

# 58 INDUSTRY LEADERS CALL FOR ENHANCING GAS CONTRIBUTION TO DECARBONISATION

For the attention of:

**Commission President Ursula von der Leyen,**

**President of the European Council Charles Michel,**

**Presidency of the Council of the EU, Minister for Economic Affairs and Energy Peter Altmaier**

**Copies:**

Executive Vice-President Frans Timmermans, Executive Vice-President Dombrovskis, Executive Vice-President Vestager, Commissioner McGuinness, Commissioner Simson, Commissioner Breton, Commissioner Vălean, Commissioner Sinkevičius

Director-General Juul Jørgensen, Director-General Petriccione, Director-General Jorna, Director-General Berrigan, Director-General Hololei, Director-General Fink-Hooijer

Permanent Representatives of all Member States to the EU

Brussels, 19 October 2020

**Dear President von der Leyen,**

**Dear President Michel,**

**Dear Minister Altmaier,**

In the coming months, the EU institutions and stakeholders represented in the Platform on Sustainable Finance will discuss the adoption of a delegated act classifying environmentally sustainable investments to mitigate and adapt to climate change. This will be a first step in the implementation of the EU sustainable finance taxonomy and a key one for gas to be recognised as an enabling/transitional activity contributing towards climate neutrality.

We call on you to support ambitious and pragmatic policy tools that will enable the scaling-up of all decarbonisation options which will be needed to achieve carbon neutrality by 2050, including natural, renewable and decarbonised gases and CCUS technologies. Decades of investments have made gas and its infrastructure strategic assets for the EU's energy system security, stability and affordability. They will continue to play these key roles to help meet the EU 2050 climate neutrality objective while keeping European competitiveness.

The EU Hydrogen Strategy recognises that, alongside renewable hydrogen low-carbon hydrogen production from natural gas reforming in combination with CCUS or pyrolysis will play a fundamental role in providing the necessary volumes to develop an integrated hydrogen market.

Building a winning team requires nurturing talent. Thanks to the integrated know-how of its stakeholders, the gas value-chain is creating many opportunities in the short-, medium-, and long-term for European high-skilled jobs, economic growth and decarbonisation.

We, therefore, call for the upcoming Delegated Acts to include the transitional and enabling activities<sup>1</sup> and create a level playing field for commercially mature technologies and reap the

<sup>1</sup> as outlined in article 10(2) and in article 16 of the EU Taxonomy Regulation

full benefits of all European gas resources to decarbonise the EU economy in a fast and cost-effective way, on the path towards climate neutrality by:

- Deploying natural gas to continue displacing, wherever possible, coal in power generation and heating, while integrating growing variable renewable electricity to ensure system stability. The threshold for enabling/transitional activities such as natural gas should be carefully designed, taking into account existing EU legislation and propose a path towards progressive decarbonisation;
- Taking a level playing field approach to the development of hydrogen (from renewables, natural gas reforming with CCUS and methane pyrolysis);
- Building on the existing gas market and network as the backbone of the future EU energy system;
- Incentivising investments in hydrogen infrastructure (including retrofitting);
- Lifting legal and administrative barriers to the introduction of hydrogen into the gas grid;
- Supporting CCUS and the full range of low-carbon gas options in the EU's climate and energy policies, in particular in the future revision of gas market rules; Integrating CO2 storage and all modes of CO2 transport in overall infrastructure development.
- Supporting European electrolyser manufacturers and other renewable gas solutions, such as biomethane, to ensure that Europe remains the world leader in developing and manufacturing clean gas technologies;
- Developing and implementing policy and regulation that achieve efficient methane emission reductions along the value chain.
- The entire gas value chain looks forward to the fruitful collaboration to come, in particular under the Clean Hydrogen Alliance framework and the CCUS Forum.

Yours sincerely,

#### **Signatory companies:**

1. **Aker Solutions**, Kjetel Digre, CEO
2. **BP**, Bernard Looney, CEO
3. **Cairn Energy**, Simon Thomson, CEO
4. **Chrysaor**, Phil Kirk, CEO
5. **Enagás**, Marcelino Oreja, CEO
6. **Equinor**, Irene Rummelhoff, Executive Vice President for Marketing, Midstream and Processing
7. **Eustream a.s.**, Rastislav Ňukovič, CEO
8. **FGSZ Ltd.**, Szabolcs I. Ferencz, CEO
9. **Fluxys Belgium**, Pascal de Buck, CEO
10. **GAS Connect Austria**, Stefan Wagenhofer and Harald Stindl, Management
11. **GASCADE Gastransport GmbH**, Christoph von dem Bussche, Managing Director
12. **GasTerra**, Annie Krist, CEO
13. **GAZ-SYSTEM**, Tomasz Stępień, President of the Management Board
14. **Hermann Sewerin GmbH**, Dr. Swen Sewerin, CEO
15. **Kiwa**, Jan Pieter Bijker, Vice President Kiwa NL
16. **Magyar Földgázkereskedő Zrt (Hungarian Gas Trade Ltd)**, László Fritsch, CEO
17. **MFGT (Hungarian Gas Storage Ltd)**, Ákos Kriston, CEO
18. **MOL Group**, Zsolt Hernádi, Chairman and CEO
19. **NAFTA a.s.**, Martin Bartošovič, CEO
20. **Neptune Energy**, James L House, CEO
21. **Net4gas s.r.o.**, Andreas Rau, CEO
22. **Nortegas Energia Distribucion**, Javier Contreras, CEO

23. **Open Grid Europe**, Jörg Bergman, CEO
24. **Overgas Mrezhi AD**, Svetoslav Ivanov, Executive Director
25. **Petoro AS**, Kjell Morisbak Lund, CEO
26. **PGE Polska Grupa Energetyczna**, Wojciech Dąbrowski, CEO
27. **PGNiG**, Jerzy Kwiecinski, CEO and President of the Board
28. **Plinovodi**, Marjan Eberlinc, General Manager
29. **RAG Austria**, Markus Mitteregger, CEO
30. **RAG Energy Storage**, Georg Dorfleutner, Managing Director
31. **Repsol**, Josu J. Imaz, CEO
32. **Total SE**, Patrick Pouyanné, Chairman of the Board and CEO
33. **TPS Baker Hughes**, Rod Christie, President and CEO
34. **Trans Austria Gasleitung GmbH**, Daniele Gamba and Rudolf Starzer, Managing Directors
35. **Transgaz**, Ion Sterian, Director General
36. **UNIPER**, Andreas Schierenbeck, CEO
37. **Wintershall Dea**, Mario Mehren, CEO
38. **Woodside Energy Ltd**, Peter Coleman, CEO

#### Signatory associations:

39. **BDEW (German Association of Energy and Water Industries)**, Kerstin Andreae, Chairwoman of the Management Board and member of Board of Directors
40. **BVEG (Federal Association of Natural Gas, Crude Oil and Geothermal Energy)**, Ludwig Möhring, CEO
41. **Croatian Gas Association**, Dalibor Pudic, President
42. **Czech Gas Association**, Martin Slabý, Chairman of the Council
43. **Eurogas**, Philippe Sauquet, President
44. **Finnish Gas Association**, Hannu Kauppinen, Managing Director
45. **GasNaturally**, François-Régis Mouton, Chairman
46. **GERG (European Gas Research Group)**, Robert Judd, Secretary General
47. **GIE (Gas Infrastructure Europe)**, Jean-Marc Leroy, President
48. **IADC (International Association of Drilling Contractors)**, Jason McFarland, President
49. **IGU (International Gas Union)**, Luis Bertran Rafecas, Secretary General
50. **IOGP (International Oil and Gas Producers)**, Gordon Ballard, Executive Director
51. **Liquid Gas Europe**, Samuel Maubanc, General Manager
52. **Marcogaz**, Thea Larsen, President
53. **NGVA Europe**, Andrea Gerini, Secretary General
54. **NOGEPa (Netherlands Oil and Gas Exploration and Production Association)**, Jo Peters, Secretary General
55. **NOROG (Norwegian Oil and Gas Association)**, Anniken Hauglie, Director General
56. **Oil Gas Denmark** - Martin Peter Naesby, Managing Director
57. **Slovak Gas and Oil Association**, Tomas Malatinsky, President
58. **Zukunft Erdgas**, Timm Kehler CEO

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