference) and enhancing security of supply in the EU (i.e. Liquefied Natural Gas capacity available in Spain). The study will also quantify these benefits on different levels of interconnectivity and identify the level which best serves the region and the EU taking into consideration the costs of achieving it.

The stakeholder's concerns were related to the need for this interconnection, the appropriate interconnection rate and also if other scenarios have been taken into consideration. The stakeholder was also interested in acquiring more information on the congestions points in Europe and wanted to better understand the Midcat flows and future need estimations.

The project promoters have indicated the ACER recent report, which identifies the congestion points in Europe. Information on the same topic can also be found on ENTSO-G Transparency platform website.

*Follow-up: The project promoters will keep the stakeholders informed on the project's further developments after the publication of the study done by the Commission.*

## **2. "South Caucasus Pipeline Future Expansion"**

### **Summary of the discussions**

The stakeholder's concern was related to the fulfilment of article 21 of Lisbon Treaty, which obliges the EU to foster its values through actions carried out on the international scene.

*Follow-up: The Commission will check if analysis of compliance has been carried out.*

## **3. "TANAP – Trans Anatolian Natural Gas Pipeline"**

### **Summary of the discussions**

The project promoter gave a brief overview of the project.

The stakeholder was interested to know which environmental category does the project fall into (Annex I or Annex II of EIA).

The project promoter confirmed that is willing to publish all the reports relevant for the EIA, if needed.

Another question was related to the engagement of stakeholders outside the EU. The project promoter informed that several stakeholder meetings in the regions along the route of the pipeline were organized to explain the project to communities affected. The project promoter could not confirm whether trans boundary consultations were held.

The Commission (DG Environment) explained that if EU financing is involved, compliance with the existing regulation, including the EIA assessment requirements, must be assured. The Commission was unaware of submission of the EIA report / EIA decision from the project promoter.

Regarding the question of the competent authority for the TANAP project, the Commission explained that given that Turkey did not adopt the *acquis*, there is no requirement for the one-stop authority, as defined by the TEN-E regulation.

*Follow-up: the Commission (DG Environment) will verify if the EIA report/decision was communicated to them. The project promoter will check whether seismologic report was also included in the EIA study.*

## **4. "Shannon LNG PCI at Country Kerry, Ireland"**

### **Summary of the discussions**

The project promoter shortly presented the project and its current implementation status.

The stakeholder was interested to know the project's development since 2013, when it was awarded with the PCI status. The project promoter informed that the terminal received permitting for a combined heat power plant. However, there are still some tariff issues to be solved.

Another issue raised by the stakeholder was the missing maritime risk assessment. The project promoter confirmed that the planning assessment has already been done, including the maritime risk assessment.

The Irish Ministry of Energy supports the project due to poor interconnection of the island and high dependence on the UK gas supplies.

On the question related to the stakeholders' engagement, the project promoter informed that 3 public hearings and open houses were organized and received mostly positive feedback.

***Follow-up: The project promoter will inform the stakeholder if it is possible to publish the implementation report (without the commercially sensitive information). The Commission will update its transparency platform in order to provide stakeholders with up-to-date information about the candidate projects.***