



PCI identification process

Latest developments and current state of play in the NSI East

Danube Region Strategy Priority Area 2

9th Steering Group Meeting

Budapest, 4 December 2014

Szolyák Ádám

Internal Market I: Networks and Regional initiatives

DG Energy

European Commission

EU Energy Policy objectives

Competitiveness

Smart infrastructure

Competitive markets

Diversified supply

Energy efficiency

Renewable sources

**Security of
supply**

Sustainability

Revision of the TEN-E policy

Process to identify projects of common European interest, with involvement of all stakeholders



Benefits

Accelerated permit granting

3.5 years

One stop shop

Participation

Improved Regulatory treatment

Incentives

Cost allocation

Financial support

Financial instruments

Grants

Criteria as proposed in the Guidelines

General criteria

Contributes to the implementation of the infrastructure priorities

Economic, social and environmental viability

Involves at least two Member States:

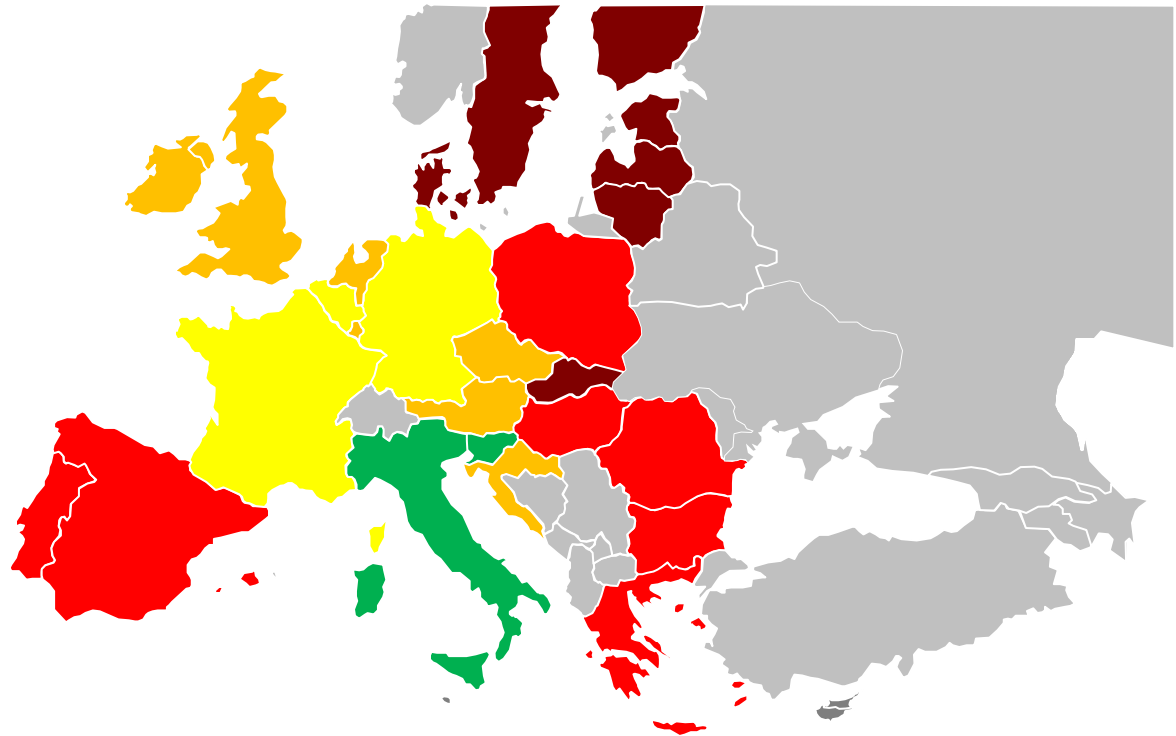
- **Cross-border infrastructures**
- **Infrastructure with significant cross-border impact**

Specific criteria

- **Gas**
 - Urgency
 - Security of supply, diversification
 - Competition
 - Market integration, system flexibility
 - Sustainability
 - Complementarity and territorial cohesion

Source diversification before 1st List PCIs - 2013

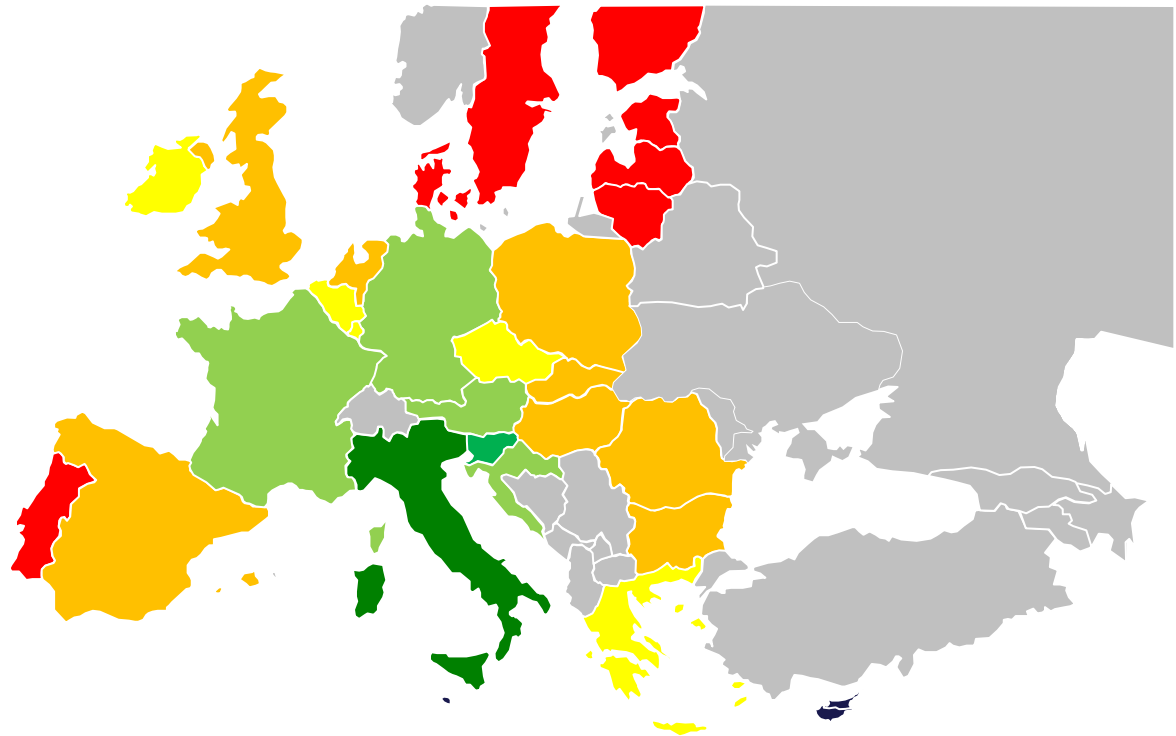
Number of supply sources a country may potentially access to through infrastructure (at least 5% share)



Supply Sources: Algeria, Lybia, Norway, Russia, National Production, LNG (counts as one source)
do not prejudge any commercial contracts

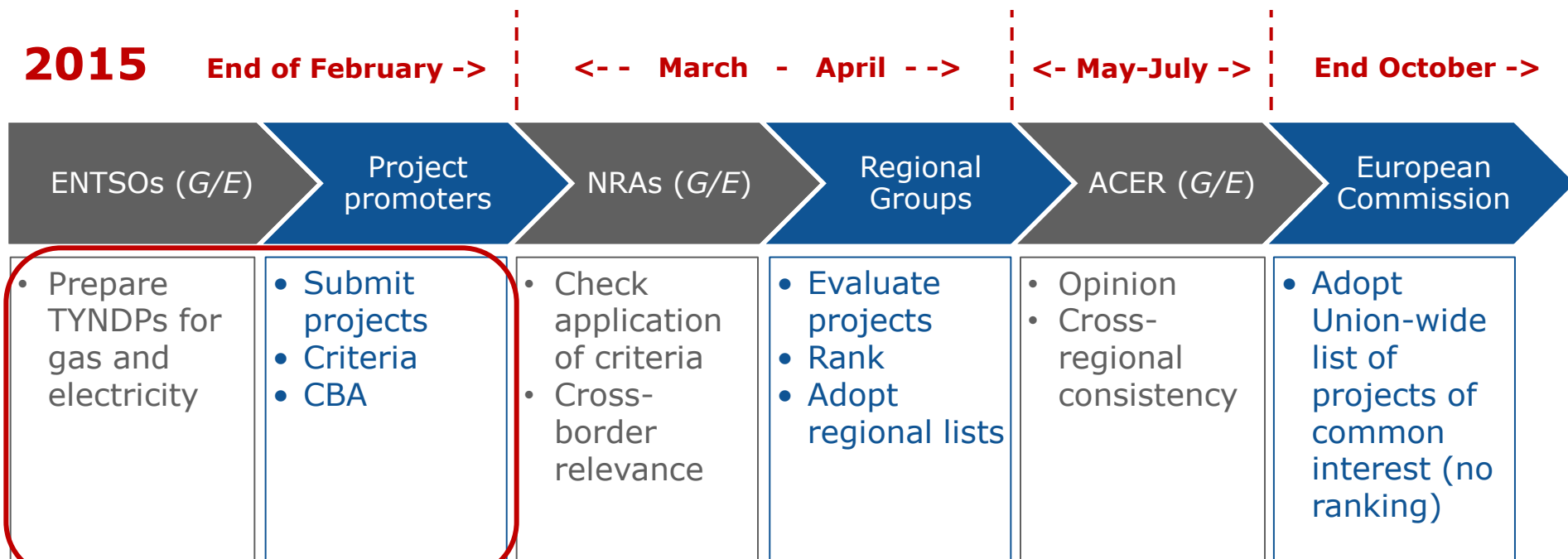
Source diversification after 1st PCIs – 2022

Number of supply sources a country may potentially access to through infrastructure (at least 5% share)



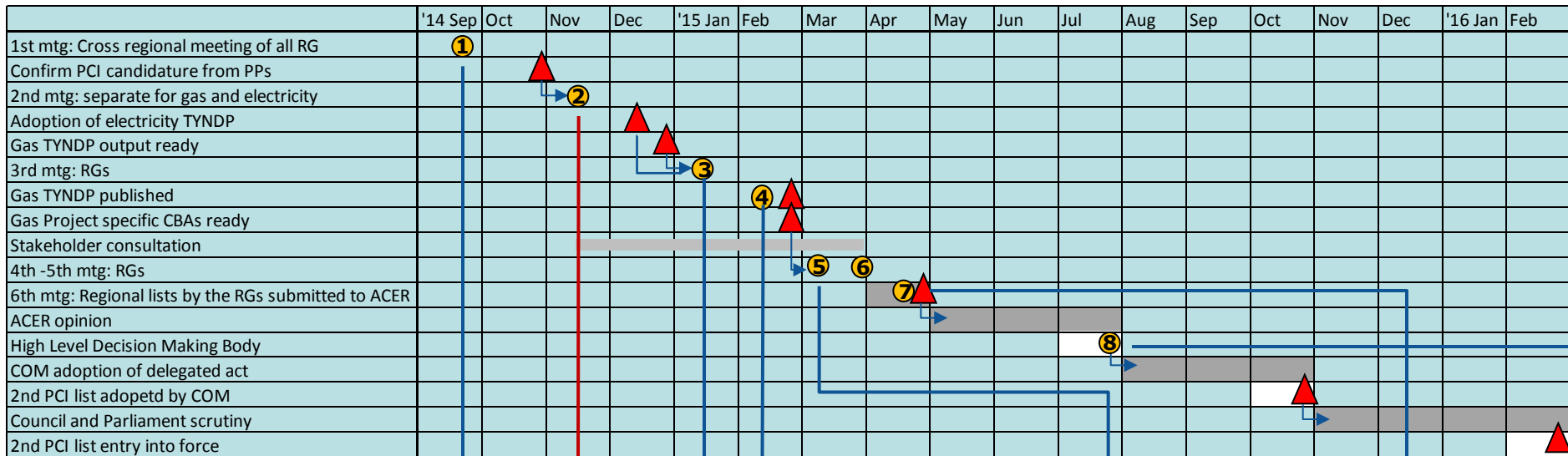
Supply Sources: Azerbaïdjan (new source), Algeria, Lybia, Norway, Russia, National Production, LNG (counts as one source) *do not prejudice any commercial contracts*

Process to identify projects of common interest



**TYNDP / CBA
process**

2nd round of PCI evaluation: PCI list 2015



1st mtg:

Objective: Launch the 2nd PCI process

2nd mtg:

Objective: PCI candidates and methodology

3rd & 4th mtg:

Objective: Methodology. System wide assessment

5th & 6th mtg:

Objective: Assessment

7th mtg:

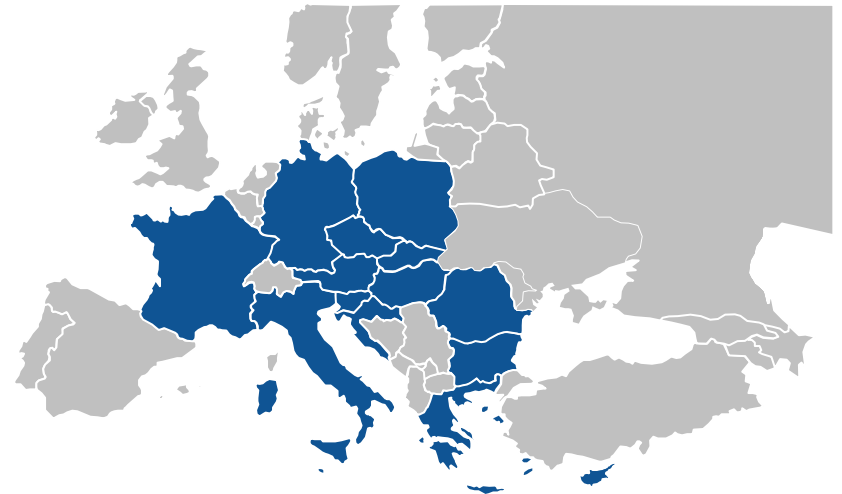
Objective: Agree regional lists

We are here

8th mtg:

Objective: High Level DMB to approve PCI list

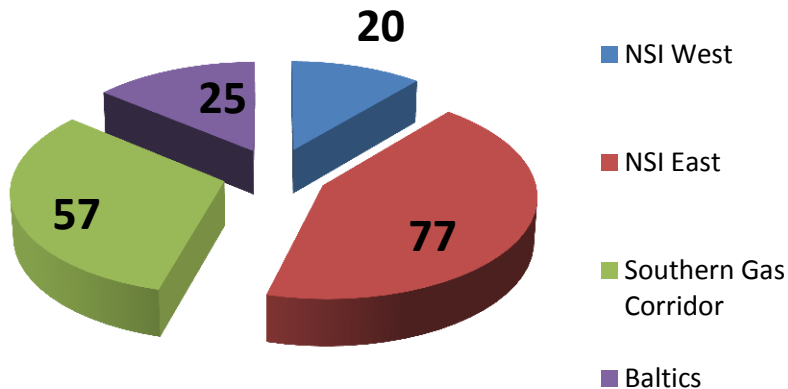
NSI East gas and Southern Gas Corridor



179* PCI candidates have been submitted

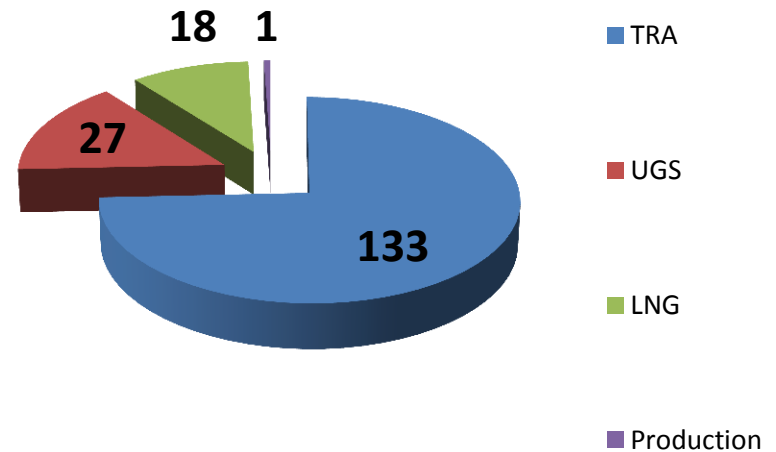
*Based on TYNDP project codes: it also includes separate applications for the same project

Submitted projects by priority corridor



Total: 179

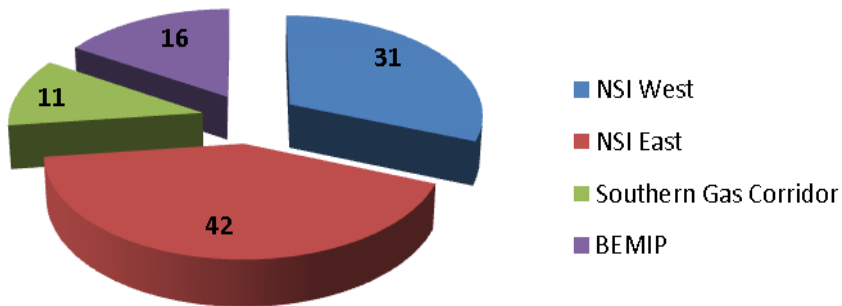
Applicants by Project Type



Total: 179

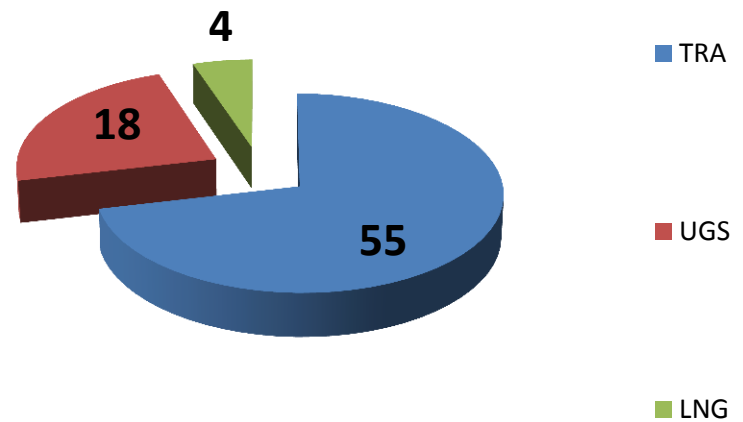
70 projects submitted for the NSI East gas – 42 groups

PCI candidates assessed per region (projects and clusters)



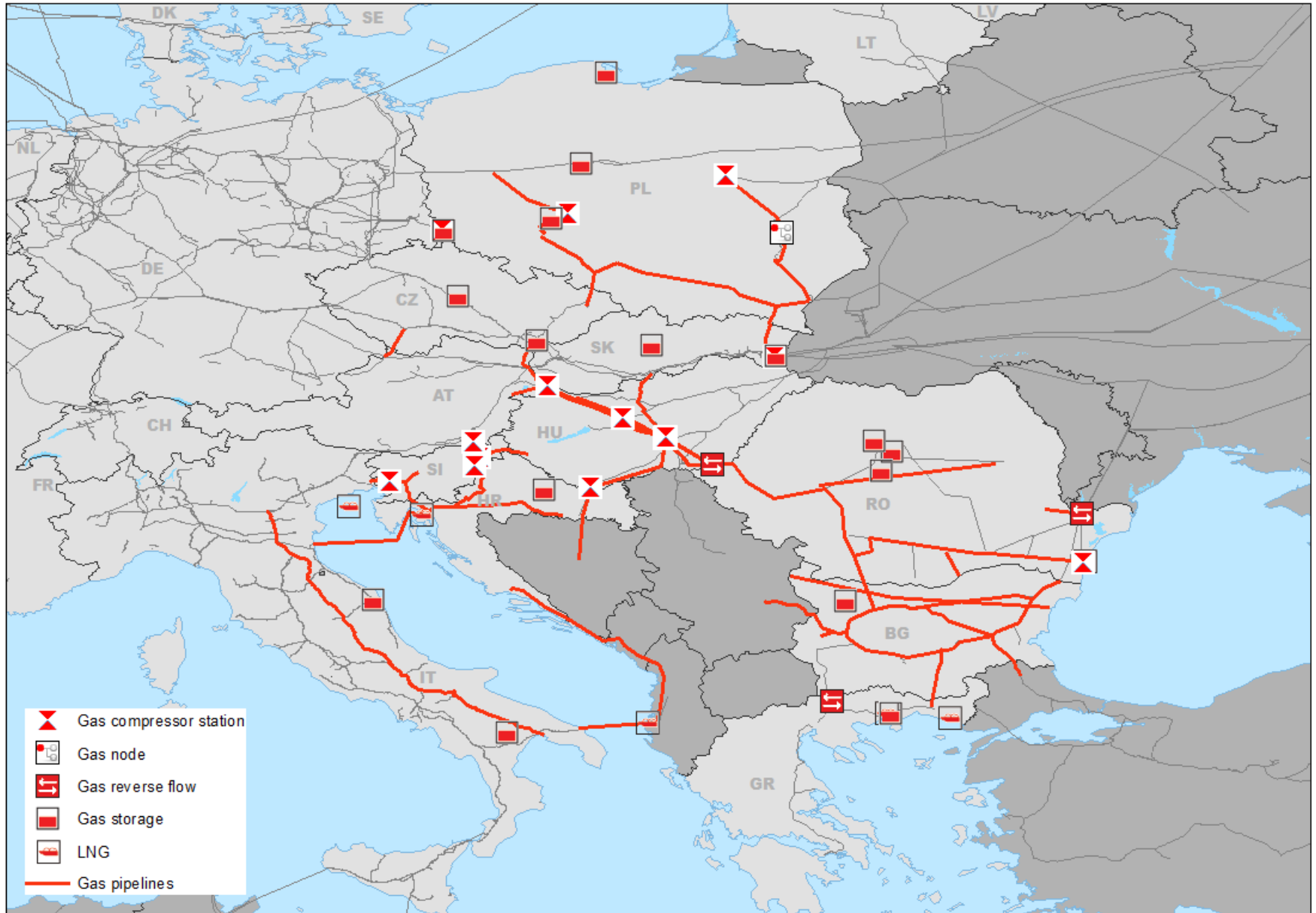
Total: 99

Applicants by Project Type (NSI East)



Total: 77

Candidate PCI in the Danube region



Evaluation approach

Projects grouped into meaningful units

- Individual project
 - 'Mirror' projects:
 - *Two sides of the interconnector*
 - *e.g. interconnector + "enabler" project*
 - Project cluster – if strong interdependency and regional group so requests
- **Expert support to the Regional Groups: JRC**
 - Define and apply an evaluation approach: how to consider the complexity of results, qualitative assessment, etc.
 - How to evaluate non-mature projects

NRAs role: check consistency

Next steps in the PCI evaluation process

- **MS approval is required for the proposed projects on their territory**
- **Assessment of eligibility:**
 - Project should fall under the energy infrastructure categories set out in Annex II of the TEN-E Regulation
 - Etc
- **Discussion on JRC evaluation methodology**



European
Commission



Energy