

PRESS RELEASE

Eurogas welcomes EU's Energy Efficiency Plan 2011

Eurogas generally welcomes the newly launched Energy Efficiency Plan 2011, which offers a number of pragmatic business and market oriented approaches to achieving higher levels of savings.

Eurogas wholeheartedly endorses the Commission's emphasis on energy efficiency in the transition to a resource efficient economy and a key to sustainable growth. We appreciate especially the emphases in the Action Plan on energy efficiency in buildings, which indeed offer the greatest savings potential, and on the efficient generation of heat and electricity, for which gas is a fuel of choice. We also appreciate the recognition of energy efficiency as a business sector, and of the need to empower consumers by enhancing their awareness of energy use and energy efficient solutions at M.S. level.

Eurogas welcomes the decision by the Commission not to propose binding efficiency targets at this stage, although we are concerned that some of the obligatory measures which could be contemplated would distort existing market mechanisms. In particular, the upgrading of generation capacity, based on the BAT (*best available technology*) principle, would risk imposing high costs and might phase out existing low efficient fossil fuel fired peak or back up generation capacity which is necessary to ensure security of supply. A cost efficient approach should be market based, with a well balanced incentive scheme that preserves the free investment choice of market operators. In general Member States should have the freedom to decide how users can be best encouraged to reduce their energy consumption.

Eurogas members are already active in a range of national energy efficiency schemes. In a competitive energy market, offering energy services is increasingly viewed by suppliers as essential in their commercial strategy to win and retain customers.

Many Eurogas members are involved in promoting gas-fired energy solutions for more efficient energy use and as an Association, Eurogas engages in discussions on the design of the necessary evolution to smart metering systems and smart gas grids, with a focus on the functions they will offer to meet customers' requirements.

Eurogas is committed to the realisation of a secure, sustainable and competitive European Energy Market. In a wide range of applications, natural gas is a natural choice for an efficient and economic solution in power and heat production, manufacturing processes and domestic and industrial space heating. In addition, gas also has significant potential as a vehicle fuel, particularly for fleet vehicles.

Eurogas is a Brussels based non-profit making organization and has the following members:

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