REPORT


Committee on Industry, Research and Energy

Rapporteur: Barbara Kappel
PR_COD_1amCom

**Symbols for procedures**

- Consultation procedure
- Consent procedure
- **I** Ordinary legislative procedure (first reading)
- **II** Ordinary legislative procedure (second reading)
- **III** Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

**Amendments to a draft act**

**Amendments by Parliament set out in two columns**

Deletions are indicated in *bold italics* in the left-hand column. Replacements are indicated in *bold italics* in both columns. New text is indicated in *bold italics* in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

**Amendments by Parliament in the form of a consolidated text**

New text is highlighted in *bold italics*. Deletions are indicated using either the ▌ symbol or strikeout. Replacements are indicated by highlighting the new text in *bold italics* and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION


(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2015)0496),

– having regard to Article 294(2) and Article 338(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0357/2015),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Industry, Research and Energy (A8-0184/2016),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation
Recital 20

Text proposed by the Commission

(20) In order to maintain the high quality of the data provided by the Member States, the power to adopt acts in accordance with Article 290 of the Treaty

Amendment

deleted

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on the Functioning of the European Union should be delegated to the Commission, with a view to adjusting the thresholds that may apply to the natural gas market. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.

Amendment 2
Proposal for a regulation
Article 4 – paragraph 1

Text proposed by the Commission

(1) Member States shall ensure that the data collection and compilation system is representative.

Amendment

1. Member States shall ensure that data collection and compilation system in place provides comprehensible and comparable high quality data that represent prices of natural gas and electricity.

Amendment 3
Proposal for a regulation
Article 4 – paragraph 3

Text proposed by the Commission

(3) The Commission shall be empowered to adopt delegated acts in accordance with Article 10, taking account of economic and technical trends, concerning the adjustment of the threshold.

Amendment

deleted

Justification

Delegated acts do not apply here, as they are only appropriate if the act is a "non-legislative
act of general application", while a concrete change of the text of the Regulation by a delegated act is not allowed.

Amendment 4

Proposal for a regulation
Article 7 – paragraph 5

Text proposed by the Commission

(5) Where the Commission (Eurostat) identifies statistically significant anomalies or inconsistencies in data provided, it may request from the national authorities an appropriate breakdown of the data as well as the calculation or evaluation methods upon which the data provided are based, in order to assess the data and, if necessary request that any data or any information deemed to be inaccurate is amended and resubmitted by the Member State concerned.

Amendment

(5) Where the Commission (Eurostat) identifies statistically significant anomalies or inconsistencies in data provided, it may request from the national authorities an appropriate breakdown of the data as well as the calculation or evaluation methods upon which the data provided are based, in order to assess the data and, if necessary request that any data or any information deemed to be inaccurate is corrected or amended and then resubmitted by the Member State concerned.

Amendment 5

Proposal for a regulation
Article 8

Text proposed by the Commission

The Commission (Eurostat) shall disseminate natural gas and electricity price statistics no later than five months after the end of each reference period.

Amendment

The Commission (Eurostat) shall disseminate natural gas and electricity price statistics no later than three months after the end of each reference period.

Amendment 6

Proposal for a regulation
Article 10

Text proposed by the Commission

Article 10 deleted

Exercise of the delegation
(1) The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this article.

(2) The delegation of powers referred to in Article 4(3) shall be conferred for an indeterminate period of time from [xx-xx-xxxx] onwards.

(3) The delegation of powers referred to in Article 4(3) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

(4) As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

(5) A delegated act pursuant to Article 4(3) shall enter into force only if no objection has been expressed by either the European Parliament or the Council within two months of notification of that act to the European Parliament or the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.
EXPLANATORY STATEMENT

Since the 1970s the European Commission has been collecting data on natural gas and electricity prices. In 1990 the Council adopted the directive to define the procedure to improve the transparency of gas and electricity prices charged to industrial end-users, yet not to household consumers. The responsibility to collect and publish the data lies with Eurostat.

The methodology was modified in 2007 to take into account the liberalised energy markets. In the meantime, the collection of data for natural gas and electricity prices charged to household end-users has been carried out on a voluntary basis - with a 100% response rate.

The objective of this Regulation is to transform the voluntary basis into an obligatory one, so as to avoid problems in the data collection as having been reported by several Member States. In order to not let the quality of the survey of the electricity and natural gas price data for the household sector deteriorate significantly, and in order to continue to achieve a wide market coverage and high quality of price data, this step is necessary.

The price collection is supposed to not lead to an additional burden for the reporting authorities and the price data will continue to be collected by the competent national authorities. This report aims to clarify the goals, facilitate certain provisions for the reporting authorities and the companies which have to provide the data as well as to avoid misunderstandings which - in the worst case - would lead to incomparable data sets. Consequently, the addition of a component including important sub-components that were omitted, e.g. excise duties, is important. Furthermore a definition of "charge" is necessary to correct the current situation, in which it is possible to move charges from network to energy and vice versa. The rapporteur also proposes changes to the breakdown so that it adequately reflects the price structure.

Additional major points addressed in the report are the following: Firstly, the Commission proposal does not specify the agent responsible for providing the price breakdown, which is a task that cannot be fulfilled by the suppliers. It should be up to the national regulatory authority or government to propose a cost breakdown methodology and provide the required information to implement the breakdown, subject to prior consultation of stakeholders and verified by Eurostat to ensure the comparability of prices between countries.

Secondly, reporting price information from big non-household customers becomes mandatory. Current statistics are based on the consultation of invoices from suppliers' databases. In this regard, it is important to protect the confidentiality of sensitive information of consumers and suppliers, which is why invoicing prices should not be published unless a minimum number of clients are in a certain consumption band.

Lastly, it must be clarified that the global average share of transmission and distribution costs can only be distinguished on the global level of households and non-households. Components of network charges can only be indicated globally across the sectors "household consumers" and "non-household consumers", yet not for singular consumption bands. This is practically and methodically impossible to achieve in an unbundled electricity (and for that matter also gas) market because suppliers would be obliged to obtain detailed information of DSOs which stands in contradiction to unbundling rules.


## Procedure – Committee Responsible

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<th>Title</th>
<th>European statistics on natural gas and electricity prices and repealing Directive 2008/92/EC of the European Parliament and of the Council concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users</th>
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<td>15.10.2015</td>
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<tr>
<td>Committee responsible</td>
<td>ITRE</td>
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<tr>
<td>Date announced in plenary</td>
<td>26.11.2015</td>
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<tr>
<td>Rapporteurs</td>
<td>Barbara Kappel</td>
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<tr>
<td>Date appointed</td>
<td>3.12.2015</td>
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<tr>
<td>Discussed in committee</td>
<td>7.4.2016</td>
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<td>24.5.2016</td>
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| Result of final vote                                                 | +: 41  
|--: 6  
|0: 3                                                                                                                                                                                                      |
| Substitutes present for the final vote                               | Amjad Bashir, Benedek Jávor, Werner Langen, Piernicola Pedicini, Markus Pieper, Laurenţiu Rehega, Massimiliano Salini, Indrek Tarand, Pavel Telička, Anneliene Van Bossuyt |
| Date tabled                                                          | 26.5.2016                                                                                                                                                                                          |