

Press Release

Commission adopts cost benefit analysis methodologies for power and gas transmission lines

- On 4 February 2015, the European Commission adopted the cost-benefit analysis (CBA) methodologies which the European Networks for Transmission Operators (ENTSOG for gas and ENTSO-E for electricity) have designed in cooperation with one another and with stakeholders.
- Required by the 2013 Infrastructure Regulation, the CBA methodologies are strong supporting elements towards the building of the European electricity and gas grids which are essential to integrate energy markets, renewable energy sources, and increase security of supply.
- CBA methodologies will save European customers' money by allowing for a better choice of the really needed projects.

(PR0079-15, 13 February 2015) The CBA methodologies allow for homogenous and economically sound assessments of gas and electricity transmission infrastructure projects against their value for society. CBAs are used in the context of the Ten-Year Network Development Plans (TYNDPs) which are also European mandates of the ENTSOs. CBAs will play an important part in the selection of EU Projects of Common Interest (PCIs), which are infrastructure projects that can benefit from faster permitting procedures and EU grants.

In the case of ENTSO-E, all TYNDP candidate projects are going through a CBA so as ensure the selected projects are those that add the most value. In the case of ENTSOG the Project Specific step of the methodology is applied to PCI candidates. The newly adopted CBA methodologies are part of ENTSO-E's TYNDP 2014 and ENTSOG's TYNDP 2015.

The draft CBA methodologies were submitted to Agency for the Cooperation of Energy Regulators (ACER), the European Commission and Member States for their opinions and information in November 2013. ACER issued its opinion in January 2014 and the European Commission in July 2014. On this basis, ENTSOG adapted and resubmitted its draft methodology to the Commission for approval on 18 August 2014. ENTSO-E did the same for its draft methodology on 24 November 2014. The adoption by the Commission of the adapted CBA methodologies on 4 February 2015 marks the successful end of the process.

The ENTSOs, for their TYNDPs, and the EU Regional Groups, for the selection of the 2015 PCIs, have now an officially recognised objective and economically sound means of assessing candidate infrastructure projects submitted by TSOs and third parties. This is an important step towards realising Europe's energy and climate goals.

Related Documents:

- [ENTSOG Cost Benefit Analysis Methodology](#)
- [ENTSO-E Cost Benefit Analysis Methodology](#)
- [ENTSO-E Cost Benefit Analysis Methodology – Frequently Asked Questions](#)
- [Regulation \(EU\) 347/2013 on guidelines for trans-European energy infrastructure](#)

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Editorial notes

- > ENTSOG was founded on 1 December 2009 in line with Regulation (EC) 715/2009. The current number of Members, Associated Partners and Observers can be found [at this link](#).
- > In line with Articles 6, 7 and 8 of the Regulation (EC) 715/2009, ENTSOG has the task of formulating network codes in a number of areas and of adopting various communications: a non-binding community-wide Ten-Year Network Development Plan on biennial basis; Winter and Summer Supply Outlooks; common network operation tools; recommendations relating to the coordination of technical cooperation between community and third-country-TSOs; annual work programmes and annual reports.