

SUMMARY OF MAIN DISCUSSED POINTS

ENERGY & SOLIDARITY

Putting the Plan for Grids into Action

Brussels | 16 April 2024

KEYNOTE SESSION

The big picture: European solidarity in a world of scarcity

Tinne Van der Straeten | Belgian Federal Minister of Energy

In 2022, Europe entered a new era which showed us how dependent and vulnerable we are when it comes to energy. This led to a coordination effort resulting in different policy files. Today, grids are recognised for the vital role they play.

Under the Belgian presidency, an EU Informal Energy Council was held on the 14th and 15th of April 2024 with a specific focus on grids. Ministries of EU Member States addressed challenges in terms of security, financing, acceleration, and standardisation. At the same time, the discussion involved the next steps to develop the needed grid infrastructure in a way that is also beneficial for nature and people.

On the latter, this time, stakeholders who are not always invited to such discussions (i.e. RGI) have been included as the EU recognises that we need to find solutions that are inclusive and sustainable. Efforts are also being coordinated to include citizens and communities at the Energy Council on 30 May.

During the EU Informal Energy Council, Antonella shared an important 5-ingredient recipe for grid infrastructure development:

- Do not deregulate: there are need for faster and improved infrastructure, but the regulation must be kept.
- Nature is your ally, as we build around it.
- We build infrastructure close to someone and we need the support of citizens.
- Look beyond the cheapest option.
- Create a convincing narrative.

These points are reflected in different efforts. For example, with Princess Elisabeth Island, Belgium wanted electricity to be supplied to citizens, industries and consumers at large. Towards making citizens net beneficiaries of the project, public participation was included in the criteria of the tender design, coupled with 'citizen PPAs'. Given the need to enable anticipatory investments – 'grids first, RES second' –, Elisabeth Island will be an energy island connecting offshore wind energy capacities not only with Belgian citizens/consumers but with other countries.





The Minister highlighted that infrastructure is always built surrounded by nature and next to someone. This is why a nature-inclusive design is crucial. To ensure this for the Elisabeth project, they brought together Elia, engineers as well as nature experts in a co-creation process to build on collective intelligence. Considering that significant investments will have to be made in electricity grids, the impact on the environment will be large. It is important to include nature from the beginning – already from the design. It will be ready in 2026, the electricity will flow from 2027 and we will connect turbines in 2028.

If there is a common project and a common goal, acceleration will follow. Europe was built on energy and to prevent war. Energy is what will take Europe out of the current crises, it can raise hope and bring special benefits for the social welfare—this time with renewable electricity.

Antonella Battaglini (RGI CEO): What do you want us to do to support the Presidency?

In the EU there are not so many manufacturers of grid components. We need
to bring the discussion on standardization further, beyond general principles –
everyone agrees but it is unclear what to prioritise.

Antonella Battaglini (RGI CEO): We need standardization of processes and we need a webinar to create a common understanding of what standardization is.

 Need to focus on implementation and permitting. How can it be sped up, together with nature? We need high-quality projects and the time to implement them. This will enhance public acceptance.

PANEL DISCUSSION

Electricity grids for a competitive and just Europe

PANEL KEYNOTE

Gerard Reid | Co-founder and Partner, Alexa Capital

<u>Slides available here</u> – Showcasing data related to climate change, geopolitics, speed of technology and change.

We are currently in a revolution towards clean technology. China is leading because they understand the potential of clean technology – they get it that if you want to decouple from oil, you need to electrify; they have more clean energy patents than the US and EU and they invest massively in grids solar etc.

On the other hand, the EU has not invested in modern technologies and is stuck between the US, China and Russia. On one hand, the EU has become dependent on Russia for the provision of energy. Secondly, it has relied on the US for technology and





security. The EU does not have large companies like Google or Microsoft. Lastly relies on China to produce high-valuable products.

However, the EU's strength lies in its structure – combining forces between Member States is key for success stories like Airbus. Moreover, implementation and the single market is key. The EU should go the Samsung way –bigger and faster.

PANEL DISCUSSION

- Moderator: Antonella Battaglini | CEO, RGI
- Tinne Van der Straeten | Belgian Minister of Energy
- Catherine Vandenborre | CEO a.i., Elia Group
- Patrick ten Brink | Secretary General, EEB
- Giles Dickson | CEO, WindEurope
- Volker Wendt | Secretary-General, Europacable
- Gerard Reid | Co-founder and Partner, Alexa Capital

Grids reflect the EUs competitive advantage – it is all about integrating renewable energy and unlocking electrification – we need to work together beyond purely national interests to compete with the rapidly advancing China.

EU is a world leader – we've got technologies, expertise, and people. The question is how we keep our competitive advantage, and the answer is by maintaining a level playing field.

The EU produces wind turbines, as well as technologies for frequency voltage control, and inertia. The single market with its electricity grid at its centre allows us to test and innovate across countries.

We have been outcompeting each other. If EU27 stay together we will succeed. We have a huge market, consider the sea basins, that allows us to compete.

Flexibility is an area where the EU can be competitive, including ecosystem partnerships, AI, algorithms, and leveraging electrified applications such as heat pumps and EVs. When it comes to grids, we should select these areas that we should work together – Elia is confident that the Action Plan for Grids will be delivered – There is no alternative. This will address the climate targets and competitiveness of industry, ensuring affordability and avoidance of carbon leakage.

However, the EU needs a common vision and fairness. In turn, this provides direction and justice. Through decentralized growth and fairness in participation, one should look at the benefits of engagement in citizens' agency, including households and communities. If the EU manages to ensure households are involved, the potential for increasing acceptance is huge and will drive prices down.

The energy transition started as a necessity for climate change, but it is now an economic model. The discussions are taking place beyond 'clubs' and land high on





political agendas. However, a rise of the far-right political parties in the EU would hinder progress in current priorities, including nature protection.

Standardisation is not always beneficial and thus, we need to be careful on the product side. Benefits arise from standardisation of processes and there lies the potential of common approaches. TSOs support the standardisation of processes and components.

However, standards should be common and clear. Member States should not deviate, otherwise it creates chaos. Tenders should be as functional as possible, allowing freedom to manufacturers to achieve a specific result. TenneT's framework agreement is a success story, that managed to bring the industry for converted platforms back to the EU.

Tendering bulk projects can create certainty and clarity for supply chains – but is bundling procurement an option? How can we join forces to procure together while respecting legislation and ensuring that consumers have the best prices? Enforcement is lagging on that front.

If we want a success story like Airbus, we need a common narrative. The best business is the one that manages complexity and couples this with system thinking to ensure that we are making things right. With this in mind, DSOs should be involved in these discussions.

Action: We need a 2-pager on the definition of standardization, harmonization etc., including societal aspects – to be discussed during the Council on 15 May. We have been framing the supply discussion wrong and ended up with the industry wanting more certainty, while Member States are saying that the industry cannot deliver. Indeed, T&D stressed that we need to break it down to what, how much, where, when and to whom.

Manufacturers are businesses, and thus, are being attracted by opportunities. The offshore wind supply chain can deliver, and new capacities should be built while increasing existing ones. The financial institutions (EIB) and instruments should support such a change.

We need components and we need them at accessible prices. If prices go up, due to several challenges that include scarcity, we will compromise public acceptance. Therefore, there is a need to expand manufacturing capacities, have access to components, and allow for affordable prices.

It all boils down to common goals and complementarities. We need to help people to have the agency to participate. Indeed, households are the frontrunners/first movers. Renewable energy is CAPEX intensive - meaning that we start the energy transition with high costs. We need to cover the transition for the period that costs will be high, until we benefit from decreasing costs.





PANEL DISCUSSION

Collaborations for a nature-positive electricity system: how can linear infrastructure contribute to nature-positive targets

PANEL KEYNOTE

Stewart Maginnis | Deputy Director General, IUCN

IUCN: Oldest environmental network with partners from all around the world.

Climate crises and environmental crises are intertwined – there are fundamental links between them. Climate change accelerates biodiversity loss, and loss of biodiversity contributes to increasing carbon emissions.

There are however solutions that can address both crises at the same time. Policy integration of two or multiple crises is not the norm but is possible. All infrastructure comes at a cost for nature – loss of species and reduction of ecosystems.

Nature-positive responses/solutions (NbS) are therefore not only imperative but also achievable. They aim to minimize the damages done to nature but also consciously create space for it to recover and thrive.

There are already solutions that can be implemented in renewable energy and grid infrastructure and applied along the entire supply chain. We need to learn from these experiences and adapt our management strategies accordingly to pursue our common objectives in addressing both crises. Not everything will be a win-win and there will be trade-offs.

A new initiative from IUCN and RGI is GINGR, which aims to pursue these challenges at a global scale. – Read more at gingr.org

PANEL DISCUSSION

- Moderator: Rachel Asante | Senior Programme Coordinator Climate Change, IUCN
- Humberto Delgado Rosa | Director for Biodiversity, DG Environment European Commission
- Cristina Simioli | Director Offshore Energy and Nature, RGI
- Ariel Brunner | Regional Director, BirdLife Europe and Central Asia
- Lisa Garnier | Grid & Biodiversity R&D Expert, RTE
- Damjan Medimorec | Executive Office Associate Director, HOPS

We are all aware of the need to integrate the climate and biodiversity crises. But how exactly can this be done?

Collaborations are key: RGI has been doing this for many years and many more initiatives are being created. We cannot stay in silos. We need to consider a wide ecosystem of actors - we need renewable energy, the grid, and nature - and all stakeholders need to be included in the dialogue. We also need to validate what we are





saying – and therefore we need ways to quantify the positive results of projects aiming to integrate nature and infrastructure.

We cannot address nature without addressing the climate crisis. All projects will create an impact and these need to be minimised and monitored. However, it is important to say that sometimes nature can benefit from the development of infrastructure – NID is an example.

We need to take targets and objectives seriously – we need to be serious about the environmental agenda as much as we are about the climate agenda, and we need to highlight that these have the same level of importance. A policy framework is essential – we support the framework for renewables, but we also need a framework for nature.

The French grid connections are vast and cross several key nature areas – nature restoration is therefore fundamental. RTE has tested several projects in this regard, from integrated vegetation management practices (IVM) to engagement with local stakeholders to protect and enhance nature (e.g. agriculture farmers serving as agents to restore nature).

Increasing grid expansion for integration of renewables taking nature in mind is fundamental and there are proven experiences on how this can be done.

What are your asks from other stakeholders?

We need measures to validate our contributions - science-based tools to help us implement essential steps. As a company, RTE needs to be transparent, and we need to be able to measure our efforts (e.g., floristic indicators for IVM).

Biodiversity policy also needs quantification, same as CO² reductions in climate policy, biodiversity gain needs to be quantified. Some interesting tools to quantify contributions are being developed. We need renewable energy developers and transmission system operators to plan and develop the infrastructure aiming towards nature positivity.

We need positive examples that can bring a positive narrative and perception about what we, TSOs, are doing to protect and enhance nature.

We need indeed tools to quantify biodiversity gain contributions from industry partners. There are very promising projects on how to integrate renewables, grids and nature but today we cannot tell with certainty what are the benefits. We need quantification tools to allow for nature-positive measures to become a measurable competitive advantage for European industries. NGOs need to be increasingly part of the discussions in different forums and identify what exactly is needed and how they can contribute and collaborate with other stakeholders. TSOs need to test more solutions and adapt their management strategies based on the accumulated experience. Maximum transparency is needed from all sides.





National governments are missing from this dialogue, this is/was one of the main blockages of the Nature Restoration Law. I would like to see us moving from a reactive approach (e.g. conservation communities reacting to a specific project development) to joint and holistic planning.

Implementation might need to be improved but tools to provide a holistic approach do exist: EIAs, MSPs. We need to be more ambitious and proactive; sometimes businesses are more proactive than national governments.

Regardless of the challenges, Europe is seen as a leader in the integration of renewables, grids and nature. What are some of the positive experiences that we have seen?

Some advances in planning and planning tools.

Identification of changes in land use; increasing good management of soil and water pollution; increasing experimental projects on the recyclability of materials moving towards a more circular approach to the production of grids (e.g. aluminum).

IVM is a great example; existing tools like MSP being mandatory is unique as a good step forward; Nature-inclusive design solutions (Princess Elisabeth Island, Tennent's fish hotels) have already seen some positive outcomes.

Nature integration becoming a competitive advantage is unique in Europe and a good sign of the progress made in the last years.

In sum:

Nature, renewables and grid and infrastructure need to go hand in hand, from a policy, a planning, a stakeholder engagement perspective and from a projects-on-the-ground perspective.

Need to further showcase good solutions and promote positive narratives on innovative projects implemented in Europe. It is possible to address both challenges in parallel and there are solutions! But we need to walk to talk and scale up piloted projects.

Need to quantify these positive results via tools that measure nature-positive contributions – for monitoring and transparency, but also for creating a competitive advantage for European industries.

Need to continue increasing collaborations and dialogue but also to further integrate stakeholders in these dialogues: national governments, energy ministries, and regulators should be involved.





A People-centred Energy Transition: Implementing the Pact for Engagement

PANEL KEYNOTE

Paul Kenny | Special Advisor to Minister Eamon Ryan, Irish Ministry for the Environment, Climate and Communications

The energy transition needs to be intentional, participatory, and solve problems. We need to invest more in people to engage (in capacity/resources) and listen to the local politicians who are close to the needs of the local communities.

A people-centred process needs to be implemented, ensuring we also deal with misinformation and the spillover of negative perspectives against renewable and grid infrastructure. Sharing information and creating a positive narrative, highlighting the benefits and the value of renewables for local communities can help us ensure a speedy and improved transition.

Eirgrid's campaign 'Shaping Our Electric Future' is a great example of getting close to people and listening to them – involving their voices and concerns in grid development.

PANEL DISCUSSION

- Moderator: Andrzej Ceglarz | Director Energy Systems, RGI
- Catharina Sikow-Magny | Director for Green Transition and Energy System Integration, DG Energy, European Commission
- Alan Croes | Convenor System Design Strategy, ENTSO-E
- Peter Vermaat | Secretary General, EU DSO Entity
- Andrea Wainer | Knowledge & Data Sustainability, REN21
- Sinead Dooley | Head of Public Engagement, EirGrid

Short description of the Pact for Engagement - more information here.

Involving different stakeholders has been central and improved the Ten-Year Network Development Plan (TYNDP) process in the current scenarios. We need to invest massively, as transparency and participation enhance ownership of the process. However, the binding deadlines and timelines pose a challenge on how to engage and when. How can we inform and involve stakeholders in time to deliver on the very challenging EU deadlines?

Permitting is key to acceleration. Early dialogues, including location and capacities, manage to speed up permitting. The EU DSO Entity is working on the feasibility of investments in the Action Plan for Grids, to support suppliers and for equipment to be produced faster and better. How do we prove to regulators that we need to ask the opinions of stakeholders and the benefits this brings?

EirGrid is happy to see the Pact for Engagement. The TSO has been working together with the Irish regulator to stress the need to engage and finally, the topic of engagement is in the spotlight. However, within and among organisations there is a false perception





that developing and deploying infrastructure would be faster if there was no stakeholder engagement.

Instead, EirGrid applies early engagement and collaboration, with the 'energy engagement roadshows' from when a potential project is identified – before physical deployment. 'Don't show two options, engage with people, get insights, explain constraints and the process, explain the difference in the cost – what and why you are planning to do and what's the people's role?' EirdGrid is working with ACER in developing a matrix based on its Community Benefit Fund, including how many lives were impacted, how many homes were retrofitted etc.

We need to work together with other TSOs to inspire also other TSOs across the EU. We need metrics on socio-economic impacts and benefits to be applied in all EU countries.

PAC scenario presented as a bottom-up approach for modelling a decarbonised energy system by 2040. The project has been created as a participative approach from NGOs working together. More information on pac-scenarios.eu/.

Community energies are needed not only for creating benefits on the generation side but also to raise awareness. Moreover, such an approach can support the system with demand-side flexibility.

We need political backup and to bring local authorities on board. Spend time on basic education increasing the capacities and competence of the ones involved. This will improve the outcome and increase acceptance. It is a bottom-up approach that necessitates education and support for people and civil society.

The Pact envisages stakeholder engagement as part of the investment plans – how? Indeed, it is not easy to monetise and quantify the benefits of stakeholder engagement because you do not know what the alternative would be. The European Commission worked with ACER and RGI, resulting in the Pact and showing willingness. The Commission will follow by having discussions, including with ENTSO-E.

Question from the public: This session brings together nature and citizens. We should get our hands on spatial planning, and we need to build a narrative.

We need to enhance integrated system planning. Stakeholder engagement is expensive but needed across all voltage levels. Why don't we develop a plan and show it to the regulators?

We need to involve citizens not only as energy consumers and leverage decentralisation because people inspire people!

The collaboration between TSO-DSO, municipalities and other stakeholders is improving. Indeed, we need to involve the local level to understand their impact at the system level, but also how they can benefit from flexibility. Many times, TSOs and DSOs





look at the same things so collaboration would be beneficial, especially since DSOs are much closer to citizens.

PANEL DISCUSSION

The Power of Collaboration - 15 Years of RGI

- Antonella Battaglini | CEO, RGI
- Olivier Feix | Corporate Development, 50Hertz
- Christoph Bals | Policy Director, Germanwatch (online)
- Ben Voorhorst | Former COO, TenneT

In 2009, we had different challenges: at that time there was a huge problem with social acceptance for the building of the necessary grids for the integration of renewables. In this context, Antonella started asking nasty questions – what don't you guys, NGOs and TSOs, talk to each other and try to collaborate?

- The dialogue between these two groups of stakeholders began at a pivotal moment where collaboration was fundamental to advance the energy transition in Europe.
- RGI was born aiming to ensure that the development of grid infrastructure was bearing in mind nature protection and local communities.
- Bringing this diverse group of stakeholders many years ago was a breakthrough, and now we are in a completely different place, experts, policymakers and many organisations recognise that nature and energy infrastructure need to go hand in hand and that engagement with local communities is fundamental.
- Back in 2009, we took the risk of sticking our necks for each other, TSOs for NGOs and NGOs for TSOs. We needed each other to move forward with the energy transition. It took time but we learned to trust each other, we learned to collaborate and today we have created a positive and strong narrative.

What should happen in the next 15 years? We need to continue this collaboration, to continue the work because there are still many challenges ahead. Many people in Europe are still on the side-lines, and we need to bring them along.

- The energy system and the energy transition are quite complex, and we still need organisations that bring society along and enable NGOs to be part of the dialogue and the discussion.
- There are still challenges concerning the grid connections, the harmony with nature and how to make the transition a real success story for the people.
- There is much to do also regarding heating, cooling, and transport sectors, although this is another story.
- Europe is in a fragile place and the need for organisations RGI is as relevant as it was 15 years ago.

Let's push further... Let's do better and create new collaborations where needed. Energy is what brought Europe together. Let's make sure that Energy doesn't break Europe in the next years.





More information about the event? Contact $\underline{nathalia@renewables-grid.eu}$ or access $\underline{linktr.ee/solidarity4grids}$.