

Programme

How to knit EU Price Caps? A Reflection on Emergency Measures on the Energy Market Design

Monday, 14 November 2022
12:30-14:00 (CET)
Online via Zoom

The European Commission and EU Energy Ministers have been seeking an agreement on the design of capping the wholesale gas cap market for weeks. Several leaks of non-papers by DG ENER and unilateral actions on the side of member states fuelled the debate on the next steps to be taken in several directions, with the aim of fighting the dire increase of energy prices. On 20 October, member states made a step forward, yet options on the table are still mere proposals leaning towards a cap on gas, and they leave a lot of space for better exploring measures.

Agreements to date have focused on capping inframarginal profits on the power markets and a profit claw back on oil and gas, without addressing the exponential growth of gas prices. The revenues from these measures do not suffice to successfully tackle the cause of the high cost of gas. On the contrary, their scope for action merely targets the symptoms. Amongst the measures currently discussed, no single option stands out. All instruments bear solutions, yet uncovering additional challenges. The focus on retail-level interventions would lead to financial burdens for Member States, but wholesale-level measures need to be carefully designed as to not disrupt the EU's energy market in the long term.

This panel discussion will hence focus on the emergency measures on the energy market design. The introductory remarks will provide a brief and condensed overview of the developments of the topic with a specific focus on the question of gas price caps and allocation of scarce gas within the EU. Panellists will then move on to a discussion, beginning with their position on the topic, and their interpretation of the most recent outcome of institutional discussions. Participants will dive in depth into the perspectives and provide a better feel of the challenges and opportunities, to ultimately make better sense of the actions taken and proposed.

Agenda

Welcoming Remarks

Dr Hardy Ostry

Head of the European Office of Konrad-Adenauer-Stiftung (KAS)

Presentation of current proposals and state of play

Oliver Koch

Deputy Head of Unit, Internal Market Unit at DG ENER, European Commission

Dr Klaus-Dieter Borchardt

Senior Research Fellow at the Oxford Institute for Energy Studies (OIES)

Dr Bernd Weber

Chief Executive Officer at Energy and Climate Policy and Innovation Council (EPICO)

Cillian O'Donoghue

Policy Director at Eurelectic

Marc-Antoine Eyl-Mazzega

Energy and Climate Director at IFRI

Moderation:

Kira Taylor

Energy and Climate reporter, EURACTIV