CONSULTATION RESPONSE

Identification of system needs for the TEN-E priority electricity and offshore grid corridors
Bellona welcomes the opportunity to provide feedback on the criteria to select PCI and PMI projects for electricity and offshore grid corridors within the TEN-E framework.

Overall, criteria appear suitable to identify the needs for infrastructure for the development of interconnectors to strengthen the European electricity grid. However, Bellona considers it crucial to not consider hydrogen-based solutions as an alternative for the development of the electricity grid. Moreover, regardless of the climate benefits of interconnector deployment, these should be always evaluated keeping into consideration their environmental impacts, thus sustainability criteria must be included in the methodology. Therefore, Bellona urges the Commission to include the two following recommendations in the further development of the criteria.

1. **HYDROGEN CANNOT BE CONSIDERED AS A SUBSTITUTE FOR CAPACITY INCREASE AT MEMBER STATE BORDERS**

   The proposed methodology to calculate the transmission capacity indicator to assess market integration needs considers hydrogen (through power-to-gas and hybrid offshore infrastructure) as an alternative to capacity increase at the borders. However, hydrogen will remain a scarce resource for the foreseeable future and its role in the system should be limited to those sectors that have no alternative decarbonisation pathway. Therefore, **hydrogen infrastructure should not be considered as an alternative to electricity one**, but rather as a dedicated infrastructure to serve specific and targeted applications in harder to abate sectors.

   Moreover, the methodology mentions the energy efficiency principle as one of the core principles on which this methodology is built. Thus, Regional Groups are encouraged to foster demand side and energy efficiency solutions over infrastructural deployment. However, the use of hydrogen goes in the opposite direction to this principle as using electricity directly is much more efficient. Therefore, **the deployment of electricity infrastructure should be seen as a more efficient measure than the deployment of hydrogen-based solutions**.

2. **SUSTAINABILITY CRITERIA MUST BE INCLUDED INTO THE PCI/PMI ASSESSMENT METHODOLOGY AND BE RIGOROUS**

   No sustainability criteria are included for the time being in the methodology, however they will be developed in the next phase of the PCI/PMI process from March to May 2023. **Rigorous sustainability criteria are essential to ensure that the deployment of grid infrastructure does not hamper habitats and the communities depending on them**. For this reason, an environmental impact assessment should be always required as part of the criteria to assess the viability of an infrastructural project.