

FUTURE-PROOFING ELECTRICITY BILLS

Key points for consumers

Why it matters to consumers

The 2026 Middle East war shows that Europe's fossil fuel dependence leaves consumers vulnerable to price shocks. The electrification of homes and cars, powered by renewable energy, addresses the issue by reducing this dependence. The speed of this energy transition rests on a complex set of factors tackled by the European Commission's proposal on 'future-proofing electricity bills': how electricity is taxed, how much households pay to use the grid, and how efficiently the grid is operated. BEUC welcomes the proposal yet urges legislators to address questions on for example special regimes and household grid access.

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The table assesses the proposals with the following symbols, illustrating:



what BEUC supports



what can be improved
and is missing



what BEUC considers problematic

COMMISSION PROPOSAL

RECOMMENDATIONS

Excise duty rates on electricity may not be higher than the rates on natural gas.



Reducing taxes on electricity lowers bills for consumers and promotes electrification, better protecting households against fossil fuel price shocks. But the proposal's focus on lowering excise duties means the impact will be limited to eight Member States. BEUC encourages governments to also reduce other taxes (e.g. VAT) and policy costs (e.g. national TV licenses) that burden electricity bills.

Governments may be tempted to raise gas taxes. Careful management is needed, as not all households can easily switch.

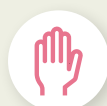
Plans to increase transparency about the structure of network tariffs. To this end, the costs of transmission/distribution grid infrastructure and grid losses, among other things, will be published in the future.



Households should not bear a disproportionate share of grid expansion costs driven by large-scale commercial users. BEUC welcomes transparency measures about grid costs. In terms of network tariff methodologies, it is important that regulators:

- Base their methodologies on behavioural insights, communicate new models to the public, and measure their impact.
- Explore whether 'cost-cascading' – where grid users pay for all the voltage levels they use – needs to be adapted to a reality where there are more renewables.

Allows certain grid users (e.g. energy-intensive industry or data centres) to benefit from 'special [network] tariff regimes'.



BEUC is critical of the proposed regime as lowering costs for some can raise costs for others. Any special tariff regime should only be allowed if demonstrated that it does not increase costs for households. For example, energy use by data centres can have significant local impacts.

TOPICS

Every two years, EU energy regulator ACER will have to produce a best practice report on network tariff methodologies.



Member States can partially cover electricity grid costs through state funds.



Obliges electricity grid system operators to manage and exchange grid data (e.g. on metering and billing, as well as R&D and development of AI models). The latter will be facilitated by a voluntary framework for data exchange.



Enables prioritisation of different users for grid access in the case of network congestion. These may include the public sector, social services, energy communities, households, small and medium enterprises, data centres, energy-intensive industries, and the transport sector.



RECOMMENDATIONS

ACER's reports are crucial to ensure transparency on network tariff methodologies across the EU. While supportive, BEUC suggests adding two reporting factors:

- Whether clear information is provided to households about tariff changes, and what this means for them.
- Any measures taken to address short-term impacts on different people.

Moving electricity grid costs to the general budget can reduce pressure on bills. BEUC recognises this will not fully move costs away from households as they are also taxpayers.

The legislation should:

- Reflect the recommendations of the European Data Protection Supervisor.
- Clarify that energy authorities must cooperate with data protection and cybersecurity authorities to ensure compliance with data protection and cybersecurity laws, including the principle of data minimisation.
- Make the framework for electricity grid data exchange for research/innovation purposes mandatory to ensure a consistent application of data use.

The broad list of user categories that can be prioritised makes it difficult to gauge who will benefit, for what reason, and what the impacts are for those who are not.

Priority-setting should be based on assessment of *all* benefits: economic, environmental, and social. It should explicitly consider the impact on households' ability to electrify by installing e.g. heat pumps or electric car charging infrastructure.