

Overview

Held on 21-22 May in Copenhagen, the 12th Energy Infrastructure Forum brought together EU institutions, system operators, regulators, project promoters, financial institutions and civil society under the co-organisation of the European Commission and the Danish Ministry of Climate, Energy and Utilities. Opening remarks by Commissioner Dan Jørgensen and Danish Deputy Permanent Secretary Christian Stenberg set the tone: in a world reshaped by conflicts in Ukraine and the Middle East, energy networks are no longer just a technical matter - they are a strategic asset and a condition for European sovereignty.

A recurring thread throughout the two days was that the energy transition is now as much an economic and geopolitical imperative as an environmental one. Global competitors are accelerating in clean technology; Europe cannot afford to fall behind on the infrastructure that underpins it.

I. Grid Expansion & Financing: Scaling Up Without Leaving Citizens Behind

The numbers framing this debate are striking. Electricity grid investment needs are estimated at €1.2 trillion by 2040 - €730 billion of that for distribution grids alone. And the cost of inaction is equally significant: dependency on imported fossil fuels generated a collective bill of €340 billion for EU citizens in 2025 alone. Getting grid infrastructure right, on the other hand, could yield up to €8 billion in net annual savings in electricity bills and avoid 27 million tonnes of CO₂ per year by 2040.

The first session examined how to finance this at scale. The traditional model - grid operators financing from their balance sheets, costs recovered through regulated network tariffs - remains the backbone of the system but cannot carry the full weight of what lies ahead. Discussions pointed toward a broader financing mix: innovative instruments, targeted public support where justified, and significantly greater mobilization of private and institutional capital. The European Grids Package, including a voluntary framework for bundling cross-border projects, offers tools to make cost-benefit allocation across Member States fairer and more transparent.

Comment : We believe that it is essential for the European Commission and key stakeholders to ensure an open and transparent playing field. In this field, all players —especially regulated and non-regulated promoters, as well as large private investors— must benefit equally from the measures proposed by the European Commission and discussed in Copenhagen.

Then, we zoomed in on the operational side: grid access as a daily bottleneck for electrification. Connection queues affect more than half of EU Member States, and grid access was consistently cited by stakeholders as one of the most tangible obstacles to deploying clean energy. Three levers were explored: anticipatory planning that gets ahead of demand rather than reacting to it; smarter use of existing infrastructure through digital tools and grid-enhancing technologies; and streamlined connection procedures.

Comment : Timely grid connections have become one of the main bottlenecks faced by the energy sector. We believe that, except for some smart tools and new technologies, the current proposals are still too "soft" and will not provide market participants with real, concrete solutions. Policymakers, especially those at the national and local levels, must take more responsibility in

proposing faster, more streamlined permitting processes for essential infrastructure, including energy infrastructure.

The high-level session on Day 2 brought these threads together under the theme of *affordable and engaging grid expansion*, with participants from the IEA, ACER, ENTSO-E, EU DSO Entity, IFIEC and Clare County Council in Ireland. The discussion was structured around a dual challenge: how to maintain public acceptance for the physical presence of new infrastructure on the ground, and how to maintain it for the grid component appearing on energy bills. Permitting delays (more than half of which trace back to acceptance and engagement failures) make the case for earlier, more meaningful stakeholder involvement. Two deliverables were launched at the Forum in direct response: **Capacitypedia**, a new platform giving visibility on grid hosting capacity, and a **Roadmap towards Public Engagement Plans** designed to embed early stakeholder dialogue into network planning by system operators.

II. Hydrogen: Closing the Gap Between Framework and Reality

Despite comprehensive regulatory and financial architecture - the Hydrogen and Decarbonised Gas Market Package, the TEN-E Regulation, the European Hydrogen Bank, the Innovation Fund and the newly established Hydrogen Mechanism - Europe's hydrogen sector has moved more slowly than anticipated. Production costs remain higher than expected, demand has been sluggish, long-term offtake agreements are scarce, and a number of infrastructure projects have been delayed or cancelled.

Session 2 focused on what it takes to bridge the gap between policy intent and commercial reality, with presentations from ENNOH, ENTSG, ARERA and DG Energy. Several front-runner Member States— Germany, the Netherlands, Denmark and Belgium - are already piloting national de-risking mechanisms, including regulated tariffs and intertemporal cost allocation. The Hydrogen Mechanism, which attracted over 100 companies and 300 projects in its first round, was highlighted as a promising coordination tool connecting supply, demand and infrastructure. The European Hydrogen Bank has now committed over €3.3 billion across three auction rounds, with the third, launched this year, opening for the first time to low-carbon electrolytic hydrogen and dedicated maritime and aviation windows.

The session built on the 2025 Forum conclusions, which had called on ENNOH, ENTSG and stakeholders to produce a report on de-risking options. Discussions pointed to the need for solutions operating simultaneously at multiple levels - project, national, corridor and EU - and underscored that timely transposition of the Gas and Hydrogen Directive by August 2026 is now an immediate priority for Member States.

Comment : We recognize the obvious advantages of developing large-scale hydrogen projects. Molecules will always be necessary. The slowdown in the development process is not surprising. After the initial excitement, it's time to be realistic and only support projects that make sense, including some in Europe with North Africa.

Our Takeaway

The Forum closed on a note of urgency without pessimism. Some of the important policy frameworks are in place, but there is still a lot to be done; the financing tools exist, but it is time for policymakers and regulators to take a more pragmatic approach to financing. Remuneration/return in Europe is far too low. If this issue is not addressed promptly, investors will seek out better returns elsewhere; the technology is ready and needs more support for deployment (especially concrete financial support to smart start-ups).

What the next phase demands is more realism, execution - coordinated, rapid and inclusive - across governments, regulators, operators, investors and communities.