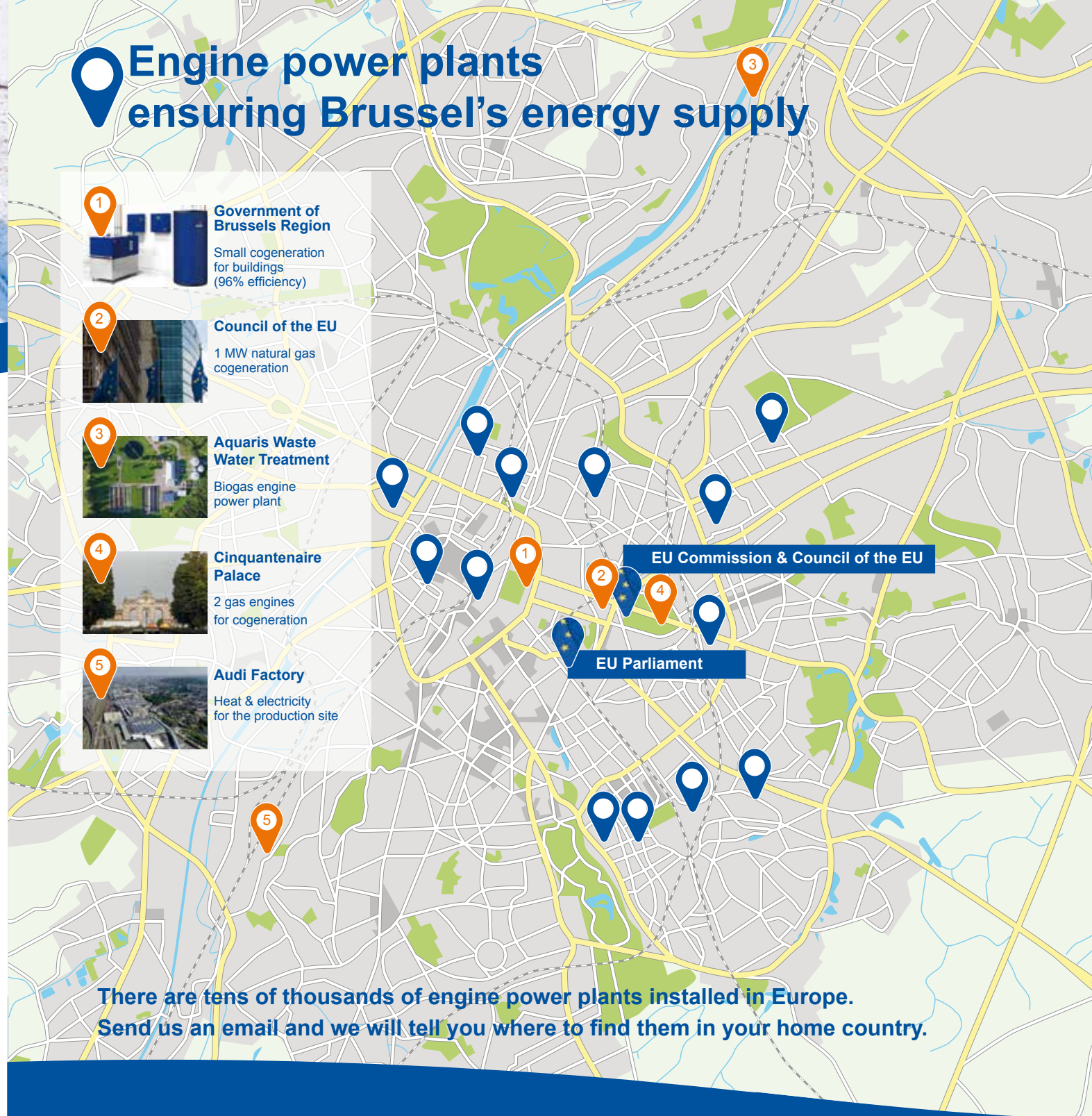




- 📍 **17000 biogas plants:** Gas engines convert biogas from farms, landfill and waste treatment plants across Europe into renewable power & heat. This helps meeting the **EU renewable energy targets**.
- 📍 **95% energy efficiency:** This impressive figure is reached by gas engine plants when providing heat & power at the same time (cogeneration). A big step to reach the **EU energy efficiency targets**.
- 📍 **50% less:** The EU Emission Trading System (ETS) and assumptions about future carbon price increases support the switch from old coal power plants to highly flexible & efficient gas engines. A fast approach to meet the **EU decarbonisation targets**.
- 📍 **Start & stop within 2 min.:** When the forecasted wind & solar power production does not match the power demand or a power outage occur, gas engines jump in immediately. This ensures the **EU energy security of supply objective**.
- 📍 **H₂:** First pilot plants show that gas engines are very much compatible with hydrogen. In the future, gas engines will be able to run on increasing shares of CO₂-free hydrogen. This helps meet the **EU energy sustainability objective**.

About EUGINE

EUGINE is the voice of the European engine power plants industry, representing the leading European manufacturers of this flexible, energy-efficient, reliable and environmentally sound technology. Engine power plants are an optimal solution for both backing-up and generating renewable energy (e.g. with biogas). Cogeneration, the combined generation of power and heat, is a typical engine power plant application providing highest efficiency.



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Policy Navigator –
Your guide to legislation enabling
dispatchable green energy





FORWARD-LOOKING ENERGY & CLIMATE POLICIES

After a legislative period mainly focused on the development of the electricity market and the adoption of the 'clean energy' package, the 2019-2024 legislative period should be focused on progressively decarbonising the gas grid as well as the heating, transport and industry sectors.



For a Paris-compliant 2050 climate strategy

Defining an EU climate & energy long-term strategy in line with the objectives of the Paris Agreement should be among the first priorities of the renewed EU institutions. To reap all the benefits of the current energy transformation, the European Parliament should underline the increasing role to be played by supply side energy efficiency and use of renewable fuels / gases.

Developing a roadmap towards renewable gases (gas market design)

Existing common rules for the internal market in gas need to be updated to increase the affordability, security and especially the sustainability of Europe's gas supply: an ambitious roadmap for switching the gas supply and the related infrastructure to renewable gases, including biogas and biomethane as well as hydrogen and synthetic fuels, should be developed and implemented.



Let's make the 'hydrogen revolution' happen!

Thanks to the 'power-to-gas' technology, hydrogen - which is often described as the 'fuel of the future' - may be produced from renewable sources, be injected into existing gas grids and help decarbonise applications including dispatchable power generation, from micro-cogeneration units to gas power plants. To meet its energy & climate targets, the EU should develop a supportive policy and regulatory framework.

For an efficient governance, monitoring and influencing National Energy and Climate Plans (NECPs)

As representatives of the local, national and European interests, MEPs should carefully monitor the NECPs process to make sure that local and national priorities match the European targets.



Ensuring the appropriate implementation of the electricity market design

It is essential that the electricity regulation and directive that were adopted in spring 2019 are appropriately implemented, especially the provisions supporting scarcity prices, restrictions to capacity mechanisms and the harmonised calculation methodology for the new CO₂ emission limits.

SUPPORTIVE HORIZONTAL POLICIES

A number of other policy areas influence the EU energy and climate ambitions and the industry enabling the energy transition.



A new industrial policy approach (ITRE committee)

Maintaining Europe's global competitiveness will be a key challenge for the new legislative term. A suitable legislative framework to foster growth and motivate companies to create and maintain jobs in the engineering sector, the backbone of Europe's economy, is needed. It requires a high-quality and affordable infrastructure, programmes to incentivise world-class research and innovation in Europe and the cutting of red tape. The Industry4Europe priorities (www.industry4Europe.eu) outline the most important building bricks for such a new industrial policy.

Horizon Europe - Fostering innovation in Europe (ITRE committee)

Horizon Europe, the EU's research and innovation framework programme for 2021-2027, will be of pivotal importance for the competitiveness of Europe's industry but also the success of Europe's energy transition. The process of further shaping Horizon Europe and its work programmes must ensure sufficient funding for the development of dispatchable power plants using hydrogen and other renewable fuels and the large-scale demonstration of this technology within the value chain.



A consistent and predictable environmental policy (ENVI committee)

Non-greenhouse gas emissions of industrial as well as power plants are regulated in the Industrial Emissions Directive (IED) as well as in the Medium Combustion Plant Directive (MCPD). The IED is currently under evaluation, where its effectiveness and fitness should be assessed. Future emission-related legislation should take into account power plants' changing operating conditions: tailor-made regulations should apply to non-cogeneration plants expected to operate as back-up for variable renewables, ensuring the stability of the grid and security of supply.

State aids to address market failures and meet the EU targets (ECON committee)

DG Competition's 'Guidelines on state aid for environmental protection and energy' should allow Member States to provide funding that improves the business cases of technologies which are still not fully competitive, but match with the EU energy and climate targets (e.g. biogas, renewable fuels from power-to-X) and energy-efficiency solutions (e.g. cogeneration). Moreover, subsidies from 'capacity mechanisms' should stop distorting electricity markets but, if unavoidable, should remunerate the most flexible plants ('flexibility bonus') to ensure security of supply and avoid subsidising inflexible older and highly polluting power plants.



For free & fair trade (INTA committee)

Europe has a number of 'hidden champions' in the energy sector. A free and fair access to supply chains and customers are key for them to offer their sustainable solutions globally and grow. The EU should continue to fight protectionism and unfair trade practices, maintain the efforts to conclude Free Trade Agreements and protect intellectual property.



Defining a pragmatic & effective approach on sustainable finance (ECON & ENVI committees)

Sustainable finance is key to implementing the Paris agreement. The 'taxonomy' legislation should help the economy switch to sustainable solutions, by e.g. supporting energy-efficiency technologies and the adaptation of existing technologies to renewable fuels (biogas, biomethane, hydrogen, etc.).



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