

## **Massive investment needed in EU energy infrastructure**

The European Commission is proposing to increase its monitoring of national energy infrastructure investments in key areas like biofuels, nuclear energy, gas and carbon dioxide transport and storage. Presenting a draft regulation on notification to the EC of investment projects in energy infrastructure, Energy Commissioner Andris Piebalgs has stressed that, given the EU's climate commitments, Europe needs to invest massively in energy infrastructure. "The Commission is interested in monitoring whether investment projects will become a reality in time to meet future demand while satisfying our energy and climate targets. This is a particular concern for the Commission, especially at a time when a severe financial and economic crisis is causing cuts and delays to energy investment and is increasing uncertainty related to future energy projects," says Piebalgs. The proposal seeks to strengthen the collection and analysis of data on investment projects for oil, gas and electricity as well as related areas such as transport and storage of carbon dioxide. From 2010, it would oblige member states to report back to the EC every two years on types of investment, planned capacities and any delays or obstacles. The EC will use the data to identify investment trends in Europe and provide cross-sectoral analysis. The supply side information will then be regularly contrasted with outlooks for energy demand to identify any gaps between the two. In the interest of transparency, the data will be shared with member states and made public unless it is commercially sensitive. The EC believes regular EU-level monitoring of infrastructure projects will help anticipate infrastructure gaps that threaten security of supply. The EU has earmarked €3.98 billion for investments in energy infrastructure within its wider economic recovery plan. But the Commission estimates that around €1 trillion will have to be spent on improving Europe's electricity network and generation capacity – and €150 billion on gas networks – between now and 2030 to respond to climate and security of supply challenges.

Source: esaa news Issue 29 (27 July, 2009)