

European Scrutiny Committee

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From: Sir William Cash MP

8 October 2020

Rt Hon. Kwasi Kwarteng MP

Minister of State for Business, Energy and Clean Growth

Department for Business, Energy and Industrial Strategy

1 Victoria Street

London SW1H 0ET

COM (2020) 301: Commission Communication — A hydrogen strategy for a climate-neutral Europe (41389)

COM (2020) 299: Commission Communication — Powering a climate-neutral economy: An EU Strategy for Energy System Integration (41390)

We have considered your letter of 24 September on the above documents.

For the most part, we found your letter to be helpful and informative. The one area on which we had requested further information, and on which you have not commented, is the interaction between the policies set out in these Strategies and the UK's ongoing obligations under the Northern Ireland Protocol.

In our Report of 16 September,¹ we observed that the Strategy suggests changes to a number of legislative acts to which Northern Ireland remains bound — at least in part — under the terms of the Ireland/Northern Ireland Protocol, including the Industrial Emissions Directive, the Energy Taxation Directive, the Emissions Trading System Directive, the Regulations on emissions from new cars and vans, as well as the EU's state aid framework and requirements related to the Irish Single Energy Market (I-SEM).

It would be helpful if you could signal whether you agree with our analysis and identify any other areas of potential regulatory change covered in the Strategies and falling within the scope of the Protocol.

¹ Twentieth Report HC 229–xvi (2019–21), [Chapter 2](#) (16 September 2020).

In addition, we note that the Commission plans work on gas quality, mindful of the inherent cross-border difficulties with blending different levels of hydrogen into natural gas. We anticipate that this issue of quality and interoperability is one in which the UK will need to be engaged if gases are to continue to flow unhindered between the UK and the EU and would welcome your view on this matter.

We look forward to a response within ten working days.

I am copying this letter to Darren Jones MP, Chair of the Business, Energy and Industrial Strategy Committee and Rebecca Davies, Clerk of the Committee; Philip Dunne MP, Chair of the Environmental Audit Committee and Lloyd Owen, Clerk of the Committee; Simon Hoare MP, Chair of the Northern Ireland Affairs Committee and Nicholas Beech, Clerk of the Committee; Lord Kinnoull, Chair of the House of Lords European Union Committee, and Chris Johnson, Clerk of the Committee; Les Saunders at the Cabinet Office; and the EU scrutiny team in your Department.

CHAIR