European Commission
1049 Brussel
Belgium

Our reference: [redacted]

03 October 2018

*Dear President of the European Commission, Mr Juncker,*
*Dear Vice-President of the European Commission for the Energy Union, Mr Šefčovič,*
*Dear Commissioner for Energy and Climate, Mr Cañete,*

Equinor supports the climate and energy policy vision of a secure, sustainable and competitive Europe. Today, we share our contribution to the Commission's consultation on a long-term EU strategy for greenhouse gas (GHG) emission reductions.

To reach the 2050 goals, GHG emissions must be reduced three times faster than in the past 25 years. Europe's deep decarbonisation challenge requires European leadership in carbon management and industrial climate action. With Equinor's vision of shaping the future of energy, we are committed to innovation and investments in the transformation. By the end of 2019 Equinor supplies renewable electricity from offshore wind to around one million European households.

In coming decades, natural gas will continue to support the impressive growth in renewables, while enabling an accelerated phase out of coal. However, in the long-term Europe will need to go beyond relying on natural gas and renewables.

Credible Paris agreement scenarios reaching net-zero emissions in the second half of the century will require carbon emission reduction at scale. Now is the time for maturing the technologies and infrastructure needed for wider deployment in the decades after 2030. Europe can be at the forefront on worldwide replicable decarbonisation solutions and provide longer term cost-efficient solutions to sectors where emissions are hard to abate.

Shell, Total and Equinor are developing the Northern Lights project as part of a first full-scale carbon capture, usage and storage (CCUS) value chain. The project aims to collect CO2 from European industrial sites, transporting them to the west coast of Norway for injection and permanent storage in geological reservoirs offshore. This project can establish Europe at the forefront of carbon management and abatement, well before 2030. However, the commercialization and uptake of industrial decarbonisation solutions will rely on supportive European regulatory and funding frameworks.

With CCUS technology, Europe can benefit from reforming natural gas to clean hydrogen, an energy carrier that can decarbonise sectors that are hard to electrify: industry, heating and heavy transportation. Together with Gasunie and Vattenfall, we are studying the conversion of a natural gas-fired power plant in the Netherlands to run on clean hydrogen. Potentially, this project alone will dispose of 2.5 million tons of CO2 annually.



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The forthcoming European Commission long-term strategy is timely. The right policy framework, in which CCUS also can enable the hydrogen economy, will contribute to a sustainable, economically and technologically strong industrial base - essential to Europe's long-term prosperity.

Clean energy for European consumers and industry will require radical change and strong collaboration among companies, across sectors and on policy design at EU and national level. Equinor welcomes the European Commission's leadership in designing a framework where all low- and zero- carbon technologies face equal opportunities to contribute to the fight against global climate change.

We look forward to continued collaboration with European policymakers to see industrial scale decarbonisation solutions being deployed in Europe.

Sincerely yours

Equinor