# MEMBERS' NEWSLETTER





AUGUST 2022 N. 102

#### Welcome to the 102 number of the UPEI newsletter!

#### **Brussels News**

Whereas being traditionally a quiet legislative and policy period, during which neither the European Parliament nor the EU Council hold any meeting, the month of August was marked by a further worsening of the overall energy crisis, essentially marked by a further surge of gas prices and, as a consequence, of the electricity prices. Wholesale day-ahead electricity prices - the prices energy companies pay for that day's electricity - breached €700 per megawatt-hour in some countries on 29 August, compared to an average of €20 and €50 per MWh in 2021.



Image Source: Euroactiv

This prompted the European Commission to announce in the last days of August a two-steps plan consisting of an "emergency intervention" to tackle the surge in prices in the short term, and "fundamental reform of the power market", justified by the limitations of the EU's current electricity market design and the need for structural reform.

The Czech Presidency of the EU Council announced an extraordinary meeting of the EU Energy Ministers on 9 September to discuss on the same topic of energy market reform and price cap.

Source: Euroactiv, Politico

#### **EU funding**



Image Source: ManagEnergy

Meanwhile, the EU continues to support projects driving the energy transition through the EU funded programmes.

For example, the European Commission established on 29 August the first list of renewable energy cross-border (CB RES) projects under the Connecting Europe Facility (CEF), kicking off the implementation of the window of the CEF Programme, dedicated to renewable energy and decarbonisation.

CB RES projects are identified by the **CEF Regulation** and aim to promote cross-border cooperation between EU countries and with non-EU countries in the field of planning, development and cost-effective exploitation of renewable energy sources. In addition, CB RES projects may facilitate RES integration through energy storage or hydrogen production facilities with the aim of contributing to the EU's long-term decarbonisation strategy. CB RES projects need to be set-up by a cooperation mechanism as defined in the recast of the Renewable Energy Directive.

This first list comprises three projects:

- a hybrid offshore wind park between Estonia and
- a cross-border district heating grid based on RES between Germany and Poland



a project to produce renewable electricity in Italy,
 Spain and Germany for conversion, transport and use
 of green hydrogen in the Netherlands and Germany

By acquiring the official CB RES status, projects are now eligible for financial support for studies and works under the CEF Programme.

The realisation of the projects in the first CB RES list will make an important contribution to the increased renewable energy ambition under the European Green Deal, as well as to the objectives of the REPowerEU. The Commission, with the support of the European Climate, Infrastructure and Environment Executive Agency (CINEA), will monitor the implementation of the CB RES projects and will soon make available information on the status of the projects via a public portal.

Source: EU website

#### **Policy updates**



Image Source: Canva

## Regulation on CO2 Emissions Standards for Heavy Duty Vehicles

The European Commission is expected to present before end 2022 a proposal for the revision of the 2019 Regulation on CO2 Emissions Standards for Heavy Duty Vehicles (HDV), to align it to the more ambitious targets set for 2030 and 2050 in the Fit for 55 legislative package.

The Commission will, amongst others, base its proposal on the outcome of the public consultation held between December 2021 and March 2022, which was recently published. From the 137 answers received a large majority (108) came from companies and industry associations, and 9 from NGOs.

A large majority of respondents considered the objective of reducing CO2 emissions from new HDVs in a costeffective way to be important or very important for both 2030 (92%) and 2050 (88%) EU climate objectives. In addition, four objectives, fostering innovation in zeroemission technologies for HDV, contributing to the reduction of air pollution and other environmental problems, strengthening technical and industrial leadership and stimulating employment in the EU value chain of HDV and reducing EU energy consumption and import dependence on fossil fuels were supported by a majority of respondents. On the other hand, less than 5 out of 10 respondents considered that the remaining three objectives were important or very important, i.e., reducing the total cost of ownership of vehicles (49%), promoting the market uptake of ZEV by making them more affordable (47%) and reducing the fuel consumption costs of vehicles (45%).

In terms of targets, respondents provided greater support to strengthening the targets in the longer term, i.e., new, strengthened CO2 emissions target for 2040 (and to a lesser extent for 2035) received more support than strengthening current 2030 targets and, particularly, before 2030. A large majority of respondents supported setting new targets for medium lorries, urban buses, and coaches, while still a small majority considered it important to set new targets for lorries below 7.5t. Just short of a majority was of the opinion that setting new targets for vocational vehicles was important. Most respondents considered that the CO2 standards should not oblige all new vehicles to be zero emission by a certain date. The option of setting such an obligation for urban buses received the highest support amongst the different categories of vehicles.

The public consultation also invited stakeholders to provide opinions on the convenience of a potential mechanism to consider the contribution of renewable and low-carbon fuels for the regulatory compliance assessment, its effects and the design of the mechanism itself. Views were split. A majority of stakeholders expressed their support for amending the current ZLEV incentive scheme, as set out in the Regulation before 2030 but displaying mixed opinions on the need and type of ZLEV.

Source: eFuels Alliance



#### Other legislation in the Fit for 55 legislative package

Work is resuming as of 1st September to find a compromise between the EU Council and the European Parliament on most of the legislative proposals pending after the adoption by the European Parliament of most of its Reports and by the EU Council of most of their General Approaches. The Czech Presidency of the Council will be in the driving seed to launch and secure compromise between both institutions.



### **Business Partners' focus I Sprint**

Sprint Tank GmbH, which is independent of international corporations, has been successful on the German petrol station market for over 30 years. Together with its subsidiary HPV Hanseatic Petrol Vertriebs GmbH the owner-managed petroleum company operates more than 140 filling stations nationwide. In addition to conventional fuels such as Super, Super E10, Diesel, Super plus and now Diesel protect25, which features at least 25% savings on CO<sup>2</sup> compared to conventional diesel, the company's most important alternatives are also on offer: LPG and natural gas.



Considering the enormous challenges regarding the achievement and compliance with the Paris climate targets the industry is facing, the role of UPEi becomes increasingly important. Especially when it comes to biogenic and synthetic fuels (eFuels) in terms of eligibility for fleet limits. We now need a strong voice in Brussels in order to achieve a technology-open promotion and evaluation of the various drive types and energy sources at the EU. But time is short and decisions will be made promptly. That is why we support the efforts of the UPEi with all our might – as a strong arm of the independent fuel suppliers in Brussels.

Since many years Sprint is official business partner of UPEi and is also engaged in various national german associations, such as the BFT (Bundesverband freier Tankstellen, member oft he MEW).

Find more information about Sprint Tank GmbH here.

#### **UPEI Diary**

	September 2022
14/09	UPEI Autumn General meeting 2022
	Clontarf Castle Hotel booking deadline
19/09	UPEI Autumn General meeting 2022
	Registration deadline
23/09	UPEI Board Meeting
26-40/09	<b>European Sustainable Energy Week (EUSEW)</b>
27/09	UPEI Bunkering Commission meeting
	December 2022
16/12 (TBC)	UPEI Board Meeting UPEI Fuel Payments Commission meeting

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UPEI Circulars		
08/2022	UPEI Autumn Meeting Hotel Reservation	
09/2022	UPEI Autumn Meeting Preliminary Details & Arrangements	
10/2022	UPEI Autumn Meeting Reminder. Preliminary Details & Arrangements	



## **UPEI General Meeting**



UPEI AUTUMN MEETING & 60<sup>th</sup> ANNIVERSARY 20 & 21 October 2022 <u>Dublin, Ireland</u>

DATE