

## EURELECTRIC calls on EU energy ministers to fulfil promise of functioning retail markets

09/12/2013

EURELECTRIC has sent a letter to European energy ministers outlining the electricity industry's views on the current energy price debate that has recently gained traction in several EU member states.

*'EURELECTRIC, representing the European electricity industry, strongly believes that the debate on EU energy prices needs to be based on facts rather than speculation. Industry, politicians, regulators and consumer groups have a joint responsibility to spell out why electricity bills are rising to further customers' awareness so that they can make well informed choices,'*the letter reads.

Energy ministers are meeting on 12 December to prepare talks on energy prices and their impact on EU households and businesses, due to be discussed by European leaders in February next year.

The letter stresses that:

- The electricity industry cannot control certain cost drivers, for example taxes, levies, government policies to support specific generation resources or grid charges;
- A rigorous and transparent analysis is needed on what makes up an electricity bill, including a full breakdown of the different cost components
- The recovery of public policy costs through bills pushes financial liabilities on companies in case of non-payment, unnecessarily raising cost for customers;
- Price regulation poses a serious obstacle to well-functioning and innovative retail markets that could better meet customers' needs.

*'We stand firm in our conviction that well-functioning competitive markets are better equipped than top-down regulation to deliver cost-reflective and fair prices. We welcome the fact that the Lithuanian Presidency is tackling the issue. European leaders now have the opportunity to reconsider the pledges made by the European Commission, the European regulators and the European electricity industry to encourage the completion of competitive and innovative retail markets, also by phasing out price regulation,'*the letter concludes.

*This article is also available on our [Website](#)*

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