

Energy Policy: SER-2 [01] Introduction

Posted by Luis de Sousa on January 9, 2009 - 6:08pm in The Oil Drum: Europe Topic: Policy/Politics

Tags: andris piebalgs, energy policy, eu, europe, market liberalization, original, ser-2 [list all tags]

The European Commission published the Second Energy Review (SER-2) November 2008. Entitled "Securing our Energy Future", it was made available during the same week the IEA's World Energy Outlook was released, which stole much of the impact it could have had and delayed serious insight up to now.



This Strategy attempts to set a Course of Action towards three main Goals:

- Sustainability
- Competitiveness
- Security of Supply

This log entry is the first of a series that will try to build a critical but constructive review of this crucial element of future Energy Policy in Europe.

An audio version of this log entry can be downloaded <u>here</u>.

SER-2 is a set of ten documents of different scopes and purposes. They are gathered at the <u>Strategy's web page</u>, where a plethora of other supportive documents can also be found. The amount of information gathered at this web page is quite considerable, making it a very useful resource, something that by itself is already a positive result of the effort put into this Strategy.

The first document to be reviewed is the press release that serves as a sort of Executive Summary to the full Strategy.

Securing your energy future: Commission presents energy security, solidarity and efficiency proposals

"Securing your" is an unfortunate way of starting. The implied gap between policy makers or technocrats and commons citizens is in stark contrast to what the EU should aim to be. In any event this is just a detail, but illustrative.

The opening paragraph contains a few key ideas and shows up front the main areas of action:

The European Commission has proposed today a wide-ranging energy package which gives a new boost to energy security in Europe, supporting the 20-20-20 climate change proposals which should be agreed by December. The Commission puts forward a new strategy to build up energy solidarity among Member States and a new policy on energy networks to stimulate investment in more efficient, low-carbon energy networks. The The Oil Drum: Europe | Energy Policy: SER-2 [01] Introduction

Commission proposes a new EU Energy Security and Solidarity Action Plan which sets out five areas where more action is needed to secure sustainable energy supplies. The Commission also looks at the challenges that Europe will face between 2020 and 2050. In addition, a package of energy efficiency proposals aims to make energy savings in key areas, such as reinforcing energy efficiency legislation on buildings and energy-using products, and enhancing the role of energy performance certificates as well as inspection reports for heating and air-conditioning systems.

SER-2 puts flesh on the bones set out by the <u>20-20-20 agenda</u>. But it is clear that the Strategy's scope is going beyond Climate concerns. "Security and Solidarity" sounds virtuous. Conceptually, member states should be able to address threats to foreign energy supplies better by cooperating among each other. Some expectation builds up on knowing exactly what this plan is. Of positive note is also the intent to look into the long term and the focus on Efficiency, a chapter where the Commission can have a decisive and swift impact.

Quotes worth noting:

54% of Europe's energy is imported at a cost of €700 for every EU citizen. We have to address this urgently, by taking measures to increase our energy efficiency and reduce our dependence on imports. We have to invest and diversify. The proposals adopted today represent an unequivocal statement of the Commission's desire to guarantee secure and sustainable energy supplies, and should help us deliver on the crucial 20-20-20 climate change targets.

José Manuel Barroso, Commission President

But we have to do more, be more ambitious, and be even bolder to avoid the risk of energy disruption in the future. This means investment. Investing in energy, including energy efficiency, means giving our economy the push it needs at this uncertain time.

Andris Piebalgs, Energy Commissioner

The development of strong and reliable energy partnerships with suppliers, transit countries and other major energy consumers is key, and therefore the new generation energy interdependence provisions proposed today is an important step forward. Today's review also proposes steps to strengthen the EU's capacity to mobilise in support of essential infrastructure to bring supplies from third countries.

Benita Ferrero-Waldner, Commissioner for External Relations

Urgency. The role of Energy in our society and the menaces posed by internal depletion seem to be now grasped, if not fully at least in good measure. Too bad that this Commission hadn't the same thinking when it took office in 2004, but better late than ever. It is also worth pointing out that this Commission is not dreaming about "energy independence" and acknowledges healthy foreign relations as an important pillar of the Union's energy predicament.

Implementing the measures to reach the targets set by the European Council towards the 20-20-20 agenda is the first priority of SER-2, with the security of supply relegated to second place. But, the scenario is painted clearly:

Even when the renewable energy policy goals are reached, Europe is likely to be

The Oil Drum: Europe | Energy Policy: SER-2 [01] Introduction

dependent on more imports than today. The EU needs to improve the current policies to achieve its energy efficiency objective. Moreover, the ability of the EU to respond together in a crisis needs to be strengthened.

Such sobriety is encouraging. But it should be made more clear that a scenario where the EU imports more energy by 2020 than now is very unlikely; the exact opposite is what should be expected – hence the concern.

One more point worth highlighting:

Greater focus on energy in the EU's international relations, including through [sic] establishment of relationships with supplier, transit and consumer countries based on interdependence will contribute to the achievement of the EU energy policy goals and also increase the EU's influence on international energy developments. Closer coordination among Member States and with the Commission in external energy relations will be particularly important in this regard.

This acknowledges that Energy will henceforth have a pivotal role in geopolitics and that an integrated European Energy Policy will naturally require an integrated European Foreign Policy. This is one point that still haunts the EU (also evident when Kosovo declared independence) and once more stresses the need for an update of European Institutions.

Finally some interesting things can be read between the lines of the closing paragraphs:

Background

The first Strategic Review led to the European Council agreement in March 2007 on energy policy targets for Europe. Since then, the Commission has proposed a number of measures to deliver these goals, including a package of proposals to open up the EU energy market further, now close to adoption, a Strategic Energy Technology Plan to promote clean energy technology, new measures to improve the energy consumption of consumer goods and proposals for new compulsory targets on renewable energy and greenhouse gas emissions.

The March 2007 European Council invited the Commission to bring forward an updated Strategic energy Review in early 2009. The proposals adopted today respond to that request.

From this stems the idea that the previous proposals directed at deregulating the Energy Market failed to address either Climate concerns or Energy Security, eventually leading to this second Strategy. SER-2 represents a re-formulation of the Energy Policy defended during the first half of this Commission's office, that in face of events had this time to address reality.

Earlier articles on EU energy policy

The EU Strategic Energy Review: maybe not so depressing after all

Andris Piebalgs on European Energy Security

Andris Piebalgs on Bio Fuels

Eco-Driving promoted by the European Commission

<u>EU Commission's Energy Strategy for Europe</u>

Andris Piebalgs: Nuclear and the EU's Energy Policy

Andris Piebalgs' priority number one

Andris Piebalgs : getting a sense of proportion

What A Difference Two Years Makes

Commence This work is licensed under a <u>Creative Commons Attribution-Share Alike</u> <u>3.0 United States License</u>.