

Eurogas applauds positive moves, yet remains cautious, as Energy Union takes shape

Brussels, 25 February 2015: The European Commission's goal of building a "Resilient Energy Union with a Forward-Looking Climate Change Policy," should reinforce policy in favour of a better functioning market and a positive investment climate for companies. Such an approach would contribute to achieving a secure and affordable energy mix for a low-carbon economy – thereby enhancing the well-being of millions of Europeans.

Eurogas acknowledges the potential of an Energy Union, if properly elaborated, to steer a coherent and consistent implementation of European energy policy.

"Joint effort and open communication among stakeholders have contributed to a document that offers a good basis for further actions," says Beate Raabe, Secretary General of Eurogas. "It reflects the need for a more coherent, holistic approach to the challenges facing us, and places important emphasis on enforcement of existing policies as it looks to forge a new dynamic."

Today's Communication from the European Commission about the five themes that underpin the Energy Union strategy – and 15 actions to be carried out in the near term – affirms that six points put forward by Eurogas have been taken into account, including:

- A new impetus to implement legislation across the internal market with a drive to develop the needed infrastructure and enhance regional cooperation in both the gas and electricity sectors.
- Plans to review ACER's currently limited powers.
- A stronger, more united EU voice in external energy policy, leading to more constructive engagement in global strategy.
- Implicit recognition that Europe requires diverse and resilient gas supplies to boost overall energy security.
- Assurance that the Emissions Trading System (ETS) will play fully its role as a technology-neutral, cost-effective driver for low-carbon investments.
- Increased emphasis on innovation in energy systems.

"The Energy Union should advance on important details that still need to be addressed," adds Raabe. "Ensuring that the approach to security of supply does not tip over into the use of instruments that counter market-based policies is a high priority."

Eurogas will follow closely how the concept of energy diplomacy develops, to ensure it provides a framework to boost company confidence in global investment but does not unduly influence commercial business. Reform of the Commission's decision on intergovernmental agreements (IGAs) also requires more discussion and debate. Similar consideration applies for commercial contracts for which confidentiality of sensitive information must always be ensured.

Note to Editors: Eurogas is an association representing 42 companies and associations engaged in the wholesale, retail and distribution of gas in Europe. Eurogas provides data and information relevant to EU decision makers and opinion formers in making the right policy choices.

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With these positive steps and remaining cautions in mind, Eurogas further urges the Commission to strengthen and align – and more aggressively enforce – policies across three overriding goals:

- Design a cost-efficient, market-based transition to a sustainable low-carbon energy mix, with gas as a vital element.
- Implement and improve market mechanisms to deliver security of supply.
- Deliver a competitive energy system that benefits customers.

Eurogas remains committed to active engagement in the Energy Union strategy development and roll-out.

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