

Procedure file

Basic information			
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation 2013/0082(COD)		Procedure completed	
Investment projects in energy infrastructure: notification to the Commission Repealing Regulation (EC) No 736/96 1995/0083(CNS) Repealing Regulation (EU, Euratom) No 617/2010 2009/0106(CNS) Repealed by 2017/0347(COD)			
Subject 2.80 Cooperation between administrations 3.60.02 Oil industry, motor fuels 3.60.03 Gas, electricity, natural gas, biogas 3.60.05 Alternative and renewable energies 3.70.03 Climate policy, climate change, ozone layer			
Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ITRE Industry, Research and Energy		21/05/2013
		ALDE VĂLEAN Adina-Ioana	
		Shadow rapporteur	
		PPE LANGEN Werner	
		S&D CORREIA DE CAMPOS António Fernando	
	Verts/ALE JADOT Yannick		
	ECR TOŠENOVSKÝ Evžen		
	Committee for opinion	Rapporteur for opinion	Appointed
	ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space)	3295	20/02/2014
European Commission	Commission DG Energy	Commissioner OETTINGER Günther	
European Economic and Social Committee European Committee of the Regions			
Key events			

20/03/2013	Legislative proposal published	COM(2013)0153	Summary
16/04/2013	Committee referral announced in Parliament, 1st reading		
26/09/2013	Vote in committee, 1st reading		
08/10/2013	Committee report tabled for plenary, 1st reading	A7-0323/2013	Summary
04/02/2014	Results of vote in Parliament		
04/02/2014	Decision by Parliament, 1st reading	T7-0058/2014	Summary
20/02/2014	Act adopted by Council after Parliament's 1st reading		
26/02/2014	Final act signed		
26/02/2014	End of procedure in Parliament		
20/03/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/0082(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Repealing Regulation (EC) No 736/96 1995/0083(CNS) Repealing Regulation (EU, Euratom) No 617/2010 2009/0106(CNS) Repealed by 2017/0347(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 194-p3
Other legal basis	Rules of Procedure EP 159
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/12274

Documentation gateway

Legislative proposal	COM(2013)0153	20/03/2013	EC	Summary
Economic and Social Committee: opinion, report	CES3027/2013	22/05/2013	ESC	
Committee draft report	PE514.580	17/06/2013	EP	
Amendments tabled in committee	PE514.879	17/07/2013	EP	
Committee report tabled for plenary, 1st reading/single reading	A7-0323/2013	08/10/2013	EP	Summary
Text adopted by Parliament, 1st reading/single reading	T7-0058/2014	04/02/2014	EP	Summary
Draft final act	00117/2013/LEX	26/02/2014	CSL	
Commission response to text adopted in plenary	SP(2014)446	20/05/2014	EC	

Follow-up document	SWD(2014)0313	13/10/2014	EC	Summary
--------------------	---------------	------------	----	---------

Additional information	
National parliaments	IPEX
European Commission	EUR-Lex
Final act	
Regulation 2014/256 OJ L 084 20.03.2014, p. 0061 Summary	

Investment projects in energy infrastructure: notification to the Commission

PURPOSE: to establish a common framework for the notification to the Commission of investment projects in energy infrastructure in the European Union.

PROPOSED ACT: Regulation of the European Parliament and of the Council (replacing Regulation (EU, Euratom) No 617/2010).

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND : this proposal follows the judgment of the European Court of Justice annulling [Council Regulation \(EU, Euratom\) No 617/2010](#) concerning the notification to the Commission of investment projects in energy infrastructure within the European Union and maintaining the effects of the Regulation until a new regulation has been adopted on the appropriate legal basis.

The Court's ruling of 6 September 2012 was decided after the European Parliament took legal action against the Council in October 2010 contesting the legal basis used for the adoption of Regulation 617/2010 and requesting the Court to annul it (Case C-490/10). The Council used

Articles 337 TFEU and 187 of the Euratom Treaty as the legal bases, on the grounds that the Regulation relates to the activity of collecting general information. Following Parliament's request, the Court annulled Regulation 617/2010, but maintained its effects until a new regulation is adopted on the correct legal basis within a reasonable period of time

Obtaining an overall picture of the development of investment in energy infrastructure in the Union is essential for the Commission to perform its tasks in the field of energy. In order to comply with the Court's judgement and to ensure continuity in the observation of investment projects in energy infrastructure, the Commission proposes a Regulation with the same content as the annulled Regulation and suggests a few adaptations, which are necessary due to the new legislative process.

IMPACT ASSESSMENT: given that an [impact assessment](#) was carried out when Regulation 617/2010 was proposed and that the content of the proposed regulation is the same as that of Regulation (EU, Euratom) No 617/2010, the Commission did not carry out a new impact assessment.

LEGAL BASIS: Article 194 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposed Regulation establishes a common framework for the notification to the Commission of data and information on investment projects in energy infrastructure in the petroleum, gas, electricity and bio-fuel sectors and related to carbon dioxide produced by these sectors.

The scope of this proposed regulation is identical to that of the annulled Regulation. Member States are required to notify the Commission every two years of data and information on investment projects concerning production, storage and transport of oil, natural gas, electricity (including electricity from renewable sources), biofuels and the capture and storage of carbon dioxide.

Investments to be notified to the Commission include: (i) projects both planned and under construction; (ii) transformation of existing infrastructure as well as (iii) decommissioning projects of a certain size, on a five-year horizon, in the territory of Member States, including interconnections with third countries. Undertakings concerned should be under an obligation to notify the Member State of the data and information in question.

The only modifications concern the new legislative procedure (ordinary legislative procedure), the date for a review of the act (31 December 2016 instead of 23 July 2015) and the date for reporting.

BUDGETARY IMPLICATIONS: the proposal will have a limited impact on the Community budget. Expenditure will cover information technology and, should the Commission so decide, purchasing of data and reimbursement of experts. There should be no direct impact on Member States budgets.

Investment projects in energy infrastructure: notification to the Commission

The Committee on Industry, Research and Energy adopted the report by Adina-Ioana V?LEAN (ADLE, RO) on the proposal for a regulation of the European Parliament and of the Council concerning the notification to the Commission of investment projects in energy infrastructure within the European Union and replacing Council Regulation (EU, Euratom) No 617/2010.

The committee recommended that the European Parliaments position adopted at first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

Political purpose: Members sought to clarify that obtaining an overall picture of the development of investment in energy infrastructure in the Union is a prerequisite for the development of the European energy policy.

Data and information on projects: the common framework should be established for the notification to the Commission of data and information on:

- investment projects in energy infrastructure in the oil, natural gas, electricity, coal and lignite and co-generation of electricity and useful heat sectors;
- investment projects related to bio-fuel production and the capture, transport and storage of carbon dioxide produced by these sectors.

This Regulation should also apply to investment projects included in multiannual gas and electricity network development projects on which construction or decommissioning work has started or on which a final investment decision has been taken.

Content of the notification: Members have clarified that Member States have an obligation to add comments to their notification, in case they dispose of any information on delays or/and obstacles as regards the implementation of investment projects.

Lightening the administrative burden: a harmonised reporting framework for investment projects based on updated categories for official data and information to be transmitted by the Member States is necessary. Such a harmonised reporting framework should set up a balanced system for reporting investment projects with a view to avoiding disproportionate administrative burdens. In this context, the Commission should adopt the provisions necessary for the application of the exemption, and in particular provisions concerning the timing and content of the notifications and the entities which are subject to the reporting obligations.

Confidentiality: the data and information requested by the Commission is highly sensitive for the economic operators and, therefore, the Commission must ensure the highest level of confidentiality when dealing with this data or information.

Monitoring and reports: according to Members,

- the instrument of notification should be used as an early-warning tool in particular to identify cross-border transmission gaps and deficiencies that hinder the functioning of the energy internal market;
- the Commission should provide an analysis to the Member States notifying them of the measures necessary to reduce risks of underinvestment or inadequacy of investments;
- the notification exercise should have a political purpose, notably to prepare an analysis, which provides input for a continuous a debate at European level about energy infrastructure needs. Therefore the Commission shall be obliged to discuss their analyses with interested parties. They should forward the analyses to the European Parliament, the Council and the European Economic and Social Committee, and shall publish them.

Investment projects in energy infrastructure: notification to the Commission

The European Parliament adopted by 572 votes to 89, with 18 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council concerning the notification to the Commission of investment projects in energy infrastructure within the European Union and replacing Council Regulation (EU, Euratom) No 617/2010.

Parliament adopted its position at first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of an agreement reached between the European Parliament and the Council. They amended the proposal as follows:

Political purpose: Parliament stated that obtaining an overall picture of the development of investment in energy infrastructure in the Union is essential for the development of the Union's energy policy and for the Commission to perform its tasks in the field of energy.

Data and information on projects: the Regulation proposes to establish a common framework for the notification to the Commission of data and information:

- on investment projects in energy infrastructure in the sectors of oil, natural gas, electricity - including electricity from renewable sources, electricity from coal and lignite, and cogeneration of electricity and useful heat;
- on investment projects related to bio-fuel production and the capture, transport and storage of carbon dioxide produced by those sectors

Content of the notification: Parliament clarified that Member States should be required to include the following information in the notification: relevant information concerning delays and/or obstacles to the implementation of an investment project, where Member States, their delegated entities or the specific body concerned possess that information.

Confidentiality: the Commission should ensure that the IT resources needed to receive, store and carry out any processing of the data or information on energy infrastructure guarantee the confidentiality of the data or information which is notified to it pursuant to this Regulation.

Monitoring and reporting: it is stated that the cross-sector analysis of the structural evolution and perspectives of the Union's energy system should aim in particular at identifying potential future gaps between the demand and supply of energy that are of significance for the Union's energy policy, including for the functioning of the internal energy market. The analysis should put an emphasis on potential future deficiencies and flaws in the production and transmission infrastructure.

Review: in the framework of the reviews, the Commission should, inter alia, examine, by 31 December 2016: (a) the possible extension of the scope of this Regulation to include the extraction of gas, oil and coal; terminals for compressed natural gas and additional types of electricity storage; and (b) the question as to whether or not thresholds for renewable energy installations should be lowered.

Investment projects in energy infrastructure: notification to the Commission

PURPOSE: to establish a common framework for the notification to the Commission of investment projects in energy infrastructure in the European Union.

LEGISLATIVE ACT: Regulation (EU) No 256/2014 of the European Parliament and of the Council concerning the notification to the Commission of investment projects in energy infrastructure within the European Union, replacing Council Regulation (EU, Euratom) No 617/2010 and repealing Council Regulation (EC) No 736/96.

CONTENT: in order to obtain an overall picture of the development of investment in energy infrastructure in the Union, the Regulation requires Member States to notify the Commission of data and information on:

- investment projects in the sectors of oil, natural gas, electricity including electricity from renewable sources, electricity from coal and lignite, and cogeneration of electricity and useful heat;
- investment projects related to bio-fuel production and the capture, transport and storage of carbon dioxide produced by those sectors.

Member States should also notify to the Commission data and information on investment projects in electricity interconnections and gas interconnections with third countries.

The Regulation also applies to investment projects (listed in the Annex) on which construction or decommissioning work has started or on which a final investment decision has been taken.

Notification of data: the Regulation provides that Member States or the entities to which they delegate that task shall compile all the data and information required under this Regulation as from 1 January 2015 and every two years thereafter.

With a view to avoiding disproportionate administrative burdens and to minimise costs to Member States and undertakings, in particular for small and medium-sized enterprises, the Regulation allows Member States and undertakings to be exempted from reporting obligations provided that equivalent information has already been supplied to the Commission pursuant to energy sector-specific Union legal acts.

Confidentiality: the Regulation contains provisions on data processing by the Commission as well as the protection of individuals with regard to data processing.

Member States, or their delegated entities, and the Commission should preserve the confidentiality of commercially sensitive data and information.

Monitoring and reporting: the Regulation provides that the Commission shall forward to the European Parliament, and shall publish every two years a cross-sector analysis of the structural evolution and perspectives of the Unions energy system. That analysis shall aim in particular at identifying potential future gaps between the demand and supply of energy that are of significance for the Unions energy policy, including for the functioning of the internal energy market, with an emphasis on potential future deficiencies and flaws in the production and transmission infrastructure.

Evaluation: the Commission shall review the implementation of the Regulation by 31 December 2016, and inter alia, examine: (a) the possible extension of the scope of this Regulation to include terminals for compressed natural gas and additional types of electricity storage; (b) the question as to whether or not thresholds for renewable energy installations should be lowered.

This Regulation replaces Council Regulation No 617/2010, which was annulled by the European Court of Justice in September 2012 (but the effects of which are maintained until the entry into force of the new Regulation) and repeals Council Regulation No 736/96 from 9 April 2014.

ENTRY INTO FORCE: 09/04/2014.

Investment projects in energy infrastructure: notification to the Commission

This Commission Staff Working document concerns investment projects in energy infrastructure.

It aims to assess the notifications received by the Member States in order to comply with the reporting obligation under Regulation (EU) No 256/2014, replacing Council Regulation (EU/Euratom) 617/2010.

Member States had to provide aggregated data and information on planned investments, projects for which construction work is scheduled to start within five years as well as energy infrastructure projects to be decommissioned within three years of a certain size in the following sectors:

Electricity sector: the report noted that electricity demand across EU has not increased since 2007 largely due to the financial crisis. However, significant investments have been made in the electricity generation sector. There is currently an overcapacity in electricity generation of at least 10% which is expected to maintain the electricity wholesale prices at the same level for most of the rest of the decade. Generation projects with renewables, particularly solar and wind energy are substantially underreported in the notifications.

Gas sector: gas consumption for power production may bounce back and gas could have an increased role as a complementary energy source for renewables, therefore potential investments should be closely monitored. While there are no obvious gaps in gas infrastructure investments due to decreasing demand, future investments may be necessary, not only to replace ageing networks, but also to connect isolated areas and to prepare gas infrastructure for the application of gas in new areas.

Biofuels (production): notifications by Member States indicate that the vast majority of biofuels are produced and consumed in five countries; France, Germany, Italy, Spain and the UK. Investments are on a more modest scale than previous years.

LNG facilities: the notifications show relatively small investments in the period 2011-2013, which corresponds with the existing suppressed demand and over capacity in these markets. However, there is considerable LNG infrastructure under construction at present. Capacity additions are proposed or under construction in Belgium, Spain, France, Greece, Italy, Lithuania, the Netherlands and Poland.

Oil sector: in Europe significant reduction in overall consumption for both crude oil and oil products is forecasted over the medium term and into the longer term. There are no major investments forecasted in the oil sector which reflects a significant decrease in overall demand.

Nevertheless, there remain a number of regions that require focus on investments aimed at increasing security of supply and diversification.

Overall there do not appear to be major gaps in the investment needs in oil infrastructure. There are however a number of areas of concern inclusive of refinery disinvestments and continuing lack of diversification in oil supply in the East of Europe. Additionally, a new reality of increased supply of refined products in Europe will require adjustments in investments product storage in the EU.

To conclude, the document notes that the reporting exercise has demonstrated, that Regulation (EU) No 256/2014 has some limitations that should be taken into account when it will be reviewed (by 31 December 2016) in order to avoid that the administrative burden of these notifications is larger than the added value they bring.

It notes that although data provided in the Member State notifications was often incomplete, it seems that investments in energy infrastructure are being made mostly in electricity sector. Although at present generation capacities seem to be adequate, focus on cross-border infrastructure that would enhance the internal energy market and increase security of supply as the transition of the energy sector takes shape, should remain at the focus of Member States.