Broaden Horizon Europe missions to stimulate the economy through energy innovation and research

Dear Commissioner Gabriel,

As the sector association representing the common interests of the electricity industry at pan-European level, Eurelectric is fully committed to the EU’s ambition to become carbon neutral across the economy by 2050. For the power sector, Eurelectric has pledged to achieve this goal well before 2050. Also VGB, the technical association of energy plant operators, is committed to the goal of developing the economy and society in a climate-neutral and sustainable way. To this end, the European Climate Law and the enabling 2030 framework are needed to achieve deep decarbonisation, unlocked via strong electrification.

The decarbonisation of the power sector by 2045 will in itself require at least 100 billion EUR/year of investments in generation and storage and between 60 and 110 billion EUR/year into transmission and distribution systems. Research and innovation focusing on electric technologies and infrastructure play a crucial role as they directly contribute to the energy transition as well as to the recovery from Covid-19, re-stimulating the European economy while ensuring global competitiveness for our industries.

We strongly welcome the European Commission’s work towards the Future of Research and Innovation. A key framework in this regard is the Horizon Europe programme with its dedicated missions, increasing the effectiveness of funding. We agree with the selected areas of the recently published draft mission reports and would be keen to share our expertise during the finalisation phase:

1. **A key area of concern for European utilities and DSOs is that energy innovation and research is not considered sufficiently in the draft mission reports.** For instance, additional focus could be shifted on multi-purpose and resilient energy infrastructure in the mission “accelerating the transition to a climate prepared and resilient Europe.” The same is true for the crucial session area “climate neutral and smart cities”, which could be further expanded as the emphasis on only 100 cities is too narrow, given the massive decarbonisation needs of the energy, industry, mobility and buildings sectors.

2. **A second element relates to the mission report “Regenerating our Ocean and Waters”, which should rather aim to describe the knowledge field and existing research gap in key areas instead of setting additional objectives and targets, overshooting EU legislation and respective strategies.** The power sector has proven to be a committed stakeholder when it comes to the implementation of environmental measures. It is therefore alarming that research targets of the mission reports, especially concerning dam removal, biodiversity and hydromorphology, are not in line with current EU environmental legislation and objectives, but even going beyond.
3. **Future EU funded research should look into a broad range of electric technologies and solutions, contributing to reach carbon neutrality and enable a flexible, integrated energy system.** Even in case technologies are well-established, widely deployed and highly efficient, this should not mean that there is no need for technological improvement or room for further innovation. Usually, not only greenfield deployment but also retrofitting of existing plants (as it is especially the case for hydropower) give the opportunity to improve technical equipment and operation devices, making them fit for the digital age and improving their environmental friendliness.

For the power sector, R&D is a critical element to deliver on our commitment for a fully decarbonised electricity supply well before 2050. This will require significant resources as well as considerable financial contributions from our members. We are happy to further exchange with you and your team to ensure that energy innovation and research can continue to optimally support the energy transition as well as to contribute to the success of the European Green Deal, tightly linked to the recovery from COVID-19.

Yours sincerely,

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