



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 30.09.1998
COM(1998) 542 final

98/ 0284 (COD)

Proposal for a

EUROPEAN PARLIAMENT AND COUNCIL DECISION

**amending Decision No 1254/96/EC
laying down a series of guidelines for trans-European
energy networks**

(presented by the Commission)

EXPLANATORY MEMORANDUM

I. INTRODUCTION

1. On 5 June 1996 the European Parliament and the Council adopted Decision No 1254/96/EC laying down a series of guidelines for trans-European energy networks.¹ The Annex to this Decision contains an indicative list of projects of common interest identified in the energy sector.
2. The indicative list of projects of common interest was updated by Decision No 1047/97/EC adopted by the European Parliament and the Council on 29 May 1997. It currently contains 74 projects of common interest.

II. NEED TO UPDATE THE INDICATIVE LIST OF COMMON INTEREST PROJECTS IN THE ENERGY SECTOR

3. The European Commission proposes updating the indicative list of projects of common interest annexed to Decision No 1254/96/EC,¹ as amended by Decision No 1047/97/EC,² for the following reasons:
 - the rapid development of the market, especially the natural gas market, and the need for network infrastructure to serve it (diversification of supply sources, for example, and increased storage);
 - to pursue the setting-up of interconnected energy networks on the scale of the European continent.
4. In practical terms, this means:
 - in some cases, altering the description of projects of common interest already on the list;
 - adding to the list new projects which have reached an advanced state of preparation.

III. THE PROJECTS SELECTED BY THE COMMISSION

5. In the first half of 1998, Commission officials consulted experts from the Member States, Community electricity and gas companies and the bodies representing those companies with a view to adding to the information available on trans-European network projects in the energy sector.
6. On the basis of these data, the Commission selected the projects indicated below.

¹ OJ No L 161 of 29 June 1996.

² OJ No L 152 of 11 June 1997.

These projects correspond to the technical definitions and meet the objectives, priorities and criteria fixed by Decision No 1254/96/EC laying down guidelines for trans-European energy networks.

As for their state of preparation, the projects selected are those for which studies and, where applicable, building work are planned within the next five years.

7. Of the projects selected:

- some already feature on the indicative list of projects of common interest; the Commission proposes to update their description so that it corresponds to the current situation; these projects are marked with an asterisk (*) in the text which follows;
- some projects had already been proposed by the Commission in its proposal laying down guidelines for trans-European energy networks³ in January 1994 but had not been included on the indicative list of projects of common interest; the state of preparation of these projects has progressed and the Commission is putting them forward again with an amended description, where applicable; these projects are marked with a double asterisk (**);
- finally, several new projects are being proposed by the Commission for the first time.

8. Electricity networks:

The selected projects are grouped according to categories a, b, c, and d of the indicative list, corresponding to the priorities set out in Decision No 1254/96/EC for electricity networks.

- a. Two projects to connect isolated electricity networks to European interconnected networks: Ireland - United Kingdom (Wales) (**) and in the United Kingdom (Scotland).
- b. One project to develop interconnections between the Member States: Denmark - Germany.
- c. Two projects for the development of internal connections necessary to make the best use of interconnections between Member States: in Greece (*) and in the United Kingdom (Northern Ireland).
- d. No projects to develop interconnections with non-member countries in Europe and the Mediterranean region helping to improve the reliability, security and supply of Community electricity networks.

³ COM(93) 685 final of 19 January 1994.

9. Gas networks:

The selected projects are grouped according to categories e, f, g, and h of the indicative list, corresponding to the priorities set out in Decision No 1254/96/EC for gas networks.

- e. No projects for the introduction of natural gas into new regions.
 - f. Five projects for the connection of isolated gas networks to the interconnected European networks, including the necessary improvement of the existing networks and connection of separate natural gas networks: Ireland-United Kingdom (*), Italy-Greece-other Balkan States, Austria-Czech Republic, Austria and Austria-Slovenia-Croatia.
 - g. Four projects to increase reception (NMG) and storage capacity necessary to satisfy demand, and diversification of supply sources and routes for natural gas: in Germany (**), in France (*), in Italy and in the United Kingdom.
 - h. Five projects to increase transmission capacity (gas delivery pipelines) necessary to meet demand and diversification of supply sources and routes for natural gas: countries bordering the Caspian Sea - EU (**), Russia-Ukraine-Moldavia-Romania-Bulgaria-Greece-other Balkan States (*), Netherlands-Germany-Switzerland-Italy, Belgium-France-Switzerland-Italy and Denmark-Poland.
10. Overall, 19 projects have been selected by the Commission. Of these:
- four are projects that have already been identified but whose description it is proposed to change;
 - three were already included in the Commission proposal laying down a series of guidelines on trans-European energy networks and are being proposed again;
 - twelve are new projects.

IV. CONCLUSION

11. The Commission believes the time has come to update the indicative list of projects of common interest given in the Annex to Decision No 1254/96/EC of the European Parliament and of the Council laying down a series of guidelines for trans-European energy networks,¹ as amended by Decision No 1047/97/EC of the European Parliament and of the Council,² by adapting the description of some of the projects on the list and by adding to it other projects which have since reached a suitable state of preparation and which meet the criteria set out in that Decision.¹

12. That is the purpose of the attached proposal for a Decision of the European Parliament and of the Council, the legal basis for which is the first paragraph of Article 129d of the Treaty establishing the European Community.

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Proposal for a
EUROPEAN PARLIAMENT AND COUNCIL DECISION
amending Decision No 1254/96/EC
laying down a series of guidelines for trans-European energy networks

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular the first paragraph of Article 129d thereof,

Having regard to the proposal from the Commission,¹

Having regard to the opinion of the Economic and Social Committee,²

Having regard to the opinion of the Committee of the Regions,³

Acting in accordance with the procedure laid down in Article 189b of the Treaty,

Whereas the list of projects of common interest established by Decision No 1254/96/EC of the European Parliament and of the Council,⁴ as amended by Decision No 1047/97/EC,⁵ needs to be updated periodically in line with developments in interconnected energy networks both inside and outside the European Community and taking account of the enlargement process and, more generally, the strengthening of energy links with non-member countries;

Whereas the descriptions of some projects of common interest currently featuring on the list need to be adapted;

Whereas new projects must be added to the list,

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4 OJ L 161 of 29 June 1996.

5 OJ L 152 of 11 June 1997.

HAVE ADOPTED THIS DECISION:

Article 1

The indicative list of projects of common interest set out in the Annex to Decision No 1254/96/EC is hereby amended as follows:

1. Points c8, f1, g7 and h11 are amended as indicated in Annex 1 to this Decision.
2. The points appearing in Annex II to this Decision are added.

Article 2

This Decision shall enter into force on the third day following that of its publication in the Official Journal of the European Communities.

Article 3

This Decision is addressed to the Member States.

Done at Brussels,

For the European Parliament

The President

For the Council

The President

TRANS-EUROPEAN ENERGY NETWORKS:

ELECTRICITY NETWORKS

Development of internal connections necessary to make the best use of interconnections between Member States:

1. Point c8 is replaced by the following text:
"c8: GREECE: Strengthening and development of internal connections."

NATURAL GAS NETWORKS

Connection of isolated gas networks to European interconnected networks, including the necessary improvement of the existing networks, and connection of separate natural gas networks:

2. Point f1 is replaced by the following text:
" f1: IRELAND - UNITED KINGDOM: Strengthening of the gas transport capacity between the two countries."

Increasing reception (LNG) and storage capacities necessary to satisfy demand, and diversification of supply sources and routes for natural gas:

3. Point g7 is replaced by the following text:
" g7: FRANCE: Developing underground gas storage facilities."

Increasing transmission capacity (gas delivery pipelines) necessary to meet demand and diversification of supply sources and routes for natural gas:

4. Point h11 is replaced by the following text:
"h11: RUSSIA - UKRAINE - MOLDAVIA - ROMANIA - BULGARIA - GREECE - OTHER BALKAN COUNTRIES: Improvements to the gas transportation networks to ensure supplies from Russian resources to the new gas network in Greece and to other Balkan countries."

TRANS-EUROPEAN ENERGY NETWORKS :

Points 1 to 15 following are inserted as appropriate in the alphabetical and numerical order of the list:

ELECTRICITY NETWORKS

Connection of isolated electricity networks to European interconnected networks:

1. "a2: **IRELAND - UNITED KINGDOM (Wales):** Connection by submarine cable of the network of the Republic of Ireland to the network of the United Kingdom (Wales)."
2. "a8: **UNITED KINGDOM (Scotland):** Connection by submarine cable of the Shetland Islands."

Development of interconnections between Member States:

3. "b16: **DENMARK - GERMANY:** Strengthening the aerial connections between the two countries."

Development of internal connections necessary to make the best use of interconnections between Member States:

4. "c13: **UNITED KINGDOM (Northern Ireland):** Strengthening of internal connections in Northern Ireland, in relation to the interconnections with the Republic of Ireland."

GAS NETWORKS

Connection of isolated gas networks to European interconnected networks, including the necessary improvement of the existing networks, and connection of separate natural gas networks:

5. "f13: **ITALY - GREECE - OTHER BALKAN COUNTRIES:** Construction of a gas pipeline to supply Greece and other Balkan countries through Southern Italy."

6. "f14: AUSTRIA - CZECH REPUBLIC: Construction of gas pipelines to connect the networks of the two countries."
7. "f16: AUSTRIA: Interconnection of isolated gas transmission networks."
8. "f17: AUSTRIA - SLOVENIA - CROATIA: Strengthening of the gas transport capacity between the three countries."

Increasing reception (LNG) and storage capacities necessary to satisfy demand, and diversification of supply sources and routes for natural gas:

9. "g6: GERMANY: Developing underground gas storage facilities."
10. "g14: ITALY: Construction of an offshore LNG terminal."
11. "g15: UNITED KINGDOM: Developing underground gas storage facilities."

Increasing transmission capacity (gas delivery pipelines) necessary to meet demand and diversification of supply sources and routes for natural gas:

12. "h10: CASPIAN SEA COUNTRIES - E.U. : Construction of new gas pipelines to allow the European Union to be supplied from resources in the Caspian Sea Countries."
13. "h15: THE NETHERLANDS - GERMANY - SWITZERLAND - ITALY: Increasing gas transport capacity of the TENP pipeline running from the Netherlands through Germany to Italy."
14. "h16: BELGIUM - FRANCE - SWITZERLAND - ITALY: Increasing gas transport capacity from North-Western Europe through France to Italy."
15. "h17: DENMARK - POLAND: Construction of a gas pipeline through Denmark to Poland."

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