

INF RSE-EUROPE

International Network for Sustainable Energy

SE NR: 26497531

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PRESS RELEASE MONDAY,
NOVEMBER 12, 2007

REVISION OF EU ELECTRICITY MARKET *MUST BE CHANGED* TO SUPPORT EU'S NEW ENERGY AND CLIMATE POLICIES.

INFORSE-Europe urges the countries and the European Parliament to amend the proposed 3rd electricity and gas liberalisation packet, to be in line with the new EU energy and climate policies.

The directives

- must support *more clearly* renewable energy, energy efficiency, and Combined Heat and Power (CHP), the three main solutions that the EU countries have agreed upon to implement climate policy objectives in the electricity sector
- must also support a democratic control of the energy market, to counter the increasing monopolisation of the electricity and gas markets, and to give voices for citizens and all stakeholders in the regulation of the markets
- should continue the rights of the EU countries to set their own energy policies, within the agreed EU targets for climate and energy.

Therefore, INFORSE-Europe proposes a number of amendments and call upon the EU countries to include them in the drafts when their energy ministers meet to discuss the issue December 5, 2007. The main amendments proposed are:

- To clearly define "low carbon technologies" (that are to be supported if the draft directives are adopted), to be only efficient CHP plants. It will be counterproductive to the agreed climate policies as well as to the objective of creating a level playing field in the electricity market, if the coming directives will support nuclear power, large hydropower, waste incineration and other mature technologies that are sometimes labelled "low carbon technologies". These technologies must compete on equal level with other power generation technologies
- To ensure that Public Service Obligations (PSOs) can continue to support renewable energy support schemes, such as feed-in tariff schemes.
- To ensure that there is a democratic control of the regulation of the energy markets, so the regulators are not acting in isolation; but in dialogue with the democratic system and concerned citizens. This can be with Citizen's Utilities Boards, consisting of citizens that are elected to advice the regulators, which system have been practiced with success in many states in the USA for more than two decades.

INFORSE-Europe supports the further separation of the production, transmission, and distribution, proposed by the EU Commission in its draft directives, published this September. Among the different models for this separation, we prefer the one with division in separate companies for production, transmission, and distribution of electricity.

INFORSE-Europe is a network of 72 NGOs from throughout Europe that are working for the promotion of renewable energy and energy efficiency as part of sustainable development.

More information: See www.inforse.org/europe and contact the European coordinator Gunnar Boye Olesen, T: +45-86227000, ove@inforse.org.