

Dr. Tamás Fellegi
President of the EU Energy Council
Minister for National Development
Akadémia utca 3.
1054 Budapest
Hungary

23 February 2011

Dear President,

In view of the Energy Council on 28 February we would like to share with you our assessment of the European Council Conclusions from 4 February, focusing on the current energy policy priorities for European business:

On energy efficiency, BUSINESSEUROPE is pleased with the particular emphasis of the European Council Conclusions on the need for determined action to tap the considerable potential for higher energy savings in Europe. At EU level, priority should be given to the effective application of existing instruments.

On energy infrastructure, the welcome reference in the European Council Conclusions on the need for public finance to leverage private funding of infrastructure investments should have concrete repercussions on the future EU financial framework, considering that energy investment needs will amount to an estimated one trillion Euros over the coming decade. All technology options, including nuclear energy, should play their role in making Europe's energy system more secure, affordable and sustainable.

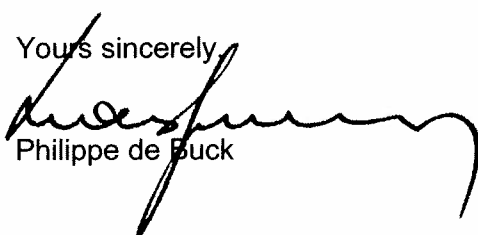
We would also like to stress two energy policy issues which, in our view, have so far not been given the attention they deserve:

First, we have so far missed, a clear link made between energy policy and the renewed industrial policy of the EU. Energy prices are persistently higher in Europe than in our major trading partner regions. We urge for an industrial competitiveness proofing of the cumulative costs of all EU energy and climate policies on industry, in particular of renewable energy support and of the EU Emission Trading Scheme.

Second, the Council should recognise initiatives for promoting best practice in Europe in terms of long-term contracts between energy suppliers and users. These long-term arrangements can facilitate investment decisions and serve as a strategic instrument for energy producers and industrial energy consumers.

We thank you in advance for the consideration you might give to our concerns in your conclusions of the upcoming Energy Council meeting

Yours sincerely,



Philippe de Buck