

Newsletter



February 2011

Letter from the Publisher:

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EU energy policy: Hungarian impetus and organisational challenges

The most important and most innovative energy policy initiative to be implemented in the European Union by the new Hungarian presidency concerns “Energy security” and its corollary, “Energy infrastructures”, an area in which improvements are essential both to import energy and to transmit it within the Union.

The discussions on these matters are likely to prove heated both in the Council of Ministers and in the Parliament.

The results that will be obtained in terms of European directives will depend largely on the organisational relations established between the rotating presidency of the Union, the permanent Presidency, the High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the European Commission, Catherine Ashton, and the European Commission itself. The latter is in the process of transforming its structural organisation to enable it to deal better with the new situation that will result from joint decisions taken by the Council and the Parliament.

In particular, it has just set up two new entities: the European External Action Service (EEAS) and European Aid Development and Cooperation (DEVCO), although it is as yet too soon to assess their working methods. In addition, in the field of energy, the competent Directorate General is to retain its responsibility here, as are the Directorates General for Research, the Joint Research Centre, the Environment and Climate, as regards their actions in this area.

In this organisational context, it will also be necessary to define the financial outlook on which the companies called upon to construct the energy infrastructures needed will be able to rely.

We will be returning to these operational aspects as soon as possible.

Jean-Claude Charrault
Director General



News from the EEF

Upcoming events

2011/02/15 Dinner-debate Strasbourg — [A truly Europeanized energy Policy until 2020: The consumer perspective](#), at the invitation of CEFIC and Fertilizers Europe

2011/03/08 Dinner-debate Strasbourg — [Achieving the energy efficiency targets: The key role of innovative energy supply companies](#), at the invitation of EWE

2011/03/14 Dinner-debate Brussels — [The electrical infrastructures of the future](#), at the invitation of RTE

2011/04/12 Dinner-debate Brussels — [Offshore wind energy: realising the potential](#), at the invitation of AREVA

Internal meetings

2011/02/16 Bureau Meeting: President, Treasurer, Vice-Presidents and EEF Secretariat attend.

2011/03/09 Board Meeting: President, Treasurer, Vice-Presidents, Directors and EEF Secretariat attend.

2011/03/23 ITAC Meeting: President, Treasurer, Vice-Presidents, Directors, Associate members and EEF Secretariat attend.

2011/04/06 General Assembly: Active Members and EEF Secretariat attend.

(Invitations will be sent in due time to those invited.)

Past events

2011/01/26 Dinner-debate Brussels — [The path to decarbonising the heat sector](#), at the invitation of COGEN Europe



Natalie McCoy (CEER), Alejo Vidal-Quadras (EPP Spain), Fiona Riddoch (COGEN Europe), Joanna Lee (ConocoPhillips European Power)

Joanna Lee (Manager European Power - ConocoPhillips European Power) and **Pieter Verberne** (General Manager Energy, AkzoNobel Industrial Chemicals) discussed with the audience the role of CHP in the decarbonisation of Europe's heat and industrial high grade heat, and the important part that timing and energy efficiency must play in delivering sustainable solutions.

They explained that as the EU edges closer to its grand vision for 2050, decarbonising industrial heat may prove one of the EU's greatest challenges. Indeed, current renewable based solutions cannot adequately meet the combined requirement of large volumes of high grade, high pressure steam, on demand.

Combined heat and power (CHP or cogeneration) offers the benefits of assured primary energy savings and avoided CO₂ emissions, and is based on a proven set of technologies, short lead times and a strong European manufacturing base.



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2011/01/27-28 Delegation visit to France to Flamanville 3 NPP construction site and La Hague recycling plant,
at the invitation of AREVA and EDF

A delegation of MEPs, ITRE secretariat, European Commission, and Associate Members of the EEF was invited to visit the Flamanville 3 Nuclear Power Plant construction site and La Hague recycling plant.

The group visited the construction site of Flamanville 3. The EPR®, an advanced nuclear reactor in terms of competitiveness, safety and environmental protection, is scheduled to be delivered in 2014.

The visit continued to AREVA's La Hague Recycling Plant which takes care of used fuel from nuclear power

stations from utilities of various countries. It separates the reusable materials (uranium and plutonium) and processes the final waste for further treatment. 96% of the used fuel can be recycled through this process. In this case, the volume of the final waste is reduced by a factor of 5 and its toxicity by a factor of 10.

Participants were very satisfied with the visit and found it useful in view of the discussions following the proposal of Directive on the management of spent fuel and radioactive waste. They had the opportunity to understand better the challenges related to nuclear waste management as well as learn about the potential of the recycling option.

EEF Members

New Associate Members



The US company ENERCON is a leader in supporting commercial nuclear power plants from feasibility, through operation, life extension and decommissioning.

Though primarily a nuclear energy services company, ENERCON (USA) also provides support to other sectors of the power industry and the petrochemical and gas sectors.

ENERCON has extensive commitments to US public and private sector companies and is expanding into Europe, Middle-East and Africa.

The EEF contact person at ENERCON is Jon Coniam.

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Active Members

New Active Member: Pilar del Castillo Vera (EPP Spain)



The EEF has the pleasure to welcome Mrs Pilar del Castillo Vera as new EEF Active Member. She is a member of the ITRE committee and of the EP delegation for relations with India. She is also a substitute of the ECON committee and of the Delegation to the EU-Croatia Joint Parliamentary Committee. More information about Mrs del Castillo Vera: <http://www.europarl.europa.eu/members/public/geoSearch/view.do?country=ES&partNumber=1&language=EN&id=28390>

The office of Edit Herczog, Vice President of the European Energy Forum:

Judit Baumholczer, Ildikó Kováts-Széplaki and Szilvia Zsombok are the members of Mrs Herczog's office. During the Hungarian Presidency, Edit Herczog has a longterm trainee Dorka Horváth. Judit studied Political Science, while Ildikó and Szilvia have a background in Economic Science. Dorka will graduate this year.



News from the European Union

The EEF follows major EU long-lasting decisions

Companies Concentration -notification, decision, opposition, non-opposition,...-

2011/01/24 Non-opposition to a notified concentration – Veolia/EDF/Société d'Énergie et d'Eau du Gabon :

The Commission decided not to oppose the above notified concentration and to declare it compatible with the common market. This [decision](#) is based on Article 6(1)(b) of Council Regulation (EC) No 139/2004.

2011/01/03 Non-opposition to a notified concentration - Shell/Cosan/JV:

The Commission decided not to oppose the above notified concentration and to declare it compatible with the common market. This [decision](#) is based on Article 6(1)(b) of Council Regulation (EC) No 139/2004.

EU Energy Management, Security of Supply, Sustainable Development

2011/01/15 Priorities for 2020 and beyond Blueprint for an integrated European energy network :

The Commission is proposing a [new strategy and toolbox](#) to develop an integrated European energy network fit for the challenges of today and tomorrow.

“Our strategy builds on eight priority corridors for the period up to 2020 and on a new co-operative planning method to select projects within each corridor which are the most important and urgent to implement from a European perspective, while involving all concerned Member States and stakeholders. We also outline concrete tools to improve permit granting procedures and public acceptance of energy infrastructures and to leverage the necessary public and private financing for their realization” .

2011/01/15 Energy 2020: A strategy for competitive, sustainable and secure energy : Securing the future: time to Europeanise our energy policy

The energy challenge is one of the greatest tests faced by Europe today. Rising energy prices and increasing dependence on energy imports jeopardise our security and our competitiveness.

Key decisions have to be taken to reduce drastically our emissions and fight climate change.

What is more, huge investments of around €1 trillion will be needed in the next decade to make Europe's installations and infrastructure fit for the future.

It is high time that Europe got its act together. Thankfully, the 2020 strategy provides a solid and ambitious European framework for energy policy based around five pillars of action.

EU Nuclear Sector - Commission opinion concerning the plan for the disposal of radioactive waste in accordance with Article 37 of the Euratom Treaty

2011/01/10 Plan for the disposal of radioactive waste arising from the East Northants Low-level Radioactive Waste Disposal Facility, located in Northamptonshire, United Kingdom :

The Commission is of [the opinion](#) that the implementation of the plan for the disposal of radioactive waste in whatever form arising from the East Northants Low-level Radioactive Waste Disposal Facility in the United Kingdom, during its normal operational life and after its final closure, as well as in the event of an accident of the type and magnitude considered in the General Data, is not liable to result in the radioactive contamination of the water, soil or airspace of another Member State.



EU Institutions Activities

European Parliament: Parliamentary questions

2011/01/07 Electricity from biomass:

MEP Question

The Italian electricity utility Enel and the Coldiretti farmers' organisation have signed a memorandum of understanding covering cooperation on agro-energy projects involving the generation of electricity from renewable sources, in particular biogas and solid agricultural biomass. [...]

Given the above, does the Commission intend to support the implementation of projects of this kind across the European Union?

2011/01/06 Publication of an assessment of the nuclear illustrative programme (PINC) ahead of the forthcoming European Energy Council on 4 February 2011 :

MEP Question

The Commission is currently drafting a report on the EU Energy Strategy 2011-20, which aims to guarantee competitive, sustainable and secure energy supply.

In its previous reports the Commission has on a number of occasions stressed the importance of nuclear energy in terms of both the security of energy supply and reducing carbon emissions in the EU. [...]

Realistic assessments indicate that nuclear energy will remain an important component in Europe's energy

strategy in the medium and long term. In accordance with Article 40 of the Euratom Treaty, the Commission is required to periodically publish a nuclear illustrative programme (PINC).

1. When will it publish an assessment of the PINC?
2. What will be the main topics addressed in the assessment of the PINC?
3. Would it not be appropriate for the Commission to publish an assessment of the PINC before the meeting of the European Energy Council which will discuss the EU Energy Strategy 2011-20?

→Commission Answer

Given by Mr Oettinger on behalf of the Commission

1. The preparation of a new nuclear illustrative programme (PINC) is among the European Commission priorities in the field of nuclear energy. The European Commission intends to publish it by the end of 2011.
2. The PINC is expected to address the role of nuclear energy in the context of energy development scenarios until 2050, in particular investment needs and challenges.
3. The last PINC, published in 2007, and its update from 2008, focused on medium-term challenges, which are part of the EU Energy Strategy 2011–2020. The planned new PINC is intended to cover relevant issues and challenges in a more long-term perspective.

EU International Relations

EU Major International Relations

2011/01/24 Memorandum of Understanding on cooperation in the field of energy between the EU and the Republic of Uzbek :

The Memorandum of Understanding on cooperation in the field of energy between the EU and the Republic of Uzbek

has been signed in Brussels in the presence of UZ President Karimov and President Barroso.

Commissioner Oettinger and HU Ambassador Peter Györkös signed for the EU side, and First Deputy Prime Minister and Minister for Finance Rustam Azimov signed for the UZ side.



News from

The EEF follows major international energy institutions

International Energy Agency (IEA) activity

[2011/01/25 New report gives green light to the feasibility of halving carbon emissions from new cars by 2030 :](#)

Halving the amount of greenhouse gas emissions from new cars by 2030 (and from all cars on the road by 2050) is a realistic target, according to a report released today. The new [study](#), sponsored by the Global Fuel Economy Initiative (GFEI) of which the IEA is a partner, assesses progress being made and the prospects of reaching a reduction in fuel consumption of 50% by 2050. It draws on on-going research and developments which have taken place over the last year and finds that the required technology is available to design and produce new cars that pump significantly less CO₂ into the atmosphere.

[2011/01/19 'Countries must act now to achieve a secure and cleaner energy future' – IEA's Executive Director :](#)

The International Energy Agency's Executive Director, Nobuo Tanaka, [has said](#) that renewable sources of energy "will need to play a central role" in reducing carbon emissions and diversifying energy supplies. Although encouraged by the 70 countries which have policies in place to foster both the deployment and development of renewable sources of energy, such as wind, solar and biomass, he stressed the urgent need for others to follow. "We cannot wait for a global climate deal," said Tanaka, speaking on the opening day of the World Future Energy Summit, taking place in Abu Dhabi. "A lack of ambition in the Copenhagen Accord pledges has increased our estimated cost of reaching the 2°C goal by USD1 trillion and undoubtedly made it less likely that the goal will actually be achieved."

[2011/01/18 View from outside the IEA: Australia could run entirely on renewable energy within a decade, expert claims :](#)

Australia could [shred all reliance](#) on oil, coal and gas and become entirely dependent on renewable energy sources by the end of the decade, experts at a think-tank and an Australian university claim in a report presented at the IEA's headquarters. By combining wind, solar, hydro and biomass resources with a range of efficiency measures,

they argue that the country's future energy demand could be fully met. The authors of the report, in which the IEA did not participate, add that this bold target of zero carbon emissions by 2020 is achievable using technology that is already 'on the shelf' and currently available.

[2011/01/13 Global surge of activity follows successful production of 'unconventional' gas in US :](#)

The recent [successful production of 'unconventional' gas](#) in the US has sparked a flurry of interest throughout the world, with dozens of countries having launched ambitious programmes to examine whether or not they can also benefit from this relatively unexplored resource. Australia is leading the charge, but China, India and Indonesia are also seriously investigating their own 'unconventional' gas sources. There is a growing interest within Europe from both major companies and small players, but most are still at the pre-drilling stage. A few countries in other regions, such as Argentina, Ukraine and South Africa, are also investigating their potential.

[2011/01/05 High oil prices pose threat to global economic recovery :](#)

The stability of the global economy is under threat due to oil prices entering a "dangerous zone," [according to the IEA's Chief Economist](#), Fatih Birol. Dr Birol's warning follows new analysis from the IEA which found that oil import costs for member countries of the Organisation for Economic Co-operation and Development have shot up by \$200 billion to \$790 billion at the end of 2010. The IEA analysis finds that this increase, triggered by high oil prices, is equal to a loss of income of 0.5 per cent of the OECD countries combined gross domestic product.

Organization of the Petroleum Exporting Countries

[2011/01/24 IEA, IEF, OPEC Symposium on Energy Outlooks :](#)

Held under the Chatham House Rule, [the Symposium](#) offered a platform for sharing insights and exchanging views about energy market trends and short-, medium- and long-term energy outlooks, including analysis of market behaviour and discussion of key drivers of the energy scene and associated uncertainties