



European Commission publishes Communication on rising energy prices

In response to the rising energy prices across Europe, the European Commission adopted yesterday (13 October) the Communication "[Tackling rising energy prices: a toolbox for action and support](#)", which includes a toolbox, designed for the EU and its Member States to address the immediate impact of current prices increases and further strengthen resilience against future shocks.

Presented by Energy Commissioner Kadri Simson, the Communication outlines short and mid-term national measures, including emergency income support to households, state aid for companies, and targeted tax reductions. The Commission will also support investments in renewable energy and energy efficiency; examine possible measures on energy storage and purchasing of gas reserves; and assess the current electricity market design.

According to Commissioner Simson, the current price increase requires a quick and coordinated response. The existing legal framework, the Communication states, allows the EU and its Member States to take action to address the immediate impacts on consumers and businesses. The immediate measures identified in the toolbox to protect consumers and businesses are the following:

- Emergency income support for energy-poor consumers (for example through vouchers or partial bill payments, which can be supported with EU ETS revenues)
- Authorize of temporary deferrals of bill payments
- **Measures to avoid disconnections from the grid**
- Provision of temporary, targeted reductions in taxation rates for vulnerable households.
- Provide support to companies or industries, in line with EU state aid rules
- Enhance international energy outreach to ensure the transparency, liquidity, and flexibility of international markets
- Investigate possible anti-competitive behavior in the energy market and ask the European Securities and Markets Authority (ESMA) to further enhance monitoring of developments in the carbon market
- Facilitate a wider access to renewable power purchase agreements and support them via flanking measures.

According to the Commission, these measures should be easily adjustable in Spring when the situation is expected to stabilize.



Furthermore, medium-term measures for a decarbonised and resilient energy system should be put in place:

- Step up investments in renewables, renovations and energy efficiency and speed up renewables auctions and permitting processes.
- Develop energy storage capacity, to support the evolving renewables share, including batteries and hydrogen.
- Ask European energy regulators (ACER) to study the benefits and drawbacks of the existing electricity market design and propose recommendations to the Commission where relevant.
- Consider revising the security of supply regulation to ensure a better use and functioning of gas storage in Europe.
- Explore the potential benefits of voluntary joint procurement by Member States of gas stocks.
- Set up new cross-border regional gas risk groups to analyse risks and advise Member States on the design of their national preventive and emergency action plans.
- Boost the role of consumers in the energy market, by empowering them to choose and change suppliers, generate their own electricity, and join energy communities.

In addition, Commissioner Simson stressed the importance of adapting the existing energy systems to new evolving threats. By the end of 2022, the Commission will develop **new rules on the cybersecurity of electricity fully harmonised with horizontal cybersecurity legislation** and set up a European standing group of operators and authorities on the resilience of energy infrastructure, and a Commission's recommendation towards a harmonised approach to identify critical energy infrastructure, exchange of information, available options to finance the resilience of critical energy infrastructure.

According to the Commission, the measures set out in the toolbox will help to provide a rapid response to the current energy price spikes, and will also contribute to an affordable, just and sustainable energy transition for Europe. Commissioner Simson will present the Communication and toolbox to Members of the European Parliament on Thursday 14 October and to Energy Ministers on 26 October. European leaders will then discuss energy prices at the upcoming European Council on 21-22 October.

On a related note, the Agency for the Cooperation of Energy Regulators (ACER) published today a [note](#) providing data and insights on the recent high energy prices in Europe.