OPINION

of the Committee on the Internal Market and Consumer Protection

for the Committee on Industry, Research and Energy

on making the internal energy market work (2013/2005(INI))

Rapporteur: António Fernando Correia de Campos
SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Believes that a competition-driven, open, integrated and flexible European energy market will make it possible to maintain security of supply and achieve lower and transparent pricing, as well as enhancing Europe’s competitiveness and contributing to economic growth and consumer wellbeing, and that in order to bring this about, the remaining physical, statutory or regulatory barriers to market openness and efficiency need to be removed urgently;

2. Points to the importance of regional markets and cooperation between Member States in removing barriers, speeding up the integration process and improving network efficiency;

3. Notes that as a result of the inadequate transposition of the third internal energy market package legislation, the energy sector has not yet generated its full benefits for internal market actors and no cross border internal energy market yet exists; urges the Commission, therefore, to use all of the means at its disposal to guarantee the transposition and implementation of the third energy package, which has been delayed, pressing Member States to comply, preventing them from creating new obstacles, and imposing sanctions whenever necessary; accordingly, calls on the Commission to give details about all of the remaining barriers to the implementation of the third energy package, along with clear figures illustrating what their impact has been on consumer energy prices; points out that enforcement of competition rules can contribute to greater security of supply if it serves to facilitate market access and encourage investment; urges the Commission, therefore, to be resolute in continuing the steps taken in light of the sector inquiry to bring competition rules effectively to bear on the energy sector; welcomes, to this effect, the ongoing competition law procedures in the energy sector, the aim of which is to ensure that the objective of completing the internal energy market in 2014 is achieved and that the obstacles to competition re-established by energy suppliers are eliminated; points out that national regulatory and anti-trust authorities play a decisive role in implementing EU rules, and encourages the Member States to endow these authorities with the financial and human resources they require;

4. Stresses that only with a stable regulatory framework will it be possible to attract the investment necessary for the continuous development of this market;

5. Recommends that, when implementing the energy budget of the ‘Connecting Europe’ Facility, the Commission give priority to projects having the greatest impact on the functioning of the internal market, thereby boosting competition, speeding up the market penetration of renewables, creating necessary cross-border interconnections, and enhancing security of supply;

6. Calls for steps to be taken to encourage joint planning of energy networks, in order to promote the rationalisation of the European energy network, taking advantage of cross-border synergies and a more efficient infrastructure network, which will translate into
lower costs for consumers and industry;

7. Calls on the Commission to take steps to eliminate market fragmentation and distortions by phasing out direct and indirect fossil fuel subsidies and doing away with regulated consumer energy prices; calls on the Commission, to this effect, to check whether the laws in force in some Member States – which, by granting exclusive rights, create supplier monopolies and thus lead to lower levels of competition and higher consumer prices – are consistent with the Treaties; points to the need to move gradually towards consistency among renewable energy support schemes in the Member States and to promote capacity mechanisms that work efficiently in a cross-border context; emphasises, to this effect, that great care must be taken to determine precisely which capacity-safeguarding measures are necessary and make sense;

8. Draws the Commission’s attention to the need for the rapid operational integration of national gas and electricity markets, whose functioning requires the formal adoption and swift implementation of network codes with common rules, in order to define mechanisms for capacity allocation, balancing, charging and interoperability;

9. Calls on the Commission to work with the European Network of Transmission System Operators for Electricity (ENTSOs), the Agency for the Cooperation of Energy Regulators (ACER), and other relevant stakeholders to accelerate the delivery of network codes, which are to be developed in an inclusive and transparent manner;

10. Alerts the Commission to the need for ensuring that legislation strengthening the powers and independence of national regulators is effectively applied, as a means of guaranteeing the efficient operation of the energy market and protecting the interests of consumers;

11. Notes that asymmetries in national regulation also lead to asymmetries in competition; calls for the ACER’s functions and capacities to be boosted so that it will be able to offer more scope for closer cooperation among national regulators in defining a regulatory framework that does not prejudice the functioning of the internal energy market;

12. Fully supports level playing field measures creating more decentralised and competitive market models, given that they create more opportunities for local energy producers and for new industrial players;

13. Notes that as a result of the failure to transpose the third energy package and obstacles to competition which still persist, market liberalisation has not resulted in significant options or lower prices for final consumers, and in particular for households; urges the Commission to take steps to clarify consumer rights, encourage transparency as regards pricing and billing, information, the scope for comparison, freedom of consumer choice, and responsiveness to customer needs, and to protect consumers; urges the Member States to share best practices;

14. Notes that technical simplification is essential for consumers and that to this end, having regard to the work of the Working Group Report on ‘Transparency in EU Retail Energy Markets’, the same price components should be present in the offer, the contract and the bill, and the presentation of this data should be aligned; believes that in order to make consumers more proactive in the management of energy consumption, they need to be
made aware of ways to control consumption, as well as possibilities for energy savings, and energy efficiency and small-scale production; agrees with the Working Group Report in that comparison tools and websites can be a good tool for consumers, if run in an independent, transparent and trustworthy manner; recommends the Commission and the Member States to rollout price comparison websites and consumer-friendly information campaigns, in which local and regional governments should take an active role; welcomes the idea of verifying the accuracy and objectivity of price comparison tools by means of an on-line trust mark; calls on the Commission to explore the possibility of such a trust mark for comparison tools and websites at EU level;

15. Points out that smart metering systems and variable electricity tariffs can offer consumers an incentive to reduce their consumption, and therefore their bills, and can make for greater transparency; emphasises, however, at the same time, that the introduction of such metering systems must be preceded by a detailed assessment of, in particular, the real potential for savings, interoperability, and data protection implications;

16. Underlines that consumers favour a lower energy dependence and are increasingly willing to invest in own-production; suggests, therefore, that smart grids and other options which enable consumers to participate actively in the internal energy market be actively encouraged;

17. Draws attention to the advantage of applying variable network use charges, in order to encourage customers to consume energy outside peak periods, in the interests of sustainable energy use;

18. Advocates support for new arrangements for the effective resolution of disputes; calls, in particular, for the prompt transposition of the directive on alternative dispute resolution, recently adopted together with the regulation on online dispute resolution, which are both designed to guarantee improved universal EU-wide access to dispute resolution bodies; urges, with regard to energy-related matters, that the quick settlement of disputes be ensured in a simple and cheap manner, so that the balance of bargaining power between final consumers and suppliers is restored;

19. Highlights the need to promote initiatives that will help secure a more active role for consumers in the internal energy market, which will in turn stimulate competition in the market; points out that collective switching has already shown some benefits for consumers; calls on the Commission to evaluate possible benefits for consumers from collective switching in the energy sector, as well as risks that might be associated with it; considers that measures enabling consumers to switch energy supplier without incurring penalties for breach of contract should be implemented at EU level;
RESULT OF FINAL VOTE IN COMMITTEE

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<th>29.5.2013</th>
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<td><strong>Result of final vote</strong></td>
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<td><strong>Members present for the final vote</strong></td>
<td>Claudette Abela Baldacchino, Pablo Arias Echeverría, Preslav Borissov, Jorgo Chatzimarkakis, Sergio Gaetano Cofferati, Birgit Collin-Langen, Lara Comi, Anna Maria Corazza Bildt, António Fernando Correia de Campos, Evelyne Gebhardt, Malgorzata Handzlik, Malcolm Harbour, Philippe Juvin, Sandra Kalniete, Toine Manders, Hans-Peter Mayer, Phil Prendergast, Mitro Repo, Zuzana Roithová, Heide Rühle, Matteo Salvini, Christel Schaldemose, Catherine Stihler, Róža Gräfin von Thun und Hohenstein, Emilie Turunen, Bernadette Vergnaud, Barbara Weiler</td>
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<td><strong>Substitute(s) present for the final vote</strong></td>
<td>Raffaele Baldassarre, Ashley Fox, María Irigoyen Pérez, Constance Le Grip, Morten Løkkegaard, Olle Schmidt, Patricia van der Kammen, Sabine Verheyen</td>
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