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Position-statement of EA Za Zemiata submitted to the European Commission on the inclusion of the Bulgarian project for hydrogen transmission infrastructure

No to the ‘hydrogen-washing’ and using it as a cover to extend the life of the fossil fuel industry

The hydrogen transmission infrastructure project has no place on the European Commission's 6th list of projects of common interest (PCI) in its current state

The suggested project for hydrogen transmission infrastructure in Bulgaria will include one pipeline of around 250 km and two compressor stations in the regions of Petrich and Dupnitsa-Bobov dol. While there is already a compressor station in Petrich, the one in Dupnitsa-Bobov dol will be a newly constructed one.

If supported, this project will not only be costly for European and Bulgarian taxpayers, it is important to consider whether it will even be necessary. Furthermore, the project risks undermining the European Union’s climate targets and commitment to move away from a dependency on gas by allowing the prolonged usage of gas through its blending with hydrogen.

Bulgaria is [still lagging behind](#) on the mass deployment of renewable energy sources to feed in the electricity grid. **By investing in a hydrogen infrastructure first, there are risks that this will hinder the process of installing capacities to ensure the decarbonisation and decentralisation of the system and does not contribute to the security of supply nor the market integration**, as Bulgaria is becoming less and less competitive on the renewable energy front.

The submitted proposal states that the pipelines will be suitable for the transmission of 100% hydrogen but does not explicitly state that the hydrogen transported will be produced from renewables or that there will be no blending (or forecast when the 100% H₂ transmission would/could be achieved). The lack of specification could lead to the conclusion that the blending of fossil gas and hydrogen will most likely occur and last indefinitely, especially considering the insufficient installed RES capacities. Hydrogen production should be based on additional renewable energy and should not compete where renewables-based electricity could be used directly, e.g. in the heating or land transport sectors.

The source of hydrogen should be clearly stated, as fossil-based hydrogen should not be eligible for PCI status at all. Hydrogen produced from fossil gas - with or without carbon capture and storage (CCS) technologies that are yet unproven on a scale- should be excluded from PCI status and EU funding, as it contributes to continuing the demand for gas and as such directly contradicts EU climate targets and adopted legislation. **Without specifying that only hydrogen produced from renewables will be used in this project, it fails to meet EU sustainability standards and should be dropped from the PCI list.** It is especially concerning that no electrolysis projects have been proposed either by Bulgaria or by the neighbouring countries for inclusion on the new PCI list so it is not possible to expect that this project will support the integration of renewable sources.

This project raises concern that it will use fossil gas, as it builds upon previous gas plans and investments that have been sought in previous projects. Currently the privately owned TPP Bobov dol, which is among the plants currently being under investigation by the European Public Prosecutor's office for underreporting CO2 emissions and quotas, is constructing new gas capacities, alongside a large photovoltaic project. The company has explicitly stated that it plans on blending hydrogen and gas ([1](#), [2](#)), with a 50/50 mix, without suggesting when and how the plant will use hydrogen only.

The TPP has submitted plans for a gas distribution station, and the compressor station reflected in the project proposal raises concerns that old fossil gas related plans are now being reused to secure funding through 'hydrogen-washing'. **Taking into consideration the above, this brings serious concerns that in this case EU funds could be used to build a hydrogen transmission infrastructure for the benefit of this private entity, which has systematically breached EU and national environmental standards ([1](#), [2](#)).** According to the recital 61 of the EU TEN-E Regulation Projects of common interest should not benefit directly or indirectly persons or entities that are in one of the situation of exclusion as referred to in Article 136 of Regulation (EU, Euratom) 2018/1046, such as in cases of a conviction for fraud, corruption or conduct related to a criminal organisation.

It is also important to pose the question of whether such a project really is necessary, considering the significant investment that the hydrogen infrastructure would require. It is highly unlikely that the same volume of hydrogen will be transported as fossil gas currently, as the demand for hydrogen should go to the niche, hard-to-abate sectors, such as such as steel, chemicals, aviation, long distance shipping and heavy duty road transport (using hydrogen or derived energy carriers) Therefore, it could be assumed that such a hydrogen transmission infrastructure will not only be costly, but also unnecessary and will result in stranded assets that will fall on Bulgarian citizens. Furthermore, the fossil gas infrastructure in general is used to transport gas from the source for large distances to the demand centre; in the case of hydrogen, this should look very differently, as the production and consumption in ideal situation should be much closer to each other. Additionally, It is suggested and also recommended that in most cases renewable hydrogen will be produced locally from local energy sources. In Bulgaria the current big industrial consumers of gas (and hydrogen) are situated in Northeastern and Southeastern Bulgaria, while the proposed H2 pipelines are in the Southwest of Bulgaria. According to the project proposal, the transmission infrastructure will be used for providing hydrogen in the country but also to/from Greece

which considering that both Greece and Bulgaria have sufficient renewables potential that could be used to produce hydrogen locally, it might be redundant and also result in losses.

Furthermore, the project suggests that further expansion of the infrastructure will be possible to the Maritza coal basin, which then would require new H2 pipelines. Considering the favourable conditions of both wind and solar that have been mentioned, it is highly unlikely that such transmission will be necessary, as the Maritza coal basin has plans to develop the so-called Hydrogen Valley of the country and as such would be able to produce enough hydrogen for the needs of the industry in South East Bulgaria.

Finally, this project has been submitted by Bulgartransgaz, an ENTSO-G member. This not only raises concerns that the fossil gas industry might use the hydrogen transmission system to prolong the use of gas, but also further cements the status of Bulgartransgaz, the sole transmission company-operator and owner of the gas grid, as a monopolist company in Bulgaria.

For the reasons stated above, we request that the H2 transmission system project in Bulgaria, submitted by Bulgartransgaz, is not included in the 6th PCI list.