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COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

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PRESS RELEASE

331st meeting of the Council

- ENERGY -

Brussels, 13 February 1975

President: Mr Peter BARRY
Minister for Transport and
Energy Ireland

13.II.75

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr André CLEFFE Minister for Economic Affairs

Denmark:

Mr Niels ERSBØLL Ambassador,
Permanent Representative

Germany:

Mr Detlev Karsten ROHWEDDER State Secretary
Ministry of Economic Affairs

France:

Mr Michel d'ORNANO Minister for Industry

Ireland:

Mr Peter BARRY Minister for Transport and
Power

Italy:

Mr Carlo DONAT CATTIN Minister for Industry, Trade and
Craft Trades

Mr Adolfo BATTAGLIA State Secretary,
Ministry for Foreign Affairs

13.II.75

Luxembourg:

Mr Marcel MART

Minister for Economic Affairs,
Transport and Tourism

Netherlands:

Mr R.F.M. LUBBERS

Minister for Economic Affairs

United Kingdom:

Lord BALOGH

Minister
Minister of State,
Department of Energy

Commission:

Mr Henri SIMONET

Vice-President

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CONFERENCE OF PETROLEUM CONSUMER AND PRODUCER COUNTRIES

The Council took note of a statement by its President on the progress made towards defining the position to be adopted by the Community with regard to the preparatory meeting for the Conference of petroleum consumer and producer countries.

The ensuing discussion, based on a communication from the Commission, centred on a number of problems associated with the proceedings of the Conference itself.

RESTRICTION OF THE USE OF PETROLEUM PRODUCTS IN POWER STATIONS

The Council adopted the Directive on the restriction of the use of petroleum products in power stations.

The Directive stipulates that the construction of new power stations using oil fuels exclusively or mainly and the conversion of existing power stations to burn such fuels exclusively or mainly must be subject to prior authorization by the authorities of the Member States in which the power stations are located.

Authorization may be granted only in the following cases:

- if the power station has a capacity of less than 10 MWe or is intended exclusively for the production of peak or reserve energy;
- if the petroleum products serve only to ignite and maintain the combustion of other products and if their total energy contribution remains small;
- if the fuel is a residual product that cannot be more efficiently employed for other purposes;

- if supplies of other fuels cannot be ensured or if their use cannot be considered for economic, technical or safety reasons;
- if special environmental considerations require it.

The equipping of power stations for dual-firing, allowing the use of coal as a substitute fuel, will be examined on a case by case basis.

FUEL STOCKS

The Council noted that there was a broad consensus on the Directive obliging Member States to maintain minimum stocks of fuel at their thermal power stations, although one delegation was not able to give its agreement for the moment. If that delegation should find itself able to agree at a later stage, the Directive would be considered to have been adopted - otherwise the problem would be ~~examined again by the Council at its following meeting.~~

The Directive lays down that, in view of the importance of a regular and adequate supply of electricity for modern society and the modern economy, Member States must oblige their electricity producers to maintain minimum stocks of fuel at their thermal power stations in order to guarantee the continuation of electricity supplies for a period of at least thirty days.

The Directive provides for exceptions to be made for certain types of power station and in the case of certain special circumstances.

The Directive supplements the general Community provisions concerning compulsory fuel stocks.

ENERGY SAVING

The Council held a discussion on the questions raised by the draft Directive on the fixing of a short-term objective for energy saving.

After hearing a statement in which the Commission presented its proposal, the delegations made some general observations and emphasized the importance which their Governments attached to this problem.

The Council agreed to resume its examination of this matter at its energy meeting in April, when the technical details had been sufficiently prepared.

COMMON ARRANGEMENTS FOR IMPORTS AND EXPORTS OF HYDROCARBONS

Following a brief discussion on procedure, the Council agreed to submit the Commission proposal on the definition of common arrangements for imports and exports of hydrocarbons for examination, in accordance with the normal procedures, with a view to preparing the technical aspects of its own future discussions on this matter.

COMMUNITY ENERGY POLICY

The Council recorded its agreement to the Resolution on the means to be put in hand to achieve the Community energy policy objectives adopted by the Council on 17 December 1974 ⁽¹⁾:

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having taken note of the Commission communications on the production and consumption objectives for 1985 and the sectoral guidelines ~~proposed for their attainment;~~

Considering the Resolutions it adopted on 17 September and 17 December 1974;

Whereas pursuit of the objectives laid down in its Resolution of 17 December 1974 on the objectives for 1985 of the Community energy policy requires the implementation of appropriate measures at Community level as well as by each Member State;

Paragraph 1

A. Calls upon the Commission periodically to recommend long-term guidelines for the pursuit of these objectives regarding energy, covering in particular any type of investment which such activities may involve.

These guidelines will help Member States to take the appropriate decisions.

(1) Provisional text

B. These guidelines should take particular account for all energy sectors of the need:

- to develop dependable energy resources as quickly as possible under satisfactory economic conditions. This implies the possibility:
 - = of granting Community support in certain cases;
 - = of taking measures to facilitate access to financing for the necessary investments in certain cases;
 - = of allowing prices progressively to cover, as far as possible, the costs of supplying energy and the amortization of the necessary investments;

- to aim at achieving the optimum siting of energy investments by commercial operators and to guarantee the greatest possible returns on investments, particularly by means of the optimum siting of power stations, while taking into account safety and environmental aspects, and by encouraging co-operation with a view to the optimum development of production and transport systems.

Paragraph 2

Expresses its intention of using the following means to achieve the objectives laid down in its Resolution of 17 December 1974:

I. Energy demand:

- A. In addition to the programme on the rational use of energy which is the subject of the Resolution of 17 December 1974, Community research and development projects and/or technological innovations might well result in considerable energy savings.
- B. Greater use will be made of electricity as the contribution, ~~of nuclear energy in particular, reduces the~~ dependence of power stations on hydrocarbons. This increase will also take account of the need to ensure the financing of investments in the electricity sector under satisfactory economic conditions.

II. Energy supply:

The energy resources of each of the Member States will be developed as quickly as possible under satisfactory economic, social, environmental and safety conditions, taking account of national and Community requirements and of the objective of reducing Community dependence on external energy supplies.

Paragraph 3

Approves the following guidelines for the policy to be put in hand, at both national and Community level, for the various sources of energy:

I. SOLID FUELS

A. Community production

The maintenance of coal production at its current level and the development of brown coal and peat production, as mentioned in paragraph 5(2)(A) of the Council Resolution on Community energy policy objectives, require the definition and implementation of a solid fuel policy which embodies the principles set out in paragraph 1 B above, particularly in respect of carrying out the necessary investments and having available a suitable labour force.

These investments and the recruitment of this labour force presuppose a stable and regular outlet for Community solid fuels under satisfactory economic conditions, with consumer interests taken into account. This could necessitate measures to ensure, in particular,

that they are used in satisfactory economic conditions and take account of the interests of consumers in the main sectors of consumption: the iron and steel industry and power stations, but also stockpiling to offset the effects of fluctuations in demand and to guard against the possibility of an interruption in supplies.

B. Access to the world market

Free access to the world market should be progressively extended to all Community coal consumers who do not at present enjoy it, in a manner consistent with the attainment of Community production targets and in satisfactory economic conditions.

II. NUCLEAR ENERGY ⁽¹⁾

- A. Community policy in the field of nuclear energy must be defined and implemented, due account being taken of the principles enunciated in paragraph I. B above.
- B. In co-operation with interested circles, the Commission will draw up each year an indicative programme of nuclear energy production targets which can guide Governments in shaping their national policies and provide the necessary frame of reference for Community industries.

⁽¹⁾ The Danish delegation expressed a reservation on the whole of point II similar to the one it had entered on the Resolution of 17 September 1974.

- C. Provided that nuclear energy problems regarding safety and ecology are solved to the satisfaction of the Member States concerned, their programmes for electricity-generating plants will be based chiefly on nuclear energy for large-capacity power stations, in addition to the contribution made by power stations burning solid fuels and with due regard to Community measures restricting the use of natural gas and petroleum products in electric power stations.
- D. The abovementioned indicative nuclear programme will in particular stipulate the Community's future requirements in nuclear fuel.
- E.1. The Community nuclear fuel supply policy to be defined and implemented should be aimed at deriving maximum benefit from the initiative and freedom of action of producers and users and improving security of supplies in this field, in particular by developing:
- economical and secure resources in the Community;
 - an industry with an appropriate capacity related to Community requirements and capable of operating on the world market;
 - co-operation with the countries producing natural uranium;
 - research with a view to encouraging technological innovation.

2. In order to implement this policy, adequate measures to strengthen the industrial potential of the Community should be submitted for examination by the Council, due account being taken, at the appropriate time, of the work carried out in the various Council and Commission bodies.
3. To this end, consideration will have to be given to whether and how the Community should act on the following fields:
 - prospecting for ores;
 - the placing of orders for nuclear fuels sufficiently in advance;
 - the means of ensuring reciprocal outlet and supply guarantees between producers and users;
 - co-ordinated stockpiling of fuels.
4. The Supply Agency will be an essential instrument for implementing such a common policy.
5. The drawing up of such a Community nuclear fuel supply policy will require a revision of Chapter IV of the Euratom Treaty to make it more effective.

- F. Member States and undertakings are requested to assist the Commission in preparing practical proposals which it will submit to the Council under the common supply policy and under the plan of action proposed by the Commission for promoting nuclear energy, of which the Council takes note.

III. HYDROCARBONS

1. Community policy in the field of hydrocarbons must be defined and implemented, due account being taken of the principles enunciated in paragraph I.B. above, and be based on co-operation with those countries which produce and those other countries which are consumers of hydrocarbons. In particular, it requires exchanges of information, and concertation between public authorities and consultations between public authorities and industry and, where necessary, the means to act.

Such a policy presupposes in particular:

- the rational use of available resources;
- optimum development of hydrocarbon resources in the Community under satisfactory economic conditions, taking into account, in particular, the objectives of the Community energy policy defined in the Council Resolutions of 17 September and 17 December 1974;
- diversified and secure external supplies, by making greater efforts to ensure exchanges of information, concertation and consultation as the case may be, and, where necessary, by joint industrial and commercial projects;

- consultation on investments planned and concertation on the policies pursued by the Member States in this field;
- a consumer price policy, based on competition and the transparency of costs and prices. These principles could contribute to making these price levels, based on actual changes in the conditions of supply, consistent between the Member States.

2. The Council is willing to examine whether Community rules should be drawn up for cases of supply difficulty in order to ensure a balanced supply for the Community market and the maintenance of its unity in observance of the provisions of the Treaty.

Paragraph 4

Requests the Commission to submit proposals for the implementation of this Resolution.

Importation into the Community of refined petroleum products

The Council discussed the problems raised by the importation into the Community of refined petroleum products produced under co-operation agreements between Member States and oil producing countries.

The discussion covered both the energy policy aspects and the implications of this matter for the Community's external relations in general.

MISCELLANEOUS DECISIONS

The Council adopted in the official languages of the Communities,

- the Regulation on the communication to the Commission on exports of hydrocarbons to non-member countries
- the Directive on restrictions on the use of natural gas in power stations.

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The Council adopted in the official languages of the Communities the Regulation concluding two Agreements in the form of Exchanges of Letters relating to Articles 2 and 3 of Protocol No 8 of the Agreement between the European Economic Community and the Portuguese Republic (on prepared and preserved sardines and certain products processed from fruit and vegetables).

Bruxelles, le 12 février 1975
MS/mh

PRIORITE P-1

Remis au télex à 18 h.

Note BIO(75) 53 aux Bureaux Nationaux
cc. aux Membres du Groupe et à MM. les Directeurs généraux DG I et X

Préparation Conseil "Energie" du 13/2

Dans une brève conférence de presse M. Simonet a présenté de 11.45 h. à 12.15 h. aux journalistes les dossiers qui devraient être traités demain par le Conseil "Energie" ; vous savez que les objectifs de la politique énergétique communautaire pour 1985 (COM(74) 1960 et P(74) 66) constituent l'élément permanent de référence de la Commission qui s'efforce de faire au Conseil, en fonction de la situation et des échéances des propositions concrètes visant à la réalisation progressive de ces objectifs. Je vous rappelle que pour réduire la dépendance énergétique de l'Europe, l'essentiel est de :

- réduire la consommation par une utilisation rationnelle et des économies d'énergie; (notamment dans le secteur du pétrole);
- assurer la sécurité par la diversification de l'approvisionnement et la mise en oeuvre de sources alternatives.

1. Le Conseil qui a approuvé le 17/12/74 la première partie de la résolution sur les objectifs 1985 eux-mêmes, devrait se prononcer sur la deuxième partie concernant les moyens de les atteindre (cf. P-66 p. 2).
2. Dans cette même perspective d'économie et d'utilisation rationnelle d'énergie, le Conseil examinera la communication de la Commission concernant "l'objectif à brève échéance" (COM(75) 22 fin.) transmise au Conseil depuis deux semaines, dans laquelle la Commission précise les économies d'énergie à réaliser notamment pour le pétrole pour les années 1975/1976, dans les trois grands secteurs traditionnels : "Industrie", "Utilisation domestique" et "Transport".

Ce thème de discussion rejoint l'étude du volet "Economie d'énergie" à laquelle le Comité directeur de l'AIE vient de procéder à Paris. Vous vous souvenez que sur ce point un accord a été réalisé au sein de l'A.I.E. sur la seule base de l'addition des programmes de réduction nationaux. La Commission pour sa part, souhaite que les débats du Conseil soient plus ambitieux et constituent une véritable étape dans la réalisation progressive des objectifs que la Communauté s'est elle-même fixés.

3. Deux problèmes apparemment mineurs, mais en fait importants, seront également examinés par le Conseil qui visent tous deux la sécurité de l'approvisionnement : il s'agit de deux directives concernant les centrales électriques : l'une vise à limiter l'utilisation de produits pétroliers dans les centrales (doc. COM(74) 1960 fin) et n'a pas pu être adoptée lors du Conseil du 17.12.74. L'autre vise à maintenir un niveau minimum de stocks de combustibles auprès des centrales électriques (doc. COM(73) 2245 final) (voir note BIO(74) 302, suite 2).
4. Le Conseil examinera également le règlement relatif au régime commun applicable aux importations et exportations d'hydrocarbures (doc. COM(74) 550 fin., annexe III).
5. Le Conseil traitera probablement "en"restreinte" le problème du prix de référence (cf. doc. COM(75) 6 et BIO 39 suite 1).

Amitiés,

B. OLIVI


**COMMISSION
DES
COMMUNAUTÉS EUROPÉENNES**

Groupe du Porte-Parole

Bruxelles, le 14 février 1975

LK/be

Remis au télex à 12.00h.

NOTE BIO(75) 53 suite 1 - aux Bureaux Nationaux
cc. aux Membres du Groupe et à MM. les Directeurs généraux des DG I et X

Conseil "ENERGIE" du 13.2.75

De 11.15 h. à 13.00h, les ministres ont discuté en "restreinte" sur les méthodes appropriées en vue du développement de sources alternatives. Il s'est agi d'un échange de vues informel qui ne se basait pas sur une nouvelle proposition de la Commission. Le seul document officiel à ce sujet est le COM(75) 6.

Les discussions n'ont pas permis d'aboutir à des conclusions précises. Il a été convenu que la Commission préparerait des propositions qui seraient discutées au Comité de l'Energie, le cas échéant au Conseil des Affaires étrangères des 3 et 4 mars (Les ministres de l'Energie pourraient y participer par conséquent).

En ce qui concerne la réunion "normale" du Conseil qui a duré de 15.00 h à 19.30 h, les ministres ont adopté :

1. Résolution concernant les moyens à mettre en oeuvre pour atteindre les objectifs de la politique énergétique communautaire arrêtés par le Conseil le 17.12.1974.

Dans cette résolution, le Conseil adopte en principe les lignes directrices proposées par la Commission, c'est-à-dire une garantie d'écoulement pour le charbon communautaire, la création d'une capacité nucléaire propre, le renforcement de la production d'électricité et une politique pétrolière basée sur un approvisionnement sûr et diversifié. La résolution inclut pratiquement les propositions sectorielles que la Commission avait faites par des textes séparés (charbon, nucléaire, hydrocarbures, électricité). C'est une résolution sommaire de 10 pages maintenant, qui invite la Commission à recommander périodiquement, en vue de la poursuite des objectifs, des orientations à long terme en matière d'énergie, portant notamment sur les investissements de toute nature qu'impliquent ces activités.

2. Directive concernant la limitation de l'utilisation de produits pétroliers dans des centrales électriques. Comparé à la proposition de la Commission (Com(74) 550 final, Annexe II), le texte est un peu affaibli mais garde l'essentiel.

Le Conseil n'a pas adopté les documents suivants :

1. Directive faisant obligation aux Etats membres de la CEE de maintenir un niveau minimum de stocks de combustibles auprès des centrales électriques thermiques.

Huit délégations étaient d'accord sur un texte (affaibli vu la proposition de la Commission, par exemple 30 jours de stocks au lieu de 50). La délégation britannique n'a pas levé une réserve générale sur cette directive.

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2. Règlement relatif au régime commun applicable aux importations et exportations d'hydrocarbures.
Renvoyé au Coreper.

3. Directive concernant la fixation d'un objectif à brève échéance en matière d'économie d'énergie.
On est convenu que la Commission **affine davantage ses propositions** (COM(75) 22 final) et que des décisions quantitatives soient prises en avril pour l'année 1975 et en juin pour les années 1976/77.

4. Importation de produits pétroliers raffinés dans la Communauté.

C'est l'ancienne affaire des Allemands, qui veulent construire une raffinerie en "joint venture" en Iran et importer le pétrole raffiné. Les ministres ne se sont pas prononcés **sur l'opportunité d'une telle opération du point de vue de la politique énergétique. Ils veulent attendre le résultat des discussions exploratoires entre la Commission et l'Iran sur les désirs du gouvernement iranien** (les ministres des affaires étrangères ont chargé la Commission de cette discussion le 10./11.2.75).

Amitiés,

M. SANDRETTI