

European Commission legislative proposal for a Regulation on the Governance of the Energy Union

A EURELECTRIC position paper

April 2017

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KEY MESSAGES

-) The Energy Union Governance Regulation should provide for a robust system of tools and instruments ensuring the attainment of the Energy Union objectives, the 2030 climate and energy targets, as well as the EU's commitments to the Paris Agreement, while allowing flexibility to Member States in adopting national policies and measures to apply these tools.
-) The Governance Regulation should not intervene in setting EU climate and energy targets. Its focus should be to ensure the achievement of the targets by guaranteeing effective implementation and monitoring, avoiding policy overlap with the EU ETS, exploiting synergies and facilitating the achievement of the internal energy market. This is essential in ensuring the protection of a cost-effective and market-based approach to decarbonise the European power sector and the wider EU economy.
-) The Governance Regulation should maintain a delicate balance between a robust and yet flexible governance approach. It should ensure that the EU achieves the various objectives of the Energy Union and climate and energy targets, while allowing Member States the necessary flexibility to set their national policies, objectives, trajectories and tools to achieve such targets and objectives in a manner that reflects their national contexts and ensures cost-effectiveness.
-) The Governance Regulation should be streamlined with a view to simplifying the planning and reporting processes it introduces. The potential positive effect of the level of regulatory and planning detail foreseen by the regulation should be further assessed and evidenced.
-) Regional cooperation is of instrumental importance to the process of governing the Energy Union and the European Commission should engage further in establishing and steering regional cooperation on climate and energy policies.
-) The proposal to issue recommendations to address inconsistencies and ensure attainment of the Energy Union targets contribute to investors' and operators' perception of regulatory stability, a central element of investment processes. Further clarification is however required on the additional instruments and measures proposed in Article 27 to address delivery gaps. Such measures should be carefully considered in view of their compatibility with other EU policy instruments, notably the EU ETS.
-) The rate of electrification should be an important KPI to measure progress to decarbonised energy systems as part of the Member States' long term low emission strategies in view of the future increasingly decarbonised profile of electricity in the EU.
-) Proposals on planning and reporting on the dimensions of energy security and research, innovation and competitiveness should be further elaborated.