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Febeliec: “The increase of federal surcharges chases the industry away”

Today, the Belgian Regulator for the electricity and gas market, the CREG, has announced the tariffs for 2011 for the federal levy on electricity and natural gas. Febeliec, the federation of industrial energy consumers, deplors that companies will once again have to cope with a price increase of 30 to 50% of additional levies on energy prices. Peter Claes, director of Febeliec: “Since its introduction in 2003, the federal levy on electricity has quintupled (from 1 to more than 5€/MWh). Belgium risks losing its industry, because our competitors in the neighboring countries pay a lot less.”

For electricity, the tariff increases with almost 30% to amount to at least 5,26€/MWh, for natural gas the increase (federal levy + surcharge “protected customers”) is even stronger: from 0,33 to 0,5€/MWh, or +50%. All we are waiting for now is the new tariff for financing the offshore, which is expected to explode from 0,1286 to no less than 0,8€/MWh.

For several years, Febeliec has been warning against the danger of a strong increase of federal surcharges. Since its introduction in 2003, the federal levy on electricity has quintupled (from 1 to more than 5€/MWh), due to a strong increase of the cost of certain measures it must finance. Febeliec asks for a debate on whether certain expenses do indeed have to be financed by means of a levy on the electricity or gas consumption. She pleads for social and environmental measures to be financed out of global state aid.

As regards the offshore, the further development of wind energy in the North Sea could become very expensive. As from next year onwards, the largest consumers in our country will already have to spill out one million euro or more for the existing parks. By developing towards about 2.000 MW by 2020 and if policy remains unchanged, this cost would increase tenfold, a situation that is not viable for industry.

Concretely, this increase represents a strong rise of the energy cost for all companies, in a period where they are trying to get back into shape after the worldwide economic crisis. Febeliec asks the government to take urgent measures in order to limit the impact of the increase for all industrial companies, a.o. by:

- revising the financing mechanisms behind certain expenses;
- erasing the “anomaly” in the ceiling of the federal levy on electricity, which causes companies which currently consume less than 250 GWh to still pay substantially more than the ceiling of 250.000€ (to even three times more);
- introducing a digressive tariff and an overall ceiling for the levy to finance the offshore, for example by appealing to alternative financing sources such as a nuclear tax.

Moreover, some measures also lead to substantial surcharges on the consumption of electricity and natural gas in the regions (systems of certificates, free consumption, road taxes, ...). Febeliec insists upon making as soon as possible an inventory of all these federal and regional surcharges and that their impact be limited to a similar level as in our neighboring countries.

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