Editorial

The reception held on 7 January for the 20th anniversary of the EEF gathered numerous members and counted on the presence of Director General Dominique Ristori, who has followed the activities of the EEF for the last 20 years.

The EEF kicked off the dinner-debates of 2015 with the very topical issue of market stability reserve in the EU ETS. There couldn’t have been a topic higher on the agenda and the EEF was honoured to have as guest speaker Commissioner for Climate and Energy, Miguel Arias Cañete. We thank him for his presence and for taking the time to dialogue with the MEPs; the industry and other special guests.

Three other meetings were held this months: The Bureau of the EEF met to discuss internal issues. Regulation was discussed at a dinner debate hosted by the Austrian regulator while MEP assistants had the opportunity to learn and discuss on energy regulation issues in an event specially dedicated to them.

Pascale Verheust, Director General

Upcoming events

10/02/2015  Dinner-debate in Strasbourg
How to integrate up to 60% renewables to the EU power system: The European Network Transmission System Operators for Electricity, ENTSO-E, on why transmission infrastructure is key in meeting EU’s 2030 climate and energy objectives
At the invitation of ENTSO-E

24/02/2015  Dinner-debate in Brussels
The IEA’s World Energy Outlook 2014: What are the Implications for the EU’s 2030 Climate and Energy Framework?
At the invitation of Westinghouse

10/03/2015  Dinner-debate in Strasbourg
Safe oil & gas production to support Europe’s energy supply
At the invitation of the IOGP

23/03/2015  Dinner-debate in Brussels
An evening discussion with Maros Šefčovič European Union Vice-President and Commissioner for the Energy Union
At the invitation of the EEF
EEF events

EEF 20th anniversary reception
07/01/2015: Reception in Brussels

The EEF celebrates 20 years of energy discussions. A reception with industry representatives (Associate Members) and MEPs (Active Members) was held at the beginning of January to thank them for their active contribution in the EEF debates.

Mr Dominique Ristori, Director General of DG Energy, made a short intervention focusing on the history of the EEF and the role of energy at European level throughout the years. Prof Jerzy Buzek, President of the EEF, highlighted the contribution of those who during these years made possible the existence of the EEF, especially former EEF Presidents Giles Chichester and Rolf Linkohr, as well as former Director General Jean-Claude Charrault. Many current or former EEF members were present to show their support to the association after 20 years of discussions.

The reception was preceded by a Bureau meeting during which EEF Vice-Presidents discussed internal issues regarding EEF’s governance and the agenda of next EEF debates.

Briefing for MEP Assistants
27/01/2015: Lunch briefing in Brussels

It was the first time the EEF organised a briefing for MEP assistants since 2012 and the meeting was a success. MEP assistants were invited by the EEF to a briefing on energy regulation. The completion of the internal energy market is one of the current Commission’s priorities. The 3rd package agreed in 2009 to facilitate this objective focuses on the development of an EU-wide institutional and regulatory framework. The contribution of the Agency for the Cooperation of Energy Regulators (ACER) and the Council for European Energy Regulators (CEER) in this sense is crucial.

The EEF invited Lord John Mogg, CEER President, and Mr Alberto Pototschnig, ACER Director, to make a short summary on the current state of play and give MEP assistants the possibility to ask their questions to these two bodies of energy regulators that cooperate closely with EU institutions. Mr Oliver Koch, Deputy Head of Unit for wholesale markets (electricity and gas) at DG ENER, joined the discussion by introducing the Commission’s perspective on this issue. A questions and answers session followed. The need for regional cooperation, for better coordination with Member States, the flexibility also from the demand side or the price composition were some of the issues raised during the discussion.

This short seminar was an opportunity to enhance cooperation and dialogue between the European Parliament and organisations that can provide their expertise in the field. More assistants briefings might be organised this year.
The Market Stability Reserve: time to strengthen the EU ETS and ensure competitiveness
13/01/2015: Dinner-debate in Strasbourg

For the first dinner-debate of 2015, the EEF was honoured by the presence of Commissioner for Energy and Climate Change, Miguel Arias Cañete, to discuss the EU Emissions Trading System (ETS), a cornerstone of the EU’s strategy for lowering industry emissions fighting climate change.

Since 2009 the EU ETS has experienced a growing surplus of allowances compared to actual emissions, weakening the carbon price signal and resulting in a lack of incentive to invest in low-emission technologies. After having traded at almost €30 in 2008, the price of European allowances fell below €3 in 2013, and now trades around €5-7. In this context, the European Commission proposed to temporarily backload the auctioning of 900 million allowances until 2019 and introduce a stabilizing mechanism in the ETS in the form of a Market Stability Reserve (MSR).

Mr Arias Cañete encouraged the Parliament to come to the negotiation table “with a strong, united and credible position”. He called to bring the MSR to a good end soon, so as to begin the wider ETS review in line with EU 2030 framework.

After the Commissioner’s intervention, Christopher Delbrück, CEO of E.ON Global Commodities and Simone Mori, Executive Vice President of Enel, presented their views on the Market Stability Reserve, encouraging EU legislators to start the MSR as soon as possible, as the reform of ETS is one of the fundamental issues the EU energy sector is now facing.

During the questions and answers session, representatives from energy-intensive sectors expressed their concerns regarding the loss of competitiveness. To those fears, the Commissioner answered that the European Commission was committed to maintain the competitiveness of the energy-intensive industry.

In the weeks following the event, the ITRE Committee voted (22 January) against the report on the ETS reform for considering it fails to adequately address the issue. ENVI Committee vote is expected on 24 February and a plenary vote may take place in July.
After discussing the ETS, it was the turn of energy regulation. In autumn 2014, European energy regulators launched the strategic policy document “A Bridge to 2025”. The Bridge explores the future challenges Europe’s internal energy market in the next 10 years and presents the actions that should be taken to achieve 5 main objectives by 2025: establishing an integrated energy market, enhancing Europe’s security of supply, moving to a low carbon society, developing a functioning retail market that benefits consumers and building stakeholder dialogue.

The dinner-debate hosted by E-control brought up different questions for discussion on how to deal with energy regulation and address the governance issue in the energy market. Do regulators’ proposals and vision adequately capture and address the challenges the energy sector will likely face during the next ten years? How can we ensure that the new Energy Union will be firmly grounded in the Internal Energy Market? Which prerequisites need to be fulfilled for it to be able to do so? How must retail markets develop to keep pace with the wholesale level, so that customers are actually empowered and not just protected? Which aspects of our current, grown energy system should we abandon to ensure we do not stand in our own way?

The keynote speaker, Mr Walter Boltz, President of E-Control, concluded his intervention by recalling that in the 3rd energy package “something that is really missing is the issue of regulatory oversight with European institutions”. In this sense, he said, “we need to make sure that European institutions or institutions with European relevance are properly set up or adapted if necessary”.

Lord John Mogg, President of the Council of European Energy Regulators (CEER), highlighted the need for regulatory stability and recalled that regulators “are one of the few bodies that can actually give advice and help” and he stressed the importance for these bodies to “get assistance from the Commission and have the Parliament, the National Regulatory Authorities and third countries to commit and implement legislation.”

Klaus-Dieter Borchardt, head of the Internal Market unit at DG ENER, emphasized the need to look for a regional approach, to improve market flexibility, to integrate mature and competitive renewables into the grid and to promote active participation of consumers in the market.
New rules concerning access the European Parliament

Registration to the Transparency Register

Dear Associate Members,

Due to the Yellow Alert Level declared by the European Parliament and the resulting security measures put in place, the EEF will be compelled to review its own procedure regarding letting participants in the Parliament to attend EEF events.

As of 9 February 2015:

Representatives not-registered in EU’s Transparency Register:
The EEF will no longer be able to provide accreditation stickers for participants willing to attend EEF events taking place in the European Parliament premises.

We know most of our Associate Members are already accredited for access to the Parliament via the Transparency Register; should this not be the case, we invite our Associate Members’ representatives to take the necessary steps to sign up to the EU’s Transparency Register and request accreditation for access as soon as possible.

Representatives already registered in EU’s Transparency Register:
please note that each participant accredited for access to the European Parliament premises should not only show an access card but also a valid ID document in order to enter the building.

The full list of EEF Associate Members is available here: http://www.europeanenergyforum.eu/members/associate/all

We remain at your disposal for any further information you may need. Thank you for your understanding and cooperation.