Energy prices and costs in the EU and beyond

Mechthild Wörsdörfer, Director
DG Energy, European Commission
January package included the energy prices and costs report.

- Gas
- Energy intensive industries
- European
- National
- Retail
- Future prices
- Electricity
- Household
- Historical trends
- Wholesale
- International
- Intensity/efficiency
- Costs
Electricity prices in the EU and major partners: industrial consumers

Sources and notes: see p. 177 of SWD (2014) 20
Gas prices in the EU and major partners: industrial consumers

Sources and notes: see p. 179 of SWD (2014) 20
Recent developments (2008-2012)

Source: IEA, European Commission calculations
Electricity and gas price drivers in Europe

Electricity price drivers (2008-2012)

Gas price drivers (2008-2012)

Source of data for electricity: Eurostat. Includes taxes in the case of households; excludes VAT and other recoverable taxes in the case of industry but other industry exemptions are not included (not available).

Source of data for gas: EC, Metadata Member States. Includes taxes in the case of households; excludes VAT and other recoverable taxes in the case of industry.
Sharp contrast with the downward trend at wholesale level, esp. electricity
The cost dimension

Drivers of falling industrial electricity consumption

Varying energy intensive industry costs in the EU

Source: Eurostat national accounts and energy balances; EC calculations

Source: Eurostat, Structural Business Statistic
The competitiveness angle... what to do about rising costs?

• **Complete the internal (wholesale and retail) market:** competition brings cost savings
• **Switch energy supplier,** the role of energy procurement
• Minimise network costs with **best practice**
• Keep (energy financed) **energy and climate policies** cost effective
• Use more **energy efficient products** and processes
• Where necessary, protect vulnerable households and exposed industries
Thank you for your attention!

Commission Staff Working Document "Energy prices and costs report"