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Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort

2nd European Grid Conference/Brussels

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Thank you very much for your invitation to the 2<sup>nd</sup> European Grid conference.

Let me thank the Renewables Grid Initiative (RGI) and the Smart Energy for Europe Platform (SEFEP) for having taken the initiative to organise this event in such a timely fashion.

I witnessed the signing of the "*European Grid Declaration on Electricity Network Expansion and Nature Conservation*" at the 1<sup>st</sup> European Grid conference last year and I am very pleased to be here again today with my colleague Commissioner Potočník. Our joint participation here today demonstrates that **environmental protection and grid development can and should go hand in hand**. And you grid companies and environmental organisations who decided that joining forces for renewable grids is the only way forward, know this better than anyone else!

I am very pleased to be able to announce that we have reached a breakthrough for modern energy infrastructure development. **We achieved an agreement on the regulation on Guidelines for trans-European energy infrastructure**. This new regulation can pave the way for a modern, pan-European network and brings us one step closer to the transition to a low carbon economy.

More concretely, the Infrastructure Regulation **identifies twelve priority corridors** and includes ways of identifying energy infrastructure projects, that can receive the label of "**projects of common interest**" or **PCI**. Projects of common interest will also be granted priority status at national level in the permit granting procedures.

**The regulation sets out a new method of trans-European infrastructure planning and** enhanced rules for transparency.

Finally, it introduces measures to shorten permit granting procedures.

For instance, the Dutch authorities have pushed the duration of the procedures down from 15 years to 6 years for certain projects. Similar efforts have been undertaken in the UK and in Ireland.

But given the urgency of developing energy infrastructures we have to be faster. **A time limit of around 4 years** will stimulate a more efficient definition and handling of procedures, without compromising the high standards for the protection of the environment and public participation.

Once the Infrastructure regulation enters into force, it is up to all of us to ensure its implementation together. Because the **challenge we face is unprecedented**.

The good news is: The way energy is generated, transported and stored is changing. Europe has seen quite impressive growth in renewables over the past years (from 4.5% growth per year in the last decade it should reach 6.3% in the period 2010-2020). Most Member States have in fact already reached their 2011/2012 interim targets as established in the 2009 Renewables Directive.

But that is only the beginning: **The share of renewable energy sources used to generate power is expected to nearly double from 19.5% today to around 35% in 2020**. The role of variable energy sources, such as wind and solar power is increasing. Over 40 GW of installed capacity are foreseen for offshore wind alone. This is an immense challenge for the grid, the energy supply in general and hence also our economies that rely on stable and reliable energy supply.

**Current infrastructure does not allow support of large scale deployment of renewable sources**. Everyone is in favour of more renewables, but not everyone knows that for this, the infrastructure has to be developed at the same pace: Electricity grids will have to cope with steadily increasing demand, with increasing

electrification of energy, changing demand patterns and increasingly variable supplies both from centralised production as well as from many small (decentralised) producers of renewable energy.

Nevertheless, the biggest challenge we face in the immediate future is investment. We are approaching a make-or-break point for Europe's ability to support energy infrastructure investment. Europe has to boost its support for energy infrastructure. For example: One region where we need to focus our effort is the North Sea, which is an area clearly identified in our Infrastructure Regulation:

Building the North Seas Offshore Grid is a case in point. It will make a significant contribution to Europe's future energy needs – secure electricity supply, free of carbon emissions, at an affordable price.

It will connect Europe with its greatest domestic energy resource, offshore wind. In the future, this will take a significant place in the production of electricity in Europe.

**Investing in grids for renewables is a win win:** It can also help us achieving the energy and climate change objectives we signed up as well as our goal to remove all remaining "energy islands" by creating a fully integrated and interconnected energy market in Europe by 2014.

We have to act now. From an investors' point of view, 2020 was yesterday and 2030 is tomorrow!

This is why we have established **rules and methods for trans-European Infrastructure planning**, because the infrastructure will increasingly have to be built across national borders.

The massive investments needed over the next decades (over one trillion Euro for energy generation and transport by 2020 for all of EU) against a background of low growth and recession in most EU countries calls for coordination of investments.

This is why the Commission has come up with the "**Connecting Europe Facility**", which proposes to allocate funds, using both financial instruments and grants in a flexible way and thereby ensuring optimal use of EU budget resources. **This is the very first time that the EU will co-finance the construction of large energy infrastructure from its regular budget.**

Our Regulation, together with the Connecting Europe Facility (CEF) will contribute to deliver on all the priorities. The Guidelines provide for an improved planning and a stronger focus on EU-wide priorities with a new way of identifying Projects which could be considered of Common Interest. I would like to give you some examples:

- CEF could finance innovative projects to store electricity;
- CEF could support an offshore grid in the Northern Seas to transport electricity produced by offshore wind parks to consumers;
- CEF will enable cross-border electricity interconnections, which increase security of supply in Europe, etc;

**Let me conclude with a few thoughts on public acceptance** – the theme of both last year's and this year's Grid Conference: Without the support of the public, we will not go ahead with our projects. A true and honest dialogue with the citizens in the EU, NGOs, the network operators, the regulators and the investors' community is needed.

The Commission intends to lead by example here: Consultation of stakeholders is a key part of the process.

- For example: last summer, a **public consultation** was launched on the initial list of projects that have been submitted to be considered as potential PCIs, and an Information day on the process of identification of PCIs took place. The purpose of this consultation was to engage directly with stakeholders and to allow their views to be heard in an early phase.

We want to make this process as transparent as possible. We want to learn from each other. This is why we are here today. Therefore we have to exchange **Lessons learned across Europe**.

Let me give you just a few examples of best practice cases on public participation in Europe:

- In the UK, the involvement of underrepresented groups and areas and target groups with specific needs is part of a stakeholder consultation;
- In France, the use of new and social media reaches out to a broader audience and accompanies the public debate on specific grid projects;
- and in my home country Germany, early engagement of the public already starts during the drafting of the grid development plan.

**Nevertheless**, a lot more will have to be done in terms of awareness-raising, communication and best-practice sharing! Costs and benefits of a project have to be explained. New ways of dialogue and enhanced cooperation among all stakeholders is inevitable for success. I therefore welcome the Renewables' grid Initiative publication on "Lessons learned across Europe". We can all learn from each other and avc

Therefore, I would like to express my appreciation to RGI for making an excellent contribution not just to energy infrastructure, but actually by building bridges between TSOs and civil society and showing us that dialogue can bring us further in the complex challenge of integrating European electricity.

Ladies and Gentlemen, I would like to invite you to continue our dialogue and give the floor to my colleague Commissioner Potočník. Thank you.