

Information Bulletin



Editorial

The EEF team would like to wish its readers a very Happy New Year!

Last year we have organized more than 20 events – dinner/ lunch debates, MEP assistants' briefings and visits – facilitating the debate between key players in the EU energy field. We have significantly improved our image, with the new website and new presentation materials such as associate members' booklets and the EEF presentation leaflet.

The EU institutions announce a courageous agenda for 2012 in the field of energy: infrastructures, Energy roadmap 2050, off shore oil drilling, renewable, nuclear safety, etc. With the ambitious Danish presidency programme, the energy will be on top of EU's agenda once again.

The EEF will help its members debate the hot topics of the year and we rely on your feedback to improve the quality of our events. Best wishes from the EEF team!

In the beginning of this new year, I wanted to take the opportunity to celebrate with our readers the fifth anniversary of the Energy Community, an international organisation which is unique, useful and efficient, but to a large extent unknown.

See page 5.

Upcoming events

- 11/01/2012:** Dinner-debate Brussels
Energy storage: the advantages of the fuel cell and hydrogen solution
at the invitation of FuelCellEurope

- 06/02/2012:** Dinner-debate Brussels
Does "one-size-fits-all" bank regulation "fit" the energy sector?
at the invitation of CEZ

- 15/02/2012:** **Bureau meeting** EEF internal meeting

- 14/03/2012:** **Board meeting** EEF internal meeting

- 20/03/2012:** Dinner-debate Brussels **with special guest: commissioner Günther Oettinger**
More information on this event will follow shortly!
at the invitation of the EEF

- 21/03/2012:** **Industrial and Technical Advisory Committee (ITAC) meeting**

- 18/04/2012:** **General Assembly** EEF internal meeting



The EEF team wishes you an energetic 2012



Past Events



7 December 2011: Dinner-Debate in Brussels **IEA World Energy Outlook 2011: what about coal?** at the invitation of EURACOAL

Speakers: Dr. Fatih BIROL, Chief Economist, International Energy Agency, Paris and Dr. Hartmuth ZEISS, EURACOAL President and Chairman of the Managing Directors, Vattenfall Europe Mining AG and Vattenfall Europe Generation AG

Dr.-Ing. Hartmuth Zeiss, explained that coal fuels over 40% of electricity around the world because, "it is the cheapest and most conveniently available fuel". "Countries blessed with coal would not voluntarily abandon this resource", he added. Quoting IEA statistics, he said that coal had been the fastest-growing energy source over the last decade. Dr. Zeiss called for a balanced energy mix in the EU, a belief in markets, technical innovation and a pragmatic approach to environmental protection. Investment in state-of-the-art coal-fired power plants was the first step on the road to CO2 capture and storage (CCS), he said, but policymakers needed to establish a stable framework to encourage such long-term investment commitments. A second step, he continued, was to develop and demonstrate more efficient power plants alongside CCS, before taking the final step of deploying CCS widely. With these three steps, Dr. Zeiss believed that the EU could show global leadership on the cleaner and smarter use of coal. "Cheap electricity from coal is the feedstock for a competitive industrial society – a competitive Europe", he concluded. Dr. Fatih Birol, Chief Economist at the International Energy Agency presented the World Energy Outlook.



13 December 2011: Lunch-Debate in Strasbourg **Improving the Energy Efficiency Directive** at the invitation of EURELECTRIC



Speaker: Daniele Agostini, Chairman of Working Group "Energy Efficiency", EURELECTRIC (and Manager, Environmental Policy & Regulation, ENEL)

Energy efficiency is critical. For our economy, for the climate. No doubt, we need to boost it. And no doubt, electricity is part of the solution.

The Directive now under discussion tries to bring solutions and to improve Europe's efficiency. This is good.

But its approach needs to be refined on a whole lot of issues if it is to effectively deliver. Just to name a few, EURELECTRIC considers that improvements are needed to:

- ensure the consistency of efficiency targets with EU energy-climate measures,
- develop a recovery mechanism for companies within the framework of obligation schemes,
- avoid delaying the construction of new power plants,
- define a primary energy conversion factor which takes into consideration Europe's renewables objectives,
- avoid conflicts with the third energy package etc.

EURELECTRIC discussed these points with the audience during the lunch.





New Associate Members



OJSC "INTER RAO UES" is a diversified energy holding headquartered in Moscow and managing assets in Russia, Georgia, Armenia, Kazakhstan, Moldova, Lithuania and Finland. The company produces and sells electric energy and heat, trades energy on the international market, and engineers, designs and builds generating assets.

OJSC "INTER RAO UES" controls and manages 24 thermal, 3 hydro, 1 wind power plant with combined capacity in excess of 29GW.

OJSC "INTER RAO UES" is a leader in the area of electricity export and import operations in Russia. Trading geography includes Finland, Belarus, Latvia, Lithuania, Ukraine, Georgia, Azerbaijan, Turkey, South Ossetia, Kazakhstan, Mongolia and China. The company is also actively engaged in the development and expansion of international partnership with a focus on both the emerging markets of the Middle East, Asia, Africa and Latin America and the developed European markets.

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Updates

Raluca Petrescu leaving the the EEF team



After four years working with the EEF, Raluca will leave mid-January. She will start working with the

European Commission and occasionally attend the EEF dinner-debates in Brussels.

We wish her all the best in her future career development.

OGP appoints new deputy director and manager



The International Association of Oil & Gas Producers (OGP) has promoted Rachel Bonfante to the position of Deputy Director EU Affairs. She reports to Director EU Affairs Marcus Wiemann.

In addition to her enlarged role, Rachel, who joined OGP in 2010, will focus on energy policy issues, including the importance of gas in the European energy market.



Christine Ravnholt-Hartmann is OGP's newest permanent member of staff in Brussels. A lawyer by training, she has extensive experience in the energy sector. As EU Affairs Manager, she is working on the gas internal market and the EU's Fuel Quality Directive.

OGP phone number: +32 2 566 91 50



News from the European Parliament

STOA WORKING YEAR 2011 AND PERSPECTIVES FOR 2012



STOA (Science and Technology Options Assessment) provides Parliament's committees and other parliamentary bodies with independent, high-quality and scientifically impartial studies as well information for the assessment of the impact of new technologies and identifies the options for the best course of action to take. STOA further organises meetings in which politicians and representatives of the scientific community and of society at large discuss and compare politically relevant scientific and technological developments. STOA comprises a Panel of 15 MEPs, currently chaired by Dr Paul Rübig, MEP, and assisted by a Secretariat.

In the course of 2011 STOA's priorities were concentrated on six main areas:

1. Deployment of sustainable transport systems;
2. Sustainable management of natural resources;
3. Impact of new/emerging Information, Communication, Security and Safety Technologies;
4. Latest developments and future prospects in health and life improvements;
5. Development of policies for the protection of intellectual property rights and copyright;
6. Development of policies for efficiently promoting 'research and innovation'.

For each of these areas, STOA's activities include:

- Execution of long and medium-term projects delivering in-depth studies (e.g. Eco-efficient Transport, Sustainable Management of Natural Resources, Security of e-Government Systems, Smart Energy Grids, MEP-Scientist Pairing Scheme);
- Organisation of workshops and conferences on specific topics of interest to MEPs (e.g. Brain and Ageing Research, CO₂ as a Fuel) Astronomy and Space Science, 011
- Hosting of external events related to Science & Technology (e.g. Green Cars Initiative);
- Participation in external conferences, mostly as guest speakers (e.g. BioVision, Lyon; Internet Governance Forum, Nairobi, Science and Technology in Society (STS) forum, Kyoto; World Science Forum, Budapest);
- Organisation of other external visits or meetings with external guests visiting the EP.



MEP Paul Rübig EPP Austria

*Chairman of STOA
Vice-President of the EEF*

In 2012 STOA is going to continue with the objectives set in 2011, implementing several new projects approved by the STOA Panel in 2011 (e.g. Cloud Computing and Social Networks, Science Metrics, Methanol as a Fuel Source). Further projects will be decided upon by the Panel on the basis of proposals submitted by committees and individual MEPs. A number of events are already planned (e.g. Conference on 'The Science of Innovation', Workshop on 'Infectious Diseases'). Key event as in previous years will be the STOA Annual Lecture which will be held towards the end of 2012. STOA delegations are finally expected to attend, among others, the STS forum 2012, Kyoto, and the EuroScience Open Forum (ESOF) 2012, Dublin.





The 5th anniversary of the Energy Community

The EEF was closely associated to the birth and first steps of this international organisation which links EU to the Balkan states. Indeed, our President Giles Chichester was rapporteur in the EP on the Energy Community Treaty and the EEF organised a dinner debate in Strasbourg in 2006 on the establishment of the Energy Community and a conference in 2007 in Sofia, Bulgaria. Moreover our previous President, Dr Rolf Linkhor, was the key panellist of the ceremony organised in Vienna on 24 October 2011 on the occasion of the 5th anniversary of the creation of the Energy Community. Commissioner Oettinger was invited on that occasion as guest speaker and I would like to share with our readers some significant excerpts from his speech:

"Five years might appear to be a short period of time in the life of international organizations. In the case of an organization that was conceived for an initial life span of 10 years, today's Anniversary represents a milestone.

As we all know, it all began with the technical negotiations known as "the Athens process", which led to the signature in 2002 and 2003 of Memorandums of understanding, as a first step for non-EU countries in South East Europe to come closer to the European standards in the energy field.

The concept for building an Energy Community between the European Union and the same countries, proposed by the Commission a couple of years later, was a courageous concept. It was based in our conviction that sharing specific goals and promoting technical cooperation would help overcoming the political burden of recent history. While it was a courageous undertaking, the concept was not new: pooling energy resources was indeed at the very heart of the origins of the European Union itself!

Five years after the entry into force of the Treaty, the Energy Community has grown into a mature organization, which provides a sound institutional framework for cooperation, mutual support and exchange of experiences.

Its Secretariat, based in Vienna, represents the cornerstone of this institutional architecture, and I would like to thank its Director, Mr. Slavtcho Neykov, and all members of its staff – whom I am glad to see among us today – for their professional work, their devotion and enthusiasm, which have made the Energy Community institutions what they are today.

The interest in the Energy Community is growing throughout the region, as highlighted by the accession of the Republic of Moldova and of Ukraine. With the enlargement of the Energy Community, the size of the potential regional market has almost tripled (from approximately 26 million inhabitants to around 73 million). Two weeks ago, Armenia was accepted to participate in the work of the Energy Community institutions together with other observers: Turkey, Norway and Georgia.

The centre of gravity of this project – which was inspired by a strong EU preaccession component – has therefore started to shift towards the East. The Commission welcomes the interest shown by third countries, but recalls that we should only accept new members that are truly willing and capable to assume the same commitments as our Energy Community partners.

The Energy Community faces paramount investment challenges which result from the modernization of the electricity transmission and distribution networks and interconnectors, from the EU standards on energy efficiency or from the implementation of key environmental provisions aiming at reducing the emissions from large combustion plants. This will require modernizing existing generation plants or decommissioning and replacing a number of them in the coming years. Let me finish by recalling that we have a long road ahead of us, and that we are facing challenging times where, more than ever, all of us – Contracting Parties, Member States and EU institutions and bodies – will have to show our commitment with the Energy Community project. Our support and daily contribution to the Energy Community institutions will be decisive for achieving one day one single energy market within the broad Europe. "



Mr. Slavtcho Neykov, introduced the speakers of the first session.



Mr. Günther Oettinger, European Commissioner for Energy, delivered the key note speech at the conference.



Mr. Fabrizio Barbasso, Deputy Director General for Energy at the EC, moderated a discussion panel with the title "Five years of the Treaty – what has changed?"



More than 200 persons attended the conference representing governments, regulatory authorities, international organisations and the business sector.

Jean-Claude Charraut
Director General