

INFORMATION

ENERGY

Commission proposes medium term electricity policy (1)

78/74

The Commission has issued guidelines for a Community electricity policy. A communication and a proposal for a resolution on this subject will be transmitted to the Council.

The proposed electricity policy gives practical expression in the electricity sector for the goals defined in the global objectives of the new energy policy strategy of the Commission.

Its aim is to ensure that electricity makes the maximum possible contribution to the economy and security of the Community's energy supplies during the 1980's. It should be possible to produce 2400 TWh(2) by 1985 (1973 about 1000 TWh).

To meet the proposed goals there is no alternative to the utilisation of nuclear energy and this can only reach the consumer in large quantities by 1985 by means of electricity. A major increase in the proportion of electricity production from nuclear sources from a current 7 % to some 45 % in 1985 is needed and the increase in electricity demand must be carefully matched to the development of the nuclear generating capacity. Petrol and gas will be discouraged for electricity generation. The contribution of electricity to the total energy demand should increase from 25 % (1973) to 35 % in 1985 and more than 50 % in the year 2000.

The increase in the nuclear energy generating capacity within the Community should be implemented so that environmental aspects are respected.

A major programme of nuclear based electricity production leaves room for using solid fuels. Hard coal has an important part to play in electricity generation provided that measures are taken to ensure the long-term stability of coal supplies at economic prices.

The proposed policy means considerable investment over the next 10 years in the Community's electricity sector, estimated at some 170 000 million units of account. This investment is justified in reducing dependence upon imported oil and ensuring that electricity in the 1980's will be a cheap and convenient source of energy available to the consumer.

(1) COM(74) 1970

(2) 1 TWh = 220 000 TOE; 1 terra watt-hour=220 000 tons of oil equivalent)

The ten major guidelines are as follows :

Economy and security of energy supplies

- Increase of the proportion of electricity in the final energy demand : gradual substitution of electricity for petroleum products for certain uses in the industrial, domestic and transport sectors in which rational use of electricity can be guaranteed.
- Optimal allocation of the Community's energy resources for production of electricity. Discouragement of the increased use of natural gas and petroleum products for electricity generation (1).
- Development of new methods of production, transmission and rational use of electricity.

Security of electricity supplies

- Preferential use of indigenous energy sources and nuclear energy for electricity production; increase in the capacity of power stations using solid fuel; speeding up of nuclear equipment programmes; limitation of the building of new oil-fired power stations (1); building up of reserve stocks of fossil fuel at the conventional power stations (2).
- Still further improvement in the economy and security of electricity supply by the optimal interconnection of the networks.

Demand for electricity

- More regular demand for electricity to encourage production and transmission economy. The promotion of off-peak electricity use by means of suitable tariff measures.

Tariffs and financing

- Realistic electricity tariffs throughout the Community (to cover increased fuel costs and to contribute to new investment necessary for the electricity sector).
- Implementation of a common policy for financing the large investments necessary in the electricity sector.

Environmental protection

- Promotion of the joint production of electricity and heat to reduce thermal emissions into the environment and achieve a more rational use of energy.
- Harmonization and standardization, on a Community basis, of regulations for environmental protection, primarily regarding the safety of nuclear plants, thermal rejects and the emission of sulphur dioxide.

Adoption of the proposed resolution by the Council would mean approval of the goals defined and would allow the Commission to propose concrete measures to be taken to meet the goals.

(1) already presented to the Council (COM(74)550 final, Annex I et II), see P-35/74
(2) already presented to the Council (COM(74)2245), see IP(74)4

Ref. Information P-67 of the Spokesman's Group.