



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Industry, Research and Energy

2012/2103(INI)

15.6.2012

DRAFT REPORT

on the Energy roadmap 2050, a future with energy
(2012/2103(INI))

Committee on Industry, Research and Energy

Rapporteur: Niki Tzavela

CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	3

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Energy roadmap 2050, a future with energy (2012/2103(INI))

The European Parliament,

- having regard to the Commission Communication ‘Energy Roadmap 2050 and the accompanying working documents (COM(2011)0885),
- having regard to the motion for a resolution on the impact of photovoltaic plants on grassland (B7-0186/2012),
- having regard to the motion for a resolution on future tidal power plants (B7-0192/2012),
- having regard to its resolution of 12 June 2012¹ on Engaging in energy policy cooperation beyond our borders: A strategic approach to secure, sustainable and competitive energy supply,
- having regard its resolution of 15 March 2012 on a Roadmap for moving to a competitive low carbon economy in 2050 (2011/2095(INI))²,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Environment, Public Health and Food Safety, the Committee on the Internal Market and Consumer Protection and the Committee on Regional Development (A7-0000/2012),

Objectives of the EU2050 Energy Roadmap

1. Recognises the benefits to Member States of working together for an energy system transformation which must start now; endorses, therefore, the Commission’s Energy Roadmap 2050 as the basis for proposing legislative and other initiatives on energy policy with a view to developing a policy framework for 2030, including milestones and targets; notes that defining energy targets for 2050 assumes pan-European governance; pursues, within the spirit of the Union, a strategy that will allow Member States to cooperate and not feel repressed under the Roadmap;
2. Notes that the proposed strategies for 2030 and 2050 are not of a deterministic nature, but rather serve as a basis for constructive dialogue on issues relating to industry, research and energy;
3. Highlights the importance of the EU’s energy policy amidst the financial crisis; emphasises the role that energy could potentially play in spurring growth and competitiveness in the EU; calls on the Commission to propose post-2020 strategies and to present a 2030 policy framework for European energy policy; encourages the Member

¹ Texts adopted, P7_TA(2012)0238.

² Texts adopted, P7_TA(2012)0086.

States to step up their ongoing efforts to reach the current 2020 targets in the area of EU energy policy;

4. Stresses that a clear policy and regulatory framework will stimulate the necessary investments for low-carbon energy investments; Underlines the importance of an energy strategy focused on increasing the EU's energy security and economic competitiveness through measures such as the diversification of supply routes and sources, and energy efficiency;
5. Recalls that it is in the competence of each Member State to define its own energy mix; acknowledges that the Energy Roadmap 2050 complements national, regional and local efforts to modernise energy supply; acknowledges, therefore, the need for Member States to work together on the basis of common objectives, as well as the important role to be played by the EU; urges the Member States and the Commission to continue to pursue options which can meet the EU's decarbonisation objective in an economically efficient, safe and sustainable way, and to continue with efforts to fully tap the potential for cost-effective energy savings, supported, inter alia, by available Union financial instruments; recognises, at the same time, the merits of developing a coordinated and, where appropriate, common European approach;
6. Recognises the conclusions reached in the Energy Roadmap that the transition of the energy sector on an EU-wide scale is technically and economically feasible, and could be less costly in the long-run than a continuation of current policies under certain assumptions;

Key Elements of a long-term strategy

7. Acknowledges the conclusions reached in the Energy Roadmap 2050 that there are similarities between the actions that must be taken in the analysed scenarios in order to transform the EU's energy system, regardless of the specific path chosen to achieve a low-carbon 2050 energy system; believes that renewable energy, energy efficiency and energy infrastructure are 'no regrets' options;
8. Recognises that a higher share of renewable energy beyond 2020 is a key aspect of a more sustainable energy system; recognises, furthermore, that all of the decarbonisation scenarios explored in the Commission communication assume an increased share of renewable energy in the EU energy mix of around 30% in gross final energy consumption in 2030;
9. Stresses that improved energy efficiency and energy savings will play an essential role in the transformation of the energy system, and that meeting the 2020 objectives is an important basis for further progress up to 2050; recommends, in this respect, that energy efficiency be integrated into national educational curricula in the Member States;
10. Emphasises the urgent need for new, smart and flexible infrastructure – including smart grids and smart meters – and fully integrated network planning in order, inter alia, to integrate local and more remote sources of renewable energy across the EU, as has been proven necessary; stresses, moreover, the urgent need for the establishment of mechanisms to allow for EU financing of infrastructure projects of common interest;

Renewable energy

11. Stresses that a more European approach to renewable policy is key in the medium to long term; encourages Member States to work together in order to optimise the cost efficiency of renewables expansion and to ensure that investments are made where they will be most productive and efficient, taking into account the specific characteristics of Member States; highlights, in this context, the Commission's important role as a facilitator; points out that renewables will, in the long term, move to the centre of the energy mix in Europe, as they progress from technology development to mass production and deployment, from small-scale to larger-scale – integrating local and more remote sources – and from subsidised to competitive; emphasises that the changing nature of renewables requires changes in policy to be made with a view to achieving greater market integration; highlights the need for support schemes to be phased out as technologies and supply chains mature and market failures are resolved;

Infrastructure and the internal energy market

12. Stresses that, as Member States pursue the goal of energy security and energy dependence, emphasis needs to be shifted towards a model of energy interdependence by ensuring the swift completion of the EU internal energy market and the EU supergrid infrastructure linking North and South, and East and West; highlights the importance of ensuring that policy and regulatory developments in Member States will eliminate remaining infrastructure 'bottlenecks' and will not create new barriers to electricity and gas or energy market integration; stresses, moreover, that energy policy decisions in each national system need to take account of how such decisions could affect other Member States;
13. Stresses the need for a fully integrated market by 2014; notes the importance of full implementation of the internal energy market legislation in all Member States and the need to ensure that no Member State or region remains isolated from the European gas and electricity networks after 2015 or sees its energy security jeopardised by lack of appropriate connections; highlights the need to take the social impact into account while making sure that energy prices better reflect costs;
14. Highlights the new challenges, such as the need for flexible resources in the power system (e.g. flexible generation, storage, demand management), that will arise as the contribution of variable renewable generation increases; stresses the need to have sufficient capacity available to ensure security of electricity supply; stresses, in this regard, that policy developments in Member States should not create new barriers to electricity- or gas-market integration;
15. Is concerned by the delays affecting the completion of the Southern Corridor; stresses the need to achieve energy security through energy diversification emphasises the potential of a complementary LNG corridor in the East Mediterranean to serve as a flexible source of energy and an incentive for increased competition within the EU internal energy market;
16. Recalls that markets must continue to play the main role in financing energy infrastructure investments, while acknowledging that there are some projects that may require limited public support to leverage private funding; emphasises that any contribution from public finance should be based on clear, transparent criteria, should not distort competition and

should take into account the interests of consumers;

17. Highlights the role of a one-stop-shop approach in complementing the EU's simplification objectives to cut red tape, thereby speeding up authorisation and permit procedures and reducing the administrative burden on companies seeking authorisation concerning the development of energy infrastructure, whilst guaranteeing respect for the applicable rules and regulations; calls on the Member States to review their procedures in this regard;
18. Urges the Member States and the international community to maintain educational institutions capable of producing skilled labour force in the areas of energy safety, security and waste management;

The role of specific energy sources

19. Agrees with the Commission that natural gas will be critical for the transformation of the energy system, since it represents a quick and cost-efficient way of reducing reliance on other more polluting fossil fuels, thereby lowering greenhouse gas emissions;
20. Recognises the key role of gas, both in the transition to a low-carbon energy system and as a flexible back-up, and in balancing capacity where renewable energy supplies are variable;
21. Believes that unconventional gas has a role to play in the future EU energy mix, and calls on the Commission and the Member States to take the developments surrounding unconventional gas into account when formulating future energy outlook scenarios;
22. Underlines the importance of Carbon Capture Storage (CCS) on the road to 2050 and decarbonisation; stresses that CCS ought to be ready by 2030 if fossil fuels are to remain significant in the energy mix; highlights that CCS is also an important option for the decarbonisation of several heavy industries and could, combined with biomass, deliver 'carbon negative' values;
23. Notes that optimal, safe and sustainable use of domestic energy resources, and the competitiveness of infrastructure necessary for the stable supply of domestic or imported energy, including refining, can contribute to increased energy security;

Global challenges in the field of energy

24. While recognising that the EU operates in a global context, recalls the November 2011 TTE Council Conclusions on strengthening the external dimension of the EU energy policy, the need for a broader and more coordinated EU approach to international energy relations in order to meet global energy challenges and climate change, address competitiveness and carbon leakage related issues and maintain and promote the highest nuclear safety standards, while at the same time ensuring the safe, secure and diversified supply of energy;
25. Stresses the need to ensure the energy security of the EU through alternative sources of energy and to reduce import dependency; highlights, therefore, the emerging importance of the exploration of oil and gas fields in the Mediterranean Sea and the Arctic; believes that there is an urgent need to develop an EU policy on oil and gas drilling at sea,

including delineation of exclusive economic zones (EEZs) of EU Member States and relevant third countries in accordance with the UNCLOS Convention, to which all EU Member States and the EU as such are signatories;

26. Emphasises that the granting of licensing rights for drilling and the delineation of EEZs will become a source of friction with third countries, and the EU should maintain a high political profile in this respect; underlines that energy should be used as a motor for peace, cooperation and stability;
27. Notes the importance of broad cooperation in the Arctic region, particularly among countries in the Euro-Atlantic sphere; calls, therefore, on the Commission to come forward with a holistic assessment of the benefits and risks of EU involvement in the Arctic;
28. Underlines the importance of strengthening cooperation and dialogue with other strategic energy partners; stresses the importance of the EU speaking with one voice vis-à-vis third parties on energy matters; emphasises the role of the Commission in coordinating and supporting Member States' actions;

Emissions Trading Scheme (ETS)

29. Recognises that the ETS is the principal – though not the only – instrument for reducing industrial emissions and promoting investment in low carbon technologies; notes that further improvement of the ETS is necessary; notes that any changes to the ETS would require a careful assessment of the impact on electricity prices and on the competitiveness of energy-intensive industries; calls on the Commission and the Member States to facilitate the development of innovative technological solutions by European industries;
30. Calls on the EU to continue to play an active role in the international negotiations on the global climate deal; takes the opinion that climate diplomacy should come under the umbrella of the European External Action Service (EEAS); stresses that the EU needs to know what the consequences of a failure to conclude a global climate change agreement would be;

Research, new technologies and alternative fuels

31. Believes that prices play a crucial role in energy-related investment and energy production; notes that the different Member States' policies to promote renewable energy show both successes and problems; takes the opinion that the recent relatively high prices of fossil fuels promote the development of renewable energy; notes, however, that in some Member States the promotion of renewable energy by means of financial support could lead to high energy prices;
32. Believes that, while energy bills in Europe have risen in recent years, this development has given rise to a 'smart', common sense-based approach to energy efficiency and energy savings; believes, regardless, that the role of ICT technologies is increasingly important for energy; highlights, in this context, the role of smart meters in providing consumers with data on energy consumption in households and businesses;
33. Calls on the Commission to ensure that Horizon 2020 and the European Innovation

Partnerships under the Innovation Union prioritise the need to develop all types of sustainable low carbon technologies in order to spur EU competitiveness, promote job opportunities and bring about a change in consumer behaviour;

34. Stresses the importance of further research and development by the industry into the use of natural gas in the maritime and aviation sectors;
35. Supports further research on cooling and heating systems with a view to executing the EU's ambitious policy; calls on public authorities to produce an underground regional impact assessment in order to optimise resource allocation between geothermal energy, shale gas and other underground resources, thereby maximising the benefits for society;
36. Instructs its President to forward this resolution to the Council and the Commission.