

# Energy: rules for the internal market in electricity. 'Electricity Directive'

2001/0077(COD) - 24/04/2003

The committee adopted the report by Claude TURMES (Greens/EFA, L) amending the Council's common position under the 2nd reading of the codecision procedure. The committee reinstated, sometimes in modified form, a number of amendments adopted by Parliament at 1st reading which sought to: - ensure the unification of the different methods of financial management for decommissioning funds in the nuclear sector, to prevent distortions of the market; - ensure that the bills sent out by electricity companies provide detailed information such as the percentage contribution of each energy source for the electricity which is delivered or is intended to be delivered, if different from the overall fuel mix of the supplier. The committee also wanted penalties to be imposed on companies which failed to fully disclose their electricity sources; - specify that universal service included the right for users to be supplied with electricity at affordable, easily and clearly comparable and transparent prices. The amendment further stipulated that the legislation should not "prevent Member States from strengthening the market position of the domestic, small and medium consumers in promoting the possibilities of voluntary aggregation of representation for this class of consumers for tendering", with a view to benefiting small consumers; - provide for the supervisory authorities of the Member States to report to the Commission each year on market dominance and predatory and anti-competitive behaviour. The committee also called for close cooperation between the Commission and national supervisory bodies to ensure a level playing field as regards security of supply and said that the Commission should launch a comprehensive survey of demand satisfaction across the whole of the internal market. Other amendments provided for an annual external audit to ensure that no cross-subsidies were being paid and also sought to ensure that the supervisory authorities were made responsible for monitoring the level of transparency and competition. One amendment stressed the need to guarantee equality of access for EU electricity companies to national consumers, with the aim of ensuring that public service undertakings did not impose conditions which could only be met by national companies, amounting in practice to unfair competition. In addition, the committee deleted Article 27 of the common position which provided for a Member State to be exempted, under certain circumstances, from the requirements of legal unbundling for DSOs when the Commission came to review the application of the Directive. Lastly, the committee called for the Commission's progress report, to be drawn up within a year of the Directive's entry into force, to include an assessment of the social and environmental consequences of electricity trade with non-EU countries.