



THE EUROPEAN GAS RESEARCH GROUP

POSITION PAPER
ON THE
EUROPEAN STRATEGIC ENERGY TECHNOLOGY PLAN (SET-PLAN).
'TOWARDS A LOW CARBON FUTURE'

Brussels, 22nd November 2007

GERG, the European Gas Research Group, is a formal network of specialist R&D centres that, crucially, enables strategic research to be conducted with shared cost and shared risk at a time when funding is under pressure. GERG is unique in Europe in that it promotes research and technological innovation in all aspects of the gas chain. Its priorities are networking, technical information exchange, and the promotion of collaborative R&D. GERG participated in the expert consultation process.

GERG welcomes the adoption of the European Strategic Energy Technology Plan (SET Plan) by the European Commission on the 22nd November 2007 and makes some recommendations with regard to its further development and implementation.

It's clear that natural gas, the cleanest fossil fuel, with more than 105 million gas customers in Europe, will be part of the European energy mix in the next 30 years, as stated in the European Parliament's resolution on "Conventional Energy Sources and Energy Technologies" on 24th October 2007. Because of its intrinsic qualities, natural gas emits less greenhouse gases when compared to other fossil fuels; it has 60 years reserves, at current rates of consumption, and it is also a clean energy with clear advantages in terms of local atmospheric pollution. As it emits almost no sulphur, no particles and no unburned components, it makes no contribution to ozone formation in urban areas.

GERG also supports the European Parliament's view that there is no unique solution to meet the European energy and climate change objectives, but that all fuels and all feasible technological options should be assessed on a transparent basis. Life Cycle Analysis (LCA) is key to this process to ensure that perceived and predicted benefits of proposed sustainable energy technologies are in fact real and achievable.

GERG welcomes the SET plan's call for greater cooperation at European level to boost innovation, in particular the European Industrial Initiatives:

- Joint Technology Initiative on Fuel Cells and Hydrogen;
- European CO₂ capture, transport and storage.

and hopes that its members will be closely involved.

GERG also strongly supports the Commission's proposal to initiate in 2008 an action on European energy infrastructure networks and systems transition planning, especially in view of the natural gas grid's potential for storage and wide-scale distribution of biogas and hydrogen, topics which are the subject of current and proposed research programmes. This action must of course take into account the gas industry's priorities of:

- securing the European gas supply by the diversification of gas supply sources and routes including LNG;
- ensuring that the high level of safety and integrity of gas networks is maintained.

In addition GERG would like to recommend that the Commission's emphasis with regard to efforts to boost energy efficient technologies, should apply across all fuels, including specifically natural gas/renewable hybrid systems as means of 'greening' the gas.

With regard to the proposed European Research Alliance for research coordination between universities and specialised institutes, GERG is well placed to be involved as the European natural gas sector is used to international cooperation at several levels. GERG is an internationally recognised gas research organisation, with a European critical mass with potential for collaboration worldwide. International cooperation is essential as it can enable strategic research to be conducted with shared cost and shared risk. International cooperation should deal with pre-competitive research and/or in-situ demonstration and sharing best practice. As an existing sectoral organisation with extensive experience of collaborative R&D, GERG and its members wish to be involved in such initiatives.

GERG strongly supports the European Commission's desire to work collectively at EU level for optimum implementation of the SET plan. As the representative of the major actors in the European natural gas R&D gas sector, GERG is more than prepared to take an active role in future discussions and in the high-level Steering Group on Strategic Energy Technologies.

Finally, if the vision is to be achieved together, the SET plan must recognise:

- the critical role that natural gas plays in Europe and that work remains to be done;
- the high-tech nature of natural gas related R&D.