

Minutes of the meeting of Kurt VANDENBERGHE and Elisabeth WERNER  
with [REDACTED], 15.06.2022

Kurt VANDENBERGHE and Elisabeth WERNER met on 15/6/2022 [REDACTED]  
[REDACTED] at his request. [REDACTED] was accompanied by [REDACTED]

[REDACTED] set out the context of his visit:

Two factors are changing the industry: energy prices and decarbonisation

Fit for 55 and security of supply concerns come on top

Repower EU is generally well appreciated, especially as permitting recognised as a key issue, finally.

Delegated Act H2 additionality, next to RED II, adding more constraints and risk of different interpretation. Need breathing space and less complexity.

Macro context to be borne in mind: Utilities employ some 1,2 mio, skilled recruitment is an issue; end of golden age for investment for infra: rates up, inflation. Some concerns that there will be insufficient funding for the ambitious plans in next few years (ESG, taxonomy, EIB extra-leverage?).

Social impact of high prices on affordability: toolbox for short term, ok. Longer term: EURELECTRIC is divided, [REDACTED] shares the idea that reform of the system is needed, as the constraints have changed. Fixed price for renewables and less a role for merit order. EURELECTRIC has own study on market design ongoing.

The exchange focused on the following :

- On permitting: new provisions for RES, but also need to enforce the permitting for grids which are in TEN-E and need to be properly applied. On the Delegated Act: consultation on the draft ongoing, not yet final. It is an obligation from RED, currently also discussions ongoing in co-legislation. The proposal for regulatory sandboxes should also provide more options for innovation. FR will have an urgent permitting legislation going to parliament very soon.  
Hydrogen: definition of low carbon H2 in the Delegated Act needs updating, as volumes are really needed. EURELECTRIC will send a proposal.
- On electricity market design: appreciation of President von der Leyen speech in Strasbourg. Debate is open now, the Commission's impact assessment work starting in an inclusive process and calling for new ideas. Objectives are: affordable prices, security of supply, accelerating decarbonisation in an integrated European market. Hedging, single buyer, short vs long term contracts, PPA for small and large companies etc. can all be examined. European gas contingency plan welcome (FR ideas for a coordinated plan, reference to a non-paper)