



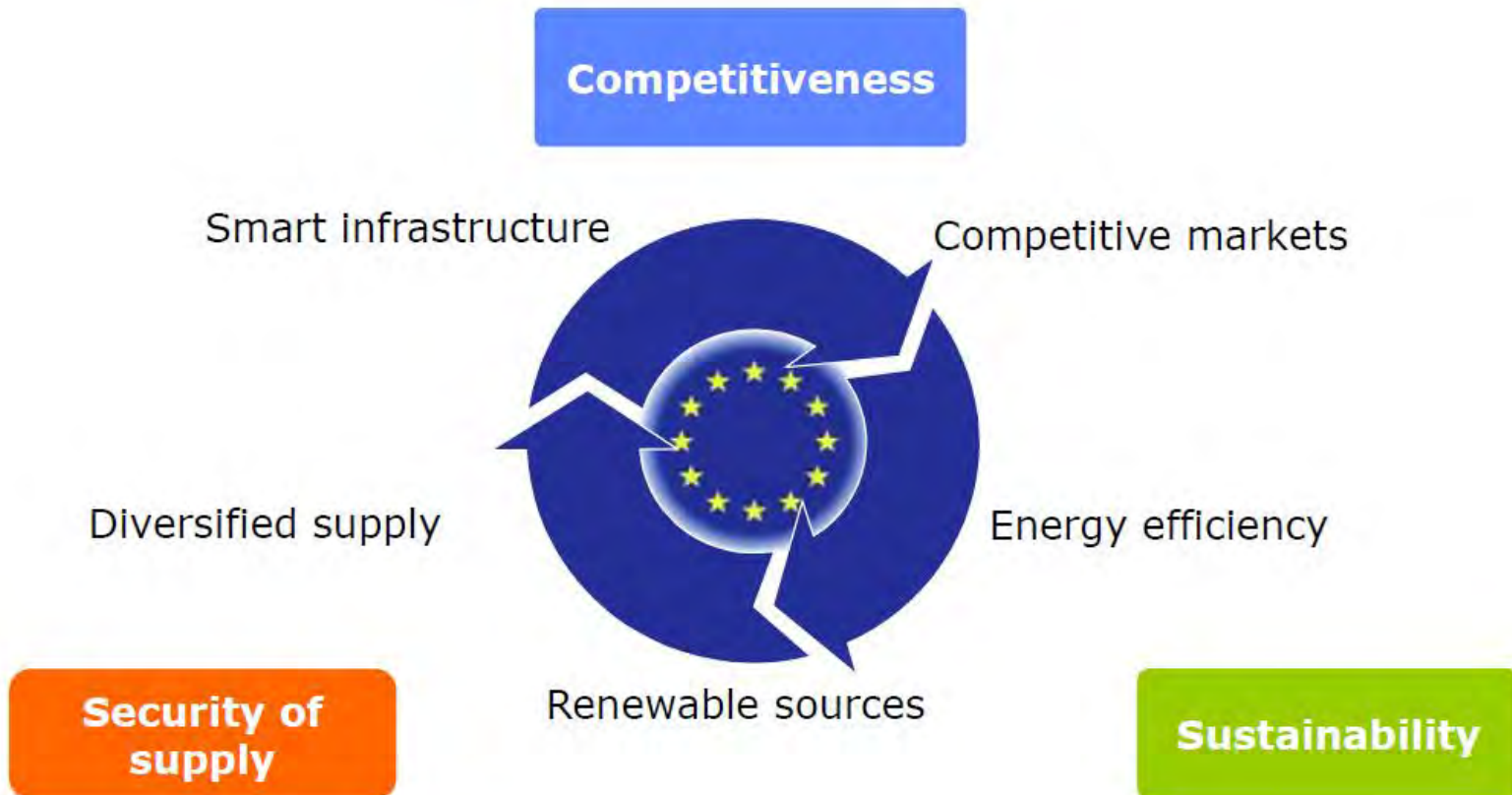
The background of the slide features a blue-toned image of the Earth, with a white network of lines and nodes overlaid on the map of Europe and the Mediterranean region, symbolizing an energy grid or network. The text is centered over this graphic.

Energy Union

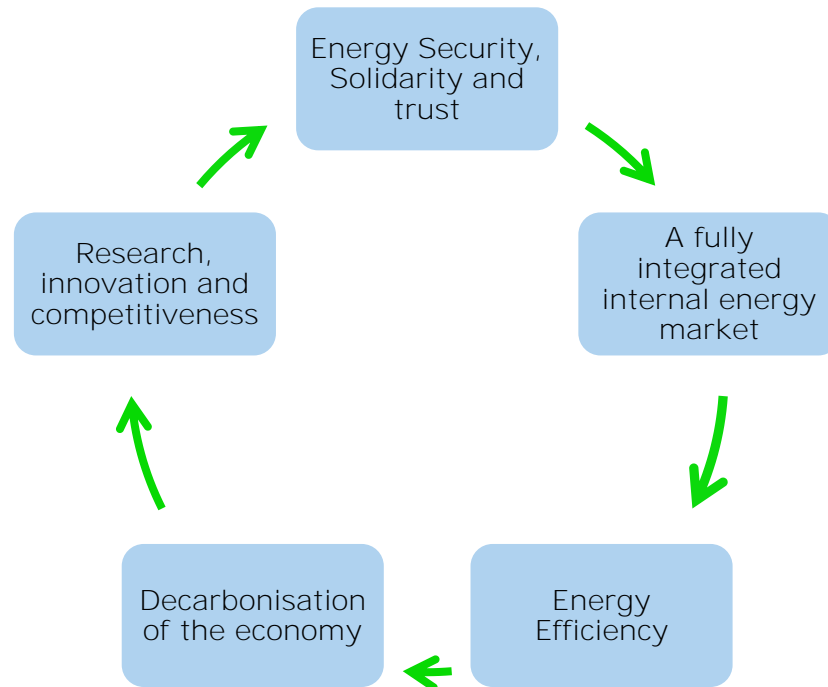
- State of play and next steps

*Marten WESTRUP
Team Leader
DG ENERGY A.1
European Commission*

Objectives of EU energy policy



An Energy Union based on five mutually supportive and interlinked dimensions



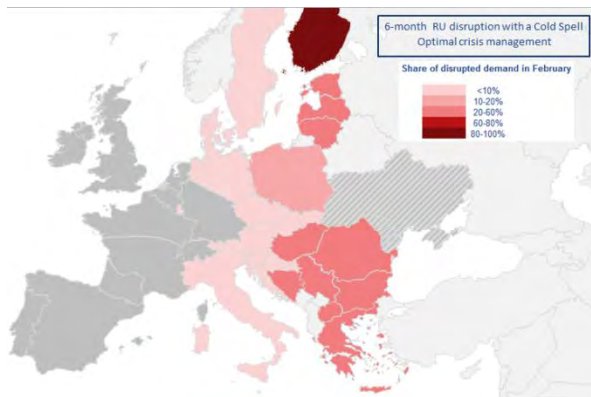
Cohesive set of policies at EU and national level

- Improved gas security through a reviewed SoS Regulation

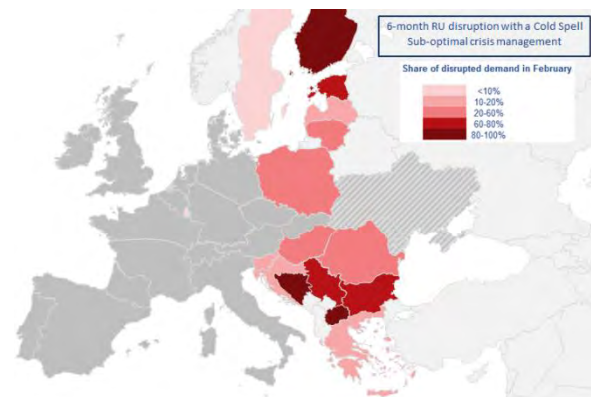
An overarching objective of the new Security of Gas Supply Regulation is to improve resilience to supply disruptions through more regional cooperation between Member States – Commission proposal in February 2016

STRESS TESTS - Likely supply interruptions – before further national measures – in February at the end of the 6-month Russian gas supply disruption scenario in cooperative and non-cooperative scenarios during a cold spell

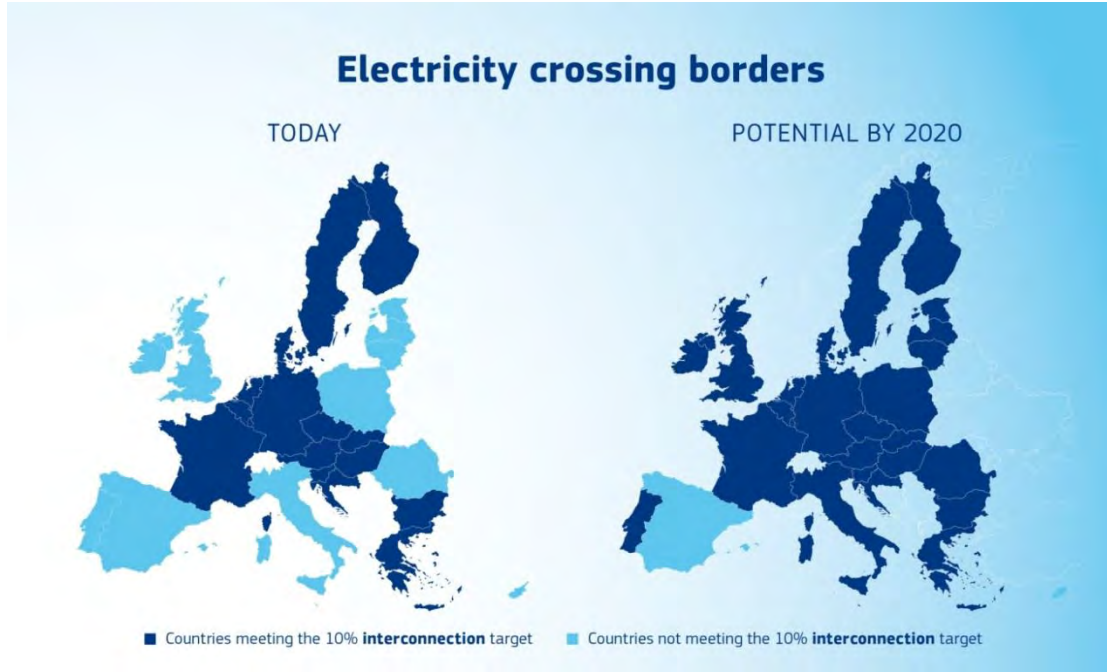
Cooperative Scenario



Non-cooperative scenario



Interconnections key for market integration and security of supply



European Council October 2014:

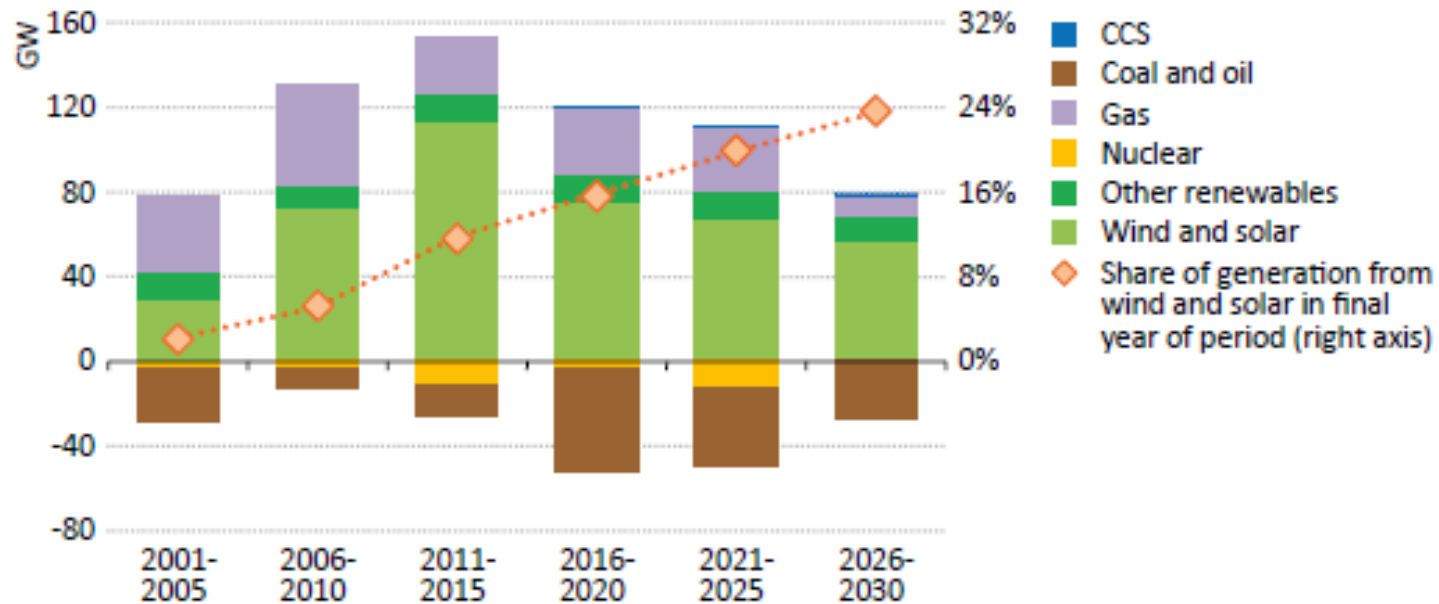
- 10 % electricity interconnections in 2020 and 15% in 2030.
- To be supported by implementation of projects of common interest (PCIs)

Implementation

- 2nd list of PCIs Q4 2015
- Communication on most vital infrastructure (and how to reach the 15% target) in Q4 2016.

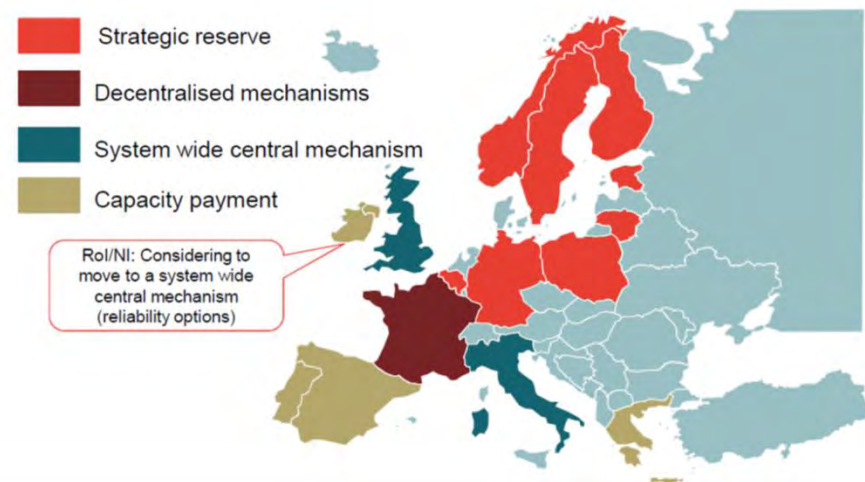
An electricity system in transition

European Union net capacity additions by type and share of electricity from variable renewables in the INDC Scenario



An electricity system fit to support the transition

- Making the market work effectively – wholesale&retail
- A coordinated approach to Capacity Remuneration
- Stepping up regional cooperation
- Ensuring co-ordination and co-operation in times of crisis
- Adapting the institutional framework



Energy Efficiency

- Meeting the 2030 targets and "energy efficiency first"

"Energy Efficiency first!"

Meeting the 2020 and 2030 targets for energy efficiency

- Energy labelling framework review (July 2015)
- Heating and cooling strategy (February 2016)
- Review of the Energy Efficiency Directive and of the Energy Performance of Buildings Directive (Q3 2016)
- Upcoming initiatives on decarbonising the transport sector (mid-2016)



Heating and
cooling

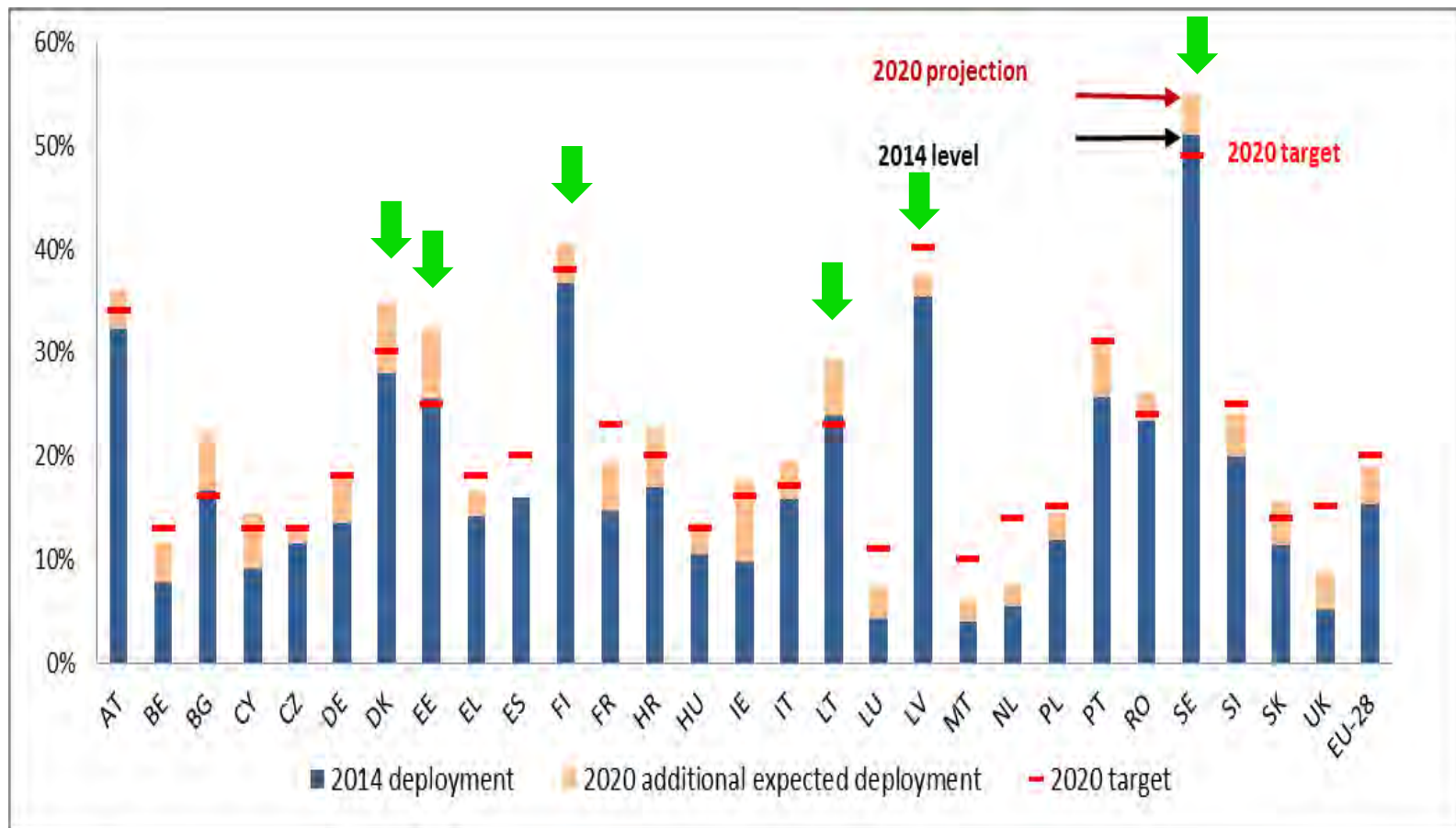


Transport



Buildings

National RES deployment (2014 and 2020 projections)



The next Renewable Energy Directive (Q4)



Achieve **at least 27% RES** at EU level

Further integrate **renewable electricity** into the market

Decarbonise **heating and cooling**

Increase renewable energy use in **transport**

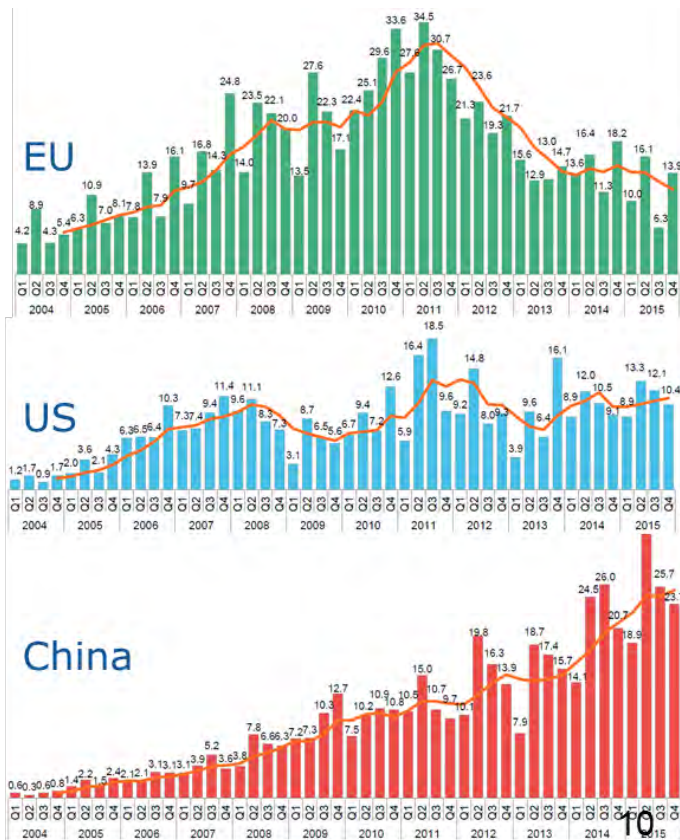
Empower **consumers** and remove administrative barriers

Research, Innovation and Competitiveness

- How to maintain global leadership?

Investment in clean energy

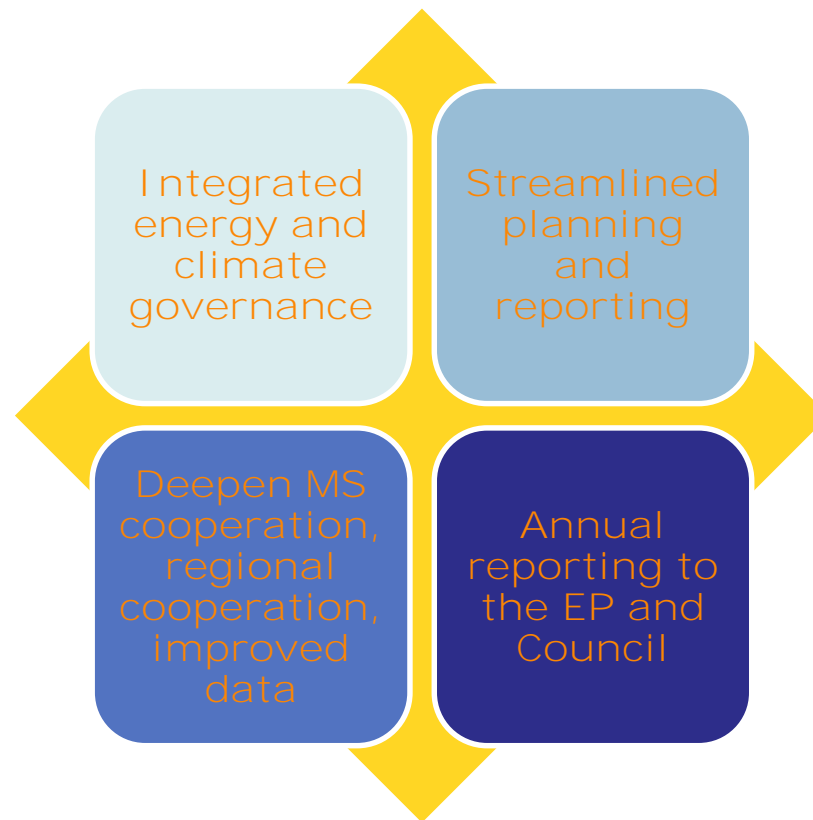
Source: Bloomberg



Source: Bloomberg, European Commission (JRC)

- Energy Union focus areas:
 - Next generation of renewable energy technologies, including storage;
 - Smart grids, appliances, cities, and home automation systems;
 - Efficient energy systems and energy neutral building stock
 - More sustainable transport systems
- Research efforts across the EU must be better coordinated, based on the revised SET-Plan (Communication in Sept 2015)
- New holistic initiative on research and innovation in 2nd half of 2016.

Delivering the Energy Union: A dynamic governance



Baltic Energy Market Interconnection Plan



- Origin: "Isolation" of the Baltic energy system
- BEMIP High Level Group (HLG) established in October 2008 by the Commission following an agreement of the MS of the Baltic Sea Region
- BEMIP Action Plan agreed on in June 2009
- New BEMIP MoU reinforcing the cooperation and broadening the scope (June 2015)
- Ongoing work in Working Groups (synchronisation, infrastructure, etc.)

GOOD EXAMPLE OF REGIONAL COOPERATION – BUT HOW TO SPREAD TO THE REST OF THE EU? HOW TO REINFORCE COOPERATION OUTSIDE INFRASTRUCTURE?



THANK YOU!