

Pioneering the Future: Introducing a New Framework for Europe's Hydrogen and Gas Market Decarbonization

Bruxelles June 3rd, 2025

Clara Poletti

Commissioner, Italian Regulatory Authority for Energy, Networks and Environment (ARERA)

Chair of Board of Regulators, European Agency for the Cooperation of Energy Regulators (ACER)

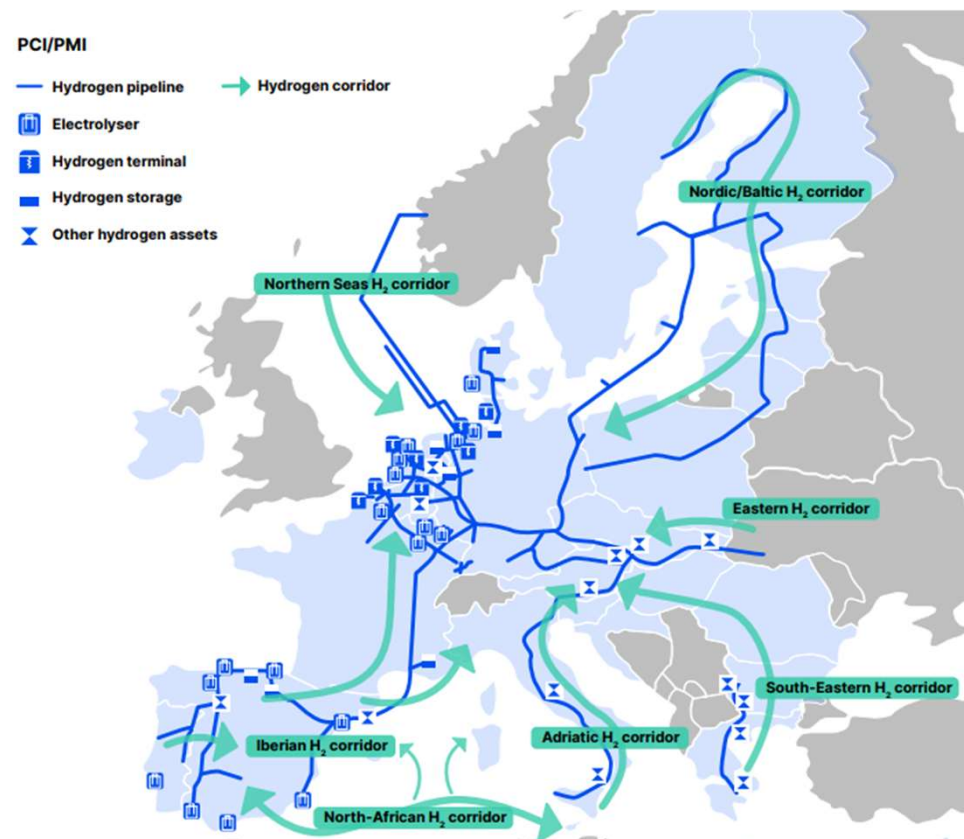
The opinions expressed in this presentation are those of the author and do not necessarily represent the official views of ARERA or ACER unless explicitly stated otherwise.

CHALLENGES IN H2 INFRASTRUCTURE DEVELOPMENT

- Need for a **synchronized rump-up** of production (possibly located outside EU), infrastructure and end-use demand (possibly located in a different country)
- **Under:**
 - demand uncertainty
 - Technological uncertainty
 - Cost uncertainty

How to mitigate risk?

Who should bear the residual risk?



Map of PCI/PMI and H2 import routes (EU H2 Strategy) – September 2024

RISK MITIGATION IN H2 INFRASTRUCTURE DEVELOPMENT

POLICY CONSIDERATIONS

- **Credible targets**
- **Timely HDGP transposition**
- **MS to design (market based) mechanisms for coordinating production and demand uptake**
- **MS to provide certainty on support mechanisms**

PLANNING

- **Assess realistic infrastructure needs, also via market tests**
- **Consider incremental infrastructure development**
- **Accelerate integrated planning**

RESIDUAL RISK ALLOCATION IN H2 INFRASTRUCTURE DEVELOPMENT

TARIFF SETTING AND CAPACITY ALLOCATION

- Long term capacity allocation
- Counterpart risk in LT contracts
- Entry-exit tariffs
- Intertemporal cost allocation

CROSS BORDER RISK and COST ALLOCATION

- Develop tools to manage demand risk related to cross-border infrastructure

Thank you for your attention!

Clara Poletti
cpoletti@arera.it