

ENERGY

Energy ministers clash over nuclear power

Pro-nuclear countries are upset at its absence from European Commission's energy union strategy, and want a new package for nuclear funding.

by Dave Keating on 05.03.2015 / 17:54 CET



Energy ministers from the European Union's member states clashed over nuclear energy at a meeting in Brussels today (5 March), in a conflict that has pitted Germany against the United Kingdom and France.

Last month, eight member states wrote to the European Commission complaining about the near-absence of nuclear power in an early draft of the Commission's energy union strategy, and asking for a fresh package of nuclear funding and support.

But the letter did not appear to have had much of an effect, as the final version of the strategy, adopted on 25 February, did not mention nuclear as a low-carbon technology. It contains just one reference to nuclear power – acknowledging that it currently produces about 30% of the EU's electricity, but warning about safety concerns.

According to Commission sources, the lack of encouragement for nuclear power came from the highest levels of the Commission – the cabinet of Jean-Claude Juncker, the president of the European Commission, which is headed by Martin Selmayr, who is German.

National energy ministers today gave their reactions to the energy union strategy. Ahead of the meeting, Sigmar Gabriel, Germany's economy and energy minister, told German media that using EU money to subsidise nuclear power projects was out of the question.

"We will absolutely not agree to proposals looking to subsidise nuclear energy through public funds – ie tax money in Europe," he told the broadcaster Deutsche Welle, adding that nuclear power is the most expensive form of power generation and also presents "significant risks" to people and the environment.

The German government is opposed to nuclear power, having taken the decision in 2011 to phase-out all nuclear power in Germany by 2022. "There is a feeling that the cabinet of Juncker is keeping out any positive language on nuclear at the behest of Germany," said one nuclear industry source who did not wish to be identified.

The issue has split the member states, with anti-nuclear countries

such as Germany, Austria, Italy and Greece pitted against the eight signatories of last month's letter – the UK, France, Poland, the Czech Republic, Romania, Lithuania, Slovenia and Slovakia.

The issue of nuclear subsidies was not part of official discussions today but was a hot topic on the sidelines, according to Council sources.

Maroš Šefčovič, the Commission vice-president for energy union, insisted after the meeting, "I didn't notice any kind of situation between Germany and France on this issue," he said. "I think it's quite clear that we have the 15 member states that are using nuclear, and 14 want to continue. This is the decision of each member state, how to proceed. What is important for the European Commission is that if the countries decided to use nuclear power that the it will be secure, safe and have the highest environmental and security standards in the world."

The European Commission approved state subsidies for a new nuclear power plant at Hinkley Point in the UK late last year, a move that has riled both Germany and anti-nuclear campaigners. Greenpeace said this week that it plans to take the Commission to court over its approval of the subsidies, which come in the form of reduced tariffs.

Transparency concerns

Nuclear energy was not the only topic that member states were split on today. The Commission's energy union strategy suggests that member states improve transparency in their energy negotiations with non-EU countries, namely Russia, in order to increase the EU's bargaining power. The Commission also wants to be involved in these negotiations, and the strategy floated the possibility of member states voluntarily joining forces for common gas purchasing. Central and eastern European member states are in favour of this plan, with the notable exception of Hungary, while western European states are opposed because they believe it would violate competition rules.

Recent energy tensions with Russia might soften some of the resistance to the idea of the Commission being involved in negotiations. But Hungary is resistant to the idea because it has benefited from advantageous gas prices from Russia as a result of the close relationship between Hungarian Prime Minister Victor Orbán and Russian President Vladimir Putin.

ETS timing row

Ministers also discussed another issue that divides them – when reform of the EU's emissions trading scheme (ETS) should begin. This has also divided member states along east-west lines, with central and eastern states led by Poland calling for a start date of 2021 for a new market stability reserve (MSR), and western states calling for a start date of 2017.

The European Parliament's environment committee last week settled on a compromise position of 2019, and the European Commission is calling on the two sides in the Council to accept this compromise.

"The European Parliament had very difficult talks but was able to make an important step forward with a compromise supported by large group of political parties," said Miguel Arias Cañete, the European commissioner for climate action and energy, after today's meeting. "We need the MSR, and in the Parliament a compromise was possible. I expect that within the Council there is also a common position."

Discussion on the energy union strategy today focused on

increasing energy interconnections. Yesterday, Cañete and Juncker attended an 'interconnections summit' in Madrid to discuss ways of increasing energy connections between Portugal, Spain and France.

Dana Reizniece-Ozola, the economy minister of Latvia, which holds the rotating presidency of the Council of Ministers, said all ministers agreed on the need to increase cross-border energy connections.

"It is urgent to achieve a fully functioning and interconnected European internal energy market to secure the uninterrupted supply of energy throughout Europe," she said.

Energy efficiency

Šefčovič said he was encouraged by the strong support from the energy ministers for the 'efficiency first' principle, spelled out in the energy union strategy. The principle says that before they sign energy supply contracts or build power plants, national governments should first check to see if using less energy is a viable alternative. Draft conclusions prepared for the European Council later this month have indicated that EU national leaders will downplay the importance of energy efficiency.

But 11 energy ministers – including from Germany, France, Spain and the UK – have called for a greater focus on efficiency in the energy union strategy. This indicates that the language in the draft Council conclusions is likely to change.

The Latvian presidency is going to combine the feedback from today's meeting and a meeting of environment ministers tomorrow to present to national leaders at the European Council on 18-19 March.

The Council also adopted without debate a regulation on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport.