

Security of supply: a key priority for the next Commission

Accelerate renewable and clean power supply while addressing challenges of the new energy system

We ask policymakers to:

- Revise the energy security strategy, which turns 10 years old in 2024, and map out the key risks and vulnerabilities to the energy supply chains.
- Further strengthen and deepen the internal energy market and provide a favourable, predictable and technology neutral investment environment for all assets needed to achieve the EU's net zero ambition.
- Ensure that clean and renewable energy is properly integrated into the system.

The energy crisis made security of supply even more a top priority for Europe. As Russia weaponised gas supply, soaring energy prices hurt consumers and 35–45% of energy-intensive industry was shuttered¹. Initiatives such as REPowerEU and the recent Electricity Market Design reform, along with the Net-Zero Industry Act (NZIA), were introduced to address such over-dependencies and pave the way for a more resilient energy landscape. This underscores the ability to reevaluate existing political and regulatory frameworks to restore EU strategic autonomy. Coupled with the rapid development of homegrown clean energy, we can reduce overreliance on unreliable partners and make our energy system more resilient to future challenges.

Therefore, we ask policymakers to:

- **Rethink the concept of security of supply.** Our expenditures must shift from imported fossil fuels to ramped-up investments in domestic clean energy. This shift could increase electrification from today's 23% to 50–70% by 2050², fundamentally reshaping our present energy system. The integration of variable renewables, the increased need for flexibility, the necessity for grid expansion and the financing of the transition will be important issues to be reflected in a further elaboration of the energy security strategy from 2014 by the Commission.
- **Bolster the internal electricity market.** A strong, diversified, well-functioning and interconnected electricity market is one of Europe's main strengths. However, while the market should further integrate to realise its full potential, this is an easy target for undermined by uncoordinated and detrimental market interventions, *vis-à-vis* the energy crisis. Certainty and stability are crucial to ensure investor confidence and deliver abundant, clean firm and flexible capacity for the future. As rightly recognised by Enrico Letta in his recent report "By leveraging its Single Market, Europe can make its diverse energy systems a competitive asset."³, the transition to net-zero therefore relies on a sound, united internal energy market – free of overreaching interventions.
- **Emphasise the importance of clean energy integration.** The energy system is evolving, bringing with it new elements such as different generation methods (centralised and decentralised) and technologies (variable, firm, flexible). In this increasingly complex system, properly integrating all clean sources at every level is crucial.

To enhance Europe security of supply while reaching climate goals and fostering strategic autonomy, we must seize the opportunity of the crisis. This means accelerating electrification through strengthening homegrown electricity production and reducing reliance on fossil fuels.

¹ Eurelectric, Power Barometer 2023 (September 2023), available at <https://powerbarometer.eurelectric.org/>

² Eurelectric, Decarbonisation Speedways (May 2023), available at <https://www.eurelectric.org/publications/decarbonisation-speedways-full-report>

³ Enrico Letta, Much more than a market (April 2024), available at <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>