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### **ENERGY PACKAGE – KEY BUSINESSEUROPE MESSAGES**

Several elements of the energy package represent a positive step forward, in particular the plan to improve governance of the European gas and electricity market. However, it fails to pay adequate attention to the need to upgrade the framework conditions which play a critical role in guaranteeing the long-term supply of energy to energy-intensive industries at competitive prices. The Commission should give strategic consideration to the positive role that long-term contracts between producers and consumers can play in this respect.

- **Unbundling**

An effective unbundling regime is essential to create fair and equal access to the network, while encouraging investment in new infrastructure. BUSINESSEUROPE is looking at the pros and cons of taking a radically new approach such as ownership unbundling or the ISO Model (Independent System Operator), compared with making a greater effort to ensure complete implementation, in letter and spirit, of existing Community legislation on legal and functional unbundling.

BUSINESSEUROPE will look closely at the arguments put forward by the Commission in support of any radically new approach. A fundamental requirement is that EU policy on unbundling does not discriminate between private-owned and public-owned energy groups.

- **Role of national and European energy regulators**

The role of national energy regulators must be enhanced in order to facilitate implementation of the internal energy market. The proposals rightly seek to give energy regulators more power and greater independence from government.

BUSINESSEUROPE will look with interest at the proposal to create a European Agency for the cooperation of energy regulators, given the need to strengthen cooperation between energy regulators at EU level. The cooperation process must be improved so that it leads to effective joint decisions.