

Press Release – GEODE Welcomes the European Parliament's Approval of the Gas & Hydrogen Package

Brussels, 11 April 2024 - GEODE welcomes the **adoption** by the European Parliament of the **Gas & Hydrogen Package**, officially approved at the Parliament's Plenary on the **11th of April**. This significant milestone aligns with the concurrent approval of the Electricity Market Design Reform, marking a pivotal moment in European energy policy. Negotiations between the Parliament and the Council concluded under the Spanish Presidency, with the finalisation of the [Directive](#) on the **27th of November** and of the [Regulation](#) on the **8th of December**.

We welcome that negotiators took GEODE's recommendation not to apply horizontal unbundling (Article 63 Directive) obligation to DSOs, as well as the inclusion of a de minimis rule exempting DSOs with under 100,000 customers from unbundling obligations (Article 42). This is a **big achievement for GEODE and its members that have been working hard supporting this position** since the Commission launched its proposal.

Other articles worth mentioning in the Directive include Article 34, **enabling TSOs and DSOs to refuse access or connection to gas or hydrogen systems due to capacity limitations** or lack of connection. Additionally, hydrogen Distribution Network Operators (DNOs) are required to submit **development plans every four years** to National Regulatory Authorities (NRAs) in collaboration with gas, electricity DSOs, and heating/cooling operators (Article 52).

Furthermore, the Directive places several **obligations on Member States in preparation of the phase out of gas**. Member States must ensure DSOs establish decommissioning plans for gas networks in response to declining demand (Article 52b), while at the same time tasked with safeguarding consumer interests during the phase-out (Article 11a).

Within the **Regulation**, it is worth mentioning the **expansion of the EU DSO Entity's scope** (Article 36), **by allowing gas and hydrogen DSO to join on a voluntary basis**, with specific rules and procedures outlined in Article 37. GEODE offers its support to work for a smooth integration process of gas DSOs within the EU DSO Entity. For **hydrogen TSOs** the political agreement sees the **creation of a separate entity (ENNOH)** in Article 40, which is also welcomed.