

Press release | Energy leaders debated legislation on long-term energy storage

26th January 2021

Gas Infrastructure Europe (GIE) hosted its first workshop of 2021 on *What legislation for long-term energy storage?* on Monday, 18th January. Torben Brabo, GIE President, and Daniel Fraile, Head of Market Intelligence at WindEurope, provided keynote speeches on the growing needs for long-term and large-scale energy storage. Chaired by Dr Axel Wietfeld, President of the European gas storages (GSE), the event has enabled to shed light on how to reconcile the gas and electricity legislations to adapt to these evolving market conditions.

Gathering more than 95 participants, this two-hour session was well attended with representatives from the European Commission, CEER, WindEurope, ENTSOG, Eurogas, Eurelectric, as well as the business community both from the gas and electricity sectors.

Torben Brabo, GIE President and CEO of Energinet gas TSO, highlighted: “*Long-term energy storages are a cornerstone of the decarbonisation and resilience of the energy system. There is currently no alternative to existing long-term energy storage capacities among available storage solutions – the electricity ones being limited in scale or only suited for short- or mid-term storage. We need to understand how gas storages can be integrated into the energy system, energy market and energy value chain*”.

The workshop built on the extensive work carried out by GIE members on the role and value of gas storage over the past four years. This time, the focus was on the findings of the latest study commissioned by GIE to Frontier Economics and Baker Botts on Elaborating concrete European legislative proposals on gas storages following the 33rd Madrid Forum. **Chloé Delecourt and Vikram Balachandar from Frontier Economics** presented this study in the first session, before some recommendations made by GIE.

Cécile Prévieu, GIE Board member and CEO of Storengy, commented: “*Thanks to the support of the consultants of Frontier Economics and Baker Botts, numerous lessons have been drawn from the electricity sector and allowed GIE to establish*

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three recommendations. First, ensuring a better coordinated network planning via a greater integration of all flexibility options (electricity, gas, hydrogen, etc.). Second, providing regulatory incentives to avoid increasing electricity capacity costs. Third, introducing government interventions if some residual gas storage market failures persist.”

The attendees also had the opportunity to electronically rank these proposals in terms of priority. Leigh Hancher from Baker Botts, who also played an active role in the study, invited an eclectic panel of experts to comment the poll results in the second session.

Dr Axel Wietfeld, GSE President and CEO of Uniper Hydrogen, concluded: *“The three recommendations and study findings provide an input for policymakers to address how to enhance energy system integration through the flexibility provided by long-term energy storage. With these appropriate and fair measures, we want to contribute to the upcoming European legislative process to further support an adequate and reliable supply in gas and electricity. The alignment that we see today among the panelists and attendees on our proposals is an excellent starting point. GIE will continue this dialogue with relevant parties and deliver on the regulatory aspects at the next Madrid Forum.”*

We invite you to read the [final report Elaborating concrete European legislative proposals on gas storage](#) by Frontier Economics and Baker Botts on the GIE website.

Who is GIE?

[Gas Infrastructure Europe \(GIE\)](#) is the association representing the interests of European gas infrastructure operators. GIE members are active in transmission, storage and regasification via LNG terminals of renewable and low-carbon gases, including natural gas and hydrogen. Gathering 70 industry entities from 26 European countries, GIE perfectly embodies the multiple transitional decarbonisation pathways of the EU regions. The association's vision is that by 2050, the gas infrastructure will be the backbone of the new innovative energy system, allowing European citizens to benefit from a secure, efficient and sustainable energy supply.