

## Energy Union a clear step forward, concrete action now needed

BRUSSELS, Feb 25, 2015 – The European Commission’s Energy Union strategy is a step forward in creating an energy market fit for the future, in which gas will play a strong role, but effective action is now needed to trigger investment for the benefit of the consumer and the environment, said GasNaturally, the partnership of six associations representing the entire gas supply chain.

“Gas will be absolutely critical for the EU to meet its emission reduction targets, as well as its targets for energy efficiency and renewable energies – and to meet them in the most cost-effective way,” said François-Régis Mouton, Chairman of GasNaturally. “We propose **four key actions to help turn the Energy Union into a reality**,” he explained.

**Move from coal to gas:** “Switching from coal to gas would halve the EU CO<sub>2</sub> emissions in electricity production, and would have positive impacts in terms of air quality and health. At the same time, the use of gas in heating brings higher efficiency, less emissions and offers more flexibility,” Mr Mouton explained.

**Maximise domestic gas production:** GasNaturally is fully in line with the Commission’s recognition that domestic gas production will contribute to the strengthening of security of supply: Europe’s domestic gas production (EU + Norway) covers 55% of EU consumption, and its potential is still significant. The EU is also surrounded by an abundance of other gas reserves within economical reach. Encouraging gas exploration in Europe, but also diversifying sources of supply, must be a priority.

**Improve energy efficiency:** Emerging gas technologies can offer immense energy efficiency gains and provide flexibility and energy storage – some key priorities for the future of our energy system. GasNaturally believes such technologies should be prominent on the Energy Union’s research and innovation agenda. By the same token, the development of green gases such as biogas, biomethane and syngas, should be encouraged.

**Redesign the electricity market:** GasNaturally welcomes the Commission’s initiative for a revised design of the electricity market to allow gas and renewables to better partner in electricity generation. “Gas is ideal to support the variability of renewable energy such as wind and solar. We are looking forward to engaging in a discussion for an improved design of the electricity market that would reward flexibility and low-carbon solutions,” Mr Mouton said.

This revised power market design – alongside the recognition of the role of gas in heating and transport, and of the benefits of transporting energy in the form of gas in pipelines (much less invasive than as electric pylons and high-voltage power lines) – would encourage investments, thus delivering more growth, more competitiveness and more jobs,” said Mr Mouton.

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**Note to the editor:** GasNaturally is a partnership established by six organisations from the gas industry that represent over 150 gas companies active in the European Union. We promote the use of gas for its qualities as a flexible, abundant and low-carbon fuel. [www.gasnaturally.eu](http://www.gasnaturally.eu)