

Press release – Brussels, January 30, 2015

Levy strategic reserves conflicts with governmental agreement – Energy norm urgently needed

The Belgian electricity and gas regulator CREG published today the tariff for the financing of the strategic reserves for this winter. In order to cope with possible power shortages, and on request of the federal government, Elia built up a reserve of 850 MW, composed partly of stopped gas power plants and partly of contracts with electricity consumers aiming to temporarily reduce their consumption when needed. The CREG approved a proposal by high voltage grid operator Elia to charge 0,611 euro per MWh taken off the grid to all end consumers. For large industrial consumers, this comes down to an additional cost of several hundreds of thousands of euros per year. This will significantly worsen their competitive position compared to neighbouring countries. Deloitte calculated for Febeliec that already in 2014, this disadvantage for industrial electricity consumers amounted up to 9 - 47%! This further substantial deterioration of our competitive position will have a devastating impact on our highly desirable economic growth and employment.

Febeliec recognises the need to guarantee security of supply and to avoid power cuts. The contrary would have a disastrous impact on industrial activity and development in our country. But at the same time, everybody is convinced that Belgian industry today has to bear too high electricity costs and therefore cannot cope with its competitors in neighbour countries. People too are fully aware of this: according to a recent survey by iVOX, more than 7 Belgians out of 10 subscribe the idea that the introduction of an energy norm would be a good thing for welfare in Belgium. Moreover, about half (47,1%) confirms to be ready to personally contribute to the introduction of such an energy norm !

Febeliec therefore calls upon the competent authorities to rapidly introduce an energy norm, fully in line with the proposals in the governmental agreements of the federal, Flemish and Walloon governments. *“There definitively is a will to realise all this. The population wants it, the industry wants it and the government has included it in its government agreement. Now words must be followed by deeds...”*, concludes Peter Claes, director of Febeliec.

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