

# Activity Report 2013

European Energy Forum





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Giles Chichester MEP  
President of the European Energy Forum

# Foreword

This is our activity report for 2013 but I can't help reflecting on a longer period of time as this is the last time I shall write this foreword as your President. 2013 has been a good example of a year's activity with lots of events, including delegations visiting Singapore/Malaysia, Barcelona and the United States of America, covering a wide range of topics within our overall subject area of energy.

We are fortunate in having a strong participation by MEPs in our activities; in having a strong and supportive Associate Membership of companies, associations and organisations in the energy sector who finance our operation and provide expertise for our debates; and in having a splendid secretariat led by Pascale Verheust who work tirelessly on organising everything including newsletters and website as well as me!

Our model of operation seems to work quite well and means that we are kept up-to-date on technology and market developments in a fast changing world. And we manage ourselves quite well by keeping expenditure within income, a lesson that our EU Member States could take on board.

And as I look back over the past years since I became President in autumn 2004, I think we have followed the model reasonably well. Indeed, there have been peaks of activity when we organised many dinner-debates as usual but also lunch briefings, quite a few visits and even a number of conferences, in particular in Riga and Sofia, under the guidance of Jean-Claude Charraut. We have managed to maintain our standards of policy neutrality while encouraging lively debate after informative presentations. So far so good.

Energy has come right up the agenda in a number of policy areas. Aspects of the three pillars of EU policy, competitiveness, sustainability and security of supply have given us plenty to discuss, starting with some revisions in the definition of sustainability, for example. The relative importance of each pillar has changed as the priority of achieving the single or internal energy market yielded way to the pressing urgency of climate change policy and emissions reduction until the odd rude shock of interrupted gas supplies reminded us that security of supply, or keeping the lights on, is pretty important too.

We all have our views on the rights and wrongs of energy policy but I believe what is certain is that we and our successors will continue to need the European Energy Forum to provide the events where (deletion) solutions and suggestions can be debated. My wish for the New Year is for continued success for the forum and smooth transition to new leadership.

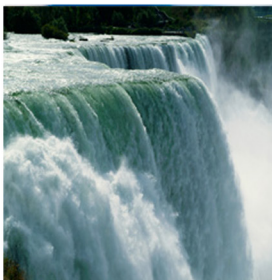
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# Introduction

This report provides a summary of the activities of the European Energy Forum (EEF) for the year 2013. During 2013, The EEF organised numerous events on a broad range of issues. The subjects dealt with were as diverse as one can hope for to maintain the neutrality of the Forum: gas, renewable, sustainable shipping, air quality, smart grids and meters, sustainable cities, shale gas, nuclear construction and consumer issues to name only a few.

I believe the success of our events stems from the commitment of both our Active and Associate members, who provide the support, chose the right topics and provide knowledge for our events. But also in a dedicated President who has provided an outstanding chairmanship these last 10 years. I thank them all for that.

My first year as Director General of the EEF is now behind me and I look with some satisfaction at the programme we have achieved. I look forward to continuing this rewarding work and maintaining the values of the EEF providing a forum for discussion where members are invited to express their opinion freely, dealing with all energy related issues and addressing topics from a general perspective.

Pascale Verheust

# EEF Debates and discussions

## An evening discussion with Commissioner Oettinger

dinner-debate at the invitation of the EEF

19 February, Brussels

### **Speaker: Commissioner for Energy Günther Oettinger.**

It is a tradition to invite the Commissioner for Energy to address EEF members. Around 20 MEPs and 100 Associate Members were present for the third intervention of Günther Oettinger at an EEF event and had the privilege to listen to a landmark speech.

Commissioner Oettinger touched upon a wide range of topics during his speech, such as the Europeanisation of the energy policy, the development of infrastructure and investments at a pan-European level, the ETS, the need for energy targets, energy price and the future of shale gas. The Commissioner

insisted on a pragmatic approach needed in energy policy and on the importance of renewable energy targets.

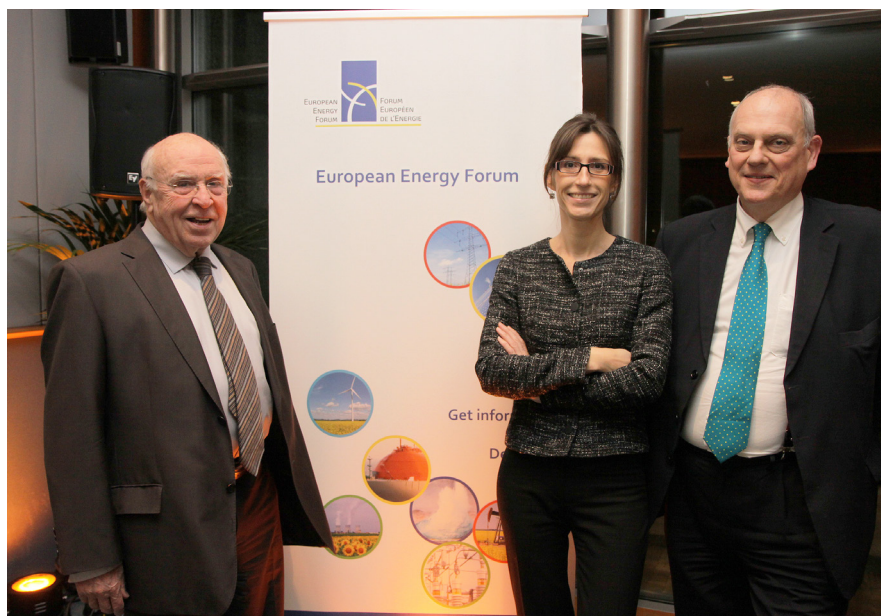
After his speech, the Commissioner answered to the questions raised by some of the attendees showing his excellent command of energy dossiers and spicing up the debate with some notes of humour which let the audience very satisfied.

The atmosphere throughout the event was very good and he concluded that if invited again, it would be a pleasure for him to accept the invitation.

The European Energy Forum looks forward to its next event with Commissioner Oettinger.







## **Reception on the occasion of the change of EEF Director General** at the invitation of EEF 29 January, Brussels

EEF Members, MEPs and representatives of EU institutions attended the reception in the European Parliament and showed their support to the European Energy Forum for its important role in the promotion of discussions and debates within the energy sector.

After opening remarks from Giles Chichester, President of the EEF, Mr Dominique Ristori, Director General of the Joint Research Center, stressed the importance of continuity in EEF's work and recalled the need of maintaining a dialogue among EU institutions and representatives of the energy sector.

Beate Raabe made an intervention as representative of one of EEF's Associate Members. She highlighted some of EEF's core values, neutrality and coherence; No form of energy or technology has ever been advantaged over another and the certainty of equal treatment and the freedom to express one's opinion

has turned the Active Members and Associate Members of the EEF into a community based on trust.

Pascale Verheust, Director General, expressed her thanks to Jean-Claude Charrault as well as to the Active and Associate Members of the EEF for their continued support.

A last contribution was given by Dr. Rolf Linkohr, former MEP and Honorary President of the EEF. He encouraged Associate Members of the EEF to continue addressing topics from a general perspective and avoid restrictive points of view in order to maintain the openness of the debates.

# EEF Debates and discussions

## January

### Gas and renewables: Friends or Foes?

dinner-debate at the invitation of EUROGAS  
15 January, Strasbourg



#### Speakers:

- **Beate Raabe, Secretary General of EUROGAS.**
- **Johannes Meier, CEO of the European Climate Foundation.**

Beate Raabe, Secretary General of EUROGAS and Johannes Meier, CEO of the European Climate Foundation, offered two opposite visions on the topic of gas and its role in the energy market. It was a unique opportunity for discussion about the current situation of the gas market in Europe, the challenges that the sector faces to comply with EU energy policies and

the complementarities about gas and renewables.

Ms Raabe said "attention to gas is growing. Awareness is increasing that greater use of gas instead of higher carbon fuels is a prime measure towards 2030 and beyond. The realisation that costs can be reduced or spread out is widening, technical obstacles can be overcome and public acceptance can be won if we move more gradually and more flexibly towards a low carbon economy. A more gradual and more flexible approach does not mean that we have to give up our vision."





## The role of biofuels in European energy and transport policy

dinner-debate at the invitation of Neste Oil

22 January, Brussels

### **Speaker: Matti Lievonen, CEO of Neste Oil.**

The Commission published end 2012 its proposal for major changes in the EU's biofuels legislation, with global impacts on the production and consumption of biofuels. The development of biofuels created heated political discussions notably regarding food versus fuel and on environmental impacts, particularly the indirect effects of land use. This debate was timely since renewables and biofuels in particular were high on the EU Agenda throughout 2013 and provided the audience with a good opportunity to openly discuss this topic.

According to Matti Lievonen, CEO of Neste Oil, *"the current biofuel legislation requires development in order to enhance market uptake of advanced biofuels while maintaining positive impact on global agriculture"*.



# EEF Debates and discussions

## February

### EU ETS on the edge

dinner-debate at the invitation of CEZ Group

5 February, Strasbourg



#### Speaker: Zuzana Krejčířiková, CEZ Group.

A dinner-debate on EU Emissions Trading System (ETS) was held by the European Energy Forum to discuss about the current situation of one of the cornerstones of EU policies to tackle climate change. CEZ Group, which was hosting the dinner, put on the table some proposals to improve the system.

The presentation opened avenues for a most interesting debate where participants expressed a wide range of points of view as regards the next steps to be taken in the short run to ensure that the current surplus of allowances does not undermine the correct functioning of the carbon market.

This debate took place when the backloading proposal had been rejected by ITRE Committee. A few

days later, ENVI, the lead committee on this dossier, approved the backloading of allowances proposed by the Commission as a temporary solution to increase carbon prices.

According to Zuzana Krejčířiková from CEZ Group, *"The regulation of RES and efficiency destroys the free market since the prices do not promote investment into stable generation (...). Such a development could be avoided if the ETS system were corrected and generated real price of carbon. Ambitious backloading could be the first promising step, at least rebuilding the trust in carbon market. However, structural, systemic change shall follow soon. Otherwise we are to lose the unique option to decarbonise our economies on the market basis and get even more dependent on direct regulation."*







## **Innovative technologies ready for the Supergrid**

lunchtime discussion at the invitation of  
Friends of the Supergrid  
6 February, Strasbourg

### **Speakers:**

- **Magnus Callavik, Technology Manager, Business Unit Grid Systems, ABB Sweden.**
- **Sven Achenbach, HVDC PLUS Technology Manager, Siemens, Germany.**

During the Strasbourg week in March, Friends of the Supergrid hosted a lunchtime discussion to present the latest technological developments related to high voltage electricity grids, such as the DC current interruption enabling planning of the HVDC Supergrid, concluding that the critical time-line for the introduction of new technologies lies primarily in non-technical issues.

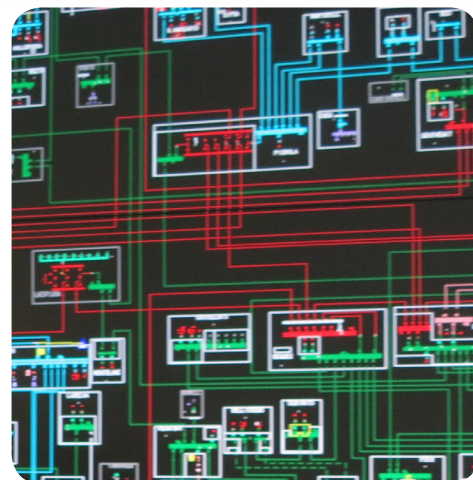
Speakers Magnus Callavik and Sven Achenbach from ABB and SIEMENS asked MEPs to *"push for political support at national level and for fast real implementation of the upcoming new regulation on TENs, as well as for harmonization of regulatory frameworks and support for large demonstration projects with all stakeholders involved."* FOSG called for support to *"educate the public on the economic benefits of the Supergrid in terms of job creation and sustainability, ensure open markets for industry participation in the Supergrid and engage financial investment."*

# EEF Debates and discussions

## March

### The responsibilities of electricity distributors within the smart grids

dinner-debate at the invitation of  
EDSO for Smart Grids & ERDF  
12 March, Strasbourg



#### Speakers:

- **Per-Olof Grandström, Secretary General of EDSO for Smart Grids**
- **Jean-Baptiste Galland, Director for Strategy and Smart Grids at ERDF**

Improving efficiency is one of the constant energy industry challenges. But being efficient is now linked with technological development oriented towards a more active implication of consumers in the process and complying with EU initiatives for sustainable development. Efficiency policies in the energy field are now looking at how energy production, distribu-

tion and consumption processes can be adapted to the new situation. From the distributors' point of view, the development of smart grids is one of the measures to turn this into reality.

Per-Olof Grandström, Secretary General of EDSO for Smart Grids, speaking at this dinner-debate, pointed out the difficulty to *"accelerate the Smart Grids if we don't change the regulation"* and reminded *"that talking about reaching the targets we are not talking about technology innovation, which is of course important, we are talking about technology integration: to use what we already know and to share knowledge between each other."*





## **Innovation powering sustainable cities**

lunchtime discussion at the invitation of EDF

19 March, Brussels

### **Speaker: Michel Maschi, Head of EDF R&D's Global Operations**

Development and economic growth is specially concentrated in urban areas. The amount of energy consumed in cities is very high due to the concentration of population and industrial activities around them. This concentration has a positive impact on socio-economic development, but can also bring a negative impact on the environment. Thus the need to find a balance among economic progress and sustainable development which is currently seen as a priority in EU policies.

The contribution of the energy industry to this process is essential to improve the way energy is produced, transported and consumed in cities and develop innovative solutions to face economic and environmental challenges.

Michel Maschi, Head of EDF R&D's Global Operations, emphasized the need to plan cities *"looking at long term impact of decisions, with a systemic approach taking into account the interaction between transport infrastructures, buildings and industrial development"* and insisted on the importance of *"placing the citizen in the center of the approach"*.



# EEF Debates and discussions

## April

**Air quality in Europe:  
the future is electric**  
dinner-debate at the invitation  
of Eurelectric  
23 April, Brussels



### Speakers:

- **Hans ten Berge, Secretary General of Eurelectric**
- **Elena Višnar Malinovská, member of Commissioner Potočník's cabinet**

With the EU Commission undertaking a review of EU air policy, the dinner-debate on air quality in Europe was an occasion to discuss about the remaining challenges that should be taken into account to tackle air pollution and help reducing its negative impact both on the environment and citizens' health as well as to look into the contribution of the electricity sector on this issue.

During his intervention, Mr Hans ten Berge, Secretary General of Eurelectric, shared the expectations of the electricity industry on air quality regulations:

*"We should deliver on the electrification. We would want that the conversion factor is revisited, we would like to see that the measurements are made in a more coherent way and we think this would result in a significant reduction in the NOx and a significant reduction in the dust particles in the cities which are the result of the transport sector. We could give a huge contribution to that."*

Following the speech of Mr ten Berge, Ms Elena Višnar Malinovská, member of Commissioner Potočník's cabinet, responsible for air quality, reported on some comforting news on the orientations for the air quality review. According to Ms Višnar "nobody is challenging or questioning the signs of air quality. The second good conclusion is that nobody wants to weaken the existing air quality standards (...). The third news is that there is a strong push also for synergies between policies: climate change, energy and air quality; and this is what we want to achieve."





# May



## Energy Post 2020 roadmap for the Chemical industry

dinner-debate at the invitation of CEFIC

21 May, Strasbourg

### Speakers:

- **Russel Mills, Global Director of Energy & Climate Change Policy for Dow Chemical**
- **Brian Davies, Vice President of Base Chemicals for Shell**

The European Chemical Industry Council (CEFIC) has recently released a Roadmap to analyse the challenges and opportunities that technology development may bring to the chemical industry from 2020 to 2050. This dinner-debate was an opportunity to present the roadmap and discuss about how energy and environmental policies affect the chemical sector.

In words of one of the speakers, Russel Mills, Global Director of Energy & Climate Change Policy for Dow Chemical, the chemical industry has specific characteristics that determine the way in which this sector is affected by energy and climate policies: *"Firstly, our industry is truly global (...) We are therefore subject to tough competition with other regions which enjoy cost advantages including access to cheaper raw materials, lower energy costs and differences in government policies.(...) Secondly, the chemical industry is strongly integrated into the rest of the European economy. We are key suppliers to other sectors. Without local chemicals production, many manufacturing businesses would not exist."*

# EEF Debates and discussions

## May

### **Vision for Sustainable Shipping: Fuelling the Future of Transport**

dinner-debate at the invitation of Wärtsilä  
28 May, Brussels



**Speaker: Jaakko Eskola, President of Ship Power and Executive Vice President of Wärtsilä Corporation**

Shipping plays an essential role in global trade. 90% of world trade is carried by the sea, according to the International Maritime Organisation. Measures need to be taken by the shipping industry to reduce emissions and improve energy efficiency. Flexible fuels, clear targets for minimized emissions, vessel safety to reduce safety & environmental risks, total efficiency of the vessel and fleet optimization are all part of the equation.

Jaakko Eskola, President of Ship Power and Executive Vice President of Wärtsilä Corporation, highlighted 7 issues to be tackled for the deployment of infrastructure for an LNG fuel based maritime industry: *“developing financial instruments to secure future economical operations, ensuring the presence of competent crew in energy fuelled vessels, harmonizing safety regulation, developing pilot port projects to demonstrate feasibility and advantages of LNG, taking long term decisions in emission regulation, implementing common guidelines for permit processes and developing a European LNG market with an open, public and transparent LNG pricing.*





## Smart Meters and Consumer: what happens to my data?

dinner-debate at the invitation of ESMIG

18 June, Brussels

**Speaker: Frank Hyldmar, President of the European Smart Metering Industry Group**

Data protection and smart meters were on the spotlight of our last dinner-debate prior to the summer recess hosted by the European Smart Metering Industry Group. With the European Commission paving the way for the roll-out of smart metering systems, smart grids will enable consumers to follow their electricity consumption in real time, saving energy and money.

Smart-meter supporters claim this devices will also help ensure the secure functioning of the electricity system and enable the integration of renewables. ESMIG explained that the analysis of the information these provide would allow a more efficient management of the network. When it comes to the regulation, a legal framework for the roll-out of the smart metering project has been settled in most EU countries, but the debate on issues such as privacy and security is still hot.

Frank Hyldmar, President of the European Smart Metering Industry Group commented: *"At the mid-point of 2013, many countries have implemented or are ready to implement a legal framework for the roll-out. At the same time, the security and privacy topic continues to generate public interest with different dynamics emerging in individual EU member states. ESMIG understands that public acceptance is crucial to any successful Smart Meter roll-out, and thus takes the issue of security and privacy very seriously."*



# EEF Debates and discussions

## September

### Consumer Energy Retail Markets in Europe: 12 Years after Liberalization

dinner-debate at the invitation of  
E-Control Austria  
2 September, Brussels



#### Speaker: Mr. Walter Boltz, Executive Director of E-Control

The EEF opened its series of fall events with a dinner debate hosted by the Austrian regulator E-Control and dedicated to consumer issues. It was followed by an event on 10 September in Strasbourg still on consumers but giving the point of view of an energy company.

The presentation by Mr Boltz focused on the completion of the internal energy market, price regulation and energy poverty. Regarding the first, Mr Boltz highlighted the need of a "strong policy initiative to get the benefit of the liberalized market to the

*small end-users*" and pointed out that "some legal changes to remove market entry barriers and make members states aware of this competitive chance" are needed. Mr Boltz also talked about the need for a cost based and not policy driven price regulation. On energy poverty, he mentioned the importance of improving social security systems and energy efficiency rather than regulating energy prices.

As a conclusion, he explained that after the progress made on market development, "we should now focus much more on consumer benefits" and encouraged the new Commission and the new Parliament to "pick up some initiative in relation with consumers and consumer market integration".







## Consumer orientation as a competitive advantage in the energy retail market

dinner-debate at the invitation of EWE

10 September, Strasbourg

### Speakers:

- **Dr. Werner Brinker, CEO of EWE**
- **Jan Panek, Head of Unit B3 Internal Market III: Retail, market; coal & oil, European Commission**

After the dinner from the week before, participants had the opportunity to explore further consumer issues regarding the energy market with speakers Werner Brinker, CEO of EEF's Associate Member EWE, and Jan Panek, Head of Unit dealing with retail, markets, coal and oil at DG Energy, European Commission.

According to Mr Brinker "there seems to be a broad majority of those who agree that we need a more intelligent energy supply and a greater awareness amongst consumers. They support the idea that if we want to be competitive and efficient without putting in danger security of supply and our climate goals, we will have no choice but to optimize the system and business processes across all levels of the value chain." In this context, "consumer orientation is not an inconvenient duty, but a competitive advantage".

Mr Panek stressed the importance of developing an optimal retail market model with conscious consumers, smart distributions systems and more local action.

# EEF Debates and discussions

## O ctober

### A competitive and sustainable business model for 2030 and beyond

dinner-debate at the invitation of Statoil  
8 October, Brussels



**Speaker: Hege Marie Norheim, Senior Vice President, Corporate Sustainability Unit, Statoil**

This debate was an occasion to discuss about the current situation of energy companies in Europe and how they are addressing economic challenges in the sector while coping with EU energy policies and environmental concerns.

During her speech, Ms. Hege Marie Norheim, Senior Vice President and Head of Statoil's Corporate Sustainability Unit, shared some analytical insights on the role of oil and gas in the long-term sustainable

energy future. She also explained how Statoil aims to maintain and develop a competitive and resilient portfolio towards and beyond 2030 by focusing on technology development, carbon-efficient operations, and by continuing to be among the world's leading suppliers of natural gas.

As Ms Hege Marie Norheim said, Statoils' response to the uncertain situation of today is *"to work on our own emissions, to believe that gas has a very important contribution to make (...) and to invest in new technologies including CCS."*



# November



## **From waste to local energy** dinner-debate at the invitation of CEWEP 4 November, Brussels

### **Speakers:**

- **Dr. Ella Stengler, CEWEP Managing Director**
- **Luc Valaize, President of the SVDU (the French Waste-to-Energy Association)**

This debate was an opportunity to discuss about the importance of waste for energy production at the local level.

Ella Stengler, CEWEP's Managing Director, explained that 78 million tones of municipal waste are treated every year in the European waste to energy plants and can generate 100 billion kw/h of electricity and heat, which is enough to supply 28 million inhabitants with heat and electricity.

According to the estimations provided by CEWEP, this amount could be almost doubled by 2020 and would be enough to supply about 70 million inhabitants with sustainable energy. In order to achieve this by 2020, Ms Stengler said, it would be necessary to *"divert waste from landfills to energy efficient plants"* and to introduce in 2014, the year of waste, *"a landfill ban for waste that can otherwise be recycled or recovered"*.

Finally, CEWEP representatives emphasized the need to improve infrastructure for heating and cooling and not to focus only on electricity, since 42% of energy consumption is for heating and cooling.



# EEF Debates and discussions

## November

### Coal, Poland and COP-19

dinner-debate at the invitation of EURACOAL  
13 November, Brussels



#### Speakers

- **Mr. Janusz Piechociński, Deputy Prime Minister of Poland and Minister of Economy,**
- **intervention by Mr. Paweł Smoleń, President, EURACOAL and President of the Management Board, TELE-FONIKA Kable**

The dinner-debate, hosted by EURACOAL, was held during the COP-19 days in Warsaw and aimed at exploring the situation of Poland from an energy perspective, with its high reliance on coal for electricity supply and its dependence on Russia's oil and gas resources.

The Deputy Prime Minister of Poland and Minister of Economy, Janusz Piechociński, was the guest speak-

er at the debate. He claimed that *"protecting the climate does not mean that irrational actions need to be taken that aim at a too rapid and economically not-well-thought-out shift away from coal."* *"A better solution, he said, is to seek solutions that will enable the use of this resource in an environmentally friendly way."*

Mr. Paweł Smoleń, President EURACOAL, who also spoke at the debate, stressed that as a result of the current "stop coal" approach, the European Investments Bank would stop financing the industry. The consequence of this, he affirmed, *"will be that coal will stay, but the old facilities too, and that would be a disaster"*.







## Capacity mechanisms as a structural component of electricity markets

dinner-debate at the invitation of ENEL

19 November, Strasbourg

**Speaker: Giuseppe Montesano, Head of European Regulation and Scenarios at ENEL**

On 5 November 2013 the European Commission published a package on state intervention that includes a document which deals specifically with capacity remuneration mechanisms. The Commission is concerned about the fact that capacity mechanisms can hinder the process of developing the internal electricity market, but recognizes the need under certain circumstances of these mechanisms.

Giuseppe Montesano, Head of European Regulation and Scenarios at ENEL, was the speaker during this debate. He explained that a capacity mechanism *"is there to remunerate power plant operators at market conditions for the amount of capacity they make available. The advantages of this mechanisms are that they can provide signals for investments in new capacity and for availability of capacity."* According to Mr. Montesano there are studies showing that *"capacity mechanisms if well implemented can also reduce the overall costs of the system"*.

# EEF Debates and discussions

## November

### Shale gas: opportunity for the competitiveness of the European industry

dinner-debate at the invitation of PGNiG  
26 November, Brussels



#### Speakers:

- **Jerzy Kurella, CEO, Polish Oil and Gas Company - PGNiG S.A.**
- **Magdalena Andreea Strachinescu, Head of Unit of New Energy Technologies, Innovation and Clean Coal; DG Energy**
- **Short intervention by Roland Fester, EU Affairs Director, OGP**

The debate hosted by PGNiG was aimed at exchanging views about the implications of the global revolution in shale gas for Europe, the impacts of shale gas on the EU's economic competitiveness, particularly vis-à-vis US and China, the impact on Europe's economic recovery and the energy security.

Mr Jerzy Kurella, CEO of PGNiG made a short intervention before leaving the floor to Mrs Magdalena Andreea Strachinescu Head of Unit of New Energy Technologies, Innovation and Clean Coal at DG Energy. According to Mrs Strachinescu "the European

*Union is an importer of gas and the dependence on imports considering the current structure of the energy mix will continue to increase. In this respect, shale gas, if it is to be developed in Europe, may reduce this dependency."*

*A general point of view from the production side was offered by Roland Fester, representing the Association of Oil and Gas Producers.*

Regarding shale gas exploitation in Europe, Professor Alan Riley, from the City Law School of London, added that according to "various geological surveys in France, Spain, Germany, Poland, Romania and Slovakia, there is substantial natural resource which is potentially accessible, but we need to do some exploration. We don't have any commercial production in Europe yet, we don't know what we actually need. We really need some experience of development in the States before the Commission and the Parliament start looking at the regulation".





## The state of the refining sector in competing markets

dinner-debate at the invitation of Lukoil  
10 December, Strasbourg

**Speaker: Thomas Mueller, Vice President for Oil Refining, Petro chemistry & Gas Processing**

The last dinner debate of the year dealt with refining issues in the EU. With the US becoming a net exporter of oil products, and growth of planned refining capacity in the Middle East in particular, the direction of supply and demand routes is changing. The EU refining sector is competing with ever stronger competitors. It is cheaper to import oil products from India, Russia and the US than to refine them in Europe.

Thomas Mueller explained that European refining profit margins decline and that therefore the capacity to invest to remain competitive is also declining. As a result, we have already witnessed a number of EU refineries go bankrupt. This means that the EU will have to increasingly rely on foreign refining sectors for their security of supply, which brings up the question of the stability of supplying markets. At the same time, the decline of EU refineries has local repercussions, expressed in loss of highly-skilled jobs and in taxes. Refineries play a key role in value chains, their survival is therefore indispensable.

## Visit to Singapore and Malaysia

### Flexible power generation and renewable energy solutions

1-4 May, Singapore - Malaysia

The European Energy Forum organized a fact finding mission to Singapore and Kuala Lumpur with the cooperation of Neste Oil and the Malaysian Palm Oil Board. In line with the mission of the EEF which is to offer a place of information for MEPs, this visit provided the group with an excellent opportunity to learn about biofuels and the way in which it is produced, from raw material to refining. The visit included a tour of the Neste Oil refinery in Singapore and of the Sime Darby Oil Palm plantation near Kuala Lumpur in Malaysia and meetings with the Malaysian Palm Oil Board as well as with NGOs and civil society organisations.

The visit started with a short briefing on the EU's activities in Singapore by Mr Bernhard Faustenhammer, Chargé d'Affaires, Delegation of the European Union to Singapore. The group then visited Neste Oil's refinery, which is the world's largest renewable diesel refinery. It is situated in the Tuas zone, in Singapore, and was started up in 2010. Singapore is the world's third-largest centre of oil refining, and occupies a central location in terms of product, feedstock flows and logistics.

During his presentation, Mr Derek Ong, Managing Director of Neste Oil introduced the company and gave an overview of the activities in Singapore. He provided the delegation with information on the refining process and on NExBTL diesel, a hydrotreated vegetable oil corresponding to the chemical composition of conventional diesel which can be flexibly produced from a mix of vegetable oils and waste fats. He gave information on the quality of the fuel, its emissions, production capacity and performance.

Mr Adrian Suharto, Manager Sustainability, developed the issue of sustainability in biofuels production all along the supply chain, based on established sustainability certification systems (own Sustainability policy of the company, multi-stakeholder initiatives such as RSPO—Round Table on Sustainable Palm Oil -, national and international regulations, market and client based requirement)

After the presentations MEPs engaged in a thorough discussion including issues such as raw material and its origin, CO<sub>2</sub> emissions, cost, air quality, sustainability, rules in place when buying from farmers, trade issues as well as concerns about the environmental and social impacts when using palm oil.

The tour of the refinery was a good illustration of the presentations and the number of questions asked by the MEPs clearly showed their interest and engagement in understanding the issue in the view of the discussions taking place in the Parliament.



*The direct knowledge we obtained during this visit of the palm oil sector in Malaysia, including industry, plantations, authorities, NGOs and indigenous people representatives, will contribute to improve our work in relation to the new ILUC Directive. The importance of a good and close cooperation between the EU and feedstock exporter countries became evident through these contacts.*

**Alejo Vidal-Quadras MEP**  
**ITRE Committee**

The next part of visit took place in Kuala Lumpur, Malaysia, with an official dinner-debate hosted by the Malaysian Palm Oil Board (MPOB) on the “sustainable development of biofuels”. In her introduction, Datuk Dr. Choo Yuen May, Director General of the MPOB, explained the importance of palm oil production for Malaysia. When presenting the sustainability model, she developed the concept “People, Planet, Profit” referring to social development of the Malaysian people, conservation and management of the environment and economic development for the progress of the nation. She also explained about the Malaysian Sustainable Palm Oil (MSPO) certification scheme in place in Malaysia.

Giles Chichester took the floor to explain that the EEF is a forum to debate issues without taking policy positions. He added that MEPs present were from different committees and would thus have different points of views to share with participants.



The dinner gave the delegation the opportunity to meet with different stakeholders involved in palm oil production and discuss issues of trade with the EU, land use change, GHG as well as EU legislation.

The next day, the delegation visited the Sime Darby plantation, one of the world's largest palm oil producers.

Their upstream operations include the development of oil palm plantations, cultivation of oil palm, management of estates, milling of fresh fruit bunches for crude palm oil and crude palm kernel oil.

The company's downstream activities include the manufacturing and distribution of oils and fats products, oleochemicals and palm oil-based biodiesel, as well as consumer goods. The company is also involved in rubber production and in agribusiness. The detailed presentation on oil palm plantations included harvesting technique by qualified workers, yielding, pest control, zero burning policy, protection of the environment and compliance with RSPO scheme.

The most illustrative part of the visit was definitely the visit of the plantation and mill where the different stages of the production were exhaustively presented.

The delegation was then received at Malaysian Palm Oil Board (MPOB) headquarters for discussions with MPOB officers and for a tour of the laboratory showing the different application of palm oil. Our host was again Ms Datuk Dr. Choo Yuen May, Director General of the MPOB, who emphasised the commitment to ensuring the development of the Malaysian palm oil industry through R&D programmes.

The visit ended with an informal meeting with representatives of civil society organisations from the states of Sabah and Sarawak, national organisations and academia and gave MEPs an opportunity to discuss with persons who deal on a daily basis with the environmental and human impacts of the palm oil industry when working with local communities. Topics such as land ownership, land use, protection of communities, Roundtable on Sustainable Palm Oil (RSPO) standards and EU legislation were discussed.





*It was a great opportunity to see the oil palm plantations in Malaysia and to get an idea of the production of palm oil. We got as well informed about the protection of the environment.*

*The production of palm oil gets more and more innovative and mechanical, that means a decrease of workers and an increase of machines. Palm oil production is one of the main sources of income in Malaysia. According to the Government representatives, palm oil production is the main tool in the society to reduce poverty of people.*

*NGOs announced their environmental doubts in some regions, but principally support the palm oil production. We agreed that the European Union has to set up sustainable criteria and implemented rules that have to be respected by the EU and by third countries equally. Nestlé assured us their active development of sustainability principles and practices with third countries, global stakeholder initiatives and local stakeholders. Palm oil production in Malaysia has to fulfil the same sustainability criteria as the production in Europe.*

**Krista Klass MEP  
ENVI Committee**

## Visit to smart grids installations in Barcelona

16-17 September, Barcelona

Following the success of the dinner debate on Smart Grid challenges and electricity distributors' responsibilities held in March 2013, Active Members asked the EEF to organise a visit to smart grids installations in order to see real-life and large-scale installations of different smart grids components. The aim of the visit was to bring further knowledge on what smart grids are and how they can improve the efficiency, the reliability and the sustainability of electricity production and distribution. The EEF thanks its Associate Member EDSO for Smart Grids for hosting the visit.

The EEF delegation was composed of MEPs and MEP assistants from different political groups as well as some Associate Members of the EEF representing the industry.

The delegation was headed by Edit Herczog, MEP and Vice-President of the EEF, who is deeply involved in both energy issues and information and communications technologies, the two subjects at the centre of the presentations. The visit opened up with a dinner where Mr Joao Torres, the newly appointed chairman of EDSO for Smart Grids, welcomed participants and highlighted the significant role of smart grids in a context where EU policies have to address energy efficiency challenges and climate issues.

The next day, the delegation was received in the Smart Grid Service Centre, a solar-powered pavilion situated in the very sunny city of Barcelona. The pavilion, standing at the end of the Muelle de la Marina during a year, operates as the provisional control centre for Smartcity Barcelona. Open to the public as an exhibition centre for the Smartcity Barcelona project,

the pavilion showcases Endesa's initiatives in remote management, e-vehicles, efficient lighting, monitoring and linking renewable energies to the grid, microgrids, etc.

Participants were introduced to the Barcelona Smart City Project which seeks to upgrade the

power supply system of the city with cutting-edge smart grid technologies offering greater savings and more efficient and sustainable management. The presentations and discussions with the hosts provided participants with an opportunity to learn more on smart grids and related technologies.

The key words of the day were smart meters, smart services and smart operations. Participants then visited the Grid Operation Centre, where they were presented with the latest IT improvements on grid operation.

The delegation was received at the City Hall in which the chief architect of Barcelona explained how a new model of smart sustainable city is conceived and implemented at the second biggest city of Spain. The different presentations were about Barcelona and the will from different actors to use the city as a platform for developing projects and make it a leading city in bringing demonstration to reality.

The visit ended by a guided tour through the 22@Barcelona, the innovation district whose modern energy efficient buildings are the premises of many leading ICT companies based in the city.



*On this two days meeting in Barcelona with the heads of Europe's DSOs we were discussing the latest technologies, services and applications related to smart grid developments in the EU.*

*The complexity of the smart grid system rests on the multiplicity of interacting players that operate with, and within, a defined environment as independent decision-makers, with autonomous behaviours, goals and attitudes. At this stage, mainly from my EU decision-maker point of view, the most important contribution politics and politicians can make is to bring balance into this imbalanced debate about the potential of smart energy technologies. On the one hand, the challenges of future smart energy systems includes both local smart distribution grids (characterized by numerous independent participants like consumers, retailers, distributed-generators, energy storage, electric vehicles as well as technologies still to be invented) and transnational super grids (e.g. connecting large-scale time-varying renewable sources to national power grids and markets). On the other hand, smart grid design and implementation needs to embed broader social and cultural considerations in order for smart grids to be successful. The technology grids need to be understood as complex techno-socio-economic systems with multiple physical, cyber, social, policy, and decision making layers; also the interaction of those layers with changing external need to be properly studied. This EEF trip aimed to raise policy awareness on these future investment options of the European DSOs.*

**Edit Herczog MEP**  
**ITRE Committee**



## Visit to the United States - Shale gas and Nuclear

27-31 October, United States

The visit was organized at the request of the Active Members of the European Energy Forum (EEF), in line with the mission of the EEF which is to offer a place of information for MEPs. The idea was to discuss energy issues and more particularly shale gas and nuclear. Shale gas is a game changer in the United States and Active Members wanted to have a closer view on the different aspects of shale gas operations. With new NPPs in construction in the US, the opportunity to visit VC Summer was a good addition to our visit.

The EEF delegation was composed of MEPs and MEP assistants from different political groups as well as some Associate Members of the EEF representing the industry.

An eventful week awaited the MEPs when they arrived in Mansfield, PA on 27 October after a long day of travel. Mansfield is situated in the North of Pennsylvania, on the Marcellus field and hosts shale gas extraction sites. The delegation was received by the EEF Associate Member Shell whose representatives gave a short introduction on the region, on shale gas operations and the issues relating to it.

At 7.00 am the next day, the delegation attended a safety briefing giving all information on safety measures to be applied on the sites visited during the day and was provided with safety gear. The group then visited 3 different sites, showcasing different stages of the shale gas extraction process. The first site visited was the shale gas drilling installations. This site was about the size of a football field and contained all equipment needed for the drilling. At the second site visited (half the size of the previous one) the unnecessary equipment had been removed and the fracking operations could take place. The last site showed the wellheads of the wells in operation. This site was also equipped with a compressor building serving several sites at the same time.

On Tuesday, the delegation travelled to Washington DC, where they first attended a luncheon briefing organised by the Foun-

dation for Nuclear Studies, an association organising information sessions on nuclear issues for congress staff members and industry representatives. Edit Herczog and Richard Ivens were invited to give an overview of the nuclear landscape in Europe. A debate followed and the delegation was able to discuss with the US audience and reply to their detailed questions.

The next stop was the premises of the Delegation of the European Union to the United States of America. This building also hosts the European Parliament Liaison office inaugurated 3 years ago by President Jerzy Buzek. The group had the opportunity to meet with Antoine Ripoll, Head of European Parliament Liaison Office with the US Congress and Christian Burgsmüller, Head of the Energy, Transport and Environment Section from the EU Delegation to the US. Different energy issues were raised by participants and discussed. The day ended in the Capitol with a reception to meet with congressmen and staff.

On Wednesday, João Vale de Almeida, the EU Ambassador to the United States, exchanged views with the group during a breakfast meeting. Foreign policy issues, climate change, technology questions, energy debate and energy security were all part of the discussion.

The group then met with US government officials and discussed President Obama's Energy Agenda, the International nuclear engagement, the R&D programs of the Department of Energy, the small modular reactor program as well as nuclear safety policy.

This was followed by a meeting with the Nuclear Energy Institute. Its President and CEO, Marvin Fertel, gave an overview of the power sector in the United States along with the success and challenges that the nuclear energy industry has faced and will have to face in the coming years. The presentation by his colleagues included explanations of energy policy and politics in the United States and how it is affecting the energy sector. The construction of the five new reactors as well as the happenings in Japan were also presented and discussed.

After a series of meetings dedicated to nuclear, the delegation had an opportunity to discuss shale gas with representatives of the Center for Sustainable Shale Gas Development (CSSD) and of the Center for Strategic and International Studies (CSIS). The CSSD is an organization whose mission is to support continuous improvement and innovative practices through performance standards and third-party certification whereas the CSIS is a bipartisan, non-profit organization that conducts research and analysis and develops policy initiatives that look to the future and anticipate change.

On Thursday, the group travelled to South Carolina to visit the VC Summer nuclear power plant under construction. This visit was supported by Westinghouse, Associate Member of the EEF. Participants had a briefing followed by the opportunity to go around the site and see the different components of the power plant. This visit took place shortly before the completion on 4 November of the concrete basemat (a foundation for the containment and auxiliary buildings that are within the nuclear island) for unit 3 of the VC Summer AP1000 nuclear power plant.





# Internal meetings

Associate and Active Members take part to internal meetings to prepare the work of the Association.

They are regularly consulted by the EEF to set the programme of debates and visits organised throughout the year.

## **Bureau Meeting**

6 February and 11 September,  
Strasbourg

## **Board Meeting**

13 March,  
Strasbourg

## **General Assembly**

17 April,  
Strasbourg

## **Industrial Technical Advisory Committee (ITAC) Meeting**

26 March and 26 November,  
Brussels







The Bureau – consisting of the President, Treasurer and Vice-Presidents - met twice in 2013.

The Bureau is key to the EEF work, discussing the results, preparing the budget and discussing the planning of events and other relevant issues to the EEF.

The Board examined the results and the budget for the year and discussed potential topics for events and visits.

EEF Board of Directors is composed of Giles Chichester (President); Alejo Vidal-Quadras (Treasurer and Vice-president); Jerzy Buzek, Norbert Glante, Edit Herczog, Romana Jordan, Herbert Reul, Paul Rübig, Britta Thomsen (Vice-presidents); Daniel Caspary, Robert Goebbels, Corinne Lepage, Justas Vincas Paleckis, Vittorio Prodi, Vladimír Remek, Vladimir Urutchev, Inese Vaidere, Lambert van Nistelrooij (Directors).

The General Assembly of the EEF got together in Strasbourg to approve the balance sheet 2012 and budget for 2013 and review the activities of the Forum during the past year. Active Members also discussed about relevant energy topics that may be addressed in future debates during the coming months.

EEF Active Members are MEPs from all political parties and nationalities. Please refer to the next page for a complete list of Active Members.

The Associate Members supporting the EEF met twice during the Industrial and Technical Advisory Committee (ITAC meetings). At these meetings, they had the occasion to discuss with the Board and the secretariat about the EEF internal actions and about topics for events.

Traditionally, these meetings take place in Spring and in Autumn.

# Active Members

## President



Giles Chichester  
ECR, UK

## Vice-President/Treasurer



Alejo Vidal-Quadras  
EPP, Spain

## Vice-Presidents



Jerzy Buzek  
EPP, Poland



Norbert Glante  
S&D, Germany



Edit Herczog  
S&D, Hungary



Romana Jordan  
EPP, Slovenia



Herbert Reul  
EPP, Germany



Paul Rübig  
EPP, Austria

## Directors



Daniel Caspary  
EPP, Germany



Robert Goebbels  
S&D, Luxembourg



Corinne Lepage  
ALDE, France



Justas Vincas  
Paleckis  
S&D, Lithuania



Vittorio Prodi  
S&D, Italy



Remek Vladimír  
GUE-NGL,  
Czech Republic

## Other Active Members



Richard Ashworth  
ECR, UK



Pilar  
del Castillo Vera  
EPP, Spain



Ioan Enciu  
S&D, Romania



Vicky Ford  
ECR, UK



Gaston Franco  
EPP, France



Ashley Fox  
ECR, UK



Satu Hassi  
Greens/EFA,  
Finland



Roger Helmer  
EFD, UK



Krišjānis Kariņš  
EPP, Latvia



Evgeni Kirilov  
S&D, Bulgaria



Krista Klass  
EPP, Germany



Angelika Niebler  
EPP, Germany



Antonia Paranova  
ALDE, Bulgaria



Anni Podimata  
S&D, Greece



Teresa  
Riera Madurell  
S&D, Spain



Britta Thomsen  
S&D, Denmark



Vladimir Urutchev  
EPP, Bulgaria



Inese Vaidere  
EPP, Latvia



Lambert  
van Nistelrooij  
EPP, Netherlands



Gerben-Jan  
Gerbrandy  
ALDE, Netherlands



Julie Girling  
ECR, UK



Françoise  
Grossetête  
EPP, France



András Gyürk  
EPP, Hungary



Fiona Hall  
ALDE, UK



Eija-Riitta Korhola  
EPP, Finland



Werner Langen  
EPP, Germany



Jo Leinen  
S&D, Germany



Astrid Lulling  
EPP, Luxembourg



Alajos Mészáros  
EPP, Slovakia



Miroslav Mikolášik  
EPP, Slovakia



Robert Sturdy  
ECR, UK



Konrad  
Szymański  
ECR, Poland



Evžen Tošenovský  
ECR, Czech Republic



Niki Tzavela  
EFD, Greece



Derek Vaughan  
S&D, UK



Glenis Willmott  
S&D, UK



Marina  
Yannakoudakis  
ECR, UK



# Associate Members



## A

ABB  
Abengoa  
Areva  
ATIEL

## B

BDEW  
BP

## C

CEA  
Cefic  
CEMBUREAU  
CEWEP  
CEZ Group  
Chevron  
COGEN Europe  
Consorzio RFX

## D

Danish Energy Association  
Dassault Systemes

## E

EDF  
EDSO for Smart Grids  
Electrabel  
ENBW  
Enel  
ENeRG

Energie Control Austria

Eni

ENTSO-E

ENTSOG

E.ON SE

EPIA

EPPSA

ERDF

ESI-Energy Consultants

ESMIG

ETN

EURACOAL

EURELECTRIC

Eurogas

EUROPIA

EUTurbines

EWE

ExxonMobil

## F

Fennovoima

Fertilizers Europe

Finnish Energy Industries

FORATOM

Friends of the Supergrid

## G

Gas Natural Fenosa

GDF SUEZ

GE Energy

GEODE

GERG

GIE

GVSt

H

Hellenic Petroleum

I

Iberdrola  
Inter RAO

L

Landis+Gyr  
LUKOIL

M

Mytilineos Holdings

N

National Grid  
Naftogaz Ukraine  
Neste Oil

O

OGP  
OMV

P

PGNiG  
PKN Orlen

R

RTE  
RWE

S

Shell  
SHV Energy  
Siemens  
SKB  
South Stream Transport  
SSE  
Statoil  
Svensk Energi  
SWM

T

Total  
Tractebel Engineering  
TVO

V

Vattenfall  
VNG

W

Wärtsilä  
Westinghouse  
Wintershall

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**Jean-Claude Charrault**

*Special Advisor*



**Samuele Furfari**

*Relations between the European Energy Forum and the European Commission*

Advisor to the Deputy Director General at DG Energy, European Commission, Samuele Furfari is in charge of the relations with the European Energy Forum. He is also a well known professor of geopolitics of energy at the Université Libre de Bruxelles.

# Publications



## Information bulletin

The EEF bulletin presents the EEF upcoming events and reports on past events. It also informs the readers on the recent changes within Associate and Active Members.

## Activity report

The EEF report contains a detailed description of the activities organised by the forum throughout the year. It gathers information on visits and debates, which are held bearing in mind the European Energy Agenda and provide participants with a meeting point for information and discussion that allows them to enrich their own visions on different energy topics.

## Leaflet

The EEF leaflet contains a description of its mission and its governance.

## Booklet

The EEF publishes every year a booklet presenting each of its Associate Members with the contact details and a short description of their activity.



### Connect with us

Check the updates on our activities on the EEF website:

[www.europeanenergyforum.eu](http://www.europeanenergyforum.eu)

And follow us on Twitter:

[@EEFEnergyForum](https://twitter.com/EEFEnergyForum)



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EEF Activity report

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