



Council of the European Union  
General Secretariat

**Brussels, 24 July 2023**

**WK 10173/2023 INIT**

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## **CONTRIBUTION**

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From:	General Secretariat of the Council
To:	Working Party on Energy
Subject:	IT comments on potential TSO-DSO differentiation for hydrogen (WK 9414/23)

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Delegations will find in the annex the IT comments on potential TSO-DSO differentiation for hydrogen (WK 9414/23).

**IT answers on:**  
**Hydrogen & Gas Directive: potential TSO-DSO differentiation for hydrogen**  
**- Presidency steering note -**  
**WK 9414/2023 INIT**

We appreciate the effort done by the Presidency in this steering note: the approach proposed by the Presidency meets the position expressed up to now by Italy; we are in favor of separating the definitions of hydrogen TSO/DSO and recognizing a role for DSOs in the future hydrogen market; we are also in favor of a differentiated regulatory framework which provides for the ownership unbundling for the hydrogen TSOs, independently by the unbundling model adopted by the TSOs in the gas sector while a functional unbundling for the hydrogen DSOs.

It should be noted, however, that if the ownership unbundling model for the hydrogen TSO should be abandoned, Italy continues to support a non discriminatory approach between Member States, so that the envisaged regime (ITO or other) is the same for all Member States without any discrimination between operators based on the type of unbundling adopted by the gas TSOs.

**QUESTIONS TO MEMBER STATES**

1) Would you agree on defining separate categories for hydrogen transmission and distribution?  
**YES, we are in favour of differentiate the role of DSO and the hydrogen network.**

2) If yes, would you agree with the approach to define hydrogen networks, the definitions and criteria proposed in point 2.1? **YES, we are in favour of functional definitions of different transmission/distribution network; we only suggest some amendments that, in our view, helps in better distinguish the two networks; in particular, it seems to us that the addition of “hydrogen distribution network” describes a possible connection of the hydrogen transmission network; the deletion of “two or more” corresponds to the realistic possibility that the hydrogen transmission network will be connected only to one interconnection; then the addition of “domestic” better defines the type of customers served by the distribution network:**

*‘hydrogen transmission network’ means a network of pipelines for the transport of hydrogen of a high grade of purity, in particular, networks which include hydrogen interconnectors or infrastructure projects of common interest, or which are directly connected to hydrogen storage, hydrogen terminals, **hydrogen distribution networks** or ~~two or more~~ hydrogen interconnectors, or which do not primarily serve the purpose of supplying directly connected **domestic** customers.*

*‘hydrogen distribution network’ means a network of pipelines for the transport of hydrogen of a high grade of purity, which primarily serve the purpose of supplying directly connected **domestic** customers, and do not include hydrogen interconnectors or infrastructure projects of common interest, and are not directly connected to hydrogen storage, hydrogen terminals or two or more hydrogen interconnectors.*

3) Would you agree on the requirements applicable to hydrogen distribution and transmission networks as suggested under point 2.2? **We agree with the general setting suggested under point 2.2; we reserve the right to go into further detail on each requirement listed during the next**

**weeks, taking into account the importance of defining now the characteristics of the future hydrogen market.**

