

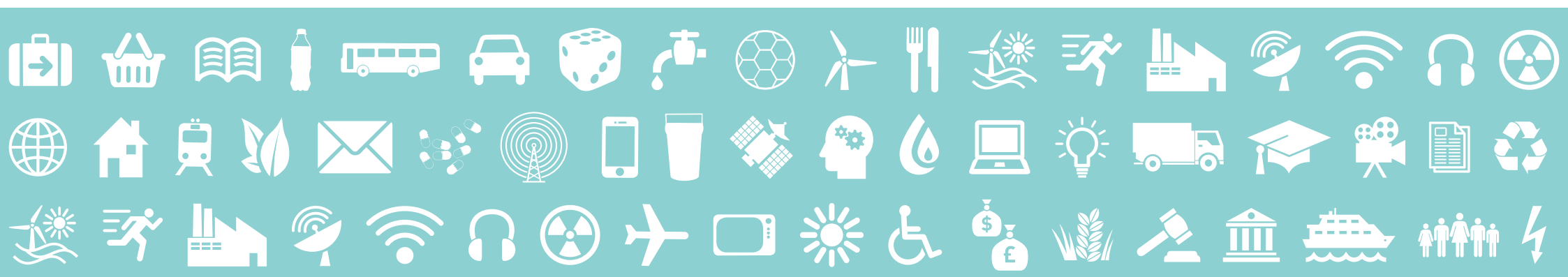
# Potentials of sector coupling for decarbonisation - Assessing regulatory barriers in linking the gas and electricity sectors in the EU

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## Madrid Forum 2019

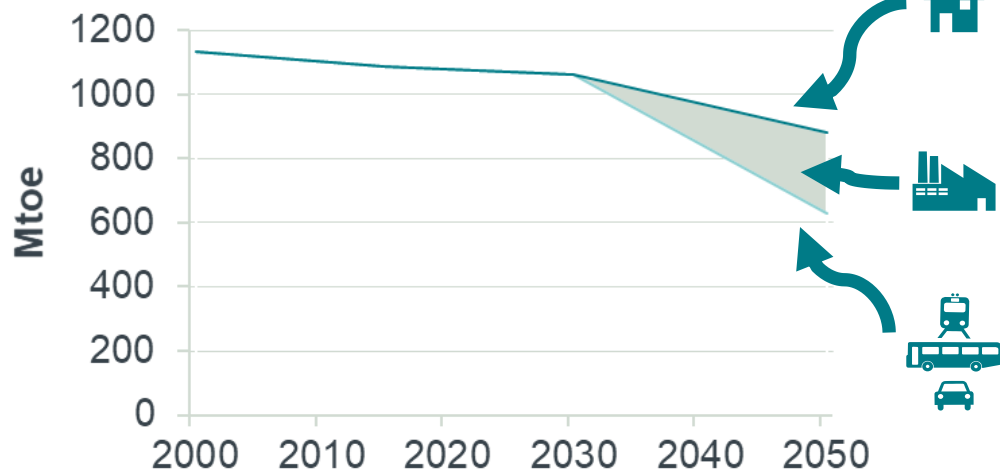
6 June 2019

Confidential



# Despite the uncertainties, scenario studies consistently find a long-term role for gases...

EU final energy demand is expected to fall



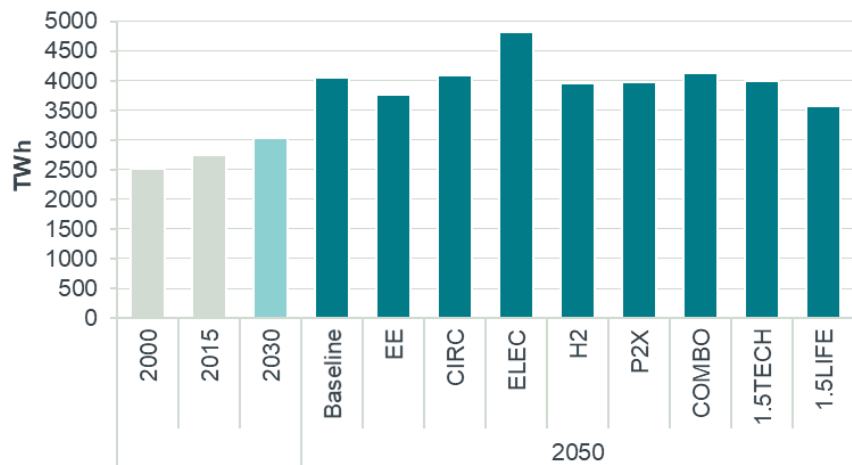
Source: Frontier Economics and CE Delft, based on EC (2018)

With renewable electricity accounting for a high share of the mix by 2050



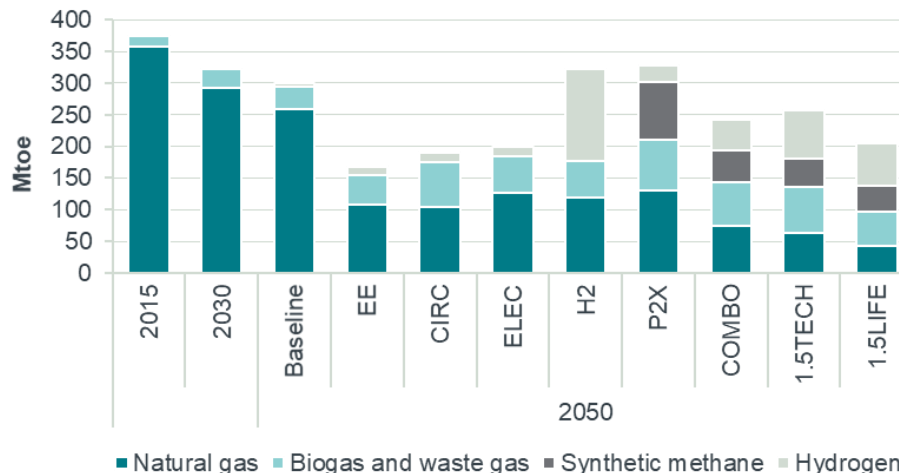
Source: Frontier Economics, based on sources indicated.

While electricity demand is expected to increase



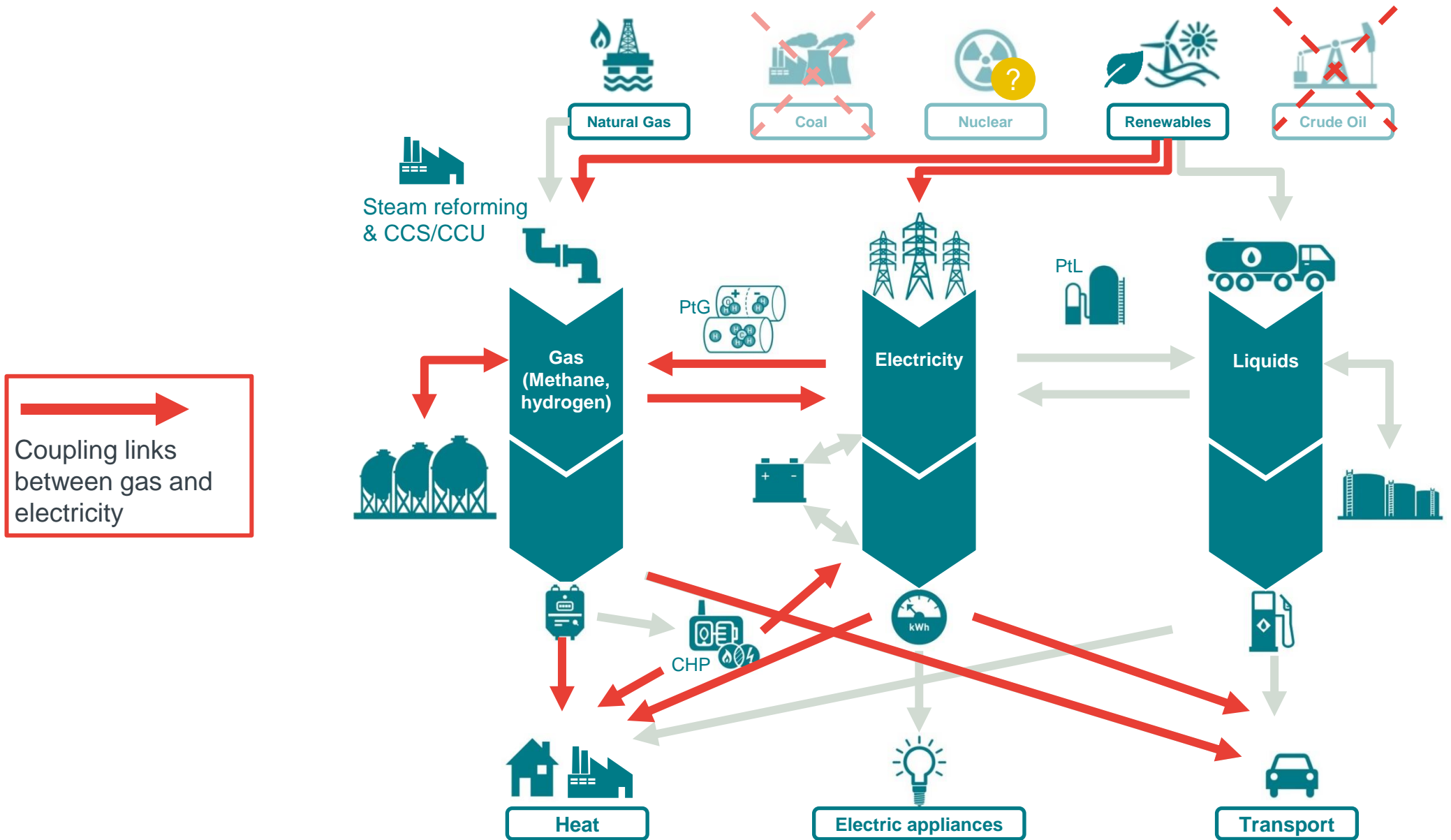
Source: Frontier Economics, based on EC (2018)

Gases help with transport / (seasonal) storage needs

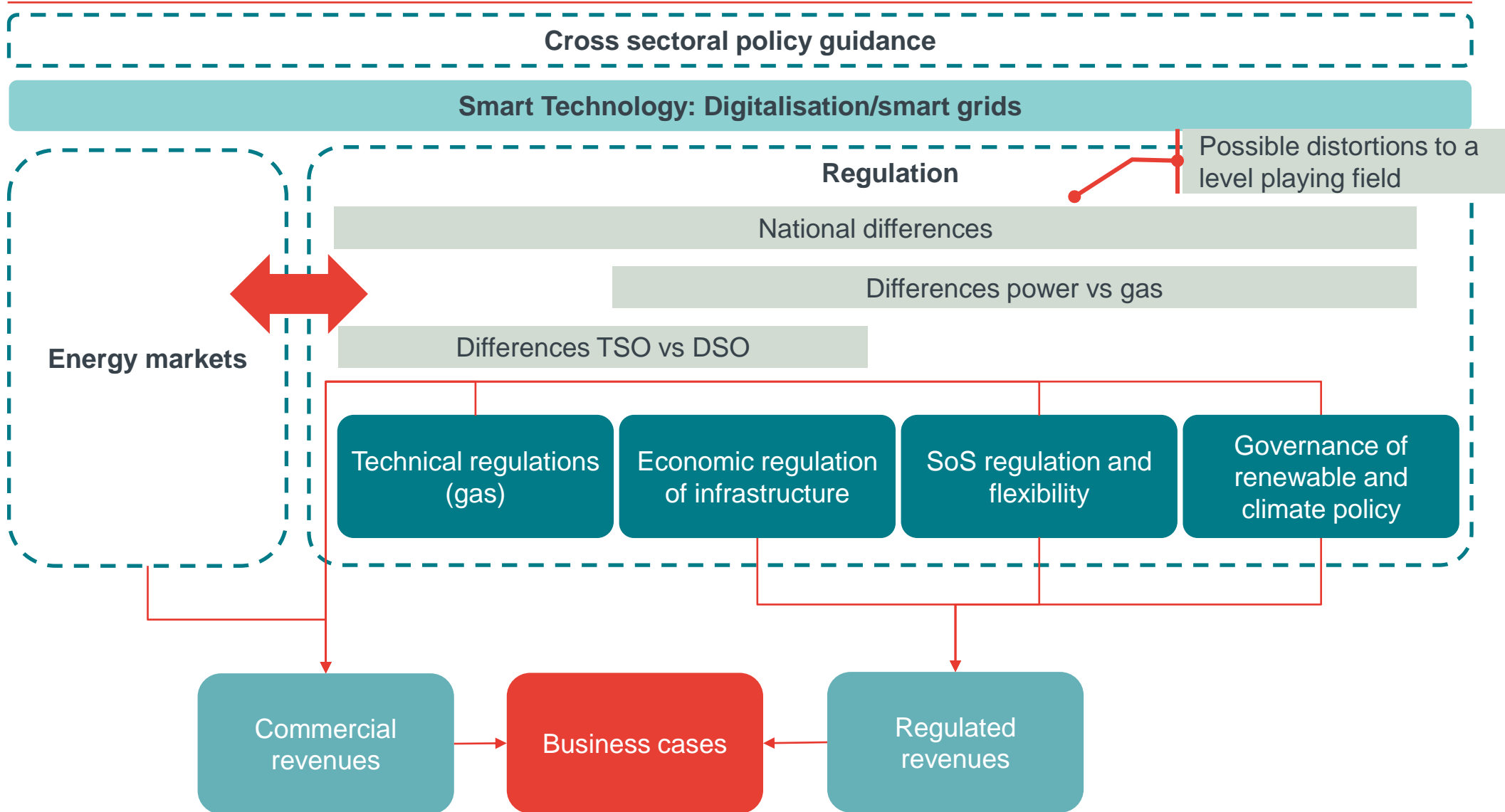


Source: Frontier Economics and CE Delft, based on EC (2018)

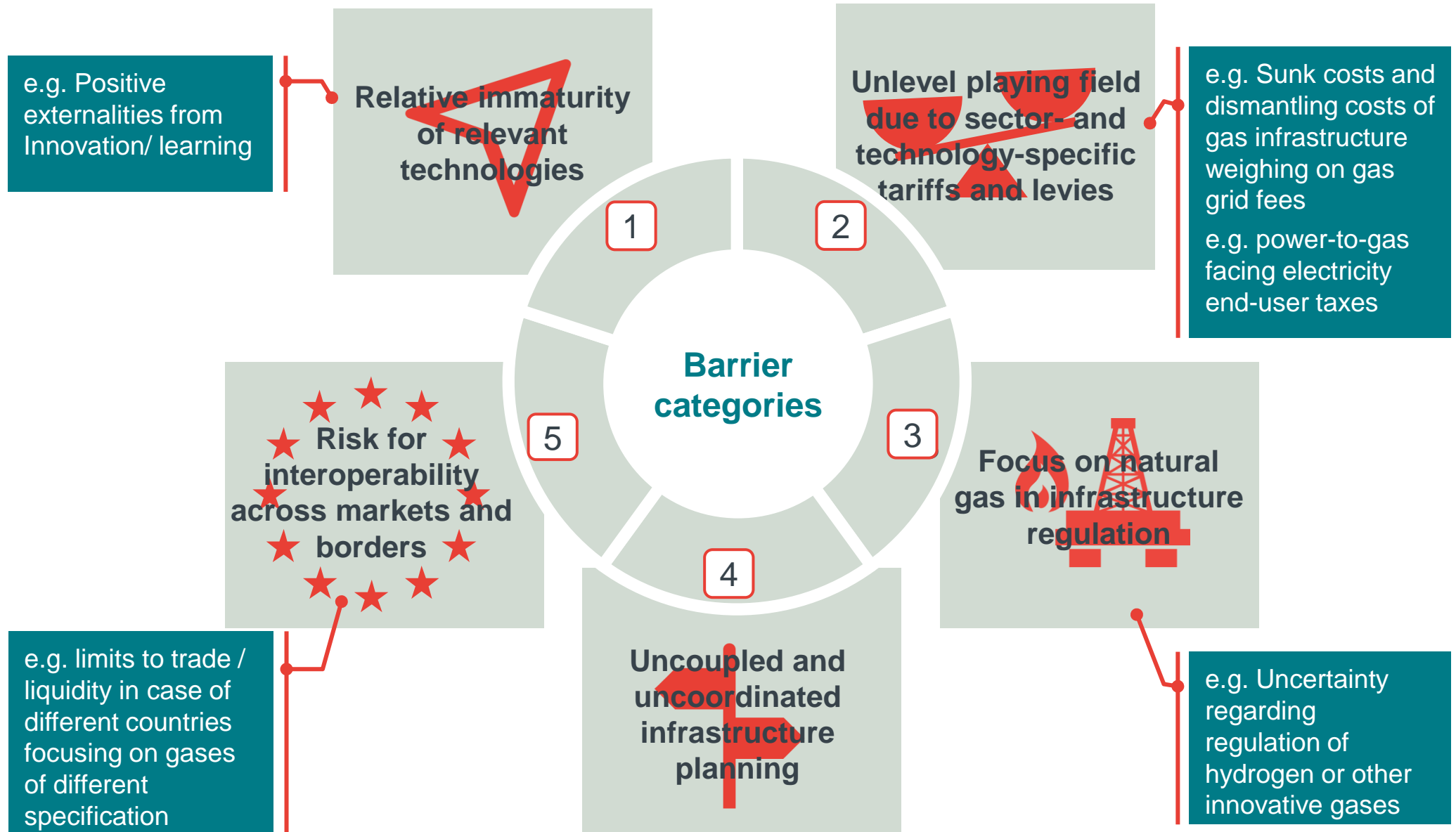
# ... and increasing interaction between electricity and gas, as well as between different types of gases



# Market design and regulation therefore need to be consistent and technology neutral in a range of areas



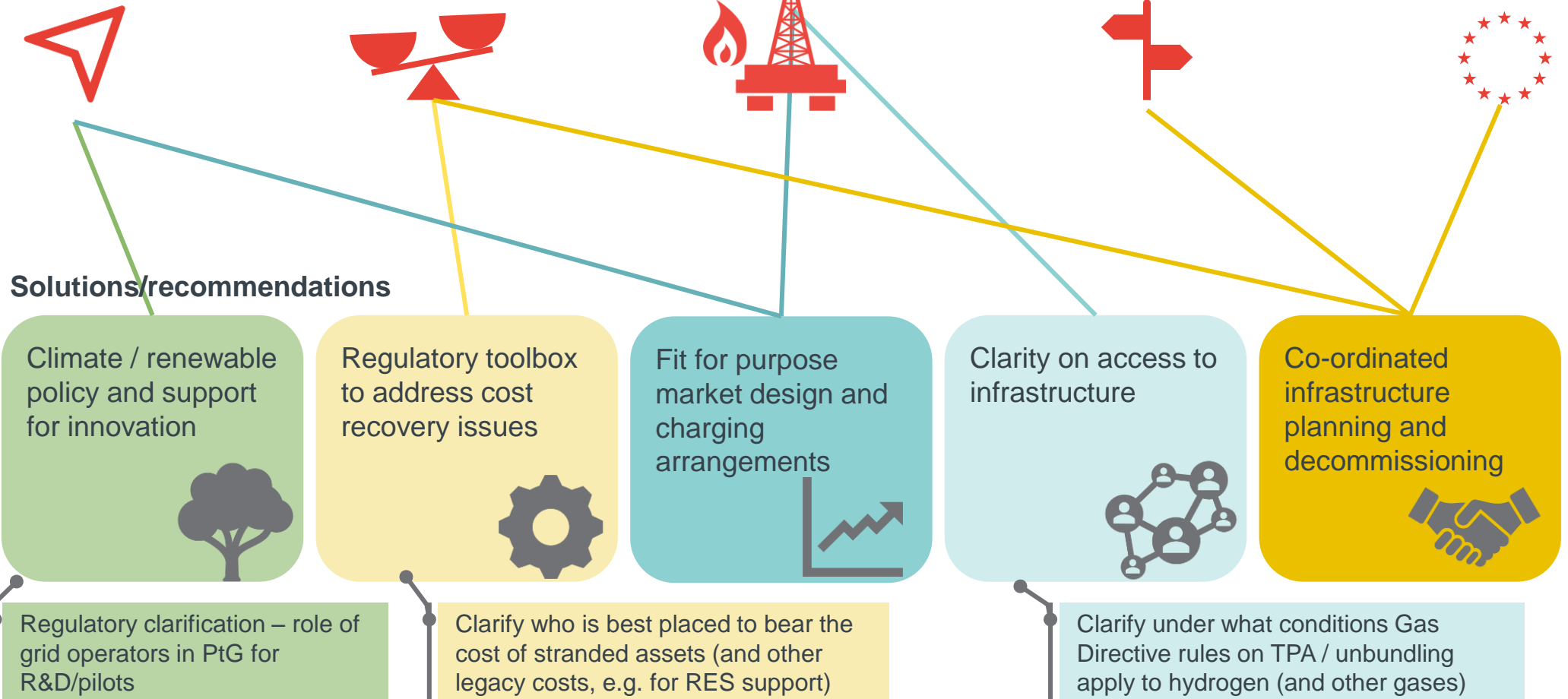
# Barriers and gaps can be grouped into five categories



# A range of solutions will be required to address the barriers and gaps identified

## Barriers

- 1 Relative immaturity of relevant technologies
- 2 Unlevel playing field due to sector- and technology-specific tariffs and levies
- 3 Focus on natural gas in infrastructure regulation
- 4 Uncoupled and uncoordinated infrastructure planning
- 5 Risk for interoperability across markets and borders



Thank you for your attention!

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