

PRESS RELEASE

EU Electricity Failure Review Welcomed

IFIEC Europe welcomes the announcement that the Council of European Energy Regulators (CEER) is to investigate the power failure that affected large areas of Western Europe last weekend.

In the response to the Commission's Green Paper "A European Strategy for Sustainable, Competitive and Secure Energy", IFIEC Europe stressed that the EU electricity structure is vulnerable and that security of supply must be given greater emphasis in future. This has been a long standing opinion of IFIEC Europe and is part of a set of measures needed to ensure better supply conditions in the wider European community.

IFIEC Europe has always argued that cross border integration of companies having major influences in their national markets will not naturally lead to investment in cross border infrastructure. In fact, the reverse may occur. IFIEC Europe highlighted the following in its response to the Green Paper and awaits the CEER investigation to see whether they were regarded as contributing to the recent electricity supply failures:

- lack of choice in supply options and the need for ownership unbundling;
- lack of transparency over costs and system utilisation at all points;
- lack of data on electricity generating capacity utilisation;
- lack of adequate cross border infrastructure and planning towards an effective Euro Grid;
- the market price setting mechanisms.

The Green Paper recommends greater cooperation between TSO's and a planning process for necessary infrastructure improvement, both of which IFIEC Europe supports strongly and believes needs to be linked to the proposed Grid Code. IFIEC Europe regards existing cross border arrangements as lacking achievable levels of security, as well as failing the market objectives of the EU Electricity Directive.

*Contact: Peter Claes, President, IFIEC Europe. tel: +32 2 238 97 35. mobile: +32 496 59 36 20.
email: pclaes@fedichem.be
David Gillett, Director of Coordination, IFIEC Europe. tel: +44 1249 816792,
mobile: +44 7989 701480. email: david.gillett@talktalk.net*

IFIEC Europe represents energy intensive industrial consumers where energy is a major component of operating costs and directly affects competitiveness.

AUSTRIA OEKV	BELGIUM FEBELIEC	CZECH REPUBLIC SVSE	DENMARK FSE	FRANCE UNIDEN	FINLAND FFIF	GERMANY VIK	HUNGARY IEF
ITALY AICEP	NETHERLANDS VEMW	POLAND IEP	PORTUGAL A.P.I.G.C.E.E.	SPAIN AEGE	SWITZERLAND EKV	UNITED KINGDOM EIUG	

Head Office: 200 Avenue Louise Box 132 B- 1050 Brussels
Tel: 32 2 542 06 87 Fax: 32 2 542 06 92

www.ifieceurope.org – E-mail : ifieceurope@ifieceurope.org