

# Citizens' summary

## Energy Union

### WHAT'S THE ISSUE?

- The Energy Union with a Forward-looking Climate Change Policy is one of the key political priorities of the Juncker Commission.
- The Energy Union will bring about a fundamental transition in Europe's energy system towards an economy that is no longer driven by fossil fuels and where energy security is based on solidarity and trust; where energy flows freely, without any barriers, in a truly integrated EU-wide energy system; where strong, competitive companies develop innovative products and technologies with the help of European research and innovation, and where citizens play a stronger role in the energy system, using technology to reduce their bills, and vulnerable consumers are not left behind.

### WHO WILL BENEFIT AND HOW?

- European **citizens** will benefit from having more choice in an integrated, competitive European energy market. They will have a more active role as consumers, being able to control their energy use and to limit their energy bills through the use of smart technology. Some consumers will generate their own energy from renewable sources (e.g. solar or wind) and be able to feed this into the electricity grid. Better energy security at the European level and more solidarity between Member States will reduce the risk of black-outs for households and businesses.
- **Businesses** will benefit too. Innovative companies will develop new energy and climate technologies and service that will create green growth and jobs in the EU, as well as export opportunities abroad. Investors will get more certainty through price signals that reflect long term needs and clear policy objectives.
- The **climate** will benefit from a 40% reduction in CO<sub>2</sub> emissions by 2030, an increased share of renewable energy in the EU's energy mix, making Europe the number one in renewables, and actions to increase energy efficiency, especially in the building and transport sectors.

### WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

- The EU is the **biggest energy importer** in the world, importing 53% of its energy at a cost of around EUR 400 billion a year. **There still is no real European internal energy market:** energy does not flow freely across borders and some parts of the EU are still isolated **energy islands**, such as South-East Europe, the Iberian Peninsula and the Baltic States. **Renewable energy is not fully integrated into the electricity system.** Climate change cannot be halted by countries acting on their own. These are all examples of problems where coordinated action needs to be taken at the European level. **A strong Energy Union will be able to speak with one voice** in global affairs.

## WHAT EXACTLY WILL CHANGE?

- The Commission is presenting a strategy to build the Energy Union as well as a series of concrete actions that will be taken in the first five years. The strategy is built around **five mutually-reinforcing dimensions**:
  - energy security;
  - a fully-integrated European energy market;
  - energy efficiency;
  - decarbonising the economy, and
  - research, innovation and competitiveness.
- The Commission is proposing a set of key actions. These include, amongst others:
  - Stronger action to ensure that existing energy legislation is implemented and enforced by Member states.
  - Legislation to increase security of supply for gas, but also for electricity, and other measures to reduce Europe's dependency on dominant suppliers.
  - Creating a new Infrastructure Forum to make sure that major infrastructure projects are delivered where and when needed.
  - Legislation to fundamentally modernize the European energy market and to reinforce the regulatory framework at regional and European level.
  - Legislation to deliver the 2030 climate and energy targets agreed at the European council in October 2014.
  - Create more transparency on energy costs and prices, so that consumers have a better insight in how energy prices are formed.
  - Concrete actions to make our buildings more energy efficient and to decarbonise our transport sector, and.
  - An initiative on global technology and innovation leadership on energy and climate.

## WHEN IS THE PROPOSAL LIKELY TO COME INTO EFFECT?

The Commission adopts the Energy Union on 25 February 2015. The Commission will present it to the EU institutions. The European Council will discuss the Energy Union at its meeting in March 2015.

The Commission already presents the first two deliverables of the Energy Union in parallel on 25 February (a Communication on the EU position for the climate negotiations later this year and a Communication on how to bring the EU's electricity interconnection level to 10% by 2020). Other initiatives will follow in 2015, 2016 and 2017.