

Opinion on the proposal for a Council Regulation (EC) on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors

(96/C 18/20)

On 19 October 1995 the Council decided to consult the Economic and Social Committee, under Article 198 of the Treaty establishing the European Economic Community, on the above-mentioned proposal.

The Economic and Social Committee decided to appoint Mr Pardon as Rapporteur-General to prepare the Committee's work on the subject.

At its 329th Plenary Session (meeting of 26 October 1995), the Economic and Social Committee adopted the following Opinion by a large majority, with one abstention.

1. Introduction

1.1. The purpose of this proposal is to update, in the light of the present situation and of experience, the earlier regulations under which the Commission is to be notified of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors.

1.2. This regulation is in response to the European Council in Edinburgh in December 1992 when the Commission gave an undertaking to check whether existing legislation needed to be brought into line with the subsidiarity principle and amend it accordingly.

1.3. The Commission proposes to incorporate the results of the application of Regulation 1056/72, as amended by Regulation 1215/76, into a new regulation; this will provide the Commission with detailed information on planned energy investment projects of Community interest and thereby give it an overall picture of the forecast trend in capacity and equipment in the Community energy sector.

2. General comments

2.1. The Committee welcomes the revision of the existing legislation and its reformulation in a new regulation which respects the principles of transparency, simplification and effectiveness in Community legislation.

2.2. In line with recent ESC opinions, especially those on Community energy policy⁽¹⁾, the new regulation, under which the fullest possible information on new

investment will have to be provided in good time, is regarded as necessary for the following reasons:

2.2.1. It is an essential element in sketching future energy scenarios which will form the basis of any common energy policy;

2.2.2. The provision of information on future new capacity should serve to assess the progress being made on security of supply and will be necessary for putting into practice the new guidelines laid out in the directives on the creation of an internal market in the electricity and gas sectors;

2.2.3. The provision of the information and its dissemination will help indirectly to avoid duplication of capacity in sectors with high intensity/long construction periods for installations.

2.3. The Committee considers that the information required under the regulation must comply solely with the requirements of energy policy and equipment manufacture planning. With this in mind, it would stress that such information should help to improve environmental protection.

2.4. The Commission's analyses in its annual report on investment of Community interest in the sectors concerned⁽²⁾ reveal certain problems as regards the provision of the data within the deadlines set and their representativeness. In this connection the Committee welcomes the amendments made, as regards the reduction of the quantity of information required and the extension of the deadlines for reaching the Commission. This will lead to higher quality information and help to achieve the objectives of this regulation.

2.5. The Committee welcomes the amendments introduced in the new regulation as regards the projects of common interest in trans-European energy networks, in

⁽¹⁾ ESC Opinion of 14. 9. 1994, OJ No C 393, 31. 12. 1994, pp. 95 foll.;
ESC Opinion of 5. 7. 1995, OJ No C 256, 2. 10. 1995, p. 34.

⁽²⁾ SEC(94) 1918 final.

keeping with the guidelines laid down in Article 129c of the EU Treaty. In the Committee's view this will make for greater cohesion and facilitate the functioning of a genuine internal market in energy.

2.6. The Committee considers it necessary to undertake as soon as possible the revision of Regulation 3025/77, which provides for the practical implementation of Regulation 1056/76, in line with the new elements introduced in this regulation and the Committee's own proposals.

3. Specific comments

3.1. As far as obtaining the information is concerned, the new wording of Article 1 leaves it up to the Member States to decide whether to request the information directly from firms or to obtain it by other means. In the Committee's view, this freedom introduces an element of ambiguity contrary to the transparency pursued in the new regulation. The Committee therefore thinks that the proposed text should be drafted much more clearly so as to leave no doubt whatsoever as to its respect for the principle of subsidiarity and the objective of administrative simplification. At all events,

even if the Member State decides freely on the source of data, it must indicate their origin in accordance with the principle of transparency.

3.2. The regulation maintains a minimum notification capacity for thermal power stations of 200 MW (Annex 1, point 3). The Committee thinks that this threshold could be too high if account is taken of the spread of the new units using combined cycle technology which are usually smaller.

3.3. Private investment may involve commercial confidentiality which must be respected.

The Committee would recall in this context the Opinion adopted on 31 January 1990 on the notifying of the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors⁽¹⁾.

3.4. In Article 3 the European Parliament and the Economic and Social Committee should be included among the recipients of the summary of the information obtained under the regulation.

⁽¹⁾ OJ No C 73, 26. 3. 1990, p. 26.

Done at Brussels, 26 October 1995.

The President
of the Economic and Social Committee
Carlos FERRER