



Council of the European Union  
General Secretariat

**Brussels, 02 March 2026**

**WK 3377/2026 INIT**

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## **CONTRIBUTION**

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**From:** General Secretariat of the Council  
**To:** Working Party on Energy

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**Subject:** TEN-E Regulation - NL comments (ST 5865/26)

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Delegations will find in the annex the NL comments on the TEN-E Regulation (ST 5865/26).

**Guidelines to be followed**

Please kindly provide your contributions in the table below.

**Drafting suggestions:** you may use '**track changes**'\* or formatting (for example **bold-underline** for additions and ~~strike-through~~ for deletions, **where necessary, in a different colour**). \*Track changes can only be connected once the cursor is placed in editable areas (Drafting or Comments columns).

To make it feasible to consolidate all contributions, the structure of the table must not be changed, so **no rows can be added or deleted**.

New provisions may only be added in any of the '**existing cells**'.

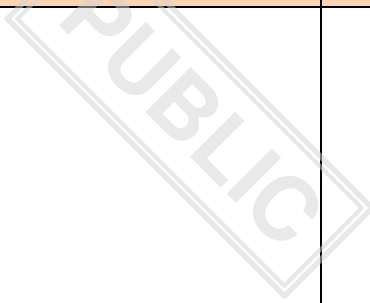
**Name of document:** please add the **two initials** of your delegation's country followed by a space (to the MS Word document name), followed by any optional text, for example, for Austria: **AT comments on ... .docx**

Thank you for your cooperation!

1st Presidency compromise text	Drafting suggestions	Comments
<b>General Comments</b>		General comments regarding Chapter I and Annexes I and II: Annex II (1) (e) introduces a new category in the field of electricity supporting the protection and resilience of important European infrastructure. We would like to ask for clarification on the scope of this provision and examples of measures falling under this category in order to be able to comment on this.
2025/0399 (COD)		
Proposal for a		

1st Presidency compromise text	Drafting suggestions	Comments
<b>REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL</b>		
<b>on guidelines for trans-European energy infrastructure, amending Regulations (EU) 2019/942, (EU) 2019/943 and (EU) 2024/1789 and repealing Regulation (EU) 2022/869</b>		
(Text with EEA relevance)		
THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,		
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 172 thereof,		
Having regard to the proposal from the European Commission,		
After transmission of the draft legislative act to the national parliaments,		

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<p>Having regard to the opinion of the European Economic and Social Committee <sup>1</sup>,</p> <p>_____</p> <p>1 OJ C , , p. .</p>		
<p>Having regard to the opinion of the Committee of the Regions<sup>2</sup>,</p> <p>_____</p> <p>2 OJ C , , p. .</p>		
<p>Acting in accordance with the ordinary legislative procedure,</p>		
<p>Whereas:</p>		
<p>(1) The Commission Communication of 26 February 2025 on the “Clean Industrial Deal”<sup>3</sup> sets out a joint roadmap for competitiveness and decarbonisation. Securing affordable energy is a key condition for the competitiveness of the Union industry, especially for energy-intensive sectors. Access to affordable energy is therefore a cornerstone of the Clean Industrial Deal as well as the Action Plan for Affordable Energy<sup>4</sup>. At the same time, decarbonisation policies are a powerful driver of growth when they are well integrated with industrial, competition, economic and trade policies as set out in the Commission Communication of 29 January 2025 on a</p>		

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<p>“Competitiveness Compass for the EU”<sup>5</sup>. With Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>6</sup>, the Union has set out an ambitious framework to become a decarbonised economy by 2050.</p> <hr/> <p>3 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 26 February 2025, “The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation” (COM(2025) 85 final).</p> <p>4 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 26 February 2025: “Action Plan for Affordable Energy - Unlocking the true value of our Energy Union to secure affordable, efficient and clean energy for all Europeans”, COM(2025) 79 final.</p> <p>5 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions of 29 January 2025, “A Competitiveness Compass for the EU” (COM(2025) 30 final).</p> <p>6 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate</p>		

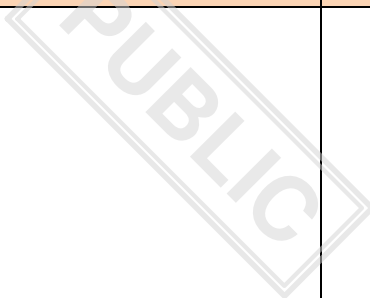
1st Presidency compromise text	Drafting suggestions	Comments
<p>Law') (OJ L 243, 9.7.2021, p. 1, ELI: <a href="http://data.europa.eu/eli/reg/2021/1119/oj">http://data.europa.eu/eli/reg/2021/1119/oj</a>).</p>		
<p>(2) As part of the ambition of Regulation (EU) 2021/1119, the binding Union level target for renewable energy for 2030 has been increased to 42.5 % renewable energy in the Union's energy mix by 2030, aiming for 45 %<sup>7</sup>, and the binding Union level target for energy efficiency has been made more ambitious, with a reduction of Union final energy consumption by 11.7 % by 2030, compared to 2020 projections<sup>8</sup>. With the intermediate target of at least 55 % net greenhouse gas (GHG) emissions reduction compared with 1990 levels by 2030 well on track, on 2 July 2025 the Commission proposed an amendment to Regulation (EU) 2021/1119<sup>9</sup> setting a Union climate target for 2040 of a 90 % reduction in net GHG emissions, compared to 1990 levels.</p> <hr/> <p>7 Directive (EU) 2023/2413 of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (OJ L, 2023/2413, 31.10.2023, ELI: <a href="http://data.europa.eu/eli/dir/2023/2413/oj">http://data.europa.eu/eli/dir/2023/2413/oj</a>).</p> <p>8 Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU)</p>		

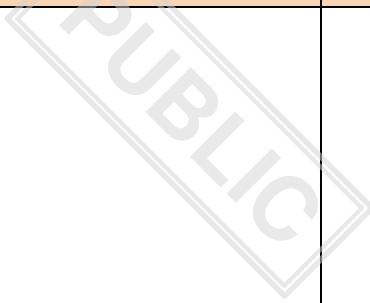
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<p>2023/955 (OJ L 231, 20.9.2023, p.1, ELI: <a href="http://data.europa.eu/eli/dir/2023/1791/oj">http://data.europa.eu/eli/dir/2023/1791/oj</a>).</p> <p>9 COM(2025) 524 final of 2 July 2025.</p>		
<p>(3) Infrastructure needs to be in place to support the Union energy transition in accordance with those targets, including rapid electrification, scaling up renewable and fossil fuel free electricity generation, the increased use of renewable and low-carbon gases, energy integration, <b><u>decrease energy isolation for non or very low interconnected systems</u></b> and a higher uptake of innovative solutions. Current investments in cross-border energy infrastructure are clearly insufficient to transform and build the energy infrastructure needed to support those targets and there is a substantial gap between our cross-border electricity infrastructure needs and the speed and level of infrastructure development at both the transmission and distribution grid level.<sup>10</sup> For electricity, about half of cross-border electricity needs for 2030 (41 of 88 GW) will remain unaddressed, and this gap is expected to increase the next decade. By 2040, cross-border electricity capacity needs will amount to 108 GW.<sup>11</sup> Increased investments in energy infrastructure are therefore necessary, and the Draghi report<sup>12</sup> pointed in particular to the need to rapidly increase the deployment of cross-border energy</p>		

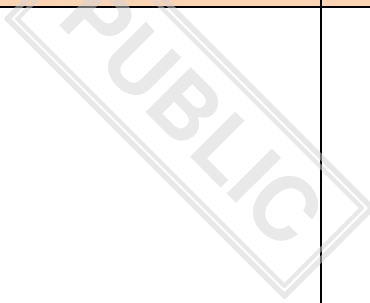
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<p>infrastructure to decarbonise Europe’s industry. In the Clean Industrial Deal<sup>13</sup> and the accompanying “Action Plan for Affordable Energy”<sup>14</sup>, the Commission underlined the crucial role of completing the Energy Union by investing in energy infrastructure and cross-border grids for safeguarding the competitiveness of Union industry and the prosperity of people as well as for the affordability and security of energy supply.</p> <hr/> <p>10 ACER (2024): Electricity infrastructure development to support a competitive and sustainable energy system (2024 Monitoring Report)</p> <p>11 ENTSO-E (2025), TYNDP 2024. Opportunities for a more efficient European power system by 2050. Infrastructure Gaps Report.</p> <p>12 M. Draghi (2025): “The future of European competitiveness”.</p> <p>13 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 26 February 2025, “The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation”, COM(2025) 85 final.</p> <p>14 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 26 February 2025, “Action Plan for Affordable Energy - Unlocking the true value of our Energy Union to secure affordable, efficient and</p>	<p style="text-align: center; opacity: 0.5; font-size: 48px; transform: rotate(-30deg);">PUBLIC</p>	

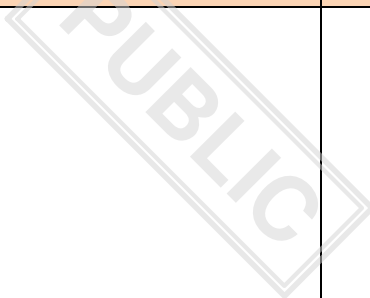
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clean energy for all Europeans” (COM(2025) 79 final).		
<p>(4) Regulation (EU) 2022/869 of the European Parliament and of the Council<sup>15</sup> laid down guidelines for the timely development and interoperability of priority corridors and areas of trans-European energy infrastructure in order to contribute to ensuring climate change mitigation in particular achieving the Union’s 2030 targets for energy and climate change and the climate neutrality objective by 2050 at the latest and to ensuring interconnections, energy security, market and system integration and competition that benefits all Member States, as well as affordability of energy prices. In particular, Regulation (EU) 2022/869 provides for the identification of projects of common interest and of projects of mutual interest, facilitates their implementation and determines the conditions for eligibility of those projects for Union financial assistance. However, given their cross-border nature, projects of common interest and projects of mutual interest not only create significant positive externalities and foster solidarity, but also entail specific challenges for project promoters, due to their multi-jurisdictional nature, coordination challenges and an often asymmetrical distribution of costs and benefits. They therefore continue to require a Union level framework.</p>		

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<p>15 Regulation (EU) 2022/869 of the European Parliament and of the Council of 30 May 2022 on guidelines for trans-European energy infrastructure, amending Regulations (EC) No 715/2009, (EU) 2019/942 and (EU) 2019/943 and Directives 2009/73/EC and (EU) 2019/944, and repealing Regulation (EU) No 347/2013 (OJ L 152, 3.6.2022, p. 45, ELI: <a href="http://data.europa.eu/eli/reg/2022/869/oj">http://data.europa.eu/eli/reg/2022/869/oj</a>).</p>		
<p>(5) While the objectives of Regulation (EU) 2022/869 remain largely valid, the current trans-European energy networks framework should be adjusted to fully reflect the expected changes to the energy system that will result from the new policy context and in particular the 2050 climate neutrality objective and the proposed intermediary target for 2040. In particular, there is a need for more integrated grid planning to support an increasingly interdependent and decentralised internal energy market, faster permit granting processes and to ensure the security and resilience of cross-border energy infrastructure to be adequately reflected in the revised trans-European energy networks framework. Besides the new political context and objectives, technological development has been rapid in the past decade.</p>		

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<p>That development should be taken into account in the energy infrastructure categories covered by this Regulation, the selection criteria for projects of common interest and projects of mutual interest as well as the priority corridors and areas. At the same time, the provisions of this Regulation should not affect a Member State's right to determine the conditions for exploiting its energy resources, its choice between different energy sources and the general structure of its energy supply, in accordance with Article 194 of the Treaty.</p>		
<p>(6) The implementation of the identified 13 trans-European energy infrastructure priority corridors and thematic areas is essential for the achievement of the Union's energy and climate targets including further market integration, energy security, the 2050 climate neutrality objective as well as affordability of energy prices. Those priorities cover investments in electricity transmission and storage, offshore grids for renewable energy, smart electricity grids, equipment and installation designed to ensure protection and resilience of existing critical network elements, hydrogen transmission, storage and terminals, electrolysers, and the transport and storage of carbon dioxide as well as monitoring, control and digitalisation equipment and installation essential for existing high-voltage networks of cross-border relevance.</p>		

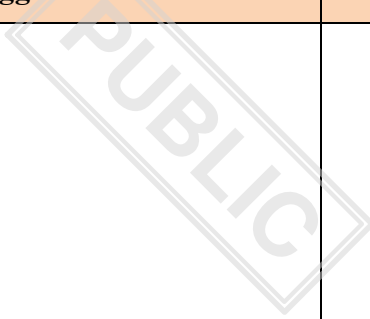
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<p>(7) The Union’s energy infrastructure should be upgraded in order to increase its resilience against natural or man-made disasters, adverse effects of climate change, deliberate hostile actions and threats to its security, in particular as regards European critical infrastructures pursuant to Directive 2022/2557 of the European Parliament and of the Council<sup>16</sup>.</p> <hr/> <p>16 Directive EU) 2022/2557 of the European Parliament and of the Council of 14 December 2022 on the resilience of critical entities and repealing Council Directive 2008/114/EC (OJ L 333, 27.12.2022, p. 164, ELI: <a href="http://data.europa.eu/eli/dir/2022/2557/oj">http://data.europa.eu/eli/dir/2022/2557/oj</a>).</p>		
<p>(8) In the current geopolitical context, it is important to ensure the uninterrupted flow of electricity across borders to ensure security of supply. This depends not only on the resilience of interconnectors between Member States, but also on the resilience of critical network elements. Therefore, this Regulation should introduce a new infrastructure category in the form of investments into equipment and installations directly connected to and designed to enhance the critical network elements’ resilience and protection. That new infrastructure category should cover critical network elements, as set out in Regulation (EU) 2019/943 of the European Parliament and of the</p>		

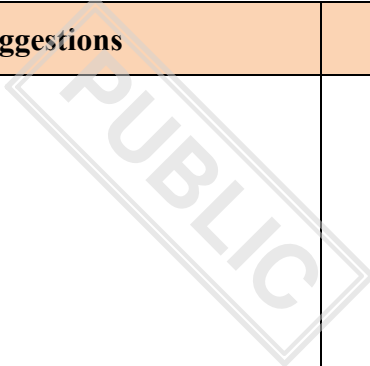
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<p>Council<sup>17</sup>, that support network security and supply security in accordance with the Member States' crisis scenarios and risk preparedness plans under Regulation (EU) 2019/941 of the European Parliament and of the Council<sup>18</sup>.</p> <hr/> <p>17 Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (OJ L 158, 14.6.2019, p. 54, ELI: <a href="http://data.europa.eu/eli/reg/2019/943/oj">http://data.europa.eu/eli/reg/2019/943/oj</a>).</p> <p>18 Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC (OJ L 158, 14.6.2019, p. 1, ELI: <a href="http://data.europa.eu/eli/reg/2019/941/oj">http://data.europa.eu/eli/reg/2019/941/oj</a>).</p>		
<p>(9) While foreign investment can bring benefits such as increased financing options for capital-intensive projects, it can also increase the Union's exposure to energy security related risks such as disruptions or reduced reliability of cross-border flows, in particular where such foreign investments originate from third countries with diverging geopolitical interests from the Union. Transparency regarding ultimate beneficiary ownership, including information on the ultimate investor and participation in the capital as set out in Regulation (EU) 2019/452 of the European</p>		

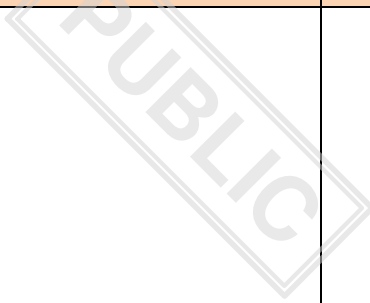
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<p>Parliament and of the Council<sup>19</sup>, of cross-border energy infrastructure and projects with a cross-border impact is therefore crucial to prevent the Union from becoming dependent on non-trusted third countries and should be taken into consideration when selecting projects of common interest and projects of mutual interest.</p> <hr/> <p>19 Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union (OJ L 79I, 21.3.2019, p. 1, ELI: <a href="http://data.europa.eu/eli/reg/2019/452/oj">http://data.europa.eu/eli/reg/2019/452/oj</a>).</p>		
<p>(10) To ensure cost-efficient and accelerated grid development and access to grids in the Union, non-wire solutions should play a prominent role in addressing system needs next to physical grid reinforcement, as they may be deployed faster and at lower costs. Deploying such technologies should be considered before investing in the expansion of grid infrastructure. To this aim, a new infrastructure category should cover investments in non-wire technologies and digital solutions, including software solutions, where they are deployed on existing critical network elements relevant for cross-border trade, and where bringing quantified benefits for market integration in terms of increasing cross-border capacity.</p>		

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<p>(11) A decarbonised gas and hydrogen legislative package was adopted with Regulation (EU) 2024/1789 of the European Parliament and of the Council<sup>20</sup> and Directive (EU) 2024/1788 of the European Parliament and of the Council<sup>21</sup> to set common rules at Union level for the transition to renewable and low-carbon gases. The infrastructure categories set out in this Regulation should be fully aligned with the objectives of that package and ensure that energy infrastructure projects have a significant cross-border impact. Where technically possible and most efficient, the possibility of repurposing existing infrastructure and equipment should be taken into account in the development of such projects.</p> <hr/> <p>20 Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (OJ L, 2024/1789, 15.7.2024, ELI: <a href="http://data.europa.eu/eli/reg/2024/1789/oj">http://data.europa.eu/eli/reg/2024/1789/oj</a>).</p> <p>21 Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC</p>	<p style="text-align: center; opacity: 0.5; font-size: 48px; transform: rotate(-30deg);">PUBLIC</p>	

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(OJ L, 2024/1788, 15.7.2024, ELI: <a href="http://data.europa.eu/eli/dir/2024/1788/oj">http://data.europa.eu/eli/dir/2024/1788/oj</a> ).		
(12) Regional groups (Groups) should be established for the purpose of proposing and reviewing projects of common interest and projects of mutual interest, leading to the establishment of regional lists of projects of common interest and projects of mutual interest. In order to ensure broad consensus, those Groups should include and ensure close cooperation between Member States, national regulatory authorities, project promoters and relevant stakeholders. In the context of that cooperation, national regulatory authorities should, where necessary, advise Groups, inter alia, on the feasibility of the national regulatory aspects of proposed projects and on the feasibility of the proposed timetable for regulatory approval.		
(13) In order to increase the efficiency of the network planning and project development processes, cooperation between the Groups should be strengthened. It is necessary that the Commission play an important role in facilitating that cooperation with a view to addressing the possible impact of projects developed within one region on other regions.		

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<p>(14) In order to complement the Groups, several regional cooperation fora have been established with the support of the Commission. Regional cooperation within and between the fora and the Groups is a key tool to ensure deeper integration of the European energy system. The four High-Level Groups cover different European regions also with the involvement of third countries: the Baltic Energy Market Interconnection Plan (BEMIP), the North Seas Energy Cooperation (NSEC), the High-Level Group on Interconnections for South-West Europe (SWE) and the High-Level Group for Central and South-Eastern European Energy Connectivity (CESEC). Regional cooperation in those fora has been successful in supporting monitoring and accelerating the implementation of key energy infrastructure projects of regional dimension and of market integration actions. Consequently, those regional cooperation fora should be increasingly deployed to support the achievement of the objectives of this Regulation.</p>		
<p>(15) A new Union list of projects of common interest and projects of mutual interest (“the Union list”) should be established every two years. Projects of common interest and projects of mutual interest that have been completed or that no longer fulfil the relevant criteria and requirements as set out in this Regulation should not appear on the subsequent Union list.</p>		

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<p>(16) Existing projects of common interest and existing projects of mutual interest that are to be included in the subsequent Union list should be subject to the same selection process for the establishment of regional lists and for the establishment of the Union list applied to proposed projects unless they have obtained an approval of the competent national regulatory authority or a final investment decision providing sufficient assurance of the construction of the projects or their construction is ongoing and they show sufficient progress in their annual report, in which case they should remain on the Union list.</p>		
<p>(17) Where existing projects of common interest and existing projects of mutual interest that are to be included in the following Union list are subject to the same selection process for the establishment of regional lists and for the establishment of the Union list applied to proposed projects, the administrative burden should be reduced to the extent possible, for example by using project information submitted previously in the assessment, if still up to date.</p>		
<p>(18) Projects of common interest and projects of mutual interest should comply with common, transparent and objective general and specific criteria in view of their contribution to the energy policy objectives. In order to be eligible for</p>		

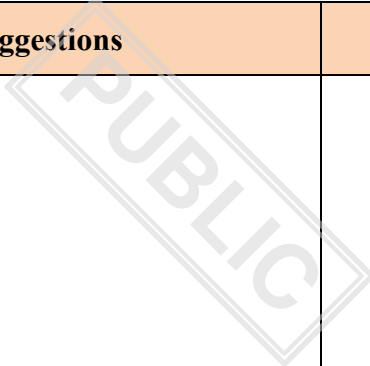
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<p>inclusion in the Union list, proposed electricity projects, with the exception of smart electricity grids and projects specifically designed to provide protection and resilience to existing critical network elements, should be part of the latest available Union-wide ten-year network development plan. Likewise, proposed hydrogen and electrolyser projects should be part of the latest available Union-wide ten-year network development plan.</p>		
<p>(19) Sustainability in terms of the integration of renewable energy sources into the grid or the reduction of greenhouse gas emissions, as relevant, is a key criterion for ensuring that trans-European energy networks policy is coherent with the Union's targets for energy and climate and the 2050 climate neutrality objectives, taking into account the specificities of each Member State in reaching the climate neutrality objective. To this end, sustainability is one of the assessment criteria to be applied for all project categories.</p>		
<p>(20) There is a growing need for stronger market integration and interconnectivity of the networks of the Union with those of the European Economic Area (EEA) and the Energy Community. Therefore, the benefits and costs of projects of mutual interest between a Member State and a country in the EEA or a Energy</p>		

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Community contracting party should be considered cumulatively for the Union and for the country concerned in the EEA or the contracting party concerned in the Energy Community.		
(21) The Union should facilitate infrastructure projects linking Union networks directly with third-country networks which are mutually beneficial and necessary for the energy transition and the achievement of the climate targets, and which also meet the specific criteria of the relevant infrastructure categories pursuant to this Regulation. To reinforce the focus on cross-border projects and to maintain complementarity with the Union's external policy, in the case of projects of mutual interest, the projects should directly connect a Member State with the first electricity network connection point or the first hydrogen or carbon dioxide connection point in the third country.		
(22) As regards projects of mutual interest related to electricity networks, only interconnection projects linking energy systems should be eligible, provided that their transfer capacity could be fully used for market exchanges. It is the responsibility of the respective transmission system operators (TSOs) to assess in advance the impacts of any projects on the grid security and stability in order to confirm that the		

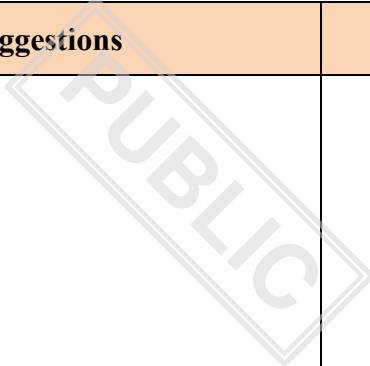
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project can be fully integrated into the electricity networks of the countries concerned.		
(23) It is necessary to ensure that projects of mutual interest, which are granted priority treatment, genuinely advance the Union's internal market, security of supply and climate neutrality objectives. Therefore, projects of mutual interest should be eligible for inclusion in the Union list only where the policy framework of a third country involved has a high level of convergence and is supported by enforcement mechanisms, and such projects demonstrate a contribution to the Union's and the third countries' overall energy and climate policy objectives in terms of security of supply and decarbonisation.		
(24) A high level of convergence of the policy framework should be presumed for the EEA or Energy Community contracting parties or can be demonstrated in case of other third countries through bilateral agreements that include relevant provisions on climate and energy policy objectives on decarbonisation and further assessed by the appropriate Group with the support of the Commission. In addition, the third country with which the Union cooperates in the development of projects of mutual interest should facilitate a similar timeline for accelerated implementation		

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and other policy support measures, as provided for in this Regulation.		
(25) The third country involved should ensure that the section of the project of mutual interest located in the third country and any additional investments necessary for the total benefits of the project of mutual interest to be implemented, such as internal grid reinforcements, are also treated as a priority and are timely deployed to ensure full use of the project.		
(26) In order to ensure that projects for the storage of carbon dioxide which involve third countries contribute to cross-border carbon dioxide transport and storage in a manner consistent with the Union's climate and environmental requirements, such projects should only be eligible if they are necessary for the functioning of cross-border transport and storage of carbon dioxide and where the third country maintains and effectively enforces an adequate legal framework. This legal framework in the third country should ensure the application of standards and safeguards that prevent carbon dioxide leaks and that guarantee the safety and effectiveness of the permanent storage of carbon dioxide for the protection of climate, human health and ecosystems. Those standards and safeguards should provide a level of protection at least equivalent to that laid down in		

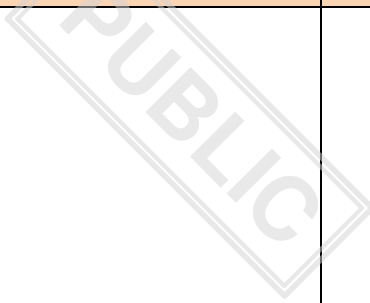
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<p>Union law. It should be presumed that the EEA or Energy Community Contracting Parties meet those standards and safeguards.</p>		
<p>(27) Projects of common interest and projects of mutual interest should be implemented as quickly as possible and should be closely monitored by the national competent authorities, the Agency and the Groups, while duly observing the requirements for stakeholder participation and environmental legislation and keeping the administrative burden for project promoters to a minimum. Particular attention should be paid to the assessment of risks as regards climate adaptation and as regards physical and cyber security, building where applicable on the requirements of Directive (EU) 2022/2557 with regard to the resilience of critical entities and the requirements of Directive 2022/2555 of the European Parliament and of the Council<sup>22</sup> with regard to measures for a high level of cybersecurity across the Union, and project promoters should report to the national competent authorities on the measures taken resulting from the risks assessed. Project promoters should also report on the compliance with environmental legislation and demonstrate that projects do ‘no significant harm’ to the environment within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council<sup>23</sup>. For existing projects of common interest having reached sufficient maturity, those</p>		

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<p>considerations should be taken into account during project selection for the subsequent Union list by the Groups.</p> <hr/> <p>22 Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive) (OJ L 333, 27.12.2022, p. 80, ELI: <a href="http://data.europa.eu/eli/dir/2022/2555/oj">http://data.europa.eu/eli/dir/2022/2555/oj</a>).</p> <p>23 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13, ELI: <a href="http://data.europa.eu/eli/reg/2020/852/oj">http://data.europa.eu/eli/reg/2020/852/oj</a>).</p>		
<p>(28) The Commission should have the possibility to nominate European coordinators for projects facing particular difficulties or delays, in order to facilitate the implementation of projects which encounter difficulties.</p>		
<p>(29) The permit-granting process should neither lead to administrative burdens which are disproportionate to the size or complexity of a</p>		

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project, nor create barriers to the development of the trans-European networks and market access.		
(30) Projects of common interest and projects of mutual interest should be given priority status at national level to ensure rapid administrative treatment and urgent treatment in all judicial and dispute resolution procedures relating to them.		
(31) Member States that currently do not attribute the highest possible national significance to energy infrastructure projects as regards the permit-granting process, are encouraged to consider introducing such a high national significance, in particular where this could lead to a quicker permit-granting process.		
(32) Member States that do not currently have in place accelerated or urgent judicial procedures applicable to energy infrastructure projects should be encouraged to consider introducing such procedures, in particular by evaluating whether that would lead to the quicker implementation of such projects.		
(33) Projects concerning hydrogen assets, electrolyser facilities and carbon dioxide assets contribute to energy and climate goals, including with regard to the need to accelerate the		

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<p>deployment of renewable energy and its integration in their energy mix. Therefore, all projects of common interest and projects of mutual interest concerning hydrogen, electrolyser facilities, and carbon dioxide assets should be considered to be of public interest from an energy policy perspective, and it should be possible for Member States to consider them as being of overriding public interest, except for cultural heritage and where there is clear evidence that those projects have significant adverse effects on the environment which cannot be mitigated or compensated for.</p>		
<p>(34) Due to their role integrating renewable energy assets, flexibility solutions, energy storage and electrification in general, electricity infrastructure projects are considered essential to reach climate neutrality. Therefore, until the Union climate neutrality target is achieved, such projects should be presumed to be of overriding public interest and to serve public health and safety where balancing competing legal interests, except for cultural heritage and where there is clear evidence that those projects have significant adverse effects on the environment which cannot be mitigated or compensated for, as provided for in Directive (EU) 2019/944 of the European Parliament and of the Council<sup>24</sup>.</p>		

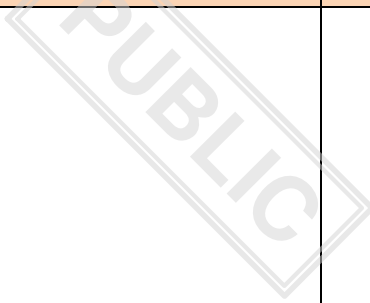
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<p>24 Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (OJ L 158, 14.6.2019, p. 125, ELI: <a href="http://data.europa.eu/eli/dir/2019/944/oj">http://data.europa.eu/eli/dir/2019/944/oj</a>).</p>		
<p>(35) Due to their importance to reach climate neutrality, and their strategic importance as projects on the Union list, it should be possible for Member States to allow for projects of common interest and projects of mutual interest concerning electricity<sup>25</sup> that have been expressly included in a National Development Plan which was subject to a strategic environmental assessment in accordance with Directive 2001/42/EC of the European Parliament and of the Council<sup>26</sup>, and, if it is likely to have a significant impact on Natura 2000 sites, to the appropriate assessment pursuant to Article 6(3) of Directive 92/43/EEC, to be exempted from environmental impact assessments under Directive 2011/92/EU, from assessments of their implications on species protection pursuant to Article 12(1) of Directive 92/43/EEC and to Article 5 of Directive 2009/147/EC, and from assessments of their implications for Natura 2000 sites. Such exemptions should be possible until climate neutrality is achieved.</p>		

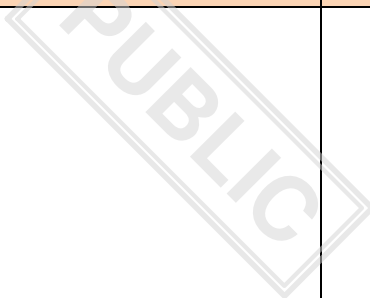
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<p>25 Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (<i>OJ L 26, 28.1.2012, p. 1</i>, ELI: <a href="http://data.europa.eu/eli/dir/2011/92/oj">http://data.europa.eu/eli/dir/2011/92/oj</a> <a href="http://data.europa.eu/eli/dir/2011/93/oj">http://data.europa.eu/eli/dir/2011/93/oj</a>).</p> <p>26 Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment (OJ L 197, 21.7.2001, p. 30, <a href="http://data.europa.eu/eli/dir/2001/42/oj">http://data.europa.eu/eli/dir/2001/42/oj</a>).</p>		
<p>(36) In order to mitigate any possible impact of such exemptions, following the screening Member States' competent authorities should ensure that appropriate and proportionate mitigation measures are applied, considering the use of the best available technologies. Where it is not possible to apply such mitigation measures, competent authorities should ensure that project promoters adopt appropriate compensatory measures to address those effects, which, if other proportionate compensatory measures are not available, may include the payment of monetary compensation for species protection programmes. In addition, where a project is likely to have significant negative effects on the environment of another Member State, the national competent authorities should</p>		

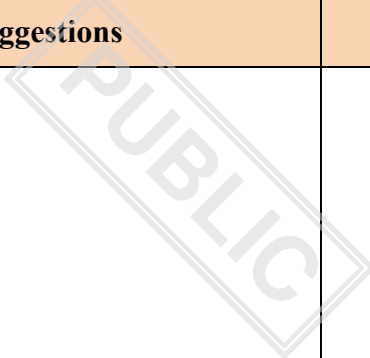
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ensure that the Member States concerned have cooperated to identify measures to avoid the significant impacts, or, where needed, to mitigate or compensate them.		
(37) In order to speed up the deployment of the trans-European energy network, the conditions for applying specific derogations as set out in Union environmental legislation should be clear. In particular, when assessing whether there are satisfactory alternative solutions to energy projects, the scope of such assessment should be limited to alternative solutions that ensure the achievement of the same objective within the same or similar timeframe and without resulting in significantly higher costs. When comparing the timeframe and the cost of satisfactory alternative solutions, the relevant authorities should be able to take into account the need to deploy projects of common interest and projects of mutual interest in an accelerated and cost-effective manner in accordance with the priorities set out in their integrated national energy and climate plans and updates thereof submitted to the Commission pursuant to Regulation (EU) 2018/1999.		
(38) Similarly, when applying the relevant derogation provided for in Directive 92/43/EEC, it is appropriate that the relevant authorities may, in justified cases and where it can be reasonably		

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<p>demonstrated that the plan or project would not irreversibly affect, before the measures are put into place, the overall coherence of the Natura 2000 network, the environmental integrity of the site is preserved and a high level of protection of the Natura 2000 sites is ensured, allow that compensatory measures are carried out in parallel with the implementation of the plan or project.</p>		
<p>(39) In order to reduce complexity, increase efficiency and transparency, and help enhance cooperation among Member States, Member States should ensure that there is one single competent authority responsible for facilitating and coordinating all permit-granting processes towards the issuing of a comprehensive decision, cooperating with other concerned authorities and national competent authorities of other Member States, acting as a sole point of contact for promoters mediating their contact with other authorities, and monitoring the development and delays of projects on the Union list.</p>		
<p>(40) To increase the efficiency of procedures, national competent authorities should also be responsible for ensuring that, for hybrid transmission and generation projects, the timeline for permitting aligns to all assets of the project in a manner that expedites the permit-granting process for the generation and transmission assets.</p>		

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<p>(41) In order to simplify and expedite the permit-granting process for projects on the Union list located in two or more Member States, a unique point of contact amongst the national competent authorities should be jointly designated by the Member States concerned. Having a single authority facilitating the process, and issuing the final comprehensive decision, should lighten the administrative burden for project developers and reduce complexity, increase efficiency and speed up the permit-granting process, especially where Member States provide for joint procedures with aligned timelines and assessments. To ensure effective cross-border cooperation, the Commission should focus on identified interconnection priority projects strengthening the coordination and monitoring of their implementation and permitting. For that purpose, the Commission should support Member States in identifying joint procedures for an effective and efficient permit-granting process.</p>		
<p>(42) Member States should be able to include in comprehensive decisions, where appropriate, decisions taken in the context of negotiations with individual landowners to grant access to, ownership of, or a right to occupy, property in the context of spatial planning, which determines the general land use of a defined region, including other developments such as highways, railways,</p>		

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<p>buildings and nature protection areas and which is not undertaken for the specific purpose of the planned project and granting of operational permits. In the context of the permit-granting process, a project of common interest should be able to include related infrastructure to the extent that it is essential for the construction or functioning of the project.</p>		
<p>(43) This Regulation, in particular the provisions on permit-granting, public participation and the implementation of projects of common interest, should apply without prejudice to Union and international law, including provisions to protect the environment and human health, and provisions adopted under the Common Fisheries Policy and Integrated Maritime Policy, in particular Directive 2014/89/EU of the European Parliament and of the Council<sup>27</sup>.</p> <hr/> <p>27 Directive 2014/89/EU of the European Parliament and of the Council of 23 July 2014 establishing a framework for maritime spatial planning (OJ L 257, 28.8.2014, p. 135, <a href="http://data.europa.eu/eli/dir/2014/89/oj">http://data.europa.eu/eli/dir/2014/89/oj</a>)</p>		
<p>(44) It is essential that stakeholders, including civil society, are provided with information and are consulted, in order to ensure the success of</p>		

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<p>projects and to limit objections to them. Despite the existence of established standards ensuring the participation of the public in environmental decision-making procedures, which apply fully to projects of common interest, additional measures should be required to ensure the highest possible standards of transparency and public participation in all relevant issues in the permit-granting process for projects of common interest. Where already covered by national rules under the same or higher standards as in this Regulation, the pre-consultation ahead of the permit-granting process should be optional and duplication of legal requirements should be avoided.</p>		
<p>(45) The correct and coordinated implementation of Directives 2001/42/EC and 2011/92/EU and, where applicable, of the United Nations Economic Commission for Europe Convention on access to information, public participation in decision-making and access to justice in environmental matters<sup>28</sup>, signed in Aarhus on 25 June 1998 (the ‘Aarhus Convention’), and of the Convention on environmental impact assessment in a transboundary context<sup>29</sup>, signed in Espoo on 25 February 1991 (the ‘Espoo Convention’), should ensure the harmonisation of the main principles for the assessment of environmental and climate effects, including in a cross-border context. The Commission has issued guidance to support</p>		

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<p>Member States to streamline the environmental assessment procedures for energy infrastructure and to ensure the coherent application of environmental assessment procedures required under Union law for projects of common interest.</p> <hr/> <p>28 OJ L 124, 17.5.2005, p. 4</p> <p>29 OJ C 104, 24.4.1992, p. 7</p>		
<p>(46) It is important to streamline and improve the permit-granting process, while respecting, to the extent possible and with due regard to the principle of subsidiarity, national competences and procedures for the construction of new energy infrastructure. Given the urgency of developing energy infrastructures, the simplification of the permit-granting process should set a clear time limit for the decision of the relevant authorities regarding the construction of the project. That time limit should stimulate an efficient definition and handling of procedures. This Regulation should establish maximum time limits. However, Member States can strive to achieve shorter time limits where feasible, in particular, as regards projects such as smart grids, which may not require as complex a permit-granting process as the one for transmission infrastructure.</p>		

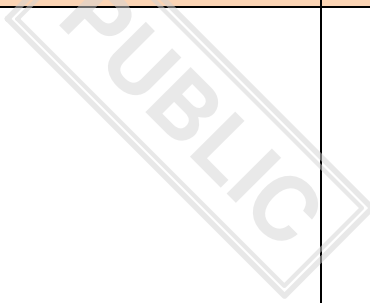
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<p>(47) The lack of resources of permit-granting authorities and the lack of digitalisation of permit-granting processes and data availability are bottlenecks slowing down permit-granting processes. Digitalisation and an appropriate use of artificial intelligence features are expected to speed up procedures and to increase efficiency of processes by allowing for faster handling of applications and increase transparency through improved access to information on procedural steps and requirements. However, digitalisation of permit-granting processes is lagging behind, with data often scattered across different competent authorities without unified digital processes or platforms, and without interoperability being ensured. That leads to lack of clarity on the status of the applications and hindering the identification of bottlenecks. Therefore, Member States should <del>set up</del> <b><u>make available</u></b> a digital <del>platform</del> <b><u>portal or portals</u></b> at national level for all the steps of the permit-granting processes for renewable energy, storage and grid projects so that the digitalisation of procedures is uniform, interoperable and transparent maximising its benefits in terms of speeding up the permit-granting process. Such <b><u>a portal or portals</u></b> <del>platforms</del> should enable project promoters to file applications and check their status, attribute them to the competent authorities, and allow authorities to process them by having access to all relevant data and information, without the need for</p>	<p style="text-align: center; opacity: 0.5; font-size: 48px; transform: rotate(-15deg);">PUBLIC</p>	

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<p>intermediate paper-based steps. In addition, such <u>a portal or portals</u> platform should allow for the extraction of statistics on the overall progress of permit-granting processes in Member States. Such <u>a portal or portals</u> digital platforms should rely on secure and interoperable means provided through European Digital Identity Wallets, in compliance with the requirements of Regulation (EU) No 910/2014, for natural persons and, in the future, with European Business Wallets, in compliance with [Regulation (EU) No XXX/20YY], for legal persons, for enabling electronic identification and authentication, signing or sealing of documents, submission of documents and sending or receiving notifications between competent authorities and economic operators.</p>		
<p>(48) The competent authorities should be responsible for ensuring compliance with the time limits established in this Regulation. Further, in line with the urgency to deploy energy infrastructures, and the strategic importance of projects of common interest and projects of mutual interest to achieve the Union’s energy and climate goals and to the extent that the concept of tacit approval exists under national law, Member States should ensure that the lack of a reply by the national competent authorities within the deadline set out in this Regulation, or a lack of a reply by an authority concerned within the deadline</p>		

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<p>established by the national competent authority, leads to the specific opinion, authorisation or permit being tacitly approved or answered positively, with the exception of environmental decisions, and that such conclusion is made public.</p>		
<p>(49) The permit-granting process should provide for two procedures, namely the optional pre-application procedure where the work towards a complete application file is delivered and accepted by the national competent authority, and the mandatory statutory permit-granting procedure between the acceptance of the file and the moment the authorities render a comprehensive decision. Within the pre-application phase national competent authorities should carry out a series of tasks. They should screen the project and notify the project promoter of what authorisations, studies, permits and assessments are required to complete the permit-granting process, including the environmental assessments and mitigation or compensation measures that should be deployed. They should define the scope and level of detail of the documentation identified in the screening conclusions, making sure that no subsequent documentation is to be requested from the project promoter save for where a material change has occurred to the project or its surrounding environment that renders the conditions and assumptions used to determine the scope non-applicable. They should draw up a detailed</p>		

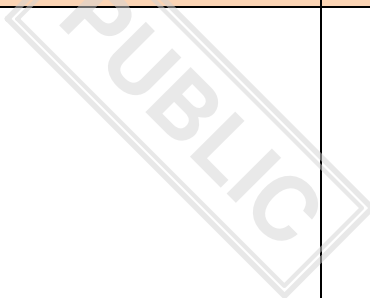
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<p>schedule for the permit-granting process. After receiving the draft application file, including all the preparatory documents, they should decide whether the file is deemed complete or requires the missing information in accordance with what was identified at the pre-application procedure.</p>		
<p>(50) Where it is considered efficient, the national competent authorities may design the permitting requirements for the permit-granting process and public consultations of a certain project to take place in phases, provided the permit-granting process is simplified and accelerated.</p>		
<p>(51) This Regulation should apply only to the granting of permits for projects of common interest and projects of mutual interest, public participation therein and the regulatory treatment of the projects. Member States should nevertheless be able to adopt national provisions to apply the same or similar rules to other projects that do not have the status of projects of common interest or projects of mutual interest within the scope of this Regulation.</p>		
<p>(52) The Union-wide ten-year network development plan process provides a solid basis for the identification of projects of common interest and projects of mutual interest. While the European Network of Transmission System</p>		

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<p>Operators for Electricity (ENTSO for Electricity), the European Network of Transmission System Operators for Gas (ENTSO for Gas), the European Network of Network Operators for Hydrogen (ENNOH) and TSOs continue to play an important role in the process, more streamlining and steering is required, in particular as regards defining the scenarios for the future, identifying long-term infrastructure gaps and energy infrastructure bottlenecks and addressing those gaps with most adequate solutions, to increase the political weight, pertinence and robustness of the process. Therefore, the Agency and the Commission should have an increased role in the process for drawing up the Union-wide ten-year network development plans pursuant to Regulations (EU) 2019/943 and (EU) 2024/1789.</p>		
<p>(53) Considering that the selected scenario and its underlying assumptions play a major role in the Union-wide network development planning process, the Commission should play a central role in defining it. That should help streamline the inputs and ensure better compliance with the Union’s policy targets. It is also appropriate for the Union-wide ten-year network development plans to be based on one central scenario, with possible sensitivity analyses to the scenario in case of change of external conditions, because the main purpose of the scenario is to provide a common basis for the assessment of the infrastructure gaps</p>		

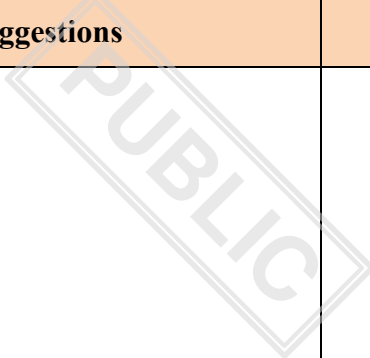
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<p>and benefits of candidate projects of common interest and project of mutual interest. The increased importance of the central scenario requires close involvement of the ENTSO for Electricity, the ENNOH, and the ENTSO for Gas, the Member States and the Agency to ensure that relevant data and information is provided, and that the scenario is aligned with national developments. The Stakeholder Reference Group should continue providing coordinated stakeholder input and advice on scenario development.</p>		
<p>(54) The process of identifying infrastructure needs should play a stronger role in guiding planned infrastructure investments. Compared to current practice, the process should be broader and consider more thoroughly cross-sectoral links and non-wire solutions, in order to clearly identify what solutions best serve the energy system in achieving the energy and climate goals. The Agency should be more involved in setting the framework for the process and its verification to increase acceptance of the subsequent solutions necessary to address the gaps. The Agency should develop methodologies for the process of identifying infrastructure needs to be conducted by the ENTSO for Electricity and the ENNOH in order to ensure that the outcomes are sufficiently robust and in accordance with the principles set out in this Regulation. The ultimate endorsement of the needs identification report by the decision-</p>		

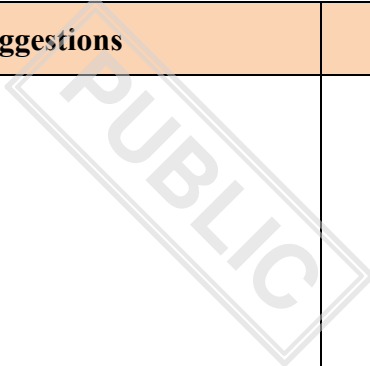
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making body of the TEN-E Group should be a strong signal to project promoters where the possible projects are needed.		
<p>(55) Making the process of identifying infrastructure needs more comprehensive and granular should enable better matchmaking of planned projects with the needs for transmission capacity expansion. It should also enable a follow-up process leading to identifying new solutions which could address unmatched needs. TSOs should be the primary entity to suggest possible projects to address the gaps, but alternative solutions coming from other stakeholders should also be considered. Therefore, a needs matching process should be an outcome of regional cooperation and involve relevant stakeholders in the discussions. The central role of the Commission in the process should enhance regional cooperation and involvement of Member States, national regulatory authorities, project promoters and other relevant stakeholders in the effort to come up with the most adequate projects, be it non-wire or infrastructure solutions to match any possible unaddressed needs. As a last resort, the Commission should have the right to launch a call for proposals to overcome insufficient progress in addressing persisting gaps. It should be ensured that eligible projects are included as soon as possible in the subsequent national development plans, Union-wide ten-year network development</p>		

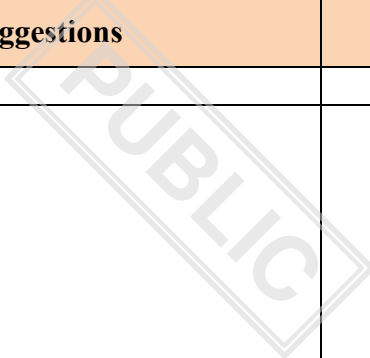
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<p>plan and the Union list <b><u>following the applicable procedures.</u></b></p>		
<p>(56) An energy system-wide cost-benefit analysis is necessary to ensure that infrastructure planning reflects the evolving needs of an integrated and decarbonised system, by consistently assessing all relevant costs and benefits in order to identify the most efficient solutions for achieving Union energy and climate objectives. Non-wire solutions, such as dynamic line and transformer rating, advanced power flow control systems or digital twin platforms should play a greater role in addressing network needs both in operational and expansion terms and should therefore also be covered by the energy system wide cost-benefit analysis.</p>		
<p>(57) The Union-wide ten-year network development plan should provide a comprehensive overview of planned infrastructure projects having cross-border impacts in the Union. Non-wire and flexibility solutions should form an intrinsic part of the plan so that it provides a full picture of future investments necessary for optimal operation of the electricity and hydrogen networks. A specific consideration should also be given to projects improving security and resilience of the network.</p>		

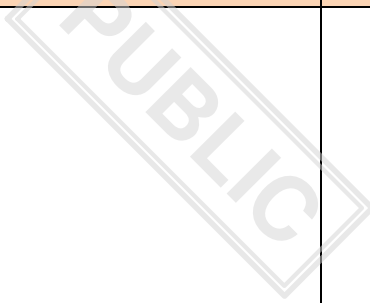
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<p>(58) In carrying out their tasks preceding the adoption of the Union-wide ten-year network development plans, the ENTSO for Electricity and the ENNOH, the Agency and the Commission should conduct an extensive consultation process involving all relevant stakeholders. Those stakeholders should include the European entity for the cooperation of electricity distribution system operators in the European Union, associations involved in electricity, gas and hydrogen markets, heating and cooling, carbon capture and storage and carbon capture and utilisation stakeholders, independent aggregators, demand-response operators, organisations involved in energy efficiency solutions, industrial sectors including transport, digitalisation, and data, as well as energy consumer associations, the European Scientific Advisory Board on Climate Change and civil society representatives, as relevant. The Stakeholder Reference Group has proven to be an effective forum of stakeholder cooperation and its further contribution to the Union wide ten-year network development plan should be supported. The consultation should be open and transparent and should be organised in a timely manner to allow for stakeholders' feedback in the preparation of key phases of the Union-wide ten-year network development plans, such as infrastructure gaps identification and the cost-benefit analysis methodology for project assessment. The ENTSO for Electricity and the ENNOH should give due consideration to the input received from</p>		

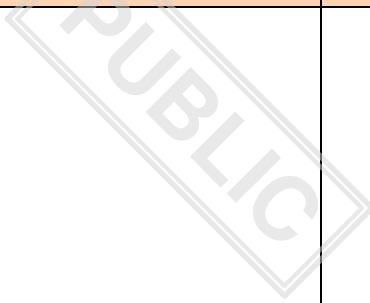
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<p>stakeholders during consultations and should explain how they took that input into account when submitting final proposals.</p>		
<p>(59) Energy infrastructure planning should properly reflect sector coupling and cross-linkages between energy carriers. The scenarios' development, the process of identifying infrastructure needs and the methodologies for cost-benefit analysis should be based on an integrated, long-term and optimised 'one energy system' approach and modelling which uses common assumptions and consistent methodologies. Greater coordination of infrastructure planning across sectors should help prioritise and deploy new infrastructure solutions in a more optimal manner.</p>		
<p>(60) The importance of ensuring that only infrastructure projects for which no reasonable alternative solutions exist may receive the status of project of common interest or project of mutual interest also entails that the 'energy efficiency first' principle should be taken into account in the energy infrastructure planning and in the work of the regional groups in establishing the regional lists of proposed projects. In accordance with the energy efficiency first principle, all relevant alternatives to new infrastructure for ensuring future infrastructure needs, should be considered.</p>		

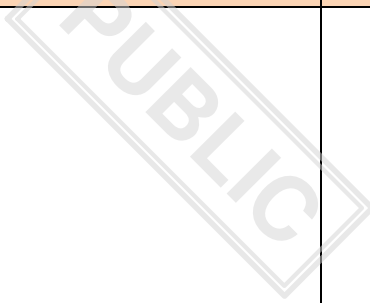
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<p>Special consideration should be given to non-wire or digital solutions, use of demand response or non-fossil flexibility, which could improve overall efficiency of the networks. To this aim, these solutions should be considered with priority by system operators when assessing projects for system expansion. A cost-efficient utilisation of networks should also be incentivised, notably through the use of locational and time-of-use price signals in network charges and support schemes.</p>		
<p>(61) To achieve the Union’s 2050 climate neutrality objective, the Union needs to significantly scale up renewable electricity generation. Investment in offshore renewable energy should be increased with the aim of reaching at least 350 GW of offshore renewable generation installed in accordance with the cumulative non-binding regional Member States offshore renewable goals updated in December 2024 and supported in the Commission Communication of 24 October 2023 entitled ‘Delivering on the EU offshore renewable energy ambitions’<sup>30</sup>. The first Offshore network development plans (ONDPs) published by the ENTSO for Electricity in January 2024 made an important step forward by anchoring Member States offshore regional ambitions in offshore network planning. That should support the identification of cross-border offshore renewable projects, including hybrids and cross-border</p>		

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<p>radials, to ensure an optimized and cost-efficient development of offshore networks at sea-basin level. The strategic long-term logic included in the ONDPs should be extended to onshore electricity grids, as well as hydrogen networks.</p> <hr/> <p>30 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 24 October 2023, Delivering on the EU offshore renewable energy ambitions (COM(2023) 668 final).</p>		
<p>(62) The assessment of the benefits and costs of the priority offshore grid corridors for renewable energy should support Member States to carry out a preliminary cost-sharing analysis at priority offshore grid corridor level, in order to underpin the subsequent joint political commitments for cross-border offshore grid projects. The Commission guidance on collaborative investment frameworks for offshore projects of 27 June 2024 should inform the assessment of the benefits and costs of the priority offshore grid corridors for renewable energy and may be updated by the Commission, with the involvement of the Member States, relevant TSOs, the Agency and the national regulatory authorities, when considered relevant.</p>		

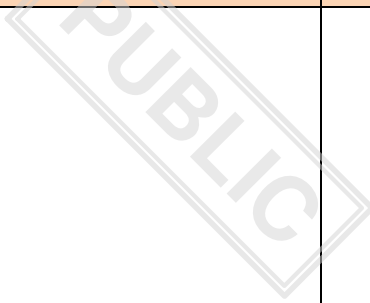
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<p>(63) The costs of the development, construction, operation and maintenance of projects of common interest should in general be borne by the users of the infrastructure. The cost allocation should ensure that end-users are not disproportionately burdened, especially where that could lead to energy poverty. Projects of common interest should be eligible for cross-border cost allocation where an assessment of market demand, or of the expected effects on tariffs, indicates that costs cannot be expected to be recovered by the tariffs paid by the infrastructure users.</p>		
<p>(64) In an increasingly interconnected internal energy market, clear and transparent rules for cross-border cost-allocation are necessary in order to accelerate investment in cross-border infrastructure and in projects with a cross-border impact. As cross-border energy infrastructure becomes more integrated, more projects deliver benefits beyond the territories where they are built. That makes fair and transparent cost-sharing essential to avoid disproportionate burdens on local consumers. The discussion on the appropriate allocation of costs should be based on the analysis of the costs and benefits of an infrastructure project carried out on the basis of a harmonised methodology for energy-system-wide analysis, using the central scenario and any sensitivity analysis established for the purpose of the Union-</p>		

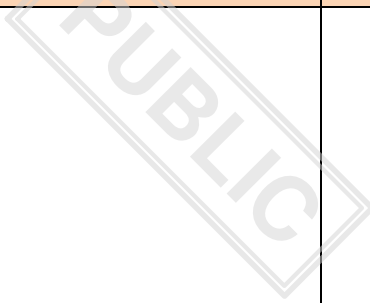
1st Presidency compromise text	Drafting suggestions	Comments
<p>wide ten-year network development plans prepared pursuant to Regulations (EU) 2019/943 and (EU) 2024/1789, allowing for a robust analysis of the contribution of the project of common interest or mutual interest to the Union energy policies of decarbonisation, market integration, competition, sustainability and security of supply. Member States and national regulatory authorities in which at least 10 % of the benefits of a project are located should participate in discussions on cost allocation to ensure that the project can be implemented and its benefits delivered. Furthermore, cross-border cost allocation agreements should consider ex-post arrangements to ensure fair and proportionate participation of non-host countries, provided that such adjustments are clearly defined and structured in a way that safeguards investment certainty.</p>		
<p>(65) It is essential to ensure a stable financing framework for the development of projects of common interest while minimising the need for financial support, and at the same time to encourage interested investors, with appropriate incentives and financial mechanisms. In deciding on cross-border cost-allocation, national regulatory authorities should allocate efficiently incurred investment costs, as relevant in view of their national approaches and methodologies for similar infrastructure, across borders in their entirety and include them in the national tariffs. Afterwards, where relevant, national regulatory authorities</p>		

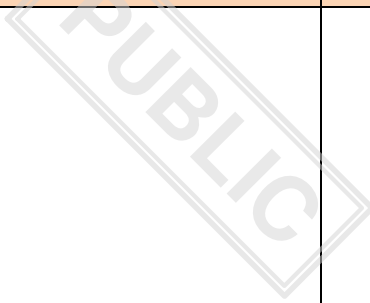
1st Presidency compromise text	Drafting suggestions	Comments
<p>should determine whether their impact on national tariffs could represent a disproportionate burden for consumers in their respective Member States. The national regulatory authorities should avoid the risks of double support for projects by taking into account actual or estimated charges and revenues. Those charges and revenues should be taken into account only in so far as they relate to the projects and are designed to cover the costs concerned.</p>		
<p>(66) To facilitate discussions on cost-sharing between the relevant Member States and third countries a possibility of bundling projects of common interest and projects of mutual interest should be provided. By allowing groups of Member States to treat a project bundle as mutually beneficial, win-win solutions can be fostered, risks and transaction costs in negotiations reduced, and the likelihood of implementation can be increased. Additional support at Union level, for example through the Connecting Europe Facility, or at regional level using congestion income, could further facilitate such agreements and promote the timely delivery of priority infrastructure.</p>		
<p>(67) Regulation (EU) 2019/943 lays down, in Article 19(2), three priority objectives for the use of revenues resulting from the allocation of cross-</p>		

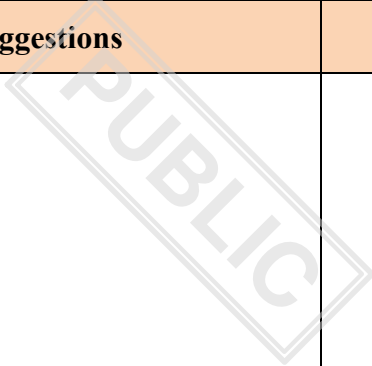
1st Presidency compromise text	Drafting suggestions	Comments
<p>zonal capacity, namely: (a) guaranteeing the actual availability of the allocated capacity, including firmness compensation; (b) maintaining or increasing cross-zonal capacities through the optimisation of existing interconnectors or by covering costs resulting from network investments relevant to reducing interconnector congestion; and (c) compensating offshore renewable electricity generation plant operators in the circumstances set out therein. TSOs should ensure that all three priority objectives are fulfilled, including the objective in point (b). In order to facilitate the financing of projects of common interest and projects of mutual interest that reduce interconnector congestion and to bring predictability and transparency to discussions on cross-border cost allocation decisions pursuant to Article 16 of this Regulation, it is appropriate to require TSOs to set aside a limited share of congestion income for such investments. That requirement is without prejudice to the responsibility of TSOs to decide on funding priorities, under the supervision of regulatory authorities and in accordance with the methodology approved pursuant to Article 19(4) of Regulation (EU) 2019/943. That requirement should not apply where it can be demonstrated that there is no need for additional cross-border capacity to be built at the borders of the Member State concerned.</p>		

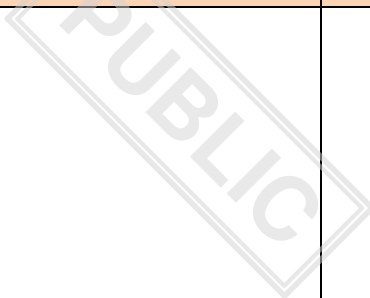
1st Presidency compromise text	Drafting suggestions	Comments
<p>(68) Where there is no TSO in a Member State, the references to TSOs throughout this Regulation should apply mutatis mutandis to distribution system operators (DSO).</p>		
<p>(69) The internal energy market legislation requires that tariffs for access to networks provide appropriate incentives for investment. However, several types of projects of common interest are likely to have externalities that might not be fully captured in, and recovered through, the regular tariff system. In applying the internal energy market legislation, national regulatory authorities should ensure a stable and predictable regulatory and financial framework with incentives for projects of common interest, including long-term incentives, that are commensurate with the level of specific risk of the project. That framework should apply in particular to cross-border projects, innovative transmission technologies for electricity allowing for the large scale integration of renewable energy, of distributed energy resources or of demand response in interconnected networks, and energy technology and digitalisation projects, which are either likely to incur higher risks than similar projects located within one Member State or which promise higher benefits for the Union. Moreover, projects with high operational expenditure should also have access to appropriate incentives for investment. In particular, offshore grids for renewable energy, which serve the dual</p>		

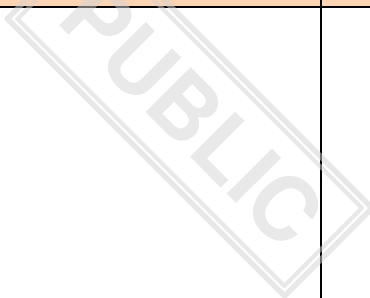
1st Presidency compromise text	Drafting suggestions	Comments
<p>functionality of electricity interconnectors and connecting renewable offshore generation projects, are likely to incur higher risks than comparable onshore infrastructure projects, due to their intrinsic connection to generation assets which brings regulatory risks, financing risks such as the need for anticipatory investments, market risks and risks pertaining to the use of new innovative technologies.</p>		
<p>(70) Regulation (EU) 2022/869 has demonstrated the added value of leveraging private funding through significant Union financial assistance to allow the implementation of projects of Union significance. In the light of the economic and financial situation and budgetary constraints, targeted support should continue under the multiannual financial framework, also with a view to de-risking projects and crowding in private investment, in order to maximise the impact of public funding and its benefits to Union citizens and to attract new investors into the energy infrastructure priority corridors and areas set out in Annex I to this Regulation, while keeping the budgetary contribution of the Union to a minimum.</p>		
<p>(71) Projects of common interest should be eligible for Union financial assistance for studies and, under certain conditions, for works pursuant to Regulation (EU) 2021/1153 of the European</p>		

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<p>Parliament and of the Council<sup>31</sup> in the form of grants or innovative financial instruments to ensure that tailor-made support can be provided to those projects of common interest which are not viable under the existing regulatory framework and market conditions. It is important to avoid any distortion of competition, in particular between projects contributing to the achievement of the same Union priority corridor. Such financial assistance should ensure the necessary synergies with other Union funds available for financing smart energy distribution networks, and with the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294<sup>32</sup>.</p> <hr/> <p>31 Regulation (EU) 2021/1153 of the European Parliament and of the Council of 7 July 2021 establishing the Connecting Europe Facility and repealing Regulations (EU) No 1316/2013 and (EU) No 283/2014 (OJ L 249, 14.7.2021, p. 38, <a href="http://data.europa.eu/eli/reg/2021/1153/oj">http://data.europa.eu/eli/reg/2021/1153/oj</a>).</p> <p>32 Commission Implementing Regulation (EU) 2020/1294 of 15 September 2020 on the Union renewable energy financing mechanism (OJ L 303, 17.9.2020, p. 1, <a href="http://data.europa.eu/eli/reg_impl/2020/1294/oj">http://data.europa.eu/eli/reg_impl/2020/1294/oj</a>).</p>		
(72) A three-step logic should apply to investments in projects of common interest. First,		

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<p>the market should have the priority to invest. Second, where investments are not made by the market, regulatory solutions should be explored, the relevant regulatory framework should be adjusted where necessary, and the correct application of the relevant regulatory framework should be ensured. Third, where the first two steps are not sufficient to deliver the necessary investments in projects of common interest, it should be possible to grant Union financial assistance where the project of common interest fulfils the applicable eligibility criteria.</p>		
<p>(73) Projects of common interest and projects of mutual interest should not be eligible for Union financial assistance where the project promoters, operators or investors are in one of the situations of exclusion referred to in Article 138 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council<sup>33</sup>, such as in cases of a conviction for fraud, corruption or conduct related to a criminal organisation. It should be possible to remove a project of common interest from the Union list if its inclusion in that list was based on incorrect information which was a determining factor for that inclusion, or if the project does not comply with Union law. For a project of common interest located in the Member States benefiting from a derogation under this Regulation, those Member States should ensure, when supporting any applications for financing</p>		

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<p>pursuant to Regulation (EU) 2022/869 for such projects, that the projects do not benefit directly or indirectly persons or entities that are in one of the situation of exclusion as referred to in Article 138 of Regulation (EU, Euratom) 2024/2509.</p> <hr/> <p>33 Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, <a href="http://data.europa.eu/eli/reg/2024/2509/oj">http://data.europa.eu/eli/reg/2024/2509/oj</a>).</p>		
<p>(74) Grants for works related to projects of mutual interest should be available under the same conditions as for projects of common interest where they contribute to the Union’s overall energy and climate policy objectives and where the decarbonisation objectives of the third country are consistent with the Paris Agreement.</p>		
<p>(75) The Union should facilitate energy projects in disadvantaged, less connected, peripheral, outermost or isolated regions to enable access to the trans-European energy networks in order to accelerate the decarbonisation process and reduce dependency on fossil fuels.</p>		

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<p>(76) In accordance with the European Council conclusions of 4 February 2011 that no Member State should remain isolated from the European gas and electricity networks after 2015 or see its energy security jeopardised by lack of the appropriate connections, this Regulation aims to ensure access to the trans-European energy networks by ending the energy isolation of Cyprus and Malta, that are still not interconnected to the trans-European gas network. That objective should be attained by allowing projects under development or planning that have been granted the status of project of common interest under Regulation (EU) 2022/869 to maintain their status until Cyprus and Malta are interconnected to the trans-European gas network or until 31 December 2029, whichever is earliest. Apart from contributing to the development of the renewable energy market, the flexibility and resilience of the energy system, and the security of supply, those projects would ensure access to future energy markets, including hydrogen, and contribute to achieving the Union's overall energy and climate policy objectives.</p>		
<p>(77) To ensure consistency of proposed changes under this Regulation with the Union framework on electricity, gases and hydrogen markets, corresponding amendments are proposed to Articles 3 and 11 of Regulation (EU) 2019/942 of the European Parliament and of the Council<sup>34</sup>,</p>		

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<p>Article 48 of Regulation (EU) 2019/943 and Articles 60 and 61 of Regulation (EU) 2024/1789. Those amendments relate to the use of the central scenario in the Union-wide ten-year network development plan, consideration of non-wire solutions and other alternatives to system expansion and clarifying the time scope of the plans. Those Regulations should therefore be amended accordingly.</p> <hr/> <p>34 Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators (OJ L 158, 14.6.2019, p. 22, ELI: <a href="http://data.europa.eu/eli/reg/2019/942/oj">http://data.europa.eu/eli/reg/2019/942/oj</a>.)</p>		
<p>(78) In order to ensure the timely development of essential energy infrastructure projects for the Union, the third Union list of projects of common interest and projects of mutual interest should remain in force until the first Union list of projects of common interest and projects of mutual interest established pursuant to this Regulation enters into force. Moreover, to enable the development, monitoring and financing of the projects of common interest on the third Union list pursuant to the Regulation (EU) 2022/869, certain provisions of Regulation (EU) 2022/869 should remain in force and produce effects until the entry into force</p>		

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of the first Union list of projects of common interest and projects of mutual interest established pursuant to this Regulation.		
(79) In order to ensure that the Union list is limited to projects which contribute the most to the implementation of the strategic energy infrastructure priority corridors and areas set out in Annex I to this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in order to amend the annexes to this Regulation so as to establish and review the Union list, while respecting the right of the Member States to approve projects on the Union list related to their territories.		
(80) The power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission to develop the central scenario, which is a basis for the Union-level network planning.		
(81) The power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission to specify the conditions under which TSOs may use congestion income and the conditions under which the objective of Article		

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19(2), point (b), of Regulation (EU) 2019/943 is considered adequately fulfilled.		
<p>(82) It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making<sup>35</sup>. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.</p> <hr/> <p>35 Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1, ELI: <a href="http://data.europa.eu/eli/agree_interinstit/2016/512/oj">http://data.europa.eu/eli/agree_interinstit/2016/512/oj</a>).</p>		
<p>(83) The discussions in the Groups are instrumental for the Commission to adopt the delegated acts establishing the Union list. Therefore, it is appropriate that, to the extent possible, the European Parliament and the Council</p>		

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<p>are informed about the results, and may send experts to the meetings of Groups in accordance with the Interinstitutional Agreement of 13 April 2016 on Better Law Making. Taking into account the need to ensure the achievement of the objectives of this Regulation and, in view of the number of projects on Union lists so far, the total number of projects on the Union list should remain manageable and therefore should not significantly exceed 220.</p>		
<p>(84) Therefore, Regulations (EU) 2019/942, (EU) 2019/943 and (EU) 2024/1789 should be amended accordingly, and Regulation (EU) 2022/869 should be repealed.</p>		
<p>(85) Since the objectives of this Regulation, namely the development and interoperability of trans-European energy networks and connection to such networks that contribute to ensuring climate change mitigation, in particular achieving the Union's targets for energy and climate and its climate neutrality objective by 2050 at the latest, and to ensuring interconnections, energy security, market and system integration, competition that benefits all Member States, and affordable energy prices, cannot be sufficiently achieved by the Member States but can rather, by reason of the scale and effects of the proposed action, be better achieved at Union level, the Union may adopt</p>		

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measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,		
HAVE ADOPTED THIS REGULATION:		
<b>CHAPTER I</b>		
<b>General provisions</b>		
<i>Article 1</i>		
<i>Subject matter and scope</i>		
1. This Regulation lays down guidelines for the timely development and interoperability of the priority corridors and areas of trans-European energy infrastructure (energy infrastructure priority corridors and areas) set out in Annex I, that contribute to ensuring climate change mitigation, in particular achieving the Union's targets for		

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energy and climate and its climate neutrality objective by 2050 at the latest, and to ensuring interconnections, energy security, market and system integration and competition that benefits all Member States, as well as affordability of energy prices.		
2. In particular, this Regulation:		
(a) provides for the identification of projects of common interest and of projects of mutual interest on the Union list;		
(b) facilitates the timely implementation of projects on the Union list by streamlining, coordinating more closely and accelerating permit-granting processes, and by enhancing transparency and public participation;		
(c) provides rules for the cross-border allocation of costs and risk-related incentives for projects on the Union list;		
(d) determines the conditions for eligibility of projects on the Union list for Union financial assistance.		

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<i>Article 2</i>		
<i>Definitions</i>		
<p>For the purposes of this Regulation, in addition to the definitions in Regulations (EU) 2018/1999, (EU) 2019/942 and (EU) 2019/943 and (EU) 2024/1789, and in Directive (EU) 2018/2001 of the European Parliament and of the Council<sup>36</sup> and Directives (EU) 2019/944 and (EU) 2024/1788 the following definitions apply:</p> <hr/> <p><sup>36</sup> Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82, ELI: <a href="http://data.europa.eu/eli/dir/2018/2001/oj">http://data.europa.eu/eli/dir/2018/2001/oj</a>).</p>		
<p>(1) ‘energy infrastructure’ means any physical equipment or facility falling under the energy infrastructure categories set out in Annex II which is located within the Union, or linking the Union and third countries;</p>		

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(2) 'energy infrastructure bottleneck' means limitation of physical flows in an energy system due to insufficient transmission capacity, which includes, inter alia, the absence of infrastructure;		
(3) 'comprehensive decision' means the <del>binding document</del> <b>issued by the national competent authority</b> , available to project promoters in writing or electronic form, comprised of, or containing, the <b>binding</b> decision or set of <b>binding</b> decisions taken by a <b>relevant</b> Member State authority or authorities other than courts or tribunals, that determines whether or not a project promoter is authorised to build the energy infrastructure to realise a project of common interest or a project of mutual interest by having the possibility to start, or procure and start, the necessary construction works (ready-to-build phase) without prejudice to any decision taken in the context of an administrative appeal procedure;		
(4) 'project' means one or several lines, pipelines, facilities, equipment or installations falling under the energy infrastructure categories set out in Annex II;		
(5) 'project of common interest' means a project which is necessary to implement the energy		

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infrastructure priority corridors and areas set out in Annex I and which is on the Union list;		
(6) ‘project of mutual interest’ means a project promoted by the Union in cooperation with a third country, which is supported by the governments of the directly affected countries, contributes to the Union’s 2050 climate neutrality objective, is on the Union list, and falls under one of the infrastructure categories for electricity set out in points (1)(a), (d) or (h) of Annex II, and links the Union electricity system with the electricity grid of a third country, or falls under one of the infrastructure categories for hydrogen set out in point (2) <b>(a) or (d)</b> of Annex II, or falls under one of the infrastructure categories for CO2 set out in points (4)(a) or (c) of that Annex;		
(7) ‘competing projects’ means projects that fully or partially address the same identified infrastructure need;		
(8) ‘project promoter’ means one of the following:		
(a) a transmission system operator (TSO), a distribution system operator (DSO), a hydrogen		

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network operator (HNO) or another operator or investor developing a project on the Union list;		
(b) in the case of more than one such TSO, DSO, HNO, other operator or investor, or any group thereof, the entity with legal personality under the applicable national law which has been designated by contractual arrangement between them and which has the capacity to undertake legal obligations and assume financial liability on behalf of the parties to the contractual arrangement;		
(9) ‘smart electricity grid’ means an electricity network, including on islands that are not interconnected or not sufficiently connected to the trans-European energy networks, that enables cost-efficient integration and active control of the behaviour and actions of all users connected to it, including generators, consumers and prosumers, in order to ensure an economically efficient and sustainable power system with low losses and a high level of integration of renewable sources, of security of supply and of safety, and in which the grid operator can digitally monitor the actions of the users connected to it, and information and communication technologies for communicating with related grid operators, generators, energy storage facilities, and consumers or prosumers, with a view to transmitting and distributing		

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electricity in a sustainable, cost-efficient and secure way;		
(10) ‘national regulatory authority’ means a national regulatory authority designated in accordance with Article 76(1) of Directive (EU) 2024/1788 or a regulatory authority at national level designated in accordance with Article 57 of Directive (EU) 2019/944;		
(11) ‘relevant national regulatory authority’ means the national regulatory authority in the Member States hosting the projects and in Member States to which the project provides a significant positive impact;		
(12) ‘authority concerned’ means an authority that, under national law, is competent to issue various permits and authorisations related to the planning, design and construction of immovable assets necessary to complete a project of common interest or a project of mutual interest, including energy infrastructure in itself, and the authority competent to issue permits and authorisations related to the works necessary to complete the project;		
(13) ‘works’ means the purchase, supply and deployment of components, systems and services		

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including software, the carrying out of development, repurposing, <b>upgrading</b> and construction and installation activities relating to a project, the acceptance of installations and the launching of a project;		
(14) ‘studies’ means activities required to prepare project implementation, such as preparatory, <b>mapping</b> , feasibility, evaluation, testing and validation studies, including software, and any other technical support measure including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;		
(15) ‘commissioning’ means the process of bringing a project into operation once it has been constructed;		
(16) ‘dedicated hydrogen assets’ means hydrogen infrastructure designed for the exclusive <del>use or transport</del> <b>or storage</b> of pure hydrogen without the need for any further adaptation works, including pipeline networks or storage facilities that are newly constructed, repurposed from natural gas assets, or both;		

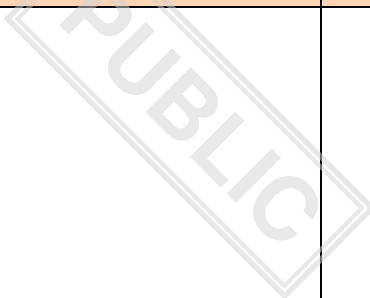
1st Presidency compromise text	Drafting suggestions	Comments
(17) ‘repurposing’ means the technical upgrading or modification of existing natural gas infrastructure in order to ensure that it is dedicated to the exclusive use of hydrogen;		
(18) ‘climate adaptation’ means a process that ensures that resilience to the potential adverse impacts of climate change of energy infrastructure is achieved through a climate vulnerability and risk assessment, including through relevant adaptation measures;		
(19) ‘non-wire solutions’ means investments in the energy infrastructure in electricity, which can increase the available <del>grid</del> <b>transmission</b> capacity or improve the efficiency of grid operation by deploying grid enhancing technologies, including digital solutions.		
<b>CHAPTER II</b>		
<b>Projects of common interest and projects of mutual interest</b>		

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<i>Article 3</i>		
<i>Union list of projects of common interest and projects of mutual interest</i>		
<p>1. Regional groups ('Groups') shall be established in accordance with the process set out in Section 1 of Annex III. The membership of each Group shall be based on each priority corridor and area and their respective geographical coverage as set out in Annex I. The Groups can merge or meet in different configurations as necessary. The cross-regional meeting configuration of all Groups shall be the TEN-E Group. Decision-making power in the Groups shall be restricted to Member States and the Commission (together referred to as 'the decision-making body') and shall be based on consensus.</p>		
<p>2. The TEN-E Group shall adopt rules of procedure, having regard to the provisions set out in Annex III. Those rules of procedure shall apply to all Groups.</p>		
<p>3. The decision-making body of each Group shall adopt a regional list of projects drawn up in</p>		

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accordance with: the process set out in Section 2 of Annex III; the contribution of each project to implementing the energy infrastructure priority corridors and areas set out in Annex I; and their fulfilment of the criteria set out in Article 4.		
Where the decision-making body of a Group draws up its regional list:		
(a) each individual proposal for a project shall require the approval of the Member States to whose territory the project relates; where a Member State does not give its approval, it shall present its substantiated reasons to the decision-making body;	‘each individual proposal for a project shall require the approval of the Member States to whose territory <b>and exclusive economic zone</b> the project relates; where a Member State does not give its approval, it shall present its substantiated reasons for doing so to the Group concerned;’	There is a growing number of PCI projects which cross the exclusive economic zone of other member states. These projects will have to apply for spatial planning processes and permit application procedures in that member states. It is important that also those member states <u>are timely informed</u> by the Commission or project promoters about the candidate projects crossing their territory of exclusive economic zone and <u>are explicitly asked to give their approval</u> for the proposed PCI projects.
(b) it shall take into account advice from the Commission with the aim of having a manageable total number of projects on the Union list.		
4. The Commission is empowered to adopt delegated acts in accordance with Article 23 to supplement this Regulation by establishing the		

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Union list, subject to Article 172, second paragraph, of the Treaty.		
The Union list shall be established every two years, on the basis of the regional lists adopted by the decision-making bodies of the Groups established pursuant to Section 1, point (1), of Annex III, following the procedure set out in paragraph 3 of this Article.		
The Commission shall adopt the delegated act establishing the first Union list pursuant to this Regulation by 30 November 2029.		
If a delegated act adopted by the Commission pursuant to this paragraph cannot enter into force due to an objection expressed either by the European Parliament or the Council pursuant to Article 23(6), the Commission shall immediately convene the Groups in order to draw up new regional lists taking into account the reasons for the objection. The Commission shall adopt a new delegated act establishing the Union list as soon as possible.		
5. When establishing the Union list by combining the regional lists referred to in		

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paragraph 3, the Commission shall, taking due account of the deliberations of the Groups:		
(a) ensure that only projects that fulfil the criteria referred to in Article 4 are included;		
(b) ensure cross-regional consistency;		
(c) take into account the opinions of Member States referred to in Section 2, point (10), of Annex III;		
(d) aim to ensure a manageable total number of projects on the Union list.		
<p>6. Projects of common interest and projects of mutual interest that fall under the energy infrastructure categories set out in points (1)(a), (b), (c), (d), (f) and (h) of Annex II, as relevant, shall become an integral part of the relevant regional investment plans adopted in accordance with Article 34 of Regulation (EU) 2019/943 and of the relevant national ten-year network development plans adopted in accordance with Article 51 of Directive (EU) 2019/944 <b><u>and other national infrastructure plans, as appropriate.</u></b></p> <p>Projects of common interest and projects of mutual interest that fall under the energy infrastructure</p>		

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<p>categories set out in point (2) of Annex II, as relevant, shall become an integral part of the ten-year network development plan for hydrogen under Article 55 of Directive (EU) 2024/1788 and other national infrastructure plans, as appropriate. Those projects of common interest and projects of mutual interest shall be conferred the highest possible priority within each of those national plans. This paragraph shall not apply to competing projects or projects that have not reached a sufficient degree of maturity to provide a project-specific cost-benefit analysis as referred to in Section 2, point (1)(d), of Annex III.</p>		
<p>7. Projects of common interest and projects of mutual interest that fall under the energy infrastructure categories set out in points (1)(a), (b), (c), (d), (f) and (h) and point (2) of Annex II, as relevant, and that are competing projects or projects that have not reached a sufficient degree of maturity to provide a project-specific cost-benefit analysis as referred to in Section 2, point (1)(d), of Annex III may be included in the relevant regional investment plans, the national ten-year network development plans and other national infrastructure plans, as appropriate, as projects under consideration.</p>		
<p><i>Article 4</i></p>		

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<i>Criteria for the assessment of projects by the Groups</i>		
1. A project of common interest shall meet the following general criteria:		
(a) the project is necessary for at least one of the energy infrastructure priority corridors and areas set out in Annex I;		
(b) the potential overall benefits of the project, assessed in accordance with the relevant specific criteria in paragraph 3, outweigh its costs, including in the longer term;		
(c) the project meets any of the following criteria:		
(i) it involves at least two Member States by directly or indirectly, via interconnection with a third country, crossing the border of two or more Member States;		

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(ii) it is located in the territory of one Member State, either inland or offshore, including islands, and has a significant cross-border impact as set out in point (1) of Annex IV.		
2. A project of mutual interest shall meet all of the following general criteria:		
(a) the project contributes significantly to the objectives referred to in Article 1(1), and those of the third country, in particular by not hindering the capacity of the third country to phase out fossil fuel generation assets for its domestic consumption, and to sustainability;		
(b) the potential overall benefits of the project, assessed in accordance with the relevant specific criteria in paragraph 3, for the Union, or cumulatively for the Union and the Energy Community contracting party or the EEA country directly involved in the project, outweigh its costs for the Union, or cumulatively for the Union and the Energy Community contracting party or EEA country, as relevant, including in the longer term;		
(c) the project <del>connects directly</del> <b>is located in</b> the territory of at least one Member State <b>connecting it directly</b> with the territory of a third		

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<p>country <del>by connecting directly the relevant Member State</del> with the first connection point in the electricity network of the third country or the first hydrogen or CO<sub>2</sub> connection point in the third country, and has a significant cross-border impact as set out in point (2) of Annex IV;</p>		
<p>(d) for the part of the project located in Member State territory, the project is in accordance with Directives (EU) 2019/944 and (EU) 2024/1788 where it falls within the infrastructure categories set out in points (1) and (2) of Annex II to this Regulation;</p>		
<p>(e) there is a high level of convergence of the policy framework of the third country involved and legal enforcement mechanisms are demonstrated in order to support the policy objectives of the Union, in particular to ensure:</p>		
<p>(i) the well-functioning of the internal energy market in the Union;</p>		
<p>(ii) network security and security of supply in the Union based, inter alia, on diverse sources, cooperation and solidarity;</p>		

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(iii) an energy system, including production, transmission and distribution, moving towards the objective of climate neutrality, in accordance with the Paris Agreement and the Union's targets for energy and climate and its 2050 climate neutrality objective, in particular, avoiding carbon leakage;		
(f) the third country involved supports the priority status of the project, as set out in Article 7, and other investments in the third country necessary for the benefits of the project to materialise as referred to in point (b) of this paragraph, and commits explicitly to complying with a similar timeline for accelerated implementation and other policy and regulatory support measures as applied to projects of common interest in the Union.		
As regards projects for the storage of carbon dioxide falling under the energy infrastructure category set out in point (4)(c) of Annex II, the project shall be necessary to allow the cross-border transport and storage of carbon dioxide and the third country where the project is located shall have an adequate legal framework based on demonstrated effective enforcement mechanisms to ensure that standards and safeguards apply to the project, which prevent any carbon dioxide leaks. In relation to climate, human health and ecosystems, the safety and effectiveness of the		

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permanent storage of carbon-dioxide shall be ensured, and shall at least attain the same level as those provided by Union law.		
3. The following specific criteria shall apply to projects of common interest and projects of mutual interest, as relevant, falling within specific energy infrastructure categories:		
(a) for electricity transmission, distribution and storage projects falling under the energy infrastructure categories set out in points (1)(a), (b), (c), (d), (f) and (h) of Annex II, the project contributes significantly to sustainability through the integration of renewable energy into the grid, the transmission or distribution of renewable generation to major consumption centres and storage sites, and to reducing energy curtailment, where applicable, and contributes to at least one of the following specific criteria:		
(i) market integration, including through lifting the energy isolation of at least one Member State and reducing energy infrastructure bottlenecks, competition, interoperability and system flexibility;		
(ii) security of supply, including through interoperability, system flexibility, cybersecurity,		

1st Presidency compromise text	Drafting suggestions	Comments
appropriate connections and secure and reliable system operation;		
(b) for smart electricity grid projects falling under the energy infrastructure category set out in point (1)(g) of Annex II, the project contributes significantly to sustainability through the integration of renewable energy into the grid, and contributes to at least two of the following specific criteria:		
(i) security of supply, including through efficiency and interoperability of electricity transmission and distribution in day-to-day network operation, avoidance of congestion, and integration and involvement of network users;		
(ii) market integration, including through efficient system operation and use of interconnectors;		
(iii) network security, flexibility and quality of supply, including through higher uptake of innovation in balancing, flexibility markets, cybersecurity, monitoring, system control and error correction;		

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(iv) smart sector integration, either in the energy system through linking various energy carriers and sectors, or in a wider way, favouring synergies and coordination between the energy, transport and telecommunication sectors;		
(c) for projects falling under the infrastructure category set out in point (1)(e) of Annex II, the project contributes to the following specific criteria:		<p>In general, we welcome the introduction of a new PCI category for the protection and resilience of critical network elements (<i>‘any equipment or installation which is designed to provide protection and resilience to existing critical network elements...’</i>). However, we are still analyzing the scope and the impact of this provision and would welcome clarification on the scope and the related criteria in art. 4 para 3 (c), Annex II and Annex IV.</p> <p>Could the Commission give some concrete examples of measures falling under this category? What is meant by ‘critical network elements’ in this provision as there is a reference to Regulation 2019/ 943?</p> <p>Wat is meant by ‘provide resilience’ and what evidence is required to demonstrate an increase in energy security for another Member State? Could the Commission clarify whether the equipment or installations need to be explicitly mentioned in the risk preparedness plans established by the Member States, or whether it is sufficient for them to be covered implicitly?</p>

1st Presidency compromise text	Drafting suggestions	Comments
(i) security of supply, including by protecting assets from risks and contributing to the measures identified pursuant Articles 7 and 11 of Regulation (EU) 2019/941 on risk-preparedness in the electricity sector;		
(ii) network security, including through measures facilitating a higher degree of physical security and cybersecurity, monitoring, and system control;		
(d) for carbon dioxide transport and storage projects falling under the energy infrastructure categories set out in point (4) of Annex II, the project contributes significantly to sustainability through the reduction of carbon dioxide emissions in the connected industrial installations and contributes to all of the following specific criteria:		
(i) avoiding carbon dioxide emissions <del>while maintaining security of supply</del> ;		
(ii) increasing the resilience and security of transport and storage of carbon dioxide;		

1st Presidency compromise text	Drafting suggestions	Comments
(iii) the efficient use of resources, by enabling the connection of multiple carbon dioxide sources and storage sites via common infrastructure and minimising environmental burden and risks;		
(e) for hydrogen projects falling under the energy infrastructure categories set out in point (2) of Annex II, the project contributes significantly to sustainability, including by reducing greenhouse gas emissions, by enhancing the deployment of renewable or low carbon hydrogen, with an emphasis on hydrogen from renewable sources in particular in end-use applications, such as hard-to-abate sectors, in which more energy efficient solutions are not feasible, and supporting variable renewable power generation by offering flexibility, storage solutions, or both, and the project contributes significantly to at least one of the following specific criteria:		
(i) market integration, including by connecting existing or emerging hydrogen networks of Member States, or otherwise contributing to the emergence of an Union-wide network for the transport and storage of hydrogen, and ensuring interoperability of connected systems;		

1st Presidency compromise text	Drafting suggestions	Comments
(ii) security of supply and flexibility, including through appropriate connections and facilitating secure and reliable system operation;		
(iii) competition, including by allowing access to multiple supply sources and network users on a transparent and non-discriminatory basis;		
(f) for electrolyzers falling under the energy infrastructure category set out in point (3) of Annex II, the project contributes significantly to all of the following specific criteria:		
(i) sustainability, including by reducing greenhouse gas emissions and enhancing the deployment of renewable or low-carbon hydrogen in particular from renewable sources, as well as synthetic fuels of those origins;		
(ii) security of supply, including by contributing to secure, efficient and reliable system operation, or by offering storage, flexibility solutions, or both, such as demand side response and balancing services;		
(iii) enabling flexibility services such as demand response and storage by facilitating smart		

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energy sector integration through the creation of links to other energy carriers and sectors.		
4. For projects falling under the energy infrastructure categories set out in Annex II, the criteria set out in paragraph 3 of this Article shall be assessed in accordance with the indicators set out in points (3) to (8) of Annex IV.		
5. In order to facilitate the assessment of all projects that could be eligible as projects of common interest and that could be included in a regional list, each Group shall assess each project's contribution to the implementation of the same energy infrastructure priority corridor or area in a transparent and objective manner. Each Group shall determine its assessment method on the basis of the aggregated contribution to the criteria referred to in paragraph 3. That assessment shall lead to a ranking of projects for internal use of the Group. Neither the regional list nor the Union list shall contain any ranking, nor shall the ranking be used for any subsequent purpose except as referred to in Section 2, point (15), of Annex III.		
In assessing projects, in order to ensure a consistent assessment approach among the Groups, each Group shall give due consideration to:		

1st Presidency compromise text	Drafting suggestions	Comments
(a) the urgency and the contribution of each proposed project in order to meet the Union's targets for energy and climate and its 2050 climate neutrality objective, market integration, competition, sustainability, and security of supply;		
(b) the complementarity of each proposed project with other proposed projects, including competing or potentially competing projects;		
(c) possible synergies with priority corridors and thematic areas identified under trans-European networks for transport and telecommunications;		
(d) for proposed projects that are, at the time of the assessment, projects on the Union list, the progress of their implementation and their compliance with the reporting and transparency obligations provided by this Regulation;		
(e) any third country direct or indirect ownership as beneficiary, shareholder or ultimate beneficiary as project promoter in any of the proposed projects.		
As regards smart electricity grids falling under the energy infrastructure category set out in point		

1st Presidency compromise text	Drafting suggestions	Comments
(1)(g) of Annex II, and for projects falling under the energy infrastructure categories set out in point (1)(e) of Annex II, ranking shall be carried out for those projects that affect the same two Member States, and due consideration shall also be given to the number of users affected by the project, the annual energy consumption and the share of generation from non-dispatchable resources in the area covered by those users.		
<i>Article 5</i>		
<b><i>Implementation and monitoring of projects on the Union list</i></b>		
1. Project promoters shall draw up an implementation plan for projects on the Union list within two months of their inclusion on the Union list <b><u>for publication on the transparency platform as set out in Article 26</u></b> , with a timetable including all of the following:		
(a) feasibility and design studies including risk assessment studies as regards climate adaptation and physical and cyber security, building on the requirements of Directives (EU) 2022/2557 and (EU) 2022/2555, where applicable, as well as		Could the Commission give further explanation about the risk assessment studies as regards physical and cyber security? What aspects/ elements exactly does this risk assessment study

1st Presidency compromise text	Drafting suggestions	Comments
compliance with environmental legislation, and with the ‘do no significant harm’ principle;		have to include? Does this risk assessment need to be approved by a national authority?
(b) approval by the national regulatory authority or by any other authority concerned;		
(c) construction and commissioning;		
(d) the permit-granting process referred to in Article 10(9), point (c).		
2. TSOs, DSOs, HNOs and other operators shall cooperate with each other <b><u>and project promoters where relevant</u></b> in order to facilitate the development of projects on the Union list in their area.		
3. The Agency for the Cooperation of Energy Regulators (‘the Agency’) and the Groups concerned shall monitor the progress achieved in implementing the projects on the Union list and, where necessary, make recommendations to facilitate their implementation. The Groups may request additional information in accordance with paragraphs 4, 5 and 6, convene meetings with the relevant parties and invite the Commission to verify the information provided on site.		

1st Presidency compromise text	Drafting suggestions	Comments
<p>4. By 31 December of the year in which the Union list where the project is included enters into force and starts to produce effects, and every subsequent year, project promoters shall submit a report for each project of common interest and project of mutual interest they promote, to the national competent authority referred to in Article 8(1).</p>		
<p>That report shall include details of:</p>		
<p>(a) the progress achieved in the development, construction and commissioning of the project as set out in the implementation plan referred to in paragraph 1 of this Article, in particular with regard to the permit-granting process and the consultation procedure, as well as compliance with environmental legislation, with the principle that the project does ‘no significant harm’ to the environment, climate adaptation measures taken, and mitigation measures taken resulting from the risks assessed as regards the project under Article 5(1), point (a), where relevant and building on the requirements of Directives (EU) 2022/2557 and (EU) 2022/2555 where applicable;</p>		

1st Presidency compromise text	Drafting suggestions	Comments
(b) where relevant, delays compared to the implementation plan, the reasons for such delays and other difficulties encountered;		
(c) where relevant, a revised implementation plan aiming to overcome the delays.		
5. By 28 of February of each year following the submission by the project promoter of the report referred in paragraph 4 of this Article, the competent authorities referred to in Article 8(1) shall submit to the Agency and to the relevant Group the report referred to in paragraph 4 of this Article supplemented with information on the progress and, where relevant, on delays in the implementation and permit-granting processes of projects on the Union list located in their respective territory, including the reasons for such delays. The contribution of competent authorities to the report shall be clearly marked and drafted without modifying the text of the report provided by project promoters.		
6. By 30 April of each year in which a new Union list should be adopted, the Agency shall submit to the Groups a consolidated report for the projects on the Union list that are subject to the competence of national regulatory authorities, evaluating the progress achieved and expected		

1st Presidency compromise text	Drafting suggestions	Comments
<p>changes in project costs, and, where appropriate, make recommendations on how to overcome the delays and difficulties encountered. That consolidated report shall also evaluate the implementation of Article 3(6) and (7) as regards projects of common interest and projects of mutual interest.</p>		
<p>In duly justified cases, the Agency may request additional information from competent authorities necessary for carrying out its tasks set out in this paragraph.</p>		
<p>7. Where the commissioning of a project on the Union list is delayed when compared to the implementation plan, other than for overriding reasons beyond the control of the project promoter, the following measures shall apply:</p>		
<p>(a) in so far as measures referred to in Article 55(7), points (a), (b) or (c), of Directive (EU) 2024/1788 and Article 51(7), points (a), (b) or (c), of Directive (EU) 2019/944 are applicable in accordance with respective national law, national regulatory authorities shall ensure that the investment is carried out;</p>		
<p>(b) where the measures of national regulatory authorities pursuant to point (a) of this paragraph</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>are not applicable, the project promoter shall, within 12 months of the date of commissioning set out in the implementation plan, choose a third party to finance or construct all or part of the project;</p>		
<p>(c) where a third party is not chosen in accordance with point (b), the Member State or, where the Member State has so provided, the national regulatory authority may, within two months of the expiry of the period referred to in point (b), designate a third party to finance or construct the project which the project promoter shall accept;</p>		
<p>(d) where the delay compared to the date of commissioning in the implementation plan exceeds 26 months, the Commission, subject to the agreement and with the full cooperation of the Member States concerned, may launch a call for proposals open to any third party capable of becoming a project promoter to build the project in accordance with an agreed timetable;</p>		
<p>(e) where measures referred to in point (c) or (d) are applied, the system operator in whose area the investment is located shall: provide the implementing operators or investors or third party with all the information required to realise the investment, <b>taking into account security</b></p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p><b>considerations</b>; connect new assets to the transmission network; or, where applicable, the distribution network and shall generally make its best efforts to facilitate the implementation of the investment and the secure, reliable and efficient operation and maintenance of the project on the Union list.</p>		
<p>8. A project on the Union list may be removed from the Union list in accordance with the procedure set out in Article 3(4) if its inclusion in that list was based on incorrect information which was a determining factor for that inclusion, or the project does not comply with Union law.</p>		
<p>9. Projects which are no longer on the Union list shall lose all rights and obligations linked to the status of project of common interest or project of mutual interest provided for in this Regulation.</p>		
<p>However, a project which is no longer on the Union list but for which an application file has been accepted for examination by the competent authority shall maintain the rights and obligations laid down in Chapter III, except where the project has been removed from the Union list for the reasons set out in paragraph 8 of this Article.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
10. This Article shall be without prejudice to any Union financial assistance granted to any project on the Union list prior to its removal from the Union list.		
<i>Article 6</i>		
<i>European coordinators</i>		
1. Where a project of common interest or a project of mutual interest encounters significant implementation difficulties, the Commission may designate, in agreement with the Member States concerned, a European coordinator for a period of up to one year, renewable twice.		
2. The European coordinator shall:		
(a) promote the projects, for which they have been designated as a European coordinator, and the cross-border dialogue between the project promoters and all stakeholders concerned;		
(b) assist and coordinate all parties as necessary in consulting the stakeholders		

1st Presidency compromise text	Drafting suggestions	Comments
concerned, discussing alternative routing, where appropriate, and obtaining necessary permits for the projects;		
(c) where appropriate, advise project promoters on the financing of the project;		
(d) ensure that appropriate support and strategic direction by the Member States concerned are provided for the preparation and implementation of the projects;		
(e) starting from the date of their designation submit every year, and, where appropriate, upon completion of their mandate, a report to the Commission on the progress of the projects and on any difficulties and obstacles which are likely to significantly delay the commissioning date of the projects; where appropriate, the report shall make recommendations to overcome obstacles and difficulties.		
The Commission shall transmit the report of the European coordinator referred to in point (e) of the first subparagraph to the European Parliament and the Groups concerned.		

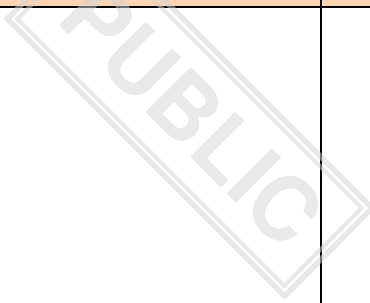
1st Presidency compromise text	Drafting suggestions	Comments
<p>3. The European coordinator shall be chosen following an open, non-discriminatory and transparent process and on the basis of a candidate's experience with regard to the specific tasks they have been assigned for the projects concerned.</p>		
<p>4. The decision designating the European coordinator shall specify the terms of reference, detailing the duration of the mandate, the specific tasks and corresponding deadlines, and the methodology to be followed. The coordination effort shall be proportionate to the complexity and estimated costs of the projects.</p>		
<p>5. The Member States concerned shall fully cooperate with the European coordinator in the execution of the tasks referred to in paragraphs 2 and 4.</p>		
<b><u>ANNEX I</u></b>		
ENERGY INFRASTRUCTURE PRIORITY CORRIDORS AND AREAS		
(as referred to in Article 1(1))		

1st Presidency compromise text	Drafting suggestions	Comments
This Regulation shall apply to the following trans-European energy infrastructure priority corridors and areas:		
1. PRIORITY ELECTRICITY CORRIDORS		
(1) North-South electricity interconnections in Western Europe (NSI West Electricity): interconnections between Member States of the region and with the Mediterranean area including the Iberian peninsula, in particular to integrate electricity from renewable energy sources, reinforce internal grid infrastructures to foster market integration in the region and to end isolation of Ireland, to increase security of supply and network security, and to ensure the necessary onshore prolongations of offshore grids for renewable energy and the domestic grid reinforcements necessary to ensure an adequate and reliable transmission grid and to supply electricity generated offshore to landlocked Member States.		
Member States concerned: Belgium, Denmark, Germany, Ireland, Spain, France, Italy,		

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Luxembourg, Malta, Netherlands, Austria and Portugal.		
(2) North-South electricity interconnections in Central Eastern and South Eastern Europe (NSI East Electricity): interconnections, and internal lines in North-South and East-West directions to complete the internal market, integrate generation from renewable energy sources to end the isolation of Cyprus, to increase security of supply and network security, and to ensure the necessary onshore prolongations of offshore grids for renewable energy and the domestic grid reinforcements necessary to ensure an adequate and reliable transmission grid and to supply electricity generated offshore to landlocked Member States.		
Member States concerned: Bulgaria, Czechia, Germany, Croatia, Greece, Cyprus, Italy, Hungary, Austria, Poland, Romania, Slovenia and Slovakia.		
(3) Baltic Energy Market Interconnection Plan in electricity (BEMIP Electricity): interconnections between Member States and internal lines in the Baltic region, to foster market integration while integrating growing shares of renewable energy in the		

1st Presidency compromise text	Drafting suggestions	Comments
region, and to increase security of supply and network security.		
Member States concerned: Denmark, Germany, Estonia, Latvia, Lithuania, Poland, Finland and Sweden.		
2. PRIORITY OFFSHORE GRID CORRIDORS		
(4) Northern Seas offshore grids (NSOG): offshore electricity grid development, integrated offshore electricity, as well as, where appropriate, hydrogen grid development and the related interconnectors in the North Sea, the Irish Sea, the Celtic Sea, the English Channel and neighbouring waters to transport electricity or, where appropriate, hydrogen from renewable offshore energy sources to centres of consumption and storage or to increase cross-border renewable energy exchange <b><u>and to increase security of supply and network security.</u></b>		

1st Presidency compromise text	Drafting suggestions	Comments
Member States concerned: Belgium, Denmark, Germany, Ireland, France, Luxembourg, Netherlands and Sweden.		
(5) Baltic Energy Market Interconnection Plan offshore grids (BEMIP offshore): offshore electricity grid development, integrated offshore electricity, as well as, where appropriate, hydrogen grid development and the related interconnectors in the Baltic Sea and neighbouring waters to transport electricity or, where appropriate, hydrogen from renewable offshore energy sources to centres of consumption and storage or to increase cross-border renewable energy exchange <b><u>and to increase security of supply and network security</u></b> .		
Member States concerned: Denmark, Germany, Estonia, Latvia, Lithuania, Poland, Finland and Sweden.		
(6) South and West offshore grids (SW offshore): offshore electricity grid development, integrated offshore electricity, as well as, where appropriate, hydrogen grid development and the		

1st Presidency compromise text	Drafting suggestions	Comments
<p>related interconnectors in the Mediterranean Sea, including the Cadiz Gulf, and neighbouring waters to transport electricity or, where appropriate, hydrogen from renewable offshore energy sources to centres of consumption and storage or to increase cross-border renewable energy exchange <b><u>and to increase security of supply and network security</u></b>.</p>		
<p>Member States concerned: Greece, Spain, France, Italy, Malta and Portugal.</p>		
<p>(7) South and East offshore grids (SE offshore): offshore electricity grid development, integrated offshore electricity, as well as, where appropriate, hydrogen grid development and the related interconnectors in the Mediterranean Sea, Black Sea and neighbouring waters to transport electricity or, where appropriate, hydrogen from renewable offshore energy sources to centres of consumption and storage or to increase cross-border renewable energy exchange <b><u>and to increase security of supply and network security</u></b>.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
Member States concerned: Bulgaria, Croatia, Greece, Italy, Cyprus, Romania and Slovenia.		
(8) Atlantic offshore grids: offshore electricity grid development, integrated offshore electricity grid development and the related interconnectors in the North Atlantic Ocean waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange <b><u>and to increase security of supply and network security</u></b> .		
Member States concerned: Ireland, Spain, France and Portugal.		
3. PRIORITY CORRIDORS FOR HYDROGEN AND ELECTROLYSERS		
(9) Hydrogen interconnections in Western Europe (HI West): hydrogen infrastructure and the repurposing of gas infrastructure, enabling the emergence of		

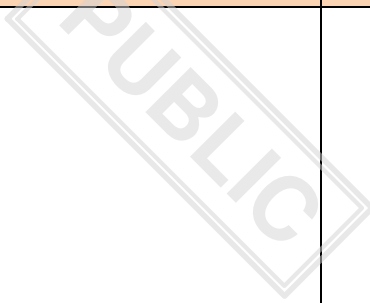
1st Presidency compromise text	Drafting suggestions	Comments
<p>an integrated hydrogen backbone, directly or indirectly (via interconnection with a third country), connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an Union-wide network for hydrogen transport in the Union.</p>		
<p>Electrolysers: supporting the deployment of power-to-gas applications aiming to enable greenhouse gas reductions and contributing to secure, efficient and reliable system operation and smart energy system integration in the Union.</p>		
<p>Member States concerned: Belgium, Czechia, Denmark, Germany, Ireland, Spain, France, Italy, Luxembourg, Malta, Netherlands, Austria and Portugal.</p>		
<p>(10) Hydrogen interconnections in Central Eastern and South Eastern Europe (HI East): hydrogen infrastructure and the repurposing of gas infrastructure, enabling the emergence of an integrated hydrogen backbone, directly or indirectly (via interconnection with a third country), connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the</p>		

1st Presidency compromise text	Drafting suggestions	Comments
emergence of an Union-wide network for hydrogen transport in the Union.		
Electrolysers: supporting the deployment of power-to-gas applications aiming to enable greenhouse gas reductions and contributing to secure, efficient and reliable system operation and smart energy system integration in the Union.		
Member States concerned: Bulgaria, Czechia, Germany, Greece, Croatia, Italy, Cyprus, Hungary, Austria, Poland, Romania, Slovenia and Slovakia.		
(11) Baltic Energy Market Interconnection Plan in hydrogen (BEMIP Hydrogen): hydrogen infrastructure and the repurposing of gas infrastructure, enabling the emergence of an integrated hydrogen backbone, directly or indirectly (via interconnection with a third country), connecting the countries of the region and addressing their specific infrastructure needs for hydrogen supporting the emergence of an Union-wide network for hydrogen transport in the Union.		
Electrolysers: supporting the deployment of power-to-gas applications aiming to enable greenhouse gas reductions and contributing to		

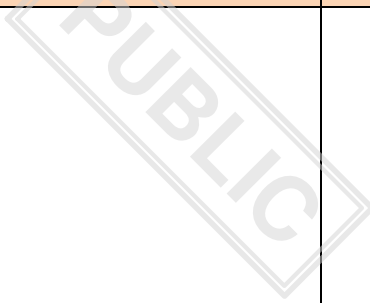
1st Presidency compromise text	Drafting suggestions	Comments
secure, efficient and reliable system operation and smart energy system integration in the Union.		
Member States concerned: Denmark, Germany, Estonia, Latvia, Lithuania, Poland, Finland and Sweden.		
4. PRIORITY THEMATIC AREAS		
(12) Smart electricity grids deployment: adopting smart grid technologies across the Union to efficiently integrate the behaviour and actions of all users connected to the electricity network, in particular the generation of large amounts of electricity from renewable or distributed energy sources and demand response by consumers, energy storage, electric vehicles and other flexibility sources and, in addition, as regards islands and island systems, decreasing energy isolation, supporting innovative and other solutions involving at least two Member States with a significant positive impact on the Union's targets for energy and climate and its 2050 climate neutrality objective, and contributing significantly to the sustainability of the		

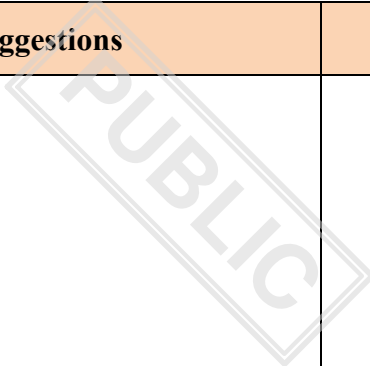
1st Presidency compromise text	Drafting suggestions	Comments
island energy system and that of the Union.		
Member States concerned: all.		
(13) Cross-border carbon dioxide network: development of infrastructure for transport and storage of carbon dioxide between Member States and with neighbouring third countries of carbon dioxide capture and storage captured from industrial installations for the purpose of permanent geological storage as well as carbon dioxide utilisation for synthetic fuel gases leading to the permanent neutralization of carbon dioxide.		
Member States concerned: all.		
<b><u>ANNEX II</u></b>		
ENERGY INFRASTRUCTURE CATEGORIES		
The energy infrastructure categories to be developed in order to implement the energy infrastructure priorities set out in Annex I shall be the following:		

1st Presidency compromise text	Drafting suggestions	Comments
(1) concerning electricity:		
(a) high and extra-high voltage overhead transmission lines, crossing a border or within a Member State territory including the exclusive economic zone, if they have been designed for a voltage of 220 kV or more, and underground and submarine transmission cables, if they have been designed for a voltage of 150 kV or more. For Member States and small isolated systems with a lower voltage overall transmission system, those voltage thresholds are equal to the highest voltage level in their respective electricity systems;		
(b) any equipment or installation falling under energy infrastructure category referred to in point (a) enabling transmission of offshore renewable electricity from the offshore generation sites (energy infrastructure for offshore renewable electricity);		

1st Presidency compromise text	Drafting suggestions	Comments
<p>(c) energy storage facilities, in individual or aggregated form, used for storing energy on a permanent or temporary basis in above-ground or underground infrastructure or geological sites, provided they are directly connected to high-voltage transmission lines and distribution lines designed for a voltage of 110 kV or more. For Member States and small isolated systems with a lower voltage overall transmission system, those voltage thresholds are equal to the highest voltage level in their respective electricity systems;</p>		
<p>(d) any equipment or installation essential for the systems referred to in points (a), (b) and (c) to operate the systems safely, securely and efficiently, including protection, resilience, monitoring, control and digitalisation equipment or installation at all voltage levels and substations;</p>		
<p>(e) any equipment or installation, which is specifically designed to provide protection and resilience to existing critical network elements pursuant</p>		<p>In general, we welcome the introduction of a new PCI category for the protection and resilience of critical network elements (<i>any equipment or installation which is designed to provide</i></p>

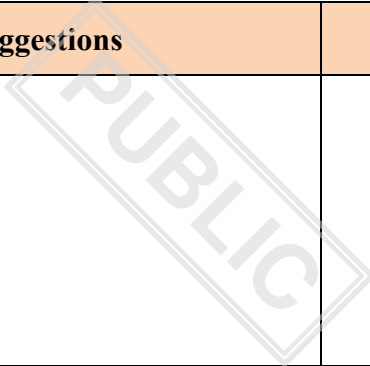
1st Presidency compromise text	Drafting suggestions	Comments
<p>to Regulation (EU) 2019/943, is physically directly connected to them, and is essential to operate the systems safely, securely and efficiently;</p>	<p style="text-align: center; opacity: 0.5; font-size: 48px; transform: rotate(-30deg);">PUBLIC</p>	<p><i>protection and resilience to existing critical network elements...</i>). However, we are still analyzing the scope and the impact of this provision and would welcome clarification on the scope and the related criteria in art. 4 para 3 (c), Annex II and Annex IV.</p> <p>Could the Commission give some concrete examples of measures falling under this category? What is meant by ‘critical network elements’ in this provision as there is a reference to Regulation 2019/ 943?</p> <p>Wat is meant by ‘provide resilience’ and what evidence is required to demonstrate an increase in energy security for another Member State? Could the Commission clarify whether the equipment or installations need to be explicitly mentioned in the risk preparedness plans established by the Member States, or whether it is sufficient for them to be covered implicitly?</p>
<p>(f) any equipment or installation essential for existing high <b>and extra high</b>-voltage network elements to operate the systems safely and efficiently which constitutes monitoring, control and digitalisation equipment or installation;</p>		

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<p>(g) smart electricity grids: any equipment or installation, digital systems and components integrating information and communication technologies (ICT), through operational digital platforms, control systems and sensor technologies both at transmission and medium and high voltage distribution level, aiming to ensure a more efficient and intelligent electricity transmission and distribution network, increased capacity to integrate new forms of generation, energy storage and consumption and facilitating new business models and market structures, including investments in islands and island systems to decrease energy isolation, to support innovative and other solutions involving at least two Member States with a significant positive impact on the Union's targets for energy and climate and its 2050 climate neutrality objective, and to contribute significantly to the sustainability of the island energy system and that of the Union;</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>(h) offshore grids for renewable energy: any equipment or installation falling under energy infrastructure category referred to in point (a) having dual functionality: interconnection and offshore grid connection system from the offshore renewable generation sites to two or more Member States and a third country, including the onshore prolongation of this equipment up to the first substation in the onshore transmission system, as well as any offshore adjacent equipment or installation essential to operate safely, securely and efficiently, including protection, monitoring and control systems, and necessary substations if they also ensure technology interoperability, inter alia, interface compatibility between various technologies ;</p>		
<p>(2) concerning hydrogen:</p>		
<p>(a) pipelines for the transport, mainly at high pressure, of hydrogen, including repurposed natural gas infrastructure, giving access to multiple network users on a</p>		

1st Presidency compromise text	Drafting suggestions	Comments
transparent and non-discriminatory basis;		
(b) storage facilities connected to the high-pressure hydrogen pipelines referred to in point (a);		
(c) reception, storage and regasification or decompression facilities for liquefied hydrogen or hydrogen embedded in other chemical substances with the objective of injecting the hydrogen, where applicable, into the grid;		
(d) any equipment or installation essential for the hydrogen system to operate safely, securely and efficiently or to enable bi-directional capacity, including compressor stations;		
Any of the assets listed in points (a) to (d) may be newly constructed or repurposed from natural gas to hydrogen, or a combination of the two;		
(3) concerning electrolyser facilities:		

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(a) electrolysers that:		
(i) have at least <del>500 MW</del> <b>200 MW</b> capacity, provided by a single electrolyser or by a set of electrolysers that form a single, coordinated project; and		We welcome the adjustment made in REV 1 regarding the threshold for electrolysers. We agree with other Member States that the threshold proposed by the Commission of 500 MW capacity is too high. It is important to ensure that projects are realistically feasible and capable of being implemented.
(ii) the production qualifies as low carbon hydrogen in line with Directive (EU) 2024/1788 in case of low-carbon hydrogen or renewable fuel of non-biological origin in line with the Directive (EU) 2018/2001; and		
(iii) have a network-related function for both the electricity and the hydrogen networks, particularly with a view to overall system flexibility and overall system efficiency of the two networks.		
(b) related equipment, including pipeline connection to the network.		
(4) concerning carbon dioxide:		

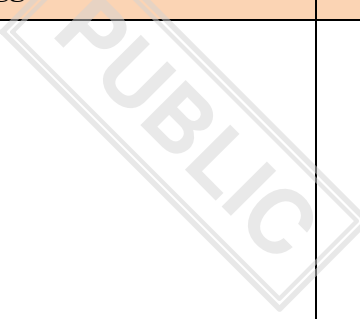
1st Presidency compromise text	Drafting suggestions	Comments
<p>(a) dedicated pipelines, other than upstream pipeline network, used to transport carbon dioxide from more than one source, for the purpose of permanent geological storage of carbon dioxide pursuant to Directive 2009/31/EC;</p>		
<p>(b) fixed facilities for liquefaction, buffer storage and converters of carbon dioxide in view of its further transportation through pipelines and in dedicated modes of transport such as ship, barge, truck, and train;</p>		
<p>(c) without prejudice to any prohibition of geological storage of carbon dioxide in a Member State, surface and injection facilities associated with infrastructure within a geological formation that is used, in accordance with Directive 2009/31/EC, for the permanent geological storage of carbon dioxide, where they do not involve the use of carbon dioxide for the enhanced recovery of hydrocarbons and are necessary to allow the cross-border transport and storage of carbon dioxide;</p>		

1st Presidency compromise text	Drafting suggestions	Comments
(d) any equipment or installation essential for the system in question to operate properly, securely and efficiently, including protection, monitoring and control systems.		
<b><u>ANNEX III</u></b>		<p>At the very beginning of each PCI process, the Commission or project promoters should be required to promptly inform the Member State about PCI/PMI candidate projects within its territory <u>and</u> projects crossing its exclusive economic zone.</p> <p>The PCI process is Brussels-based, which means that Member States currently do not receive the PCI applications directly. As a result, they are often not properly informed about relevant candidate projects. At the same time, Member States are expected to provide input on these projects during the PCI process and ultimately approve the PCI list. Improved communication on this matter is therefore needed.</p> <p>It is also crucial that the relevant Member States are able to provide their opinion or approval, as these projects also apply for permits within their jurisdiction. This requires careful internal planning, since PCI projects are treated with priority over other projects. Moreover, the permitting process is time-consuming and</p>

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		<p>labor-intensive. In addition, for network planning in the North Sea, it is important to know which new infrastructure is being developed.</p> <p><b>We would welcome an addition to Annex III to address this point.</b></p>
REGIONAL LISTS OF PROJECTS		
1. RULES FOR GROUPS		
(1) With regard to energy infrastructure falling under the competence of national regulatory authorities, each Group shall be composed of representatives of the Member States, national regulatory authorities, TSOs as well as the Commission, the Agency, the EU DSO entity and either the ENTSO for Electricity or the ENNOH.		
For the other energy infrastructure categories, each Group shall be composed of the Commission and the representatives of the Member States, project promoters concerned by each of the relevant priorities set out in Annex I.		

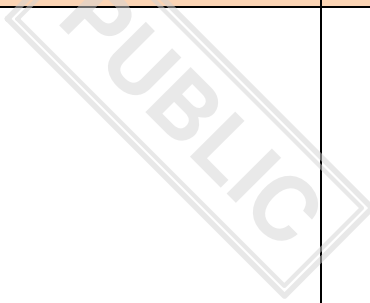
1st Presidency compromise text	Drafting suggestions	Comments
<p>(2) Depending on the number of candidate projects for the Union list, regional infrastructure gaps and market developments, the Groups and the decision-making bodies of the Groups may split, merge or meet in different configurations, as necessary, to discuss matters common to all Groups via the TEN-E Group or pertaining solely to particular regions. Such matters may include issues relevant to cross-regional consistency or the number of proposed projects included on the draft regional lists at risk of becoming unmanageable.</p>		
<p>(3) Each Group shall organise its work in line with regional cooperation efforts pursuant to Articles 31 and 65 of Regulation (EU) 2024/1789, Article 80 of Directive (EU) 2024/1788, Article 34 of Regulation (EU) 2019/943, and Article 61 of Directive (EU) 2019/944, and other existing regional cooperation structures.</p>		
<p>(4) Each Group shall invite, as appropriate for the purpose of implementing the relevant energy infrastructure priority corridors and areas designated in Annex I, promoters of a project potentially eligible for selection as a project of common</p>		

1st Presidency compromise text	Drafting suggestions	Comments
interest or projects of mutual interest as well as representatives of national administrations, of regulatory authorities, of civil society and TSOs from third countries.		
(5) For the energy infrastructure priority corridors set out in Section 2 of Annex I, each Group shall invite, as appropriate, representatives of the landlocked Member States, competent authorities, national regulatory authorities and TSOs.		
(6) Each Group shall invite to the meetings, as appropriate, the organisations representing relevant stakeholders, including representatives from third countries, and, where deemed to be appropriate, directly the stakeholders, including producers, DSOs, suppliers, consumers, local populations and Union-based organisations for environmental protection, to express their specific expertise. Each Group shall organise hearings or consultations where relevant for the accomplishments of its tasks.		
(7) As regards the meetings of the Groups, the Commission shall publish, on a platform accessible to stakeholders, the		

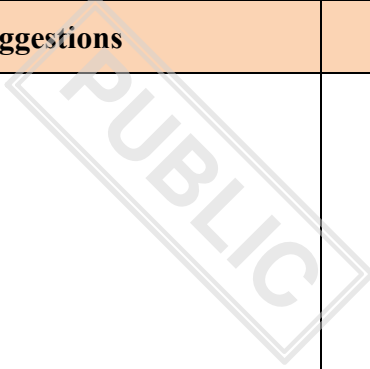
1st Presidency compromise text	Drafting suggestions	Comments
<p>internal rules, an updated list of member organisations, regularly updated information on the progress of work, meeting agendas, as well as meeting minutes, where available. The deliberations of the decision-making bodies of the Groups and the project ranking in accordance with Article 4(5) shall be confidential. All decisions concerning to the functioning and work of the Groups shall be made by consensus between the Member States and the Commission.</p>		
<p>(8) The Commission, the Agency and the Groups shall strive for consistency between the Groups. For that purpose, the Commission and the Agency shall ensure, when relevant, the exchange of information on all work representing an interregional interest between the Groups concerned.</p>		
<p>(9) The participation of national regulatory authorities and the Agency in the Groups shall not jeopardise the fulfilment of their objectives and duties under this Regulation or under Regulation (EU) 2019/942, Articles 77, 78, and 79 of Directive (EU) 2024/1788 and Articles</p>		

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58, 59 and 60 of Directive (EU) 2019/944.		
2. PROCESS FOR ESTABLISHING REGIONAL LISTS		
(1) Promoters of a project potentially eligible for selection as a project on the Union list wanting to obtain that status shall submit an application for selection as a project on the Union list to the Group that includes:		At the very beginning of each PCI process, the Commission or project promoters should inform the Member State about PCI/PMI candidate projects within its territory <u>and</u> projects crossing its exclusive economic zone.
(a) an assessment of their projects with regard to their contribution to implementing the priorities set out in Annex I;		
(b) an indication of the relevant project category set out in Annex II;		
(c) an analysis of the fulfilment of the relevant criteria laid down in Article 4;		
(d) for projects having reached a sufficient degree of maturity, a cost-benefit analysis, which is consistent		

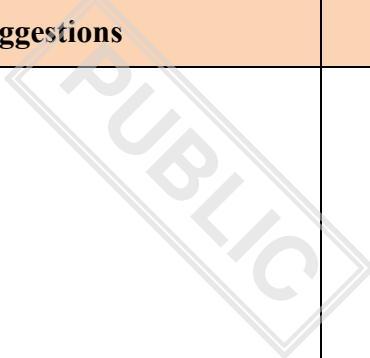
1st Presidency compromise text	Drafting suggestions	Comments
<p>with the methodologies pursuant Article 14, and which, for energy infrastructure categories relating to electricity falling under points 1 (a), (b), (c), (d), (f), (h) of Annex II, to hydrogen falling under point 2 of Annex II, and to electrolysers falling under point 3 of Annex II, has been performed by the ENTSO for Electricity or the ENNOH, as applicable, in the framework of the Union-wide ten-year network development plan;</p>		
<p>(e) information regarding their ultimate beneficiary owners and their internal ownership structure which shall be treated as confidential by the Commission and the members of the high-level decision-making body at duly justified request by the project promoters, in case of business secrets/commercial information;</p>		
<p>(f) for projects of mutual interest, project specific non-binding agreements between or letters of support from the governments of the directly affected countries</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>expressing their explicit support for the project and, for the third country, confirming their explicit commitment to complying with a similar timeline for accelerated implementation and other policy and regulatory support measures as applies to projects of common interest in the Union pursuant to Article 4(2), point (f), and, for energy infrastructure categories relating to electricity falling under points 1(a), (d) or (h), a preliminary grid security and stability study from the transmission system operators confirming that the project can be fully integrated into the electricity networks of the countries concerned;</p>		
<p>(g) any other relevant information for the evaluation of the project.</p>		
<p>(2) Projects on the Union list that have obtained regulatory approval or final investment decision providing sufficient assurance of the construction of the project, or projects for which construction is on-going and show sufficient progress in their annual report required under</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>Article 5, shall <del>remain</del> <b><u>be automatically proposed for the inclusion in</u></b> the Union list and not be required to re-submit information pursuant to points (a) to (f) and of point 1. All recipients shall ensure the confidentiality of commercially sensitive information.</p>		
<p>(3) The proposed electricity transmission and storage projects of common interest and projects of mutual interest falling under the energy infrastructure categories set out in point (1)(a), (b), (c), (d), (f), and (h) of Annex II to this Regulation, as relevant, shall be part of the latest available Union-wide ten-year network development plan for electricity, developed by the ENTSO for Electricity pursuant Article 30 of Regulation (EU) 2019/943. The proposed electricity transmission projects of common interest falling under the energy infrastructure categories set out in points (1)(b) and (h) of Annex II to this Regulation shall be consistent with the integrated offshore network development and grid reinforcements referred to in Article 15(2) of this Regulation.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>(4) The proposed hydrogen projects of common interest and projects of mutual interest falling under the energy infrastructure categories set out in point (2) and (3) of Annex II to this Regulation shall be part of the latest available Union-wide ten-year network development plan for hydrogen, developed by the ENNOH pursuant to Article 60 of Regulation (EU) 2024/1789.</p>		
<p>(5) By 30 June 2027 and subsequently for every Union-wide ten-year network development plan, the ENTSO for Electricity, and the ENNOH shall issue updated guidelines for inclusion of projects in their respective Union-wide ten-year network development plan, as referred to in points (3) and (4), in order to ensure equal treatment and the transparency of the process. For all the projects on the Union list in force at the time, the guidelines shall establish a simplified process of inclusion in the Union-wide ten-year network development plans taking into account the documentation and data already submitted during the previous Union-wide ten-year network development plan processes, provided that the documentation and data already submitted remains valid.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>The ENTSO for Electricity, and the ENNOH shall consult the Commission and the Agency about their respective draft guidelines for inclusion of projects in the Union-wide ten-year network development plans and take due account of the Commission’s and the Agency’s recommendations before the publication of the final guidelines.</p>		
<p>(6) The ENTSO for Electricity and the ENNOH shall provide information to the TEN-E Group as to how they applied the guidelines to evaluate inclusion in the Union-wide ten-year network development plans.</p>		
<p>(7) Proposed carbon dioxide transport and storage projects falling under the energy infrastructure category set out in point (4) of Annex II shall be presented as part of a plan, developed by at least two Member States, for the development of cross-border carbon dioxide transport and storage infrastructure, to be presented by the Member States concerned or entities designated by those Member States to the Commission.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>(8) For projects falling under their competence, the national regulatory authorities and, the Agency shall, taking into account regional cooperation pursuant to Article 80 of Directive (EU) 2024/1788 and Article 61 of Directive (EU) 2019/944, check the consistent application of the criteria and of the project-specific cost-benefit analysis methodology pursuant to Article 14 of this Regulation, and evaluate projects' cross-border relevance and progress achieved for projects on the Union list, taking into account the reports submitted pursuant to Article 5(4) of this Regulation. They shall present their assessment to the Group. The Commission shall ensure that criteria and methodologies referred to in Article 4 of this Regulation and Annex IV are applied in a harmonised way to ensure consistency across the regional groups.</p>		
<p>(9) For all projects not covered in point (8) of this Annex, the Commission shall evaluate the application of the criteria set out in Article 4 of this Regulation. The Commission shall also take into account the potential for future extension to include additional Member States. The Commission shall present its assessment</p>		

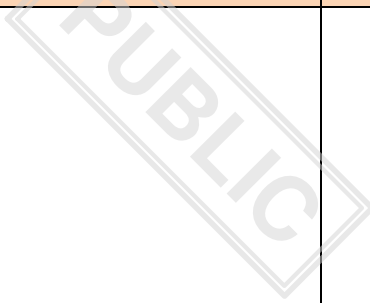
1st Presidency compromise text	Drafting suggestions	Comments
to the Group. For projects applying for the status of project of mutual interest, third-country representatives and regulatory authorities shall be invited to the presentation of the assessment.		
(10) Each Member State to whose territory a proposed project does not relate, but on which the proposed project may have a potential net positive impact or a potential significant effect, such as on the environment or on the operation of the energy infrastructure on its territory, may present an opinion to the Group specifying its concerns.		It is also essential that the Member States within whose exclusive economic zones the projects are located have the opportunity to present and opinion and grant approval, as these projects must also obtain permits within their jurisdiction.
(11) The Group shall examine, at the request of a Member State of the Group, the substantiated reasons presented by a Member State pursuant to Article 3(3) for not approving a project related to its territory.		
(12) The Group shall consider whether the energy efficiency first principle is applied as regards the establishment of the regional infrastructure needs and as regards each of the candidate projects. The Group shall, in particular, consider solutions such as non-wire solutions,		

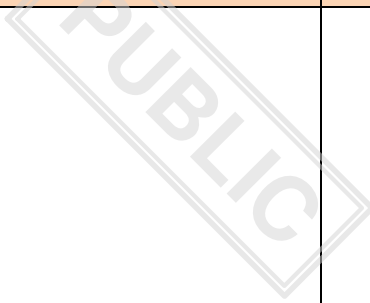
1st Presidency compromise text	Drafting suggestions	Comments
demand-side management, non-fossil flexibility, market arrangement solutions, implementation of digital solutions, and renovation of buildings as priority solutions where they are judged more cost-efficient on a system wide perspective than the construction of new supply side infrastructure.		
(13) The Group shall meet to examine and rank the proposed projects based on a transparent assessment of the projects and using the criteria set out in Article 4 taking into account the assessment of the national regulatory authorities, or the assessment of the Commission for projects not falling within the competence of national regulatory authorities.		
(14) The decision-making body of each Group shall adopt its final list of proposed projects at latest by two months before the adoption date of the Union list <i>Article 22</i> , respecting the provisions set out in Article 3(3), on the basis of the Groups' proposal and taking into account the assessment of national regulatory authorities and the Agency and the assessment of the Commission for projects not falling within the competence of national		

1st Presidency compromise text	Drafting suggestions	Comments
<p>regulatory authorities proposed in accordance with point (9), and the advice from the Commission that aims to ensure a manageable total number of projects on the Union list, especially at borders related to competing or potentially competing projects. The decision-making bodies of the Groups shall submit the final lists to the Commission, together with any opinions as specified in point (10).</p>		
<p>(15) Where, on the basis of the draft lists, the total number of proposed projects on the Union list would exceed a manageable number, the Commission shall advise each Group concerned, not to include in the list projects that were ranked lowest by the Group concerned in accordance with the ranking established pursuant to Article 4(5).</p>		
<p><b><u>ANNEX IV</u></b></p>		
<p>RULES AND INDICATORS CONCERNING CRITERIA FOR PROJECTS</p>		

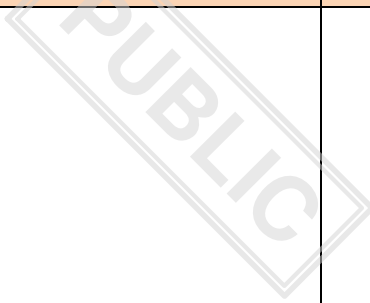
1st Presidency compromise text	Drafting suggestions	Comments
(1) A project of common interest with a significant cross-border impact shall be a project on the territory of a Member State and shall fulfil the following conditions:		
(a) for electricity transmission projects falling under point (1) (a), (b), (d), and (f) of Annex II, the project increases the net transfer capacity, at the border of that Member State with one or several other Member States by at least 200 Megawatts (MW) compared to the situation without commissioning of the project;		Category (b) refers to energy infrastructure for offshore renewable electricity, for which <u>both</u> 1(a) and 1(h) set criteria. Could the Commission clarify whether this implies that such projects must satisfy <u>both</u> the conditions in 1(a) and the more specific criteria in point (h), or whether point (h) should be interpreted as an alternative qualification route? i.e. Are these criteria intended to be alternative (an “either/or” qualification) or cumulative (an “and/and” qualification)?
(b) for any equipment or installation projects falling under point (1) (e) of Annex II, they need to be deployed on existing critical network elements, as defined in Article 2, point (69), of Regulation (EU) 2019/943, be included as part of the measures defined in the risk preparedness plans established by Member States pursuant to the Risk Preparedness Regulation to address risks to energy security, and		In general, we welcome the introduction of a new PCI category for the protection and resilience of critical network elements ( <i>‘any equipment or installation which is designed to provide protection and resilience to existing critical network elements...’</i> ). However, we are still analyzing the scope and the impact of this provision and would welcome clarification on the scope and the related criteria in art. 4 para 3 (c), Annex II and Annex IV. Could the Commission give some concrete examples of measures falling under this category?

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<p>increase energy security in at least one additional Member State;</p>		<p>What is meant by ‘critical network elements’ in this provision as there is a reference to Regulation 2019/ 943?</p> <p>Wat is meant by ‘provide resilience’ and what evidence is required to demonstrate an increase in energy security for another Member State?</p> <p>Could the Commission clarify whether the equipment or installations need to be explicitly mentioned in the risk preparedness plans established by the Member States, or whether it is sufficient for them to be covered implicitly?</p>
<p>(c) for electricity storage projects falling under point (1) (c) of Annex II, the project provides at least 225 MW installed capacity and has a storage capacity that allows a net annual electricity generation of 250 GW-hours/year;</p>		
<p>(d) for smart electricity grids projects falling under point (1) (g) of Annex II, the project is designed for equipment and installations at high-voltage and medium-voltage level, and involves TSOs, TSOs and DSOs, or DSOs from at least two Member States. The project may involve only DSOs provided that</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>they are from at least two Member States and provided that interoperability is ensured. The project shall satisfy at least two of the following criteria: it involves 50 000 users, generators, consumers or prosumers of electricity, it captures a consumption area of at least 300 GW hours/year, at least 20 % of the electricity consumption linked to the project originates from variable renewable resources, or it decreases energy isolation of non-interconnected systems in one or more Member States. The project does not need to involve a physical common border. For projects related to small isolated systems as defined in Article 2, point (42), of Directive (EU) 2019/944, including islands, those voltage levels shall be equal to the highest voltage level in the relevant electricity system;</p>		
<p>(e) for hydrogen transmission the project increases existing cross-border hydrogen transport capacity at a border between two Member States by at least 10 % compared to the situation prior to the commissioning of the project, and</p>		

1st Presidency compromise text	Drafting suggestions	Comments
<p>the project sufficiently demonstrates that it is an essential part of a planned cross-border hydrogen network and provides sufficient proof of existing plans and cooperation with neighbouring countries and network operators or, for projects decreasing energy isolation of non-interconnected systems in one or more Member States, the project aims to supply, directly or indirectly, at least two Member States;</p>		
<p>(f) for hydrogen storage or hydrogen reception facilities referred to in point (2) of Annex II, the project aims to supply, directly or indirectly, at least two Member States;</p>		
<p>(g) for electrolyzers, the project provides at least <del>500 MW</del> <b>200 MW</b> installed capacity provided by a single electrolyser or by a set of electrolyzers that form a single coordinated project and brings benefits directly or indirectly to at least two Member States;</p>		<p>We welcome the adjustment made in REV 1 regarding the threshold for electrolyzers. We agree with other Member States that the threshold proposed by the Commission of 500 MW capacity is too high. It is important to ensure that projects are realistically feasible and capable of being implemented.</p>

1st Presidency compromise text	Drafting suggestions	Comments
<p>(h) for offshore renewable electricity transmission, the project is designed to transfer electricity from offshore generation sites with capacity of at least 500 MW and allows for electricity transmission to onshore grid of a specific Member State, increasing the volume of renewable electricity available on the internal market. The project shall be developed in the areas with low penetration of offshore renewable electricity and shall demonstrate a significant positive impact on the Union's targets for energy and climate and its 2050 climate neutrality objective;</p>	<p>The project <del>shall be developed in the areas with low penetration of offshore renewable electricity</del> and shall demonstrate a significant positive impact on the Union's targets for energy and climate and its 2050 climate neutrality objective;</p>	<p>Energy infrastructure for offshore renewable electricity can deliver significant cross-border benefits by enabling additional renewable deployment in countries with high offshore potential, benefiting neighboring countries with more limited potential. The current criteria for these projects are too strict. We therefore propose the deletion of the criterion in Annex IV (1) (h) requiring that the project shall be developed in areas with low penetration of offshore renewable electricity.</p>
<p>(i) for carbon dioxide projects, the project is used to transport and, where applicable, store anthropogenic carbon dioxide originating from at least two Member States.</p>		
<p>(2) A project of mutual interest with significant cross-border impact shall fulfil the following conditions:</p>		

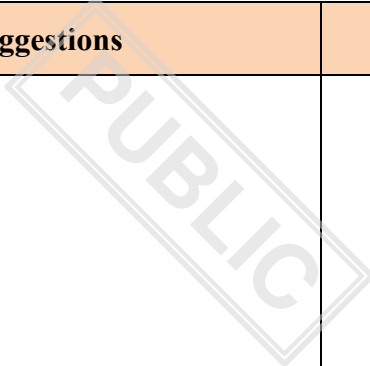
1st Presidency compromise text	Drafting suggestions	Comments
<p>(a) for projects of mutual interest relating to the category set out in point (1)(a), (d) and (h) of Annex II, the project increases the net transfer capacity at the border of that Member State with a third country and brings significant benefits to at least two countries directly or indirectly concerned by the project;</p>		
<p>(b) for projects of mutual interest in the category set out in point (2) (a) of Annex II, the hydrogen project enables the transmission of hydrogen across the border of a Member State with a third country and proves bringing significant benefits to at least two countries directly or indirectly concerned by the project;</p>		
<p>(c) for projects of mutual interest in the category set out in point (4) of Annex II, the project can be used to transport and store anthropogenic carbon dioxide by at least two Member States and a third country.</p>		

1st Presidency compromise text	Drafting suggestions	Comments
(3) Concerning projects falling under the energy infrastructure categories set out in point (1)(a), (b), (c), (d), (f) and (h) of Annex II, the criteria listed in Article 4 shall be evaluated as follows:		
(a) transmission of renewable energy generation to major consumption centres and storage sites, measured in line with the analysis made in the latest available Union-wide ten-year network development plan in electricity, in particular by:		
(i) for electricity transmission set out in point (1)(a), (b), (d), (f) and (h) of Annex II, estimating the amount of generation capacity from renewable energy sources (by technology, in MW), which is connected and transmitted due to the project, compared to the amount of planned total generation capacity from those types of renewable energy sources in the Member State concerned according to the National Energy and Climate Plans submitted by Member States in accordance with Regulation (EU) 2018/1999;		
(ii) or energy storage set out in point (1)(c) of Annex II, comparing new capacity provided by the project with total existing capacity for the same		

1st Presidency compromise text	Drafting suggestions	Comments
storage technology in the area of analysis as set out in Annex V;		
(b) market integration, competition and system flexibility, measured in line with the analysis made in the latest available Union-wide ten-year network development plan in electricity, in particular by:		
(i) calculating, for cross-border projects, including reinvestment projects, the impact on the grid transfer capability in both power flow directions, measured in terms of amount of power (in MW), and their contribution to reaching the interconnection target, and for projects with significant cross-border impact, the impact on grid transfer capability at borders between relevant Member States, between relevant Member States and third country or within relevant Member States and on demand-supply balancing and network operations in relevant Member States;		
(ii) assessing the impact, for the area of analysis as set out in Annex V, in terms of energy system-wide generation and transmission costs and evolution and convergence of market prices provided by a project under various planning		

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scenarios, in particular taking into account the variations induced on the merit order;		
<p>(c) security of supply, interoperability and secure system operation, measured in line with the analysis made in the latest available Union-wide ten-year network development plan in electricity, in particular by assessing the impact of the project on the loss of load expectation for the area of analysis as set out in Annex V in terms of generation and transmission adequacy for a set of characteristic load periods, taking into account expected changes in climate-related extreme weather events and their impact on infrastructure resilience. Where applicable, the impact of the project on independent and reliable control of system operation and services shall be measured.</p>		
<p>(4) Concerning projects falling under the energy infrastructure category set out in point (1)(g) of Annex II, the criteria listed in Article 4 shall be evaluated as follows:</p>		

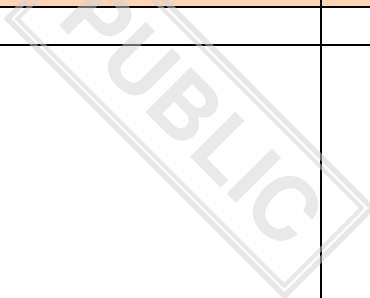
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<p>(a) the level of sustainability, measured by assessing the extent of the ability of the grids to connect and transport variable renewable energy;</p>		
<p>(b) security of supply, measured by assessing the level of losses in distribution, transmission networks, or both, the percentage utilisation (i.e. average loading) of electricity network components, the availability of network components (related to planned and unplanned maintenance) and its impact on network performances, and on the duration and frequency of interruptions, including climate related disruptions;</p>		
<p>(c) market integration, measured by assessing the innovative uptake in system operation, <b>interconnection</b> <del>and the decrease of energy isolation and interconnection</del>, as well as the level of integrating other sectors and facilitating new business models and market structures;</p>		

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<p>(d) network security, flexibility and quality of supply, measured by assessing the innovative approach to system flexibility, cybersecurity, efficient operability between TSO and DSO level, the capacity to include demand response, storage, energy efficiency measures, the cost-efficient use of digital tools and ICT for monitoring and control purposes, the stability of the electricity system and the voltage quality performance.</p>		
<p>(5) Concerning projects falling under the energy infrastructure category set out in point (1)(e) of Annex II, the criteria listed in Article 4 shall be evaluated as follows:</p>		
<p>(a) security of supply, measured by the percentage utilisation (i.e. average loading) of electricity network components; the availability of network components and its impact on network performances; the duration and frequency of interruptions, including climate related disruptions;</p>		

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(b) network security, measured by assessing the ability to prevent significant incidents through physical and cybersecurity measures;		
(6) Concerning hydrogen falling under the energy infrastructure category set out in point (2) of Annex II, the criteria listed in Article 4 shall be evaluated as follows:		
(a) sustainability, measured as the contribution of a project to greenhouse gas emission reductions in various end-use applications in hard-to-abate sectors, such as industry or transport; flexibility and seasonal storage options for renewable electricity generation; or the integration of renewable and low-carbon hydrogen with a view to consider market needs and promote renewable hydrogen;		
(b) market integration and interoperability, measured by calculating the additional value of the project to the integration of market areas and price convergence		

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to the overall flexibility of the system;		
(c) security of supply and flexibility, measured by calculating the additional value of the project to the resilience, diversity and flexibility of hydrogen supply;		
(d) competition, measured by assessing the project's contribution to supply diversification, including the facilitation of access to indigenous sources of hydrogen supply.		
(7) Concerning electrolyser projects falling under the energy infrastructure category set out in point (3) of Annex II the criteria listed in Article 4 shall be evaluated as follows:		
(a) sustainability, measured by assessing the share of renewable hydrogen or low-carbon hydrogen, in particular from renewable sources meeting the criteria defined in point (3)(a)(ii) of Annex II integrated into the network or estimating the amount of		

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deployment of synthetic fuels of those origins and the related greenhouse gas emission savings;		
(b) security of supply, measured by assessing its contribution to the safety, stability and efficiency of network operation, including through the assessment of avoided curtailment of renewable electricity generation;		
(c) enabling flexibility services such as demand response and storage by the facilitation of smart energy sector integration through the creation of links to other energy carriers and sectors, measured by assessing the cost savings enabled in connected energy sectors and systems, such as the gas, hydrogen, power and heat networks, the transport and industry sectors.		
(8) Concerning carbon dioxide infrastructure falling under the energy infrastructure categories set out in point (4) of Annex II the criteria listed in Article 4 shall be evaluated as follows:		

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<p>(a) sustainability, measured by assessing the total expected project life-cycle greenhouse gas reductions and the absence of alternative technological solutions such as, but not limited to, energy efficiency, electrification integrating renewable sources, to achieve the same level of greenhouse gas reductions as the amount of carbon dioxide to be captured at connected industrial installations at a comparable cost within a comparable timeline taking into account the greenhouse gas emissions from the energy necessary to capture, transport and store the carbon dioxide, as applicable, considering the infrastructure including, where applicable, other potential future uses;</p>		
<p>(b) resilience and security, measured by assessing the security of the infrastructure;</p>		
<p>(c) the mitigation of environmental burden and risk via the permanent neutralisation of carbon dioxide.</p>		

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