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RE: European consumers deserve energy markets that work for them

Dear President Juncker,

The College of Commissioners is about to discuss and agree on the Energy Union package in the coming days. At this time of increased EU-scepticism, it is crucial that the College agrees to a package that delivers for people.

The Energy Union can be to Europe today what the European Coal and Steel Community was yesterday. Making energy more secure, cleaner and more affordable for all Europeans is achievable and would help the EU restore its standing among Europeans. For this to happen though, there are a few principles that should guide EU action in the Energy Union.

Energy should work better for people. In some countries, as much as 10% of household expenditure is on energy. Consumers often see their bills increasing without understanding why, or find information from energy suppliers too complex. What if instead consumers could feel in control, with important information at hand so they can easily take better decisions? Consumers would benefit, and so would the market. The EU should set out clear principles for all energy suppliers to meet when it comes to the service they provide to consumers.

An energy transition is underway – consumers should be part of it. There is no turning back from the Paris agreement on climate change: the world must cut its emissions and switch to cleaner energy. If the EU wants to be the front-runner in renewable energy, it needs to set a clear direction. Providing additional support for conventional energy sources will not only slow down the energy transition but will also give contradictory signal to markets and consumers.

The transition will happen faster if consumers are not only part of it, but also driving it. The current energy market was designed for and by the big electricity suppliers. The future energy market should follow a 'think small first' principle. Consumers are increasingly seeing the potential of renewable energy for them: by placing solar panels on their roofs, for example, they can lower their bills and also contribute to the global fight against climate change. In fact, for 80% of households across Europe, it would be cheaper to produce electricity from solar panels than to import electricity from the grid.¹ Why are more consumers not

¹ Joint Research Centre of the European Commission, [Cost Maps for Unsubsidised Photovoltaic Electricity](#) (2014)

doing so then? Because the rules keep changing all the time and it's harder to see for them when their investment will pay off. The EU should maintain priorities and support schemes for renewables that guarantee fair remuneration for the energy and the services consumers provide to our energy supply system.

Energy efficiency pays off. Ambitious energy efficiency policy can save people's lives, lift millions of people out of energy poverty and make homes of all Europeans more comfortable. Currently, nearly 11% of EU citizens are unable to adequately heat their homes.² Energy efficiency is simply a no-brainer: it is the best energy 'source', it brings new jobs and it is the easiest way to reduce energy bills and energy imports. Through an ambitious and binding energy efficiency target for 2030 as also supported by the European Parliament, the EU can help all Europeans, particularly those who are most vulnerable.

New technologies should be easy to use and at our service. Digitalisation is changing the energy sector. Consumers will sign up to new schemes associated with smart energy consumption as long as they feel that their privacy is safeguarded and that they can benefit financially from them. That's why it is important that the EU embeds these principles in its forthcoming legislation. Consumers need to feel in control of their bills as well as of their data. In the digital era, the possibility to easily monitor energy usage or to switch providers should be within everyone's grasp.

The Energy Union could mean the beginning of a democratisation of energy. It could open up this essential commodity to all Europeans. If energy markets are made to work for and by the people, there is a good chance the Energy Union will make energy more secure, cleaner and more affordable for all. It could then be the grand project the European Union needs.

Yours sincerely,

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c.c.
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Commissioner Marianne Thyssen
Commissioner Karmenu Vella
Commissioner Margrethe Vestager

² Energy poverty and vulnerable consumers in the energy sector across the EU: analysis of policies and measures, INSIGHT_E, May 2015