

To the attention of

Mr. Claude Turmes

Rapporteur for the Proposal for a Regulation of the European Parliament and of the Council on Energy Statistics

MEP
European Parliament

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Concerns: Eurogas views on proposed Amendments on the proposal for a regulation of the European Parliament and of the Council on energy statistics (COM(2006)0850 – C6-0035/2007 – 2007/0002 (COD))

Dear Mr. Turmes,

The European organisation of natural gas industries (Eurogas) represents 43 members, both companies and national associations, from 23 countries. Within Eurogas we have a Statistic Committee which collects and publishes its own data on natural gas twice a year. The members of this Committee have been actively involved in the preparation of the Eurostat proposal for a Regulation on energy statistics, which Eurogas supports in its initial format.

With the present letter, we would like to thank you for your work and for giving us the opportunity to present our views on the proposed Amendments. Eurogas would like to draw your attention to three general observations from methodological, economic and energy efficient points of view as well as to present specific comments to some of the Amendments.

In our general comments, we would like to recall that the Gas industry is becoming more and more global implying the need for coordination of data collection exercises internationally. Our first remark therefore concerns the comparability of data in the international context. The proposed amendments differ from the internationally agreed data collection standards (between IEA, UN and Eurostat) which might result in data discrepancies which could in turn hinder the comparability and interpretation of the conclusions. Eurogas favours the establishment of an unambiguous methodology, guaranteeing the comparability of international data.

On a more European level, we wish to recall the current European context in which our companies operate. The process of liberalisation as well as the regulatory initiatives from the European Commission and the National Regulators mobilise important resources in the European gas companies. Eurogas is therefore concerned that the proposed amendments will create an additional burden for the industry, resulting from the supplementary request for data and the completion of the questionnaires. The increased

statistical details of the data collection will inevitably generate additional costs and require human resources, at a moment of efficiency maximisation amongst all the actors involved with statistics collection, namely the companies, the national associations as well as the national statistic offices. In view of these consequences, Eurogas is of the opinion that additional cost-benefit analyses are necessary before considering these new amendments.

As far as energy efficiency is concerned, Eurogas recalls that using energy statistics for measuring energy efficiency requires high accuracy. Since the market opening, gathering statistical data has become more difficult and the following problems (related to measuring energy efficiency) occur:

- For Natural Gas, additionally to domestic production and import figures, also storage injection and withdrawal are needed for calculating the correct yearly demand.
- Different gross calorific values are based on average factors, which causes comparability problems.
- The biggest uncertainty, in comparing yearly demand figures for energy efficiency purposes, is the influence of seasonal temperature differences and the evolution of the industry (load factor, energy switch, structural changes,...). Of course, the natural gas industry deals with temperature corrected figures; however those figures are estimations, mostly at company level, and thus probably not accurate enough for energy efficiency measures.
- Other uncertainties are caused by different collection methodologies at national level (As different authorities are in charge – Regulators, Statistic Authorities, Environmental Agencies etc...)

Using these statistics for identifying changes in energy efficiency (based on a top-down approach) is impossible and would clearly lead to unsatisfactory results. Eurogas considers its (and the national) methodology accurate enough to show demand trends and general developments. We, therefore, strongly recommend a bottom-up approach.

After these very general observations, we would like to present some comments relative to the new Amendments;

Amendment 4

The European Energy Observatory is described in the Communication on an Energy policy for Europe, published on the 10th of January, as an office within the Directorate General of Energy and Transport. This initiative is independent. Therefore we mention that this amendment is not appropriate.

Amendment 7

There is no necessity to establish a specific committee for the application of this regulation. This task can be fulfilled by the existing "Statistical Programme Committee".

Amendment 12

EUROSTAT should be the sole responsible for the energy statistics in Europe. The addition of information from other organizations, like the national and European commercial data providers monitoring the electricity and gas markets, will raise numerous challenges. On the one hand these bodies will face the difficulty to develop an unambiguous and internationally coordinated methodology and on the other hand, to guarantee the comparability of data they will have to ensure similar applications of identical methodologies.

Amendment 16

The deadline for the dissemination of the yearly Energy Statistics by December 1st is not realistic (see point amendment 33).

Amendment 22

At present, the Directive on the internal gas market leaves the definition to the Member States which implies that transmission and distribution are separated, related to the national specific situation, e.g. pipeline diameter, pressure, tariff structure etc. Splitting between high and low pressure pipelines would result in building European statistics from non-homogeneous data, which will be inaccurate. "Low pressure distribution" and "high pressure transport" do not have the same technical meaning according to countries or operators. In that context, adding individual data, when available, would not be appropriate.

Amendment 23

This amendment proposes an additional breakdown of gas consumption by sectors, which is very difficult or impossible to measure from a technical point of view. The gas industry knows the consumption of a consumer from metering. But there is no knowledge about the percentage of meters consumed for heating, cooling, cooking, producing warm water and so on.

Amendment 33

A deadline for submission of the completed questionnaire by the 1st September is impossible for most of the Eurogas members.

Amendment 34

The energy intensity of the GNP and the energy consumption per capita cannot be considered as good indicators of the energy efficiency of a country, as they are heavily influenced by a.o. the type of its industry (e.g. the relatively high energy intensity + high energy consumption/capita in some EU countries are mainly due to the presence of many large energy intensive enterprises).

The global energy efficiency index (ODEX) should be accompanied by a remark mentioning that this index is a theoretical and indicative index which does not necessarily reflect the real energy efficiency efforts of the considered countries.

With the above mentioned comments, Eurogas wishes to contribute to the debate. Our members are committed to support the national and EU initiatives for data collection, provided that they remain within technically feasible and economically justified limits.

We hope that you will give the necessary attention to our comments and we remain at your disposal if you wish to discuss some of the points above. For more information, please do not hesitate to contact Mr. Herkner (herkner@bgw.de) or myself (Ms. Emilie Marinova, tel. +32/2/2371120, email address: em@eurogas.org).

Yours sincerely,

Emilie Marinova



Senior Economic Manager

Cc: Mrs. Fiona Hall, Mrs. Catherine Trautmann and Mrs. Eija-Riitta Korhola