

CEER

**Council of European
Energy Regulators**



Future role of gas in the transition towards a low carbon energy system

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Towards a low carbon economy

Very long time horizon

- Technological uncertainty: risk of lock-in effects
- Difficult to ensure political and regulatory commitment

Global issue

- Geographic leakages (eg: USA and EU vs China)
- Sectoral leakages (eg. transports, buildings)

Uneven distribution of costs

-and benefits



Future role of gas?

- **Uncertainty** on the needs of gas and gas infrastructure in a decarbonized world
- **Gas could still play a role** thanks to the development and deployment of **low carbon technologies** for gas
- Most of these new gas technologies are **not yet economically viable**
- Decrease of internal European resources: **SOS and market power concerns**



Open questions

- How to ensure **decarbonization at least cost**?
- Are there **barriers** to the development and deployment of low carbon technologies in the gas sector?
- Do we need to rethink how to develop and manage **gas infrastructure** in the context of high uncertain gas demand?
- How can **innovation** in the regulated sectors be promoted?