

SESSION I: THE ROLE OF GAS IN AN INCREASINGLY ELECTRIFIED WORLD

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Andrea Galieti Chair of the Eurogas Strategy Committee The main challenges of high electrification levels, considering the Paris climate agreement's target





What is gas able to deliver? Timely GHG reductions

- Short and Medium term: no volume constraints, immediate GHG reductions outplacing carbon intense fuels
- 2. Medium and long term: getting renewable, decarbonized and carbon negative. Growing contribution to GHG reductions. Important volume potential:





What is gas able to deliver? Security of Supply / Quality of Service

1. Available when & where necessary:

- Climate proof (weekly and seasonal)
- Very efficient infrastructures (network, storage, supply) already in place delivering excellent performances at low unit costs
- Well functioning internal market

2. Final uses, perfect partner:

- Gas heating appliances deliver also when heat pumps stop being efficient in colder weather
- High energy density, needed in transport sector

Gas is unavoidable to satisfy energy needs during anticyclonic winter periods





- Ecofys study underlines that overall savings at the EU level could achieve cost savings of €138 billion per year by 2050 (around 600€ / household / year)
- Poyry study states that zero carbon gas could fully decarbonize Europe's energy system by 2050 and save consumers €1150 billion
- Primes for Eurogas: for energy networks, electrification is found to be, €335
 billion more expensive than gas scenarios



Creating the low-carbon world of the future requires a pragmatic approach

Tapping into the **advantages of gas** and its innovation potential is the best way to create a safe, secure, sustainable and efficient energy system, **in favor of European citizens and industries**





...but the current gas market regulation is not fit for the future...

Recommendations for a future gas package:

- **EU binding targets** for the development of renewable and decarbonized gas
- Develop a European blueprint for **Guarantees of Origin** (GOs)
- Unlock value streams, reduce burdens, further develop a Europ. framework for support schemes
- Definition of the **roles and responsibilities** of market participants
- Enable the development of **carbon capture and storage** value chains
- □ Favour gasification and digestion over the incineration of **waste**
- Preserve strategic role of the gas infrastructures, and support their evolution to accommodate increased volumes of renewables and decarbonized gas
- Obligation for joint gas/electricity **infrastructure planning** to take an integrated system view
- Increased interaction of the gas system with the electricity system to deliver cost efficient solutions to growing flexibility and security of supply needs of electricity sector
- Establish a European assessment and guidance on life-cycle greenhouse gas (GHG) emissions and avoidance cost



Thank you for your attention!





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