

EER's perspective on Decarbonisation in Transport and Alternative Fuels Infrastructure

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1) Decarbonization of all means of transport

- It is necessary to decarbonize **all means of transport**: road, rail transport (especially if it is not electrified), maritime, aviation, agricultural vehicles, etc.
- Particular attention should also be paid to the decarbonization of certain vehicles that have an impact on **air quality in cities** (buses, taxis, delivery vans, etc.).
- The EU must set **ambitious goals** for decarbonization of all means of transport and a **pathway for reaching the targets** for alternative fuels and infrastructure deployment.
- **Mandatory targets** should be set at the level of penetration of alternative fuels and not through the number of alternative recharging/refuelling points. Concrete objectives of types of alternative fuels for specific modes should not be prescribed. Objectives should be set in the framework of a holistic approach to alternative fuels penetration but leave the definition of the mix and alternatives to innovation and competitive markets.
- Given the issues regarding the implementation of the AFID in many Member States, the Commission should consider in the context of the review a **Regulation** (instead of a Directive) to support

2) Alternative fuels of renewable origin

- Decarbonization of transport in the long-term must rely on the gradual replacement of fossil fuels with the following **alternative fuels of renewable origin**:
 - i. **Electric vehicles**, assuring that the electricity consumed is of renewable origin (e.g. by using GoO).
 - ii. **Advanced biofuels, especially biomethane** (in the form of bioLNG or bioCNG)), due to its large potential.
 - iii. **Renewable hydrogen**
- The current **“eco-energy” labelling system** needs to be revised to adequately capture the renewable character of the previous fuels, as well as a **taxation** that incentivizes them against other fossil fuels.
- We consider that **natural gas** vehicles (LNG or CNG) can be a **transitional solution** until full development of biomethane.
- Finally, we consider that current **biofuels are not a sustainable long-term solution**, presenting certain limitations on their development (e.g. limitation on their mixing percentage, competition with other land uses such as food, etc.).

3) Related infrastructure for the deployment of alternative fuels

- The **use of existing infrastructure** should be maximized, under cost-efficiency criteria.
- The deployment of **new infrastructure** must be carried out under the following premises:
 - Deployment should be carried out under **market conditions**, not through subsidies that may lead to an increase in the energy costs for consumers.
 - **Competition** should be encouraged in the deployment of the infrastructure, **avoiding positions of dominance of the incumbents**, or becoming a side activity carried out by regulated distribution companies (DSOs).
 - At a later stage of the deployment, a “**last resort infrastructure**” can be foreseen, but only limited to those unprofitable locations given their market conditions. In that particular case, a public subsidy can be considered or that the activity be carried out by the marketers of last resort (COR).

4) Consumer empowerment

- Once the infrastructure is deployed, **free competition between marketers** must be encouraged on a true “*level playing field*”.
- Both the infrastructure and the associated information (about consumers, their consumption, etc.) must be fully **interoperable and homogeneous at European level** to avoid entry barriers that can hinder competition.
- The consumers must have access **to all the related information** about their consumption in an **open and neutral way** (“*open datahub*”). This will allow the emergence of new products and services in an increasingly competitive market.
