# Gas and hydrogen for the transition in Europe?

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# The context

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GAS AND HYDROGEN

SAME NARRATIVE OF THE FOSSIL GAS CORPORATIONS

In 2008-2013, energy security narrative and the need to "diversify" supply from Russia through a new gas corridor with Azerbaijan

Distpute with Ucraine peaked in 2006 when Russia cut temporarily gas supply to Europe (first "gas crisis" and origin of the Projects of Common Interest process)

COP21 in Paris => fossil fuel sector becoming vocal about gas as a transition fuel

Phase out of gas / EU Green Deal and EU Hydrogen Strategy suggested the "transition to a hydrogen economy in Europe" in 2019/2020

RePower EU Energy security framework in 2022
gas and hydrogen are back together!
......"hydrogen ready" what does it mean??

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GAS AND HYDROGEN

SAME NARRATIVE OF THE FOSSIL GAS CORPORATIONS

Hydrogen agenda is a fossil corporate agenda!

Understand country specific interests

What infrastructure are in place and who owns them

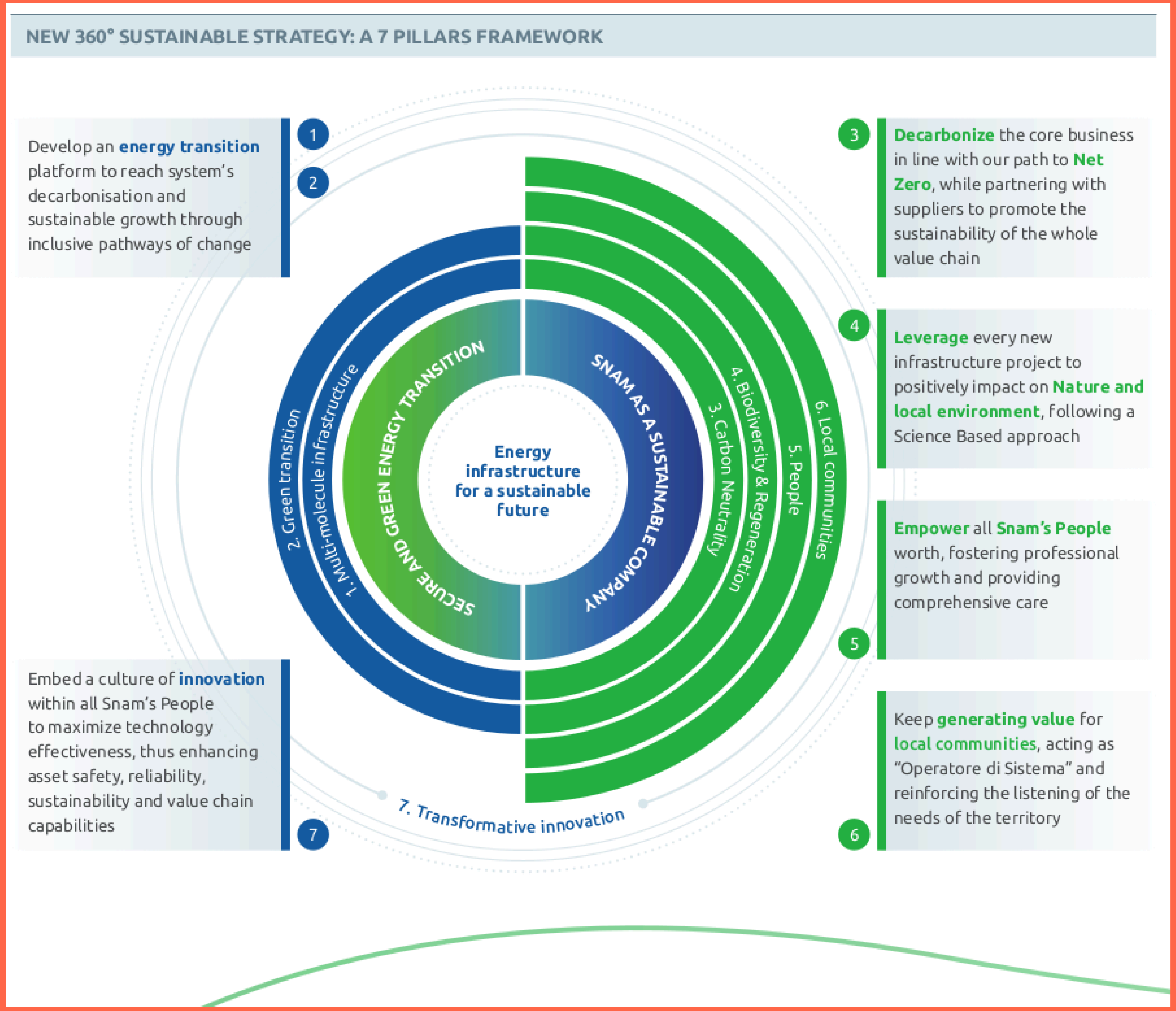
What contracts have already been signed

What regulation system

Geopolitical aspects

# Snam as a case study

# Who is Snam?

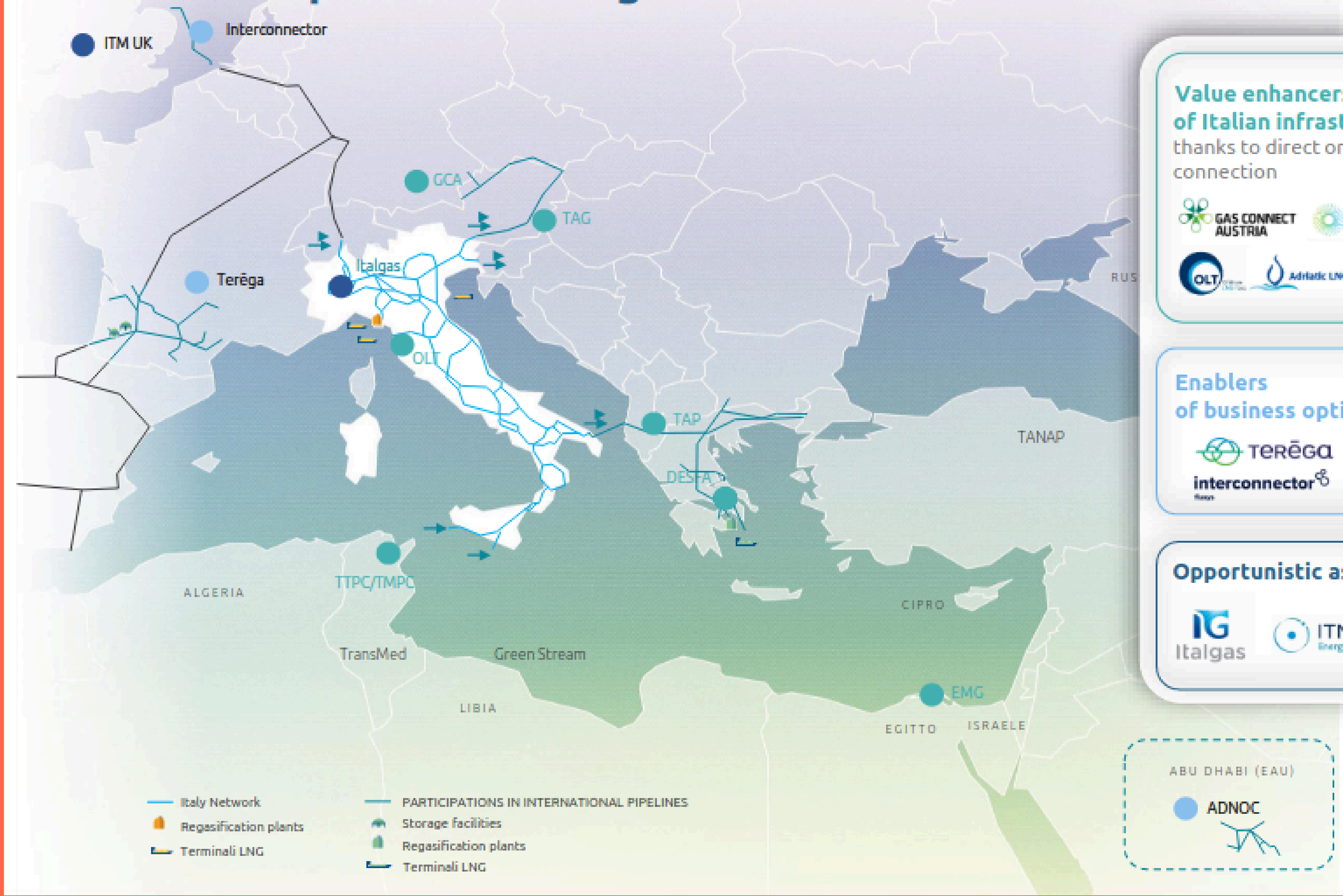




**Snam is the largest gas Transmission System Operator (TSO) in Europe**

**40,000 km of pipelines and LNG terminals**

**31,4% controlled by the Italian State**

# Active asset portfolio management to maximize value




**Value enhancers of Italian infrastructure,** thanks to direct or virtual connection

ca 60% of contribution from associates in 2026

GAS CONNECT AUSTRIA · Trans Adriatic Pipeline · TAG · desfa · OLT · Adriatic LNG · TTPC-TMPC · EMG · DE NORA

**Enablers of business optionalities**

ca 20% of contribution from associates in 2026

Terēga · interconnector · ADNOC

**Opportunistic assets**

ca 20% of contribution from associates in 2026

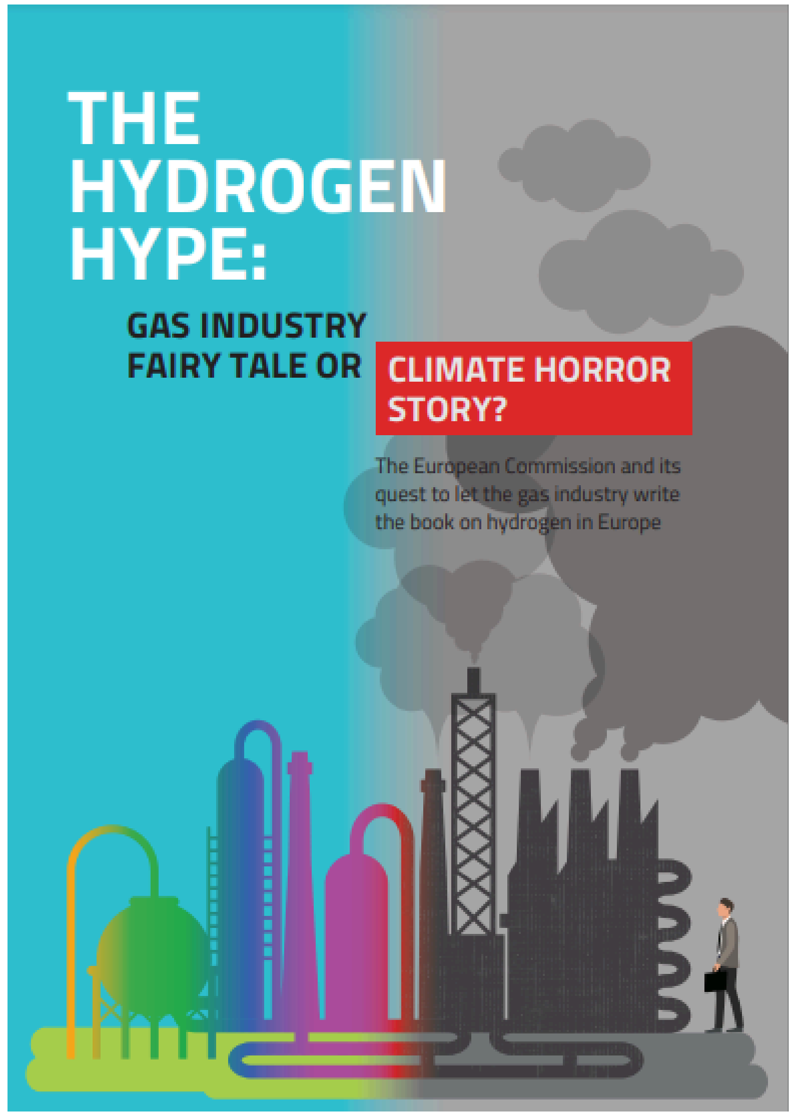
Italgas · ITM POWER

# Hydrogen and CCS
# false solutions of the fossil fuels industry lobby

Meetings with EU institutions between december 2019 and september 2020 to push the hydrogen agenda in the energy and climate policies discussed

Snam influenced also the definition of the Italian Recovery Plan.
July 2020- July 2021: **102 mtgs of the fossil industry with ministries defining the** PNRR
=> about 3bn euro for hydrogen projects

Snam and Eni starting the first CCS project in Italy in 2024




# Hydrogen and CCS
# false solutions of the fossil fuels industry lobby

Snam is very active also in the ICM Forum (former CCS Forum), set up in 2021 by the EC with the aim of “facilitating the deploy of CCUS technology

CCS e CCUS are among the thecnological “solution” more financed by the EC

None of the 12 large scale CCS projects to be complete by 2015 was actually built

## Snam investment plan 2023-2027

“Sustainable development of infrastructure”

“multi-molecule infrastructure”

€10.3 billion out of €11.5 billion will be earmarked for new gas - or hydrogen and gas - infrastructure, including those for the import of liquefied natural gas (LNG)

“hydrogen ready” used as “sustainability label” for existing and new infrastructure, but what does it mean??

“multi-molecule infrastructure” for fossil gas, hydrogen (of any color) and CO2

Government narrative about Italy becoming a Hydrogen and a CCS hub

Snam is among the companies part of "IPCEI Hy2Infra" => state aid allowed by EC to 7 member states (France, Germany, Italy, The Netherlands, Poland, Portugal, Slovakia) for H2 production and transport projects, for a total of €6,9 billion

Italian H2 Backbone and South H2 Corridor are among the EU Projects of Common Interest

Snam operations are almost entirely on the regulated market: taxpayers cover the remuneration of return for Snam investments in infrastructure, direcly on energy bills and through general taxation

EU gas package allow extension of the gas regulation for hydrogen

Snam is the only candidate to become Hydrogen TSO in Italy

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# South H2 Corridor

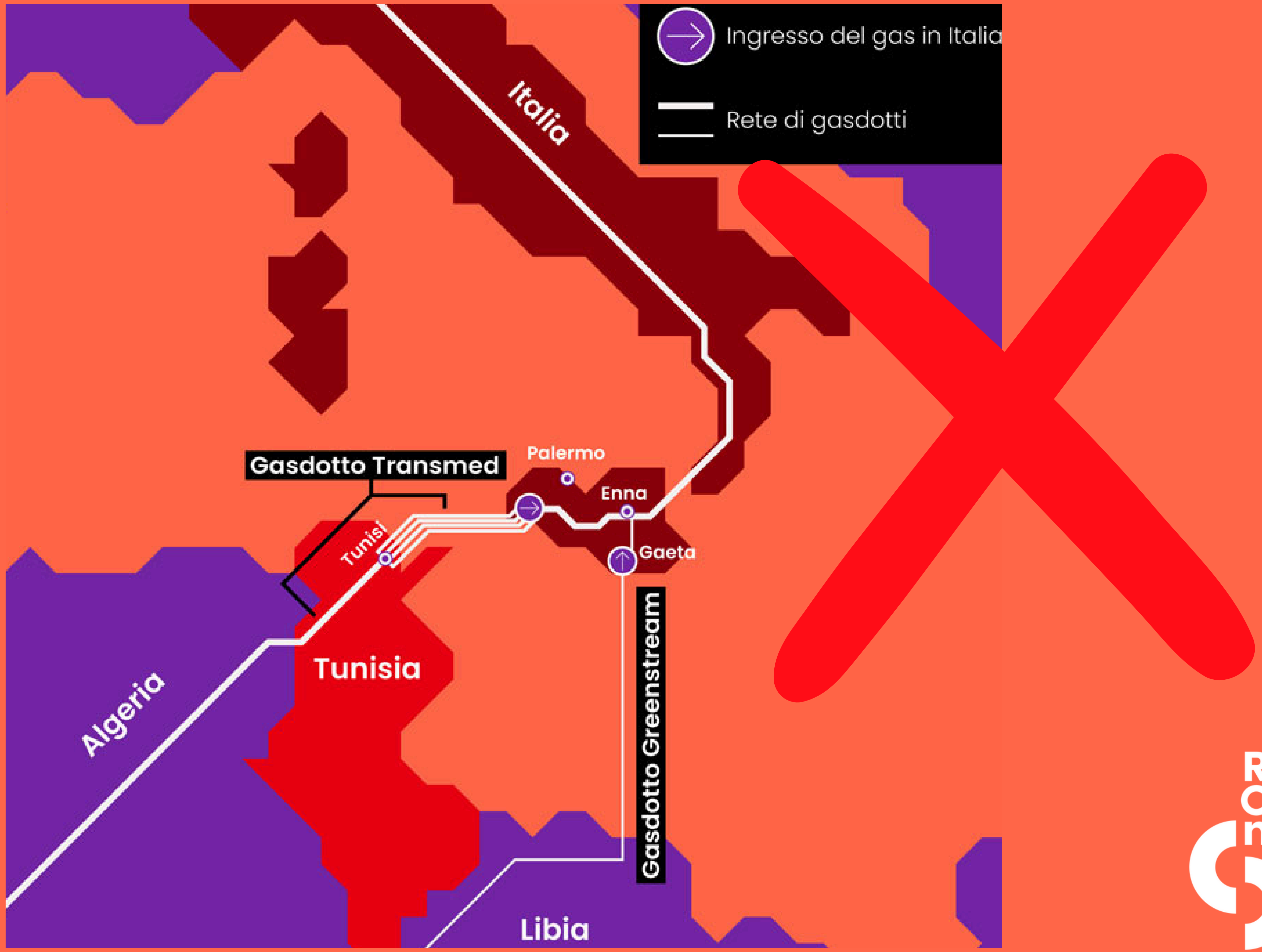
3.300 km infrastructure that should connect North Africa with Germany, crossing Italy and Austria

TransMed is the existing 1200km system of pipelines between Algeria, Tunisia e Italy

Import capacity: 4 milllion tons of hydrogen per year

Hydrogen to be produced in Tunisia, in a desertic and semi-desertic region where water access is already source of social tension

# Neocolonial plan!

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# TransMed
# Algeria-Tunisia-Italia

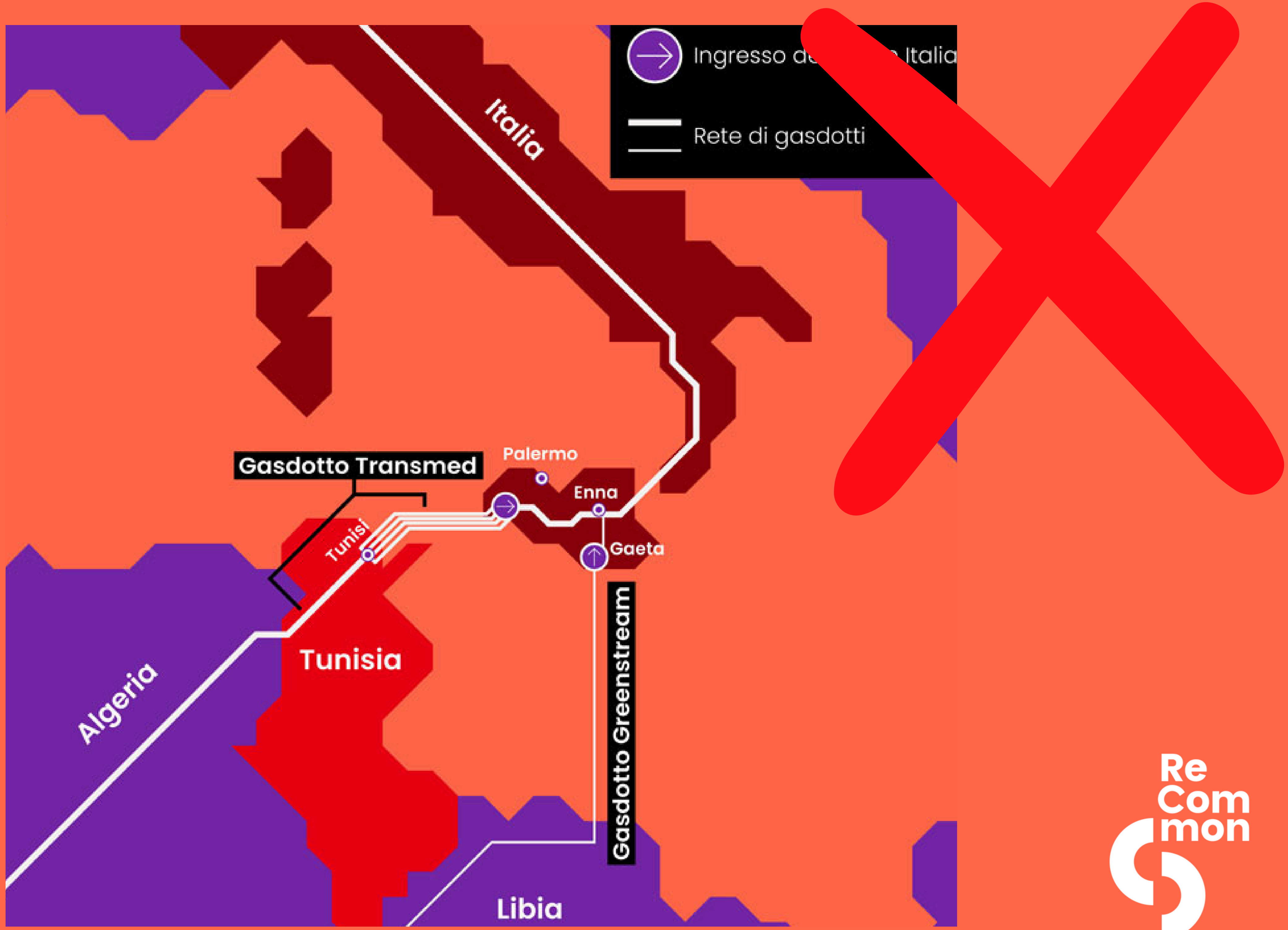
## Snam benefits, no matter if $H_2$ is green or grey!

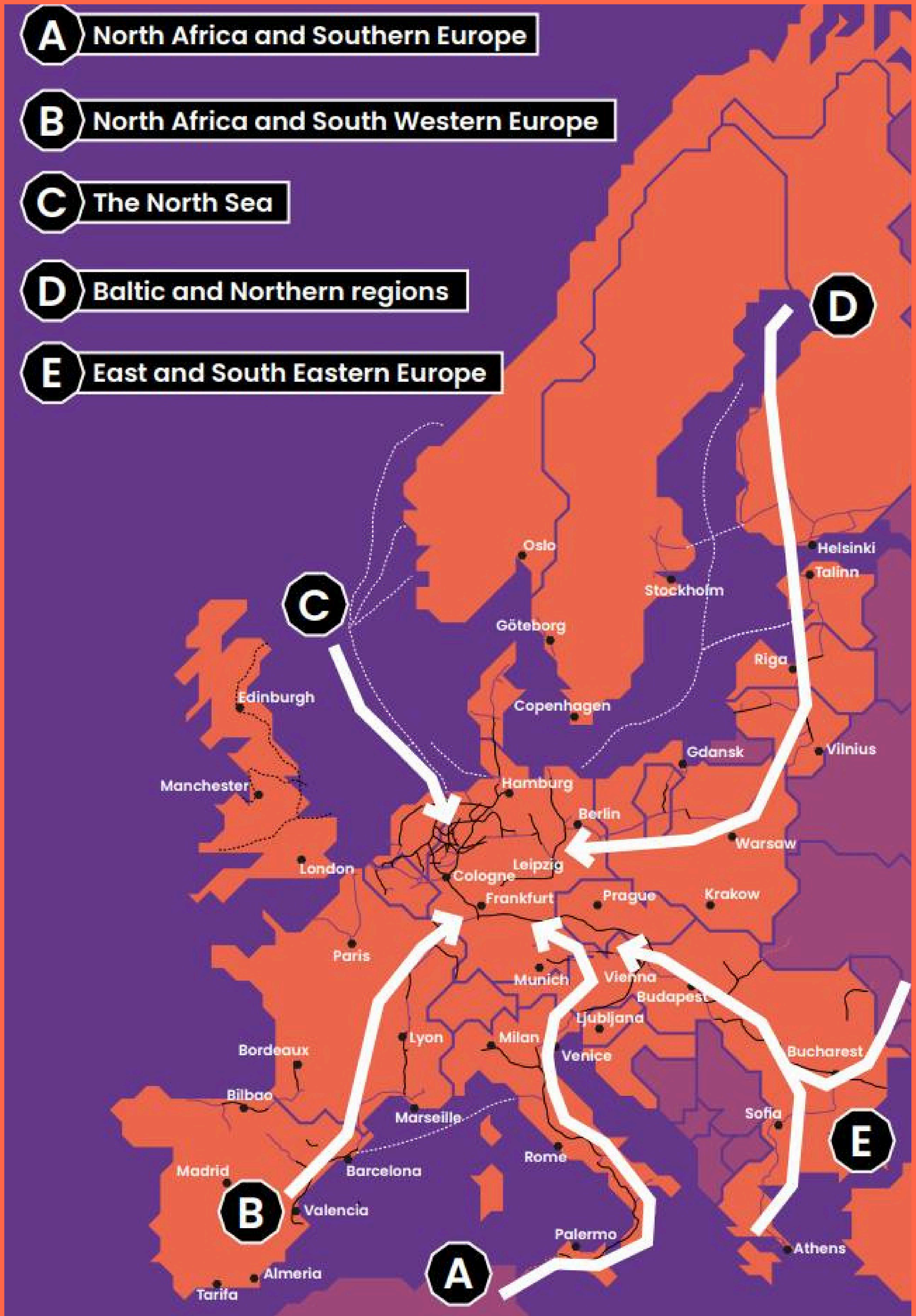
Ownership (since January 2023)

Enrico Mattei pipeline (GEM): Sonatrach

Transmediterranean Pipeline (TMPC) and TransTunisian pipeline (TTPC): Sea Corridor Srl (49,9% Snam, 50,1% Eni)

Interconnector in Sicily: Snam Rete Gas






South H2 Corridor  is part of a larger corporate plan to build a EU Hydrogen Backbone

 80-130 billion public investment plan, rooted on 5 import corridors

Snam is among the key gas corporations that developed this plan and are lobbying EU institutions for its build out.

It is also among the main beneficiaries of the project

Snam holds 66% shares of Desfa
 (with Fluxys and Enagas)

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<u>South-East European Hydrogen Corridor (SEEHyC)</u>
<u>=> promoted in early 2024 by 7 TSOS:</u>
DESFA, Bulgartransgaz, Transgaz, FGSZ, Eustream, NET4GAS, OGE

=>establishing a hydrogen "highway" / hydrogen transportation corridor from South-East Europe to Germany.

"This vision relies on repurposing existing gas infrastructure while strategically investing in new hydrogen pipelines and compressor stations."

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# Conclusive thoughts

Export led agenda versus response to national needs

Hydrogen/ hydrogen ready infrastructure system=> high risk, centralised, surveilled, corporate controlled

It's not only the construction: it's the maintenance and..the market!

Derisking of capital + remuneration of return on the investment = burden on the public budget (debt?)

Fossil fuel lock in and creation of permanent servitude on the territory

Impact on communities, nature, territories

Block to a just transition, and to a more democratic, community led, renewable energy model

# Thank you!

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le ingiustizie
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