

EU energy prices crisis remains centerstage for France, minister says

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EU energy companies will see France try to focus EU policymakers' minds on solutions to the spike in gas and power prices that the bloc has experienced in recent months, the country's ecological transition minister said today. As it chairs legislative talks among the bloc's 27 countries until June, Paris will press ahead with discussions on how to revamp the EU's electricity market, Barbara Pompili told the European Parliament.

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"The rise in energy prices is something we are going to focus on through the [EU] presidency because we cannot underestimate the consequences of this rise in prices*," she told the EU legislature's energy committee today.

"We need to turn this crisis into an opportunity, so that we can improve the current regulation of energy markets because we've got to think about the green revolution," the minister said, doubling down on the country's attempts to trigger a revamp of the bloc's electricity retail market.

In recent months, France has headed a group of countries — including Spain, Italy, Greece and Romania — calling for changes to the EU's Electricity Directive, which would "decouple" power prices from gas prices. The idea is to make consumers pay depending on the source used in power generation (see [here](#)). That's because observers argue that soaring electricity prices are largely being driven by high global gas prices, since gas is used as a fuel in power generation.

A reform of the EU electricity market has nonetheless proved divisive. France's calls have sparked opposition from countries such as Germany, Austria and the Netherlands, which don't see a need to tweak the bloc's energy market regime to respond to the soaring prices (see [here](#)).

The European Commission, which would need to put forward a formal proposal to bring about sweeping changes to price formation, has been reluctant to take up the French proposals. Last month, the bloc's energy chief Kadri Simson called the move risky, citing preliminary findings by the EU's Agency for the Cooperation of Energy Regulators, which warned against alternative electricity pricing mechanisms (see [here](#)).

The final ACER findings are expected in April. Pompili said today that based on those, France would seek to bring the energy crisis again on the EU leaders' agenda for a meeting of the European Council in June.

Last month, EU leaders failed to agree on any common relief measures, as a squabble over green investment rules and the bloc's carbon market kept them apart (see [here](#)).

On top of pushing for a debate on short-term relief measures, Pompili said that France would also seek to "make real progress" on longer-term policy plans, such as the proposed revisions of the bloc's Renewable Energy Directive and Energy Efficiency Directive. Both were put forward by the commission last July as part of its "Fit for 55" legislative plan.

"If we're going to move away from fossil fuels, we do have to up our ambition when it comes to [renewables'] deployment there," Pompili said, as the EU seeks to move to a 40 percent target for the share of renewable sources in its energy use within the decade, up from the current target of 32 percent.

"The review of the Energy Efficiency Directive is also absolutely crucial to increase our ambition," the minister said. The bloc wants to slash emissions by 55 percent by 2030 based on 1990 levels, and to reach net-zero by 2050.

EU governments need a unified stance to enter into trilateral-format negotiations with parliament and the commission,

and to agree on the details of the laws.

* *MLex translation from the original French.*

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