



BUSINESSEUROPE

THE SECRETARY GENERAL

Mr Jean-Louis Borloo
Minister of Ecology, Energy and Sustainable
Development
President of the EU Energy Council
246, Boulevard St-Germain
Paris 7^{ème}
France

7 October 2008

Monsieur le Président,
Monsieur le Ministre,

I am writing to you to express BUSINESSEUROPE's expectations regarding the Energy Council that you will chair on 10 October.

For BUSINESSEUROPE, it is essential that the Energy Council establishes an effective unbundling regime and improves governance in the internal gas and electricity market.

The decisions that will be taken should create open and non-discriminatory access to networks, and provide a framework in which operators can work efficiently to realise the cross-border infrastructures needed to make the internal market work and enhance security of supply.

European companies are increasingly concerned by rising electricity and gas prices, and more generally by growing uncertainties. In order to address these issues, we need not only effective unbundling and improved governance but also other market-based measures, including long-term contracts freely negotiated between energy suppliers and users.

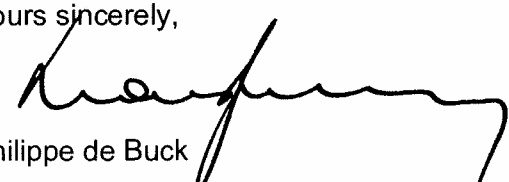
It is essential to put in place a framework to facilitate such long-term contracts. Accordingly, we are very satisfied to note that the European Parliament's Morgan and La Russa reports have recognised the importance of long-term contracts by calling on national energy regulators to take initiatives to promote them on a clearly defined basis.

We are therefore concerned to receive information that this call may not be considered at this stage for inclusion in the new directives.

We hope that the Energy Council on 10 October and subsequent discussions will take this point on board.

Thank you in advance for any initiative you might take in this regard.

Yours sincerely,



Philippe de Buck