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COMMISSION STAFF WORKING DOCUMENT

Accompanying the document

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE
COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS**

Energy prices and costs in Europe

{ COM(2016) 769 final }

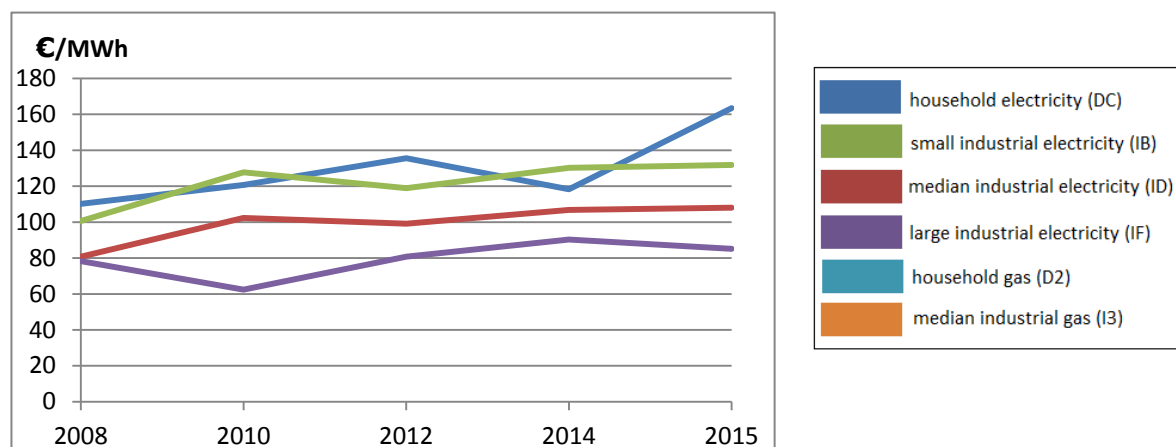
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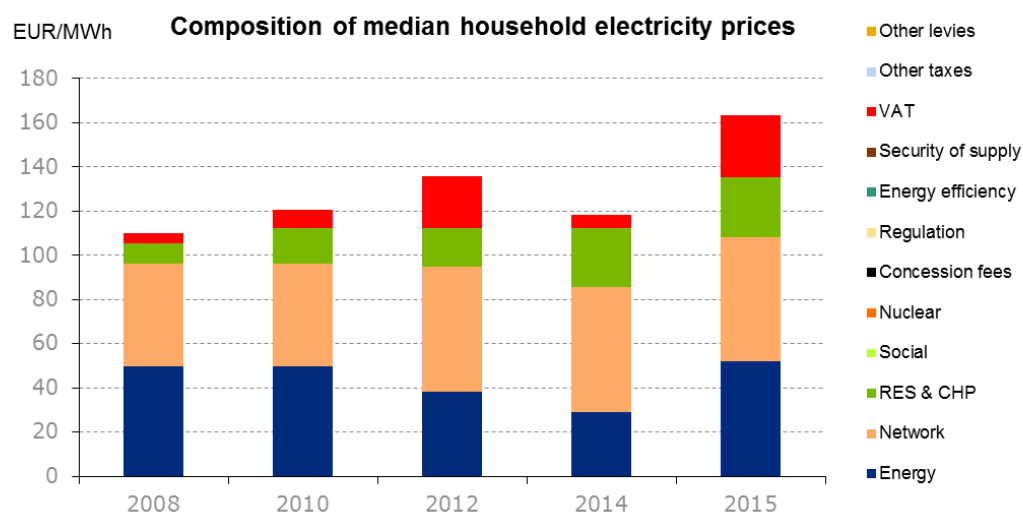
Latvia

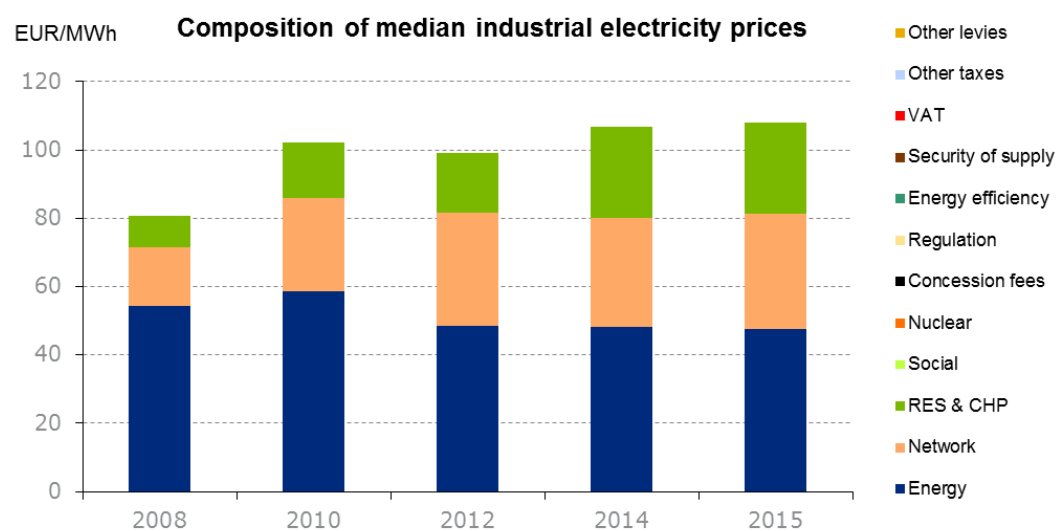


Evolution of electricity and natural gas prices

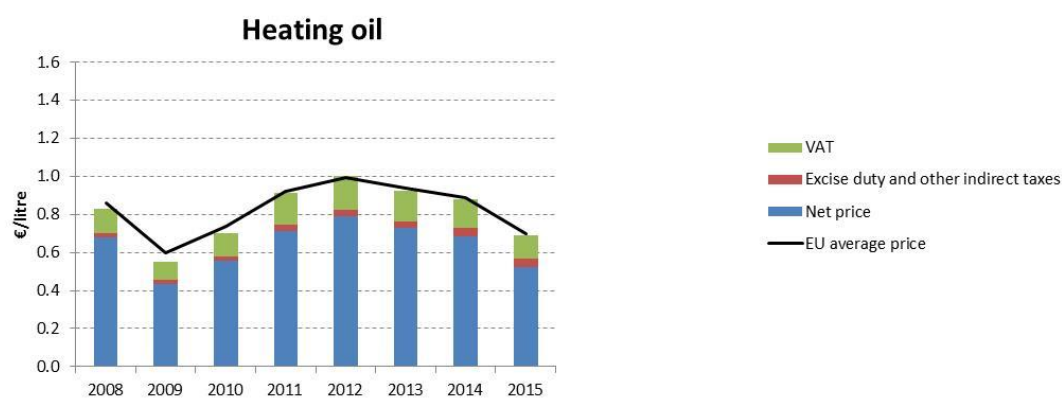
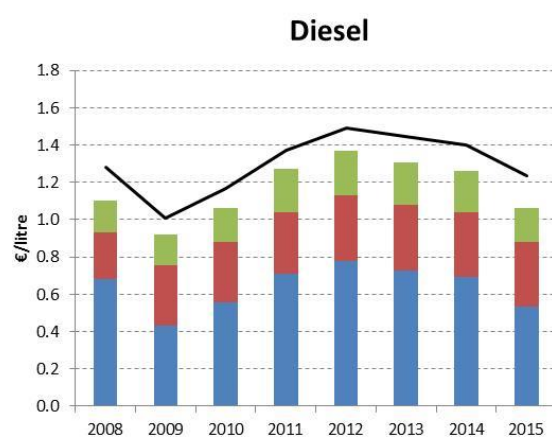
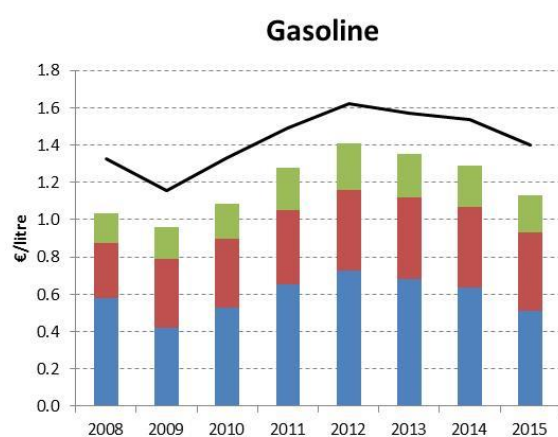


Composition of electricity prices

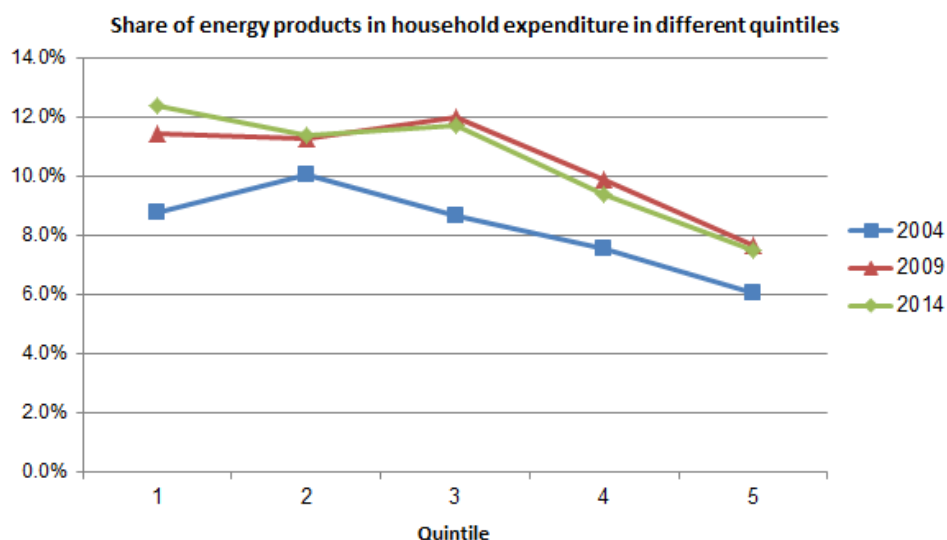




Oil products prices

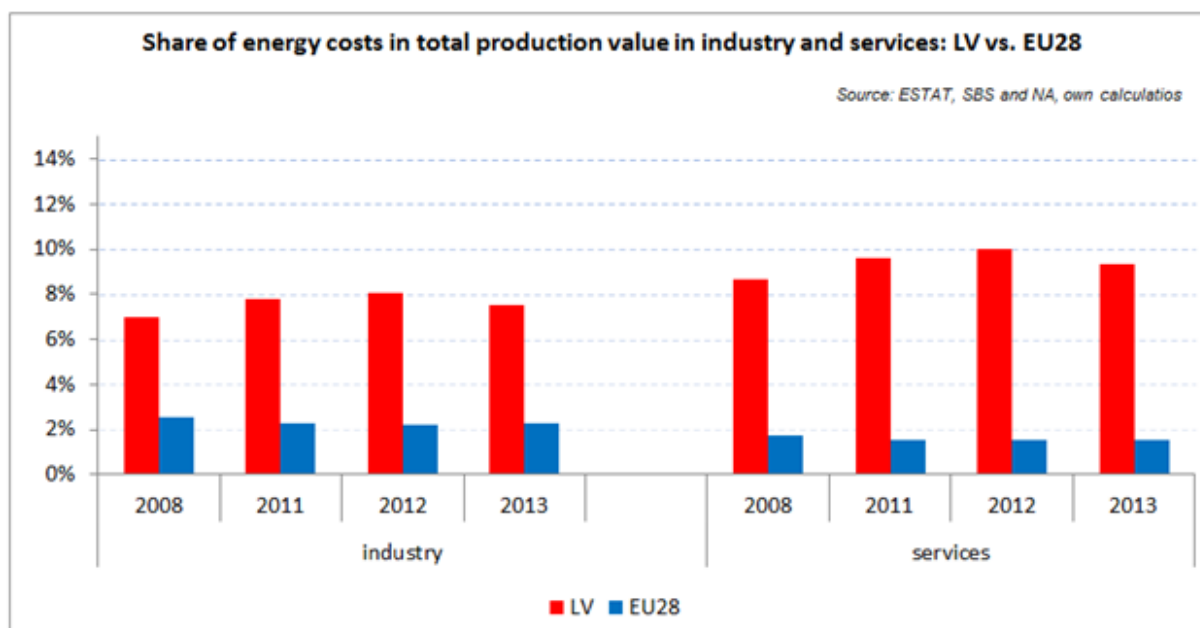


Energy in Households budgets



Between 2004 (blue line) and 2014 (green line) the share of energy in total household expenditure rose measurably in each income quintile in Latvia; in the case of the poorest households (Quintile 1) it went up from 8.8% to 12.4%, while in the case of households with middle income (Quintile 3) it rose from 8.6% to 11.7%.

Energy costs shares in total production costs



Notes
 Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available
 Data for 2009 and 2010 is incomplete and not reported
 Industry defined as NACE Rev.2 Section C (Manufacturing)
 Services defined as NACE Rev. 2 Sections G - U

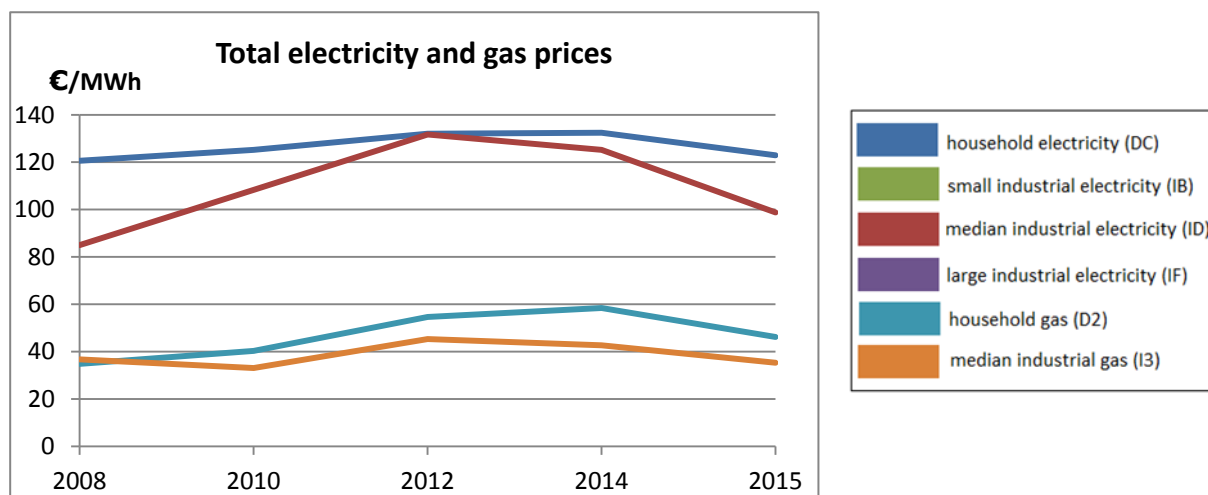
Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh 2015
Energy	0.051900
Total energy component	0.051900
Network	0.056400
Total network component	0.056400
VAT	0.028400
Mandatory procurement component for CHP	0.016700
Mandatory procurement component for renewable energy resources	0.010100
Total taxes & levies component	0.055200
Total price	0.163500
Band ID	EUR/kWh 2015
Energy	0.047600
Total energy component	0.047600
Network	0.033600
Total network component	0.033600
VAT	0.000000
Mandatory procurement component for CHP	0.016700
Mandatory procurement component for renewable energy resources	0.010100
Total taxes & levies component	0.026800
Total price	0.108000

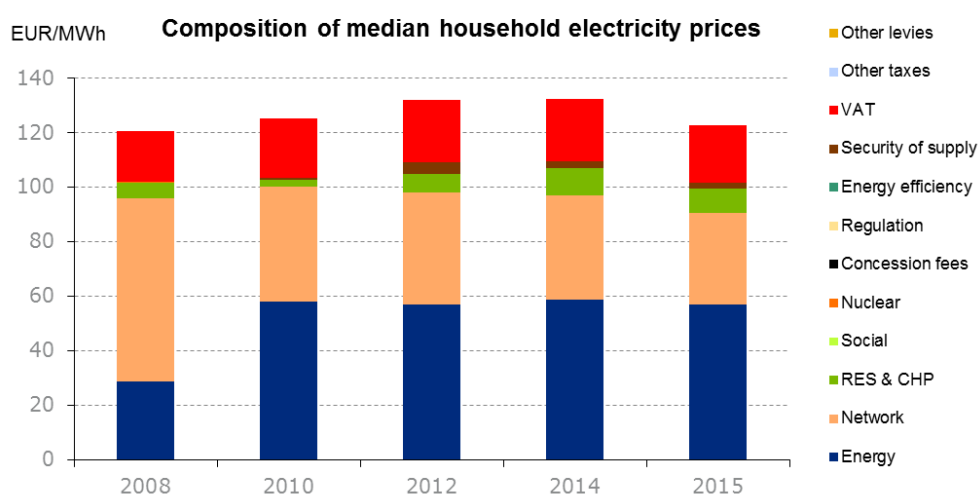
Lithuania

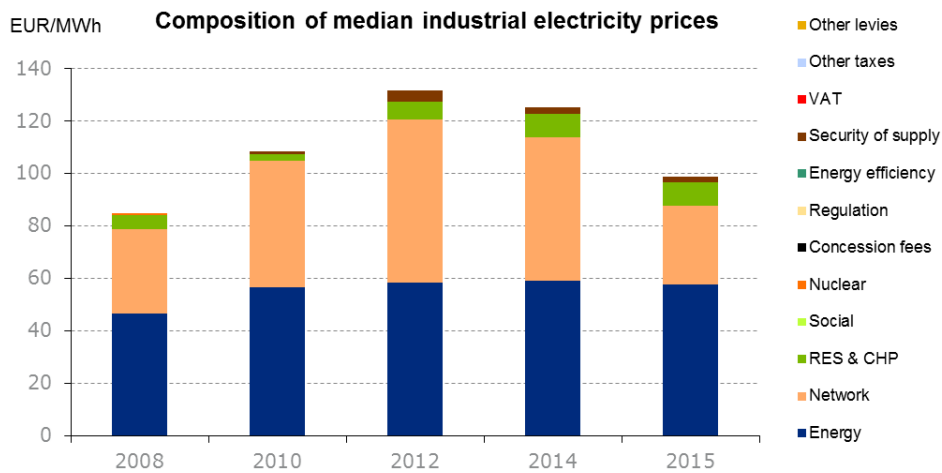


Evolution of electricity and natural gas prices



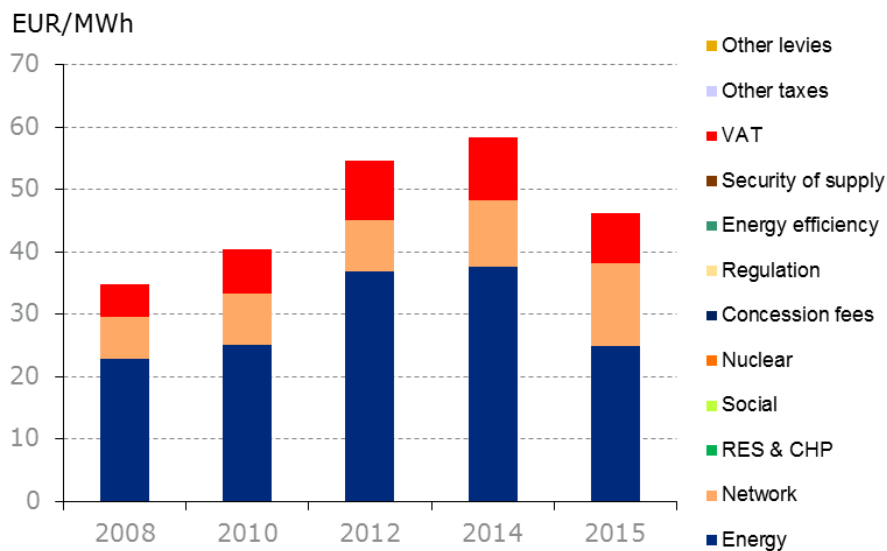
Composition of electricity prices



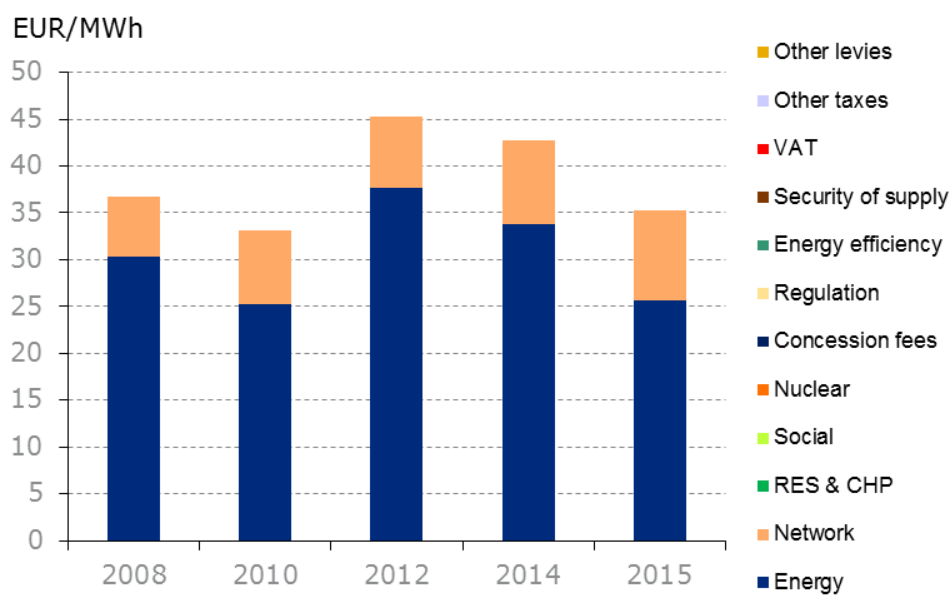


Composition of gas prices

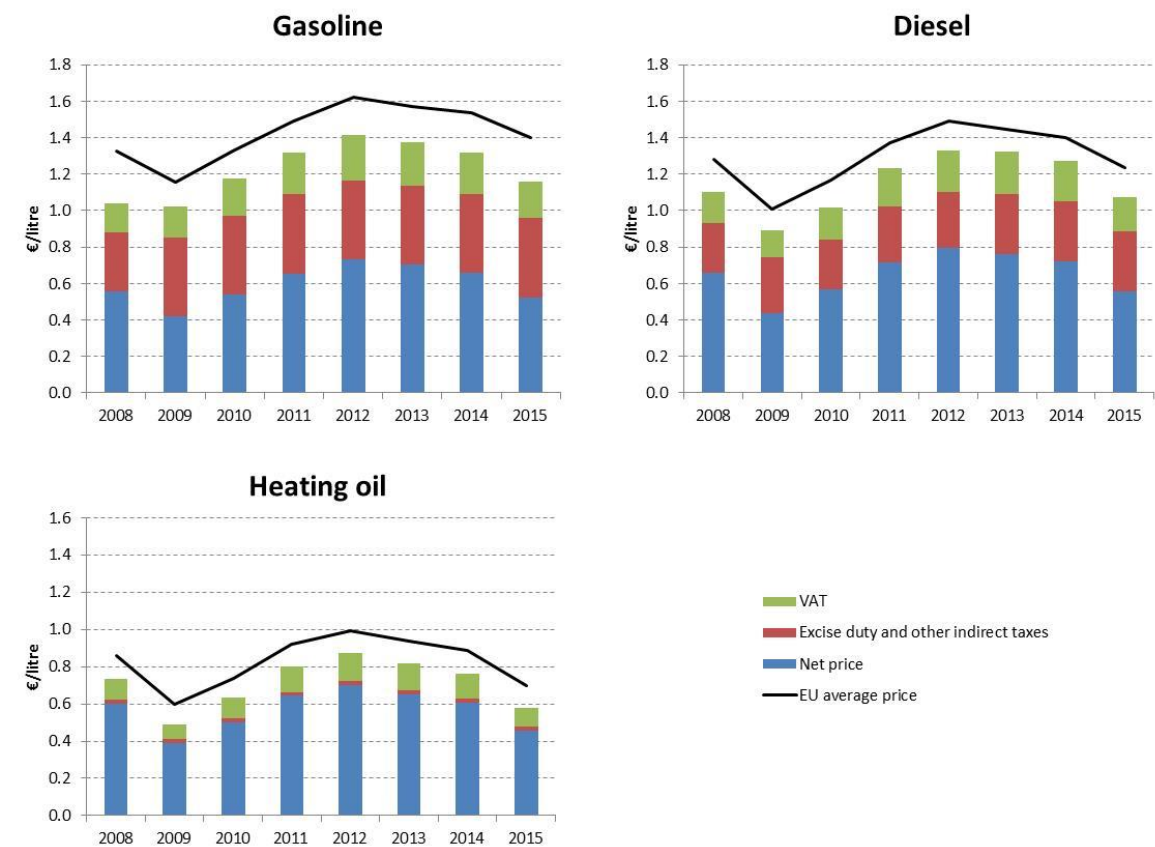
Composition of median household gas prices



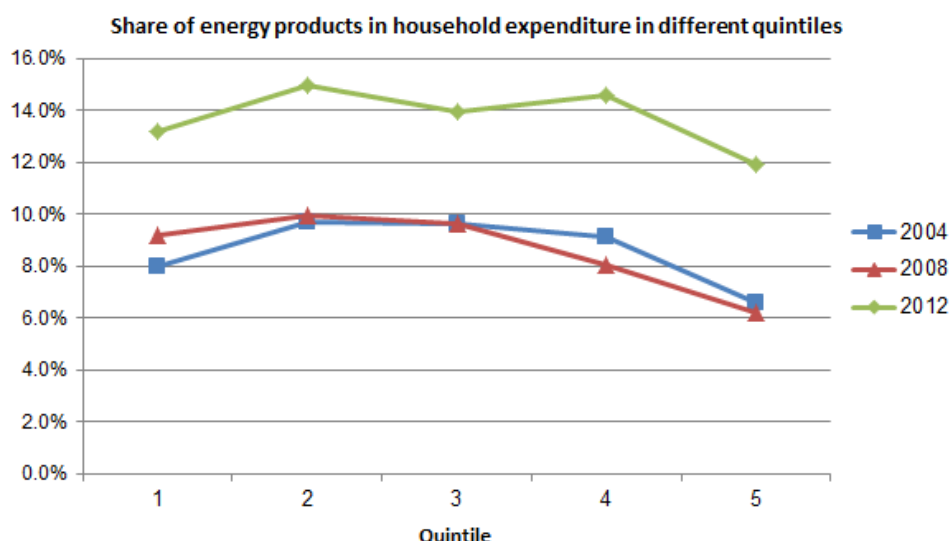
Composition of median industrial gas prices



Oil products prices

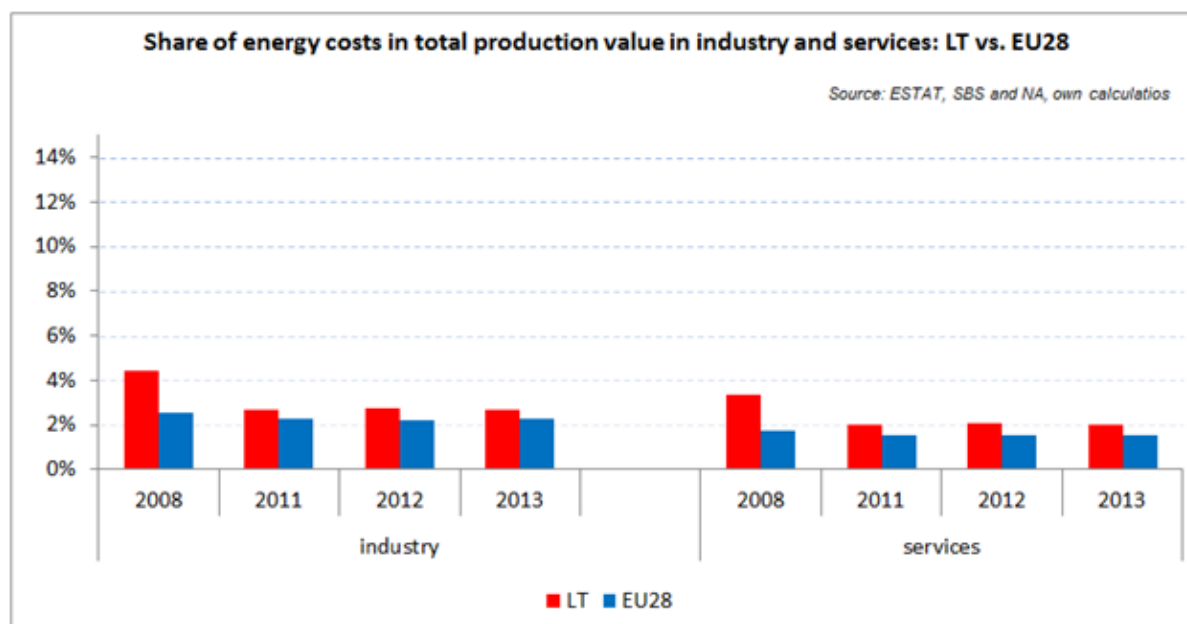


Energy in Households budgets



In Lithuania the share of energy in total household expenditure changed only slightly between 2004 (blue line) and 2008 (red line). However, by 2012 (green line) the share of energy rose to 13.2% in the case of the poorest households (Quintile 1), while for middle income households it reached 13.9%, up from 8% and 9.6% respectively measured in 2004.

Energy costs shares in total production costs



Notes

Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available

Data for 2009 and 2010 is incomplete and not reported

Industry defined as NACE Rev.2 Section C (Manufacturing)

Services defined as NACE Rev. 2 Sections G - U

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh 2015
Energy	0.050200
Public supplier price	0.001400
Total energy component	0.051600
Distribution	0.027300
Transmission	0.006300
Total network component	0.033600
RES Connection to the transmission and distribution grids	0.000000
PSO - Ignalina Nuclear Power Plant	0.000000
VAT	0.021400
PSO - Fixed costs of Lithuanian Power Plant	0.000000
PSO - Financing of the market operator	0.000000
PSO - Compensation for the solar producers	0.000000
PSO - Renewable energy sources (RES) PSO and RES balancing	0.006600
PSO - Strategic Projects (NordBalt)	0.002100
PSO – Connection revenues (part paid by RES)	-0.000200
PSO – Compensation for solar producers	0.000300
PSO - Lithuanian Power Plant PSO (production)	0.005200
PSO - Combined Heat and Power Plant (CHPP) PSO	0.001800
PSO - PSO – RES connection to the transmission and distribution grids	0.000500
Total taxes & levies component	0.037700
Total price	0.122900
Band ID (average of all bands)	EUR/kWh 2015
Energy	0.051000
Public supplier price	0.001400
Total energy component	0.052400
Distribution	0.029200
Transmission	0.000900
Total network component	0.030100
RES Connection to the transmission and distribution grids	0.000000
PSO - Ignalina Nuclear Power Plant	0.000000
VAT	0.000000
PSO - Fixed costs of Lithuanian Power Plant	0.000000
PSO – Cost of market operator	0.000000
PSO - Renewable energy sources (RES) PSO and RES balancing	0.006600

PSO - Strategic Projects (NordBalt)	0.002100
PSO – Connection revenues (part paid by RES)	-0.000200
PSO – Compensation for solar producers	0.000300
PSO - Lithuanian Power Plant PSO (production)	0.005200
PSO - Combined Heat and Power Plant (CHPP) PSO	0.001800
PSO - PSO – RES connection to the transmission and distribution grids	0.000500
Total taxes & levies component	0.016300
Total price	0.098800

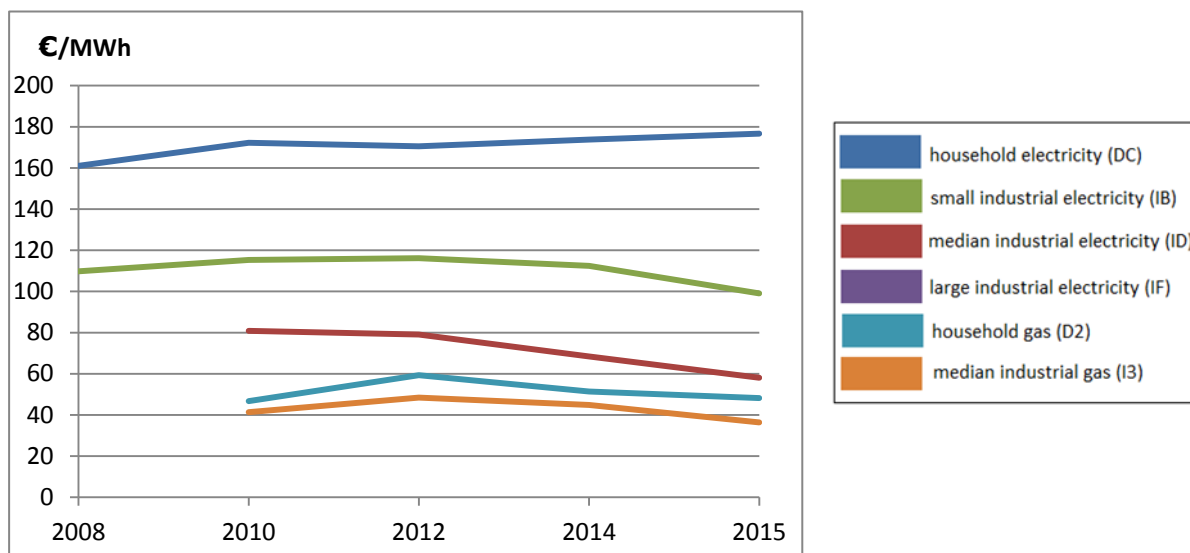
Band D2	EUR/kWh 2015
Price of gas supply	0.024800
Total energy component	0.024800
Network	0.013400
Total network component	0.013400
VAT	0.008000
Total taxes & levies component	0.008000
Total price	0.046200

Band I3	EUR/kWh 2015
Price of gas supply	0.025700
Total energy component	0.025700
Network	0.009600
Total network component	0.009600
VAT	0.000000
Total taxes & levies component	0.000000
Total price	0.035300

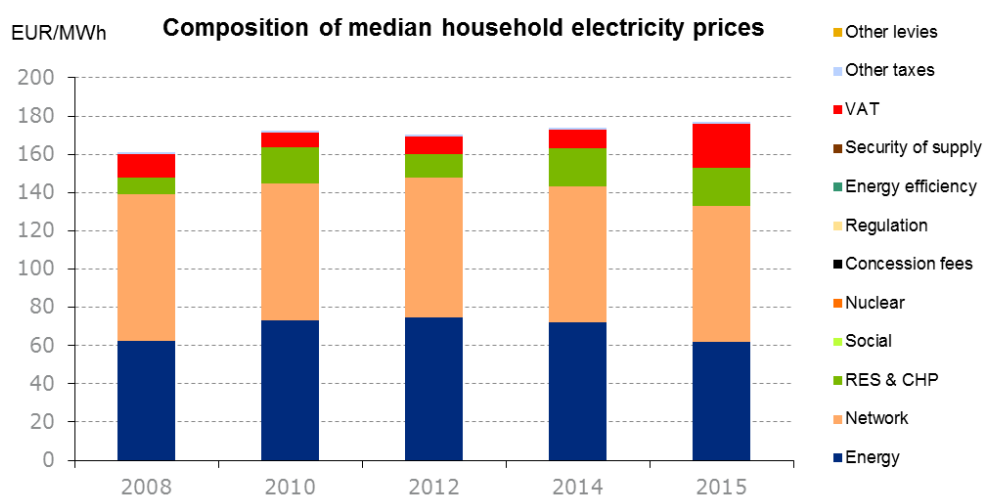
Luxembourg

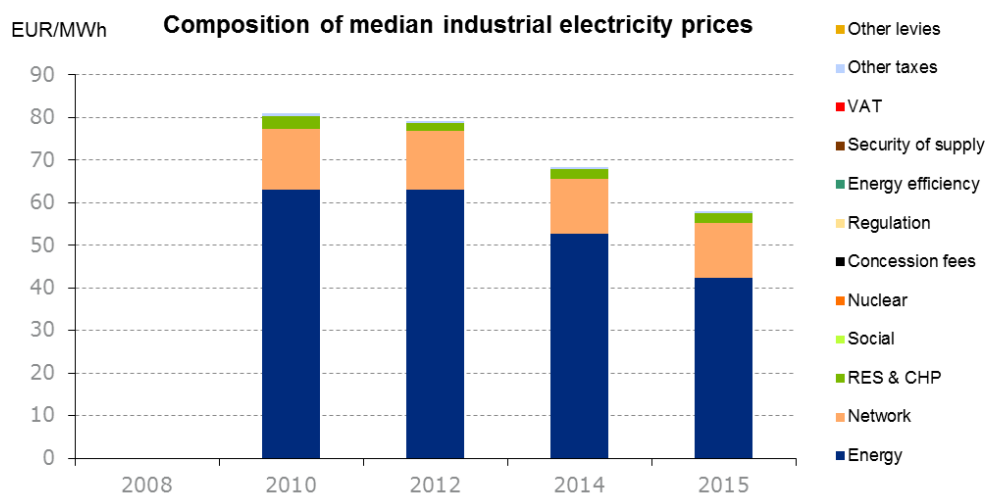


Evolution of electricity and natural gas prices



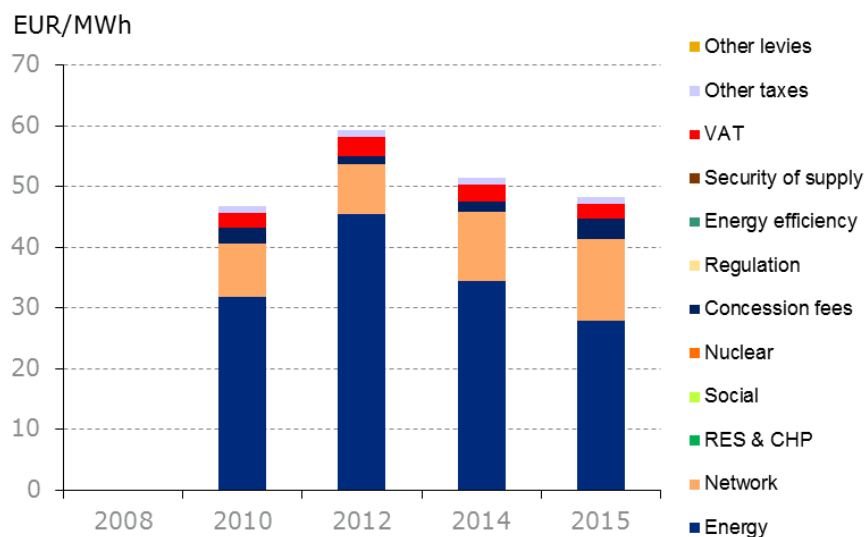
Composition of electricity prices



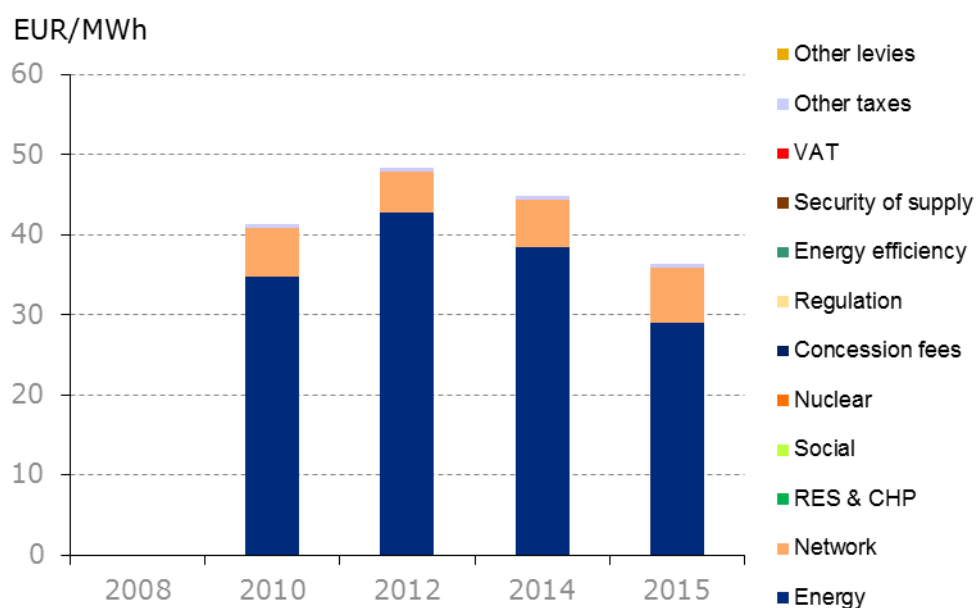


Composition of gas prices

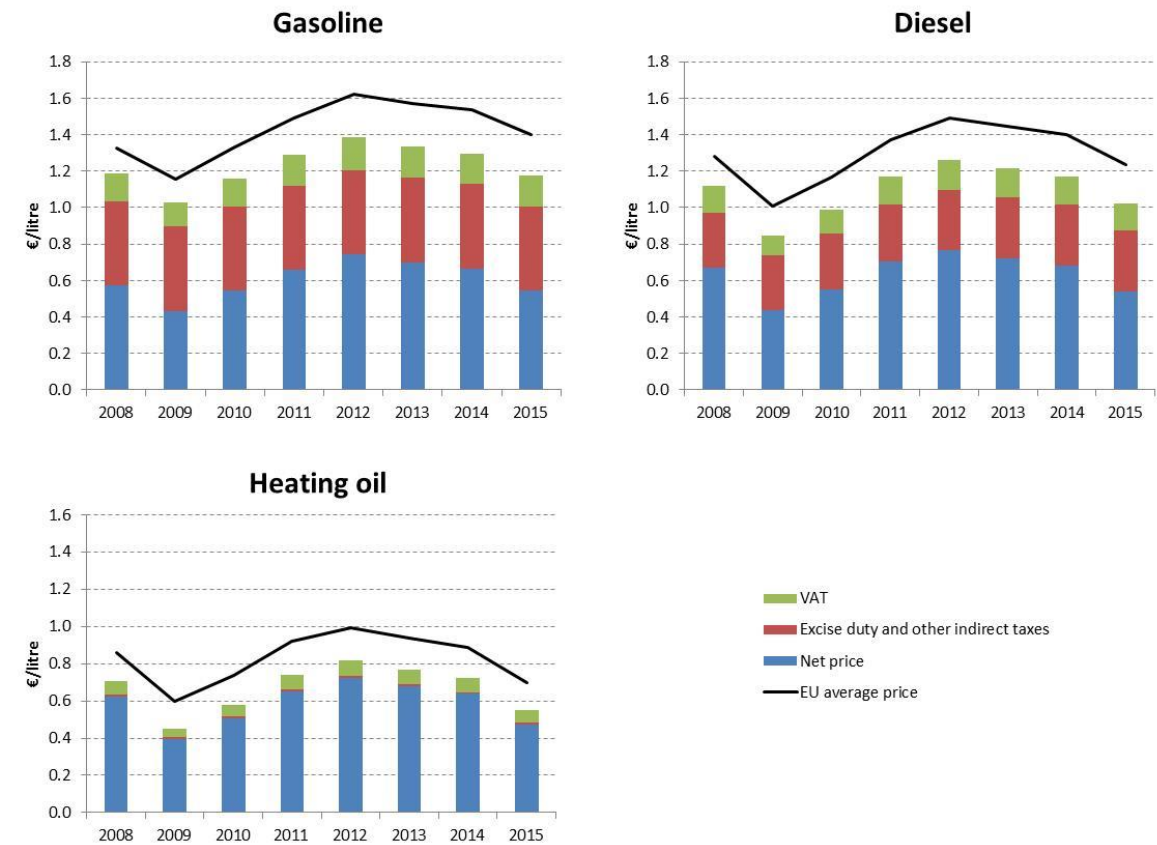
Composition of median household gas prices



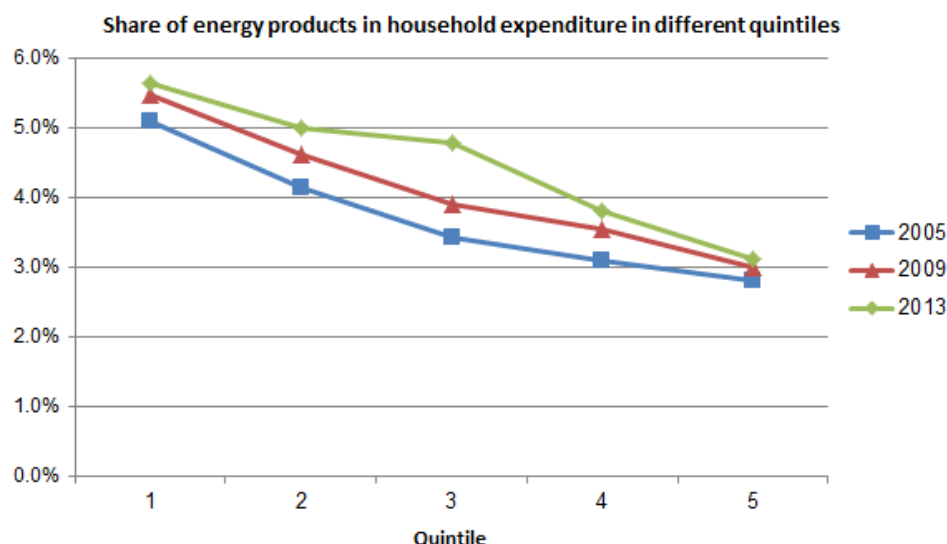
Composition of median industrial gas prices



Oil products prices

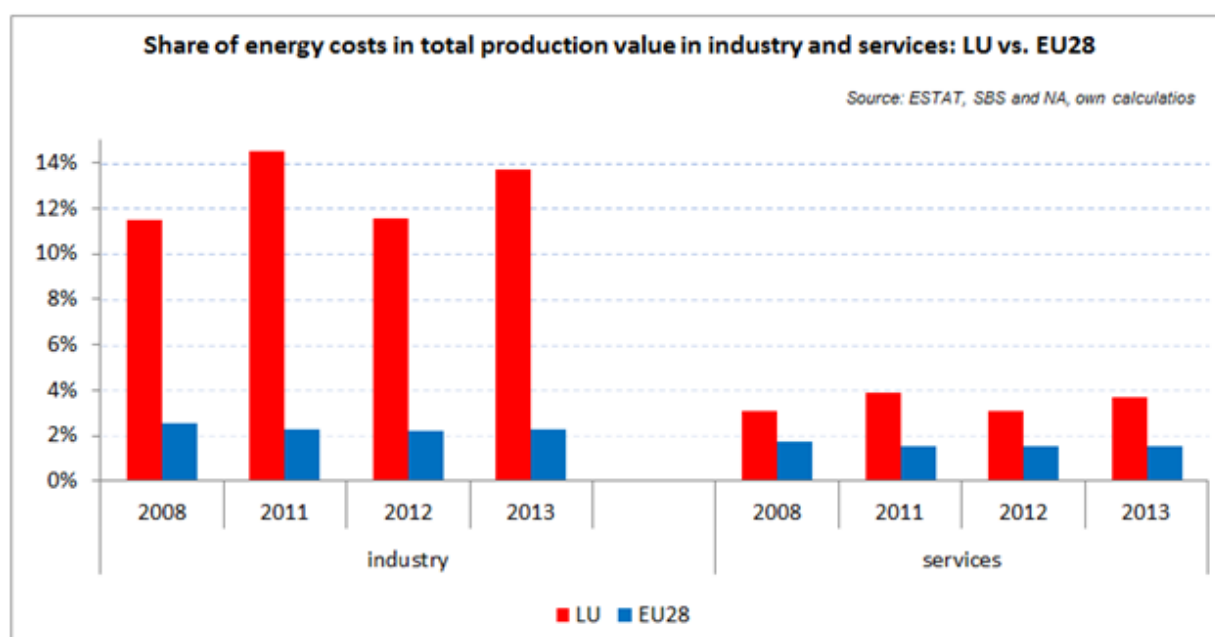


Energy in Households budgets



Between 2005 (blue line) and 2013 (green line) the share of energy in total household expenditure rose from 5.1% to 5.6% for the poorest households (Quintile 1) in Luxembourg, while for middle income households (Quintile 3) it went up from 3.4% to 4.8%, which was still moderate in EU comparison.

Energy costs shares in total production costs



Notes
 Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available
 Data for 2009 and 2010 is incomplete and not reported
 Industry defined as NACE Rev.2 Section C (Manufacturing)
 Services defined as NACE Rev. 2 Sections G - U

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh 2015
Energy other services	0.058500 0.003600
Total energy component	0.062100
Network Other services - network	0.060700 0.010300
Total network component	0.071000
support for renewable energy Electricity tax VAT	0.019900 0.001000 0.022700
Total taxes & levies component	0.043600
Total price	0.176700

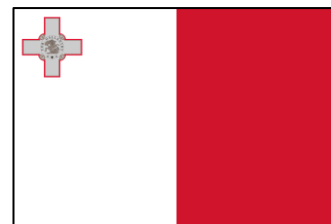
Band ID	EUR/kWh 2015
Energy other services	0.041044 0.001356
Total energy component	0.042400
Network Other services - network	0.011546 0.001254
Total network component	0.012800
support for renewable energy Electricity tax	0.002363 0.000500
Total taxes & levies component	0.002863
Total price	0.058063

Band D2	EUR/kWh 2015
Energy Other services - energy	0.024400 0.003500
Total energy component	0.027900
Network	0.011700

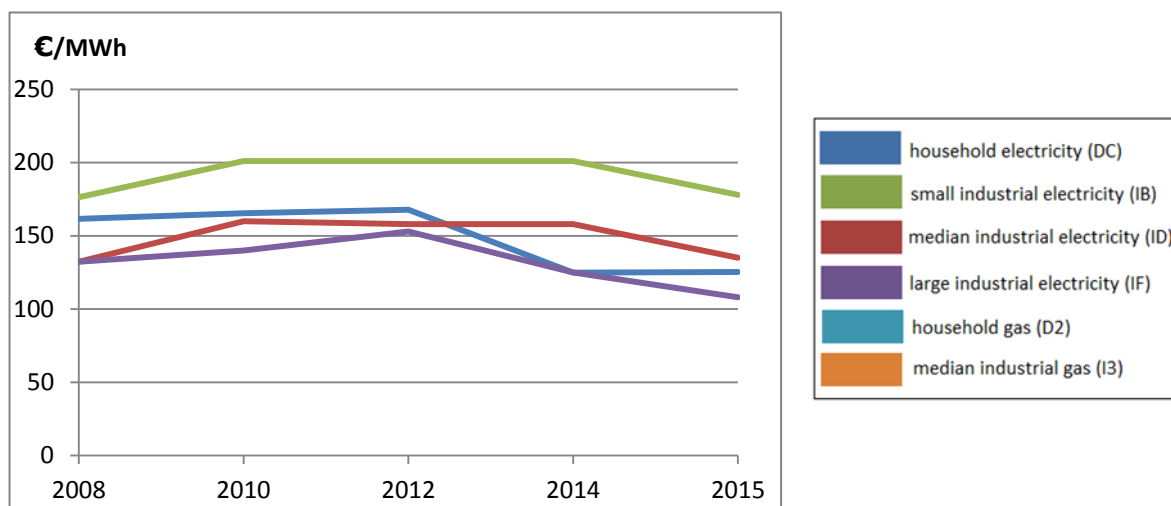
Other services - network	0.001800
Total network component	0.013500
Other regional fee	0.003200
VAT	0.002500
Gas tax	0.001100
Total taxes & levies component	0.006800
Total price	0.048200

Band I3	EUR/kWh 2015
Energy	0.028500
Other services - energy	0.000500
Total energy component	0.029000
Network	0.006700
Other services - network	0.000200
Total network component	0.006900
Gas tax	0.000500
Total taxes & levies component	0.000500
Total price	0.036400

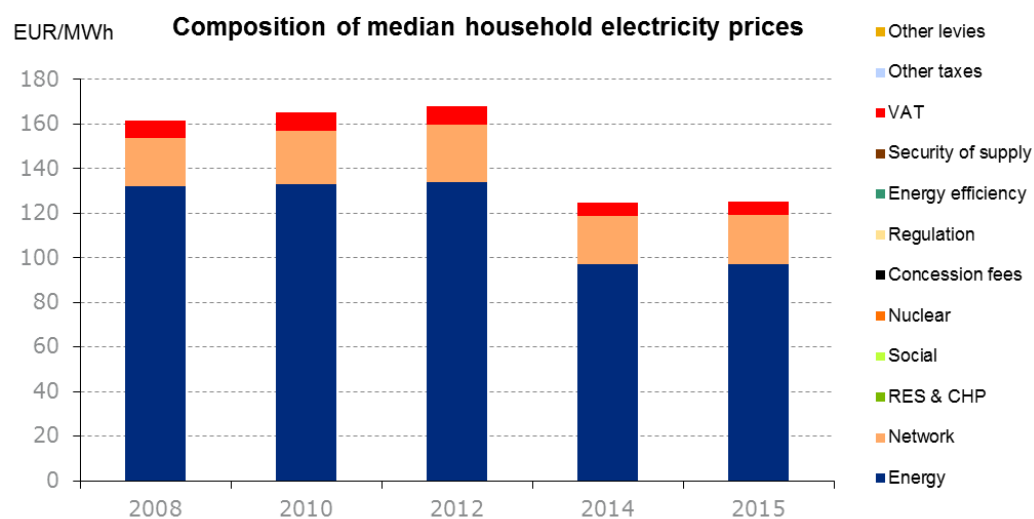
Malta

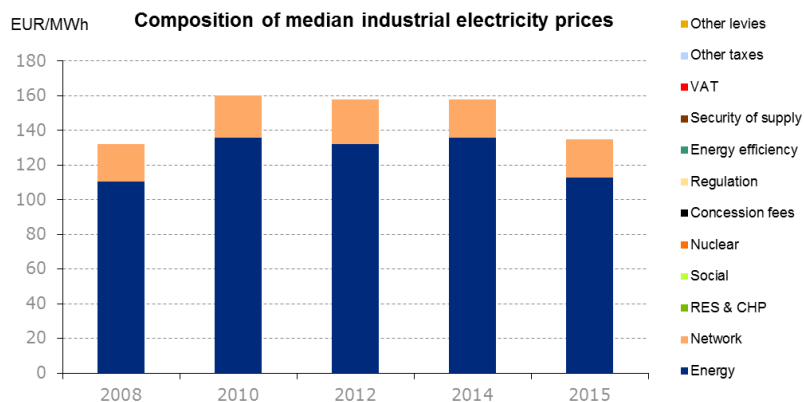


Evolution of electricity and natural gas prices

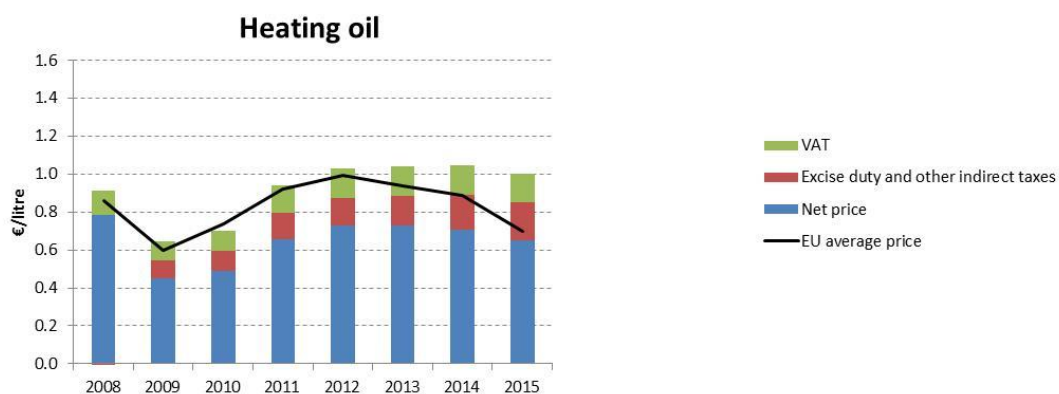
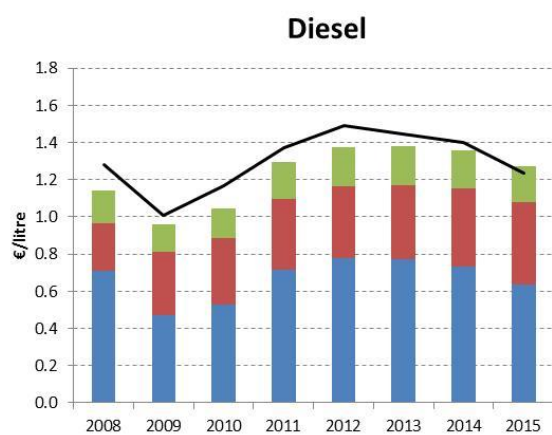
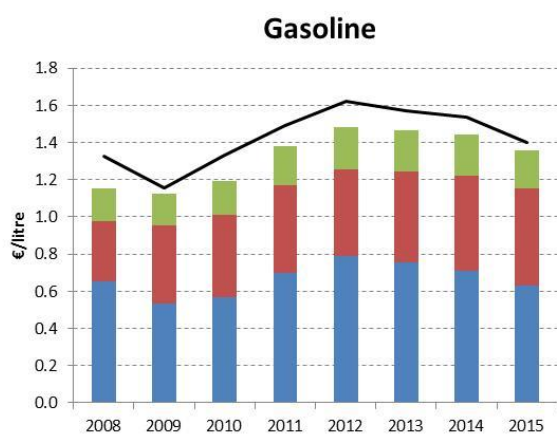


Composition of electricity prices

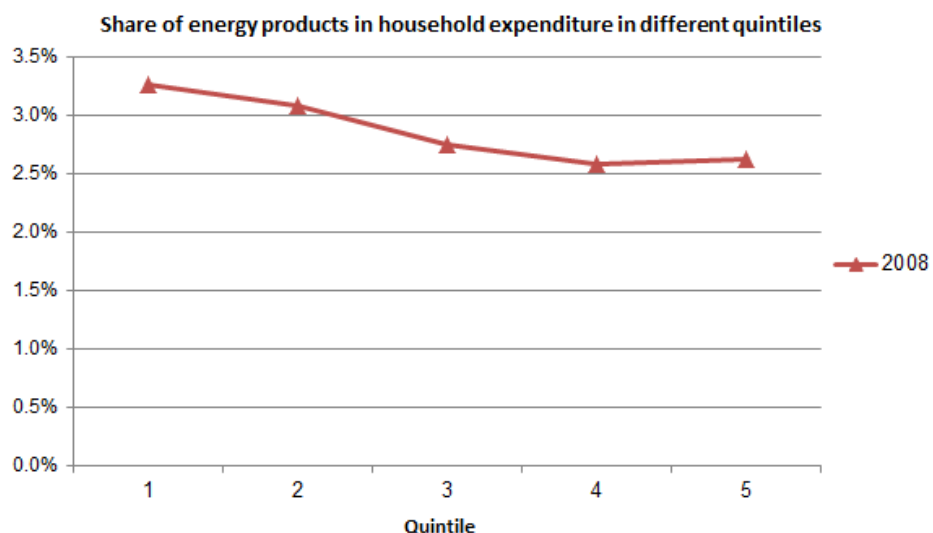




Oil products prices



Energy in Households budgets



In Malta 2008 data (most recently available) on the share of energy in total household expenditure show that households basically spent relatively low share on energy from their expenditures in EU comparison. The poorest households (Quintile 1) spent 3.3% of their expenditure on energy, while households with middle or high income (Quintile 3 and Quintile 5) spent slightly more than 2.5% on this purpose.

Energy costs shares in total production costs

Eurostat SBS data not available due to confidentiality issues

Electricity and gas prices – Breakdown by price components and subcomponents

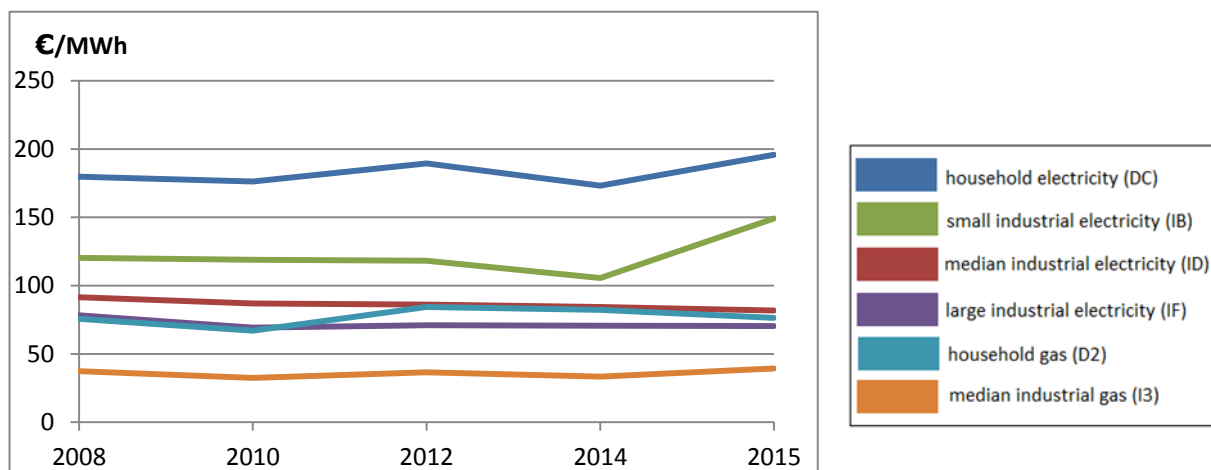
Band DC	EUR/kWh 2015
Energy and supply	0.079300
Meter charge	0.018000
Total energy component	0.097300
Network	0.022000
Total network component	0.022000
VAT	0.006000
Total taxes & levies component	0.006000
Total price	0.125300

Band ID	EUR/kWh 2015
Energy and supply	0.103000
Meter charge	0.010000
Total energy component	0.113000
Network	0.022000
Total network component	0.022000
VAT	0.000000
Total taxes & levies component	0.000000
Total price	0.135000

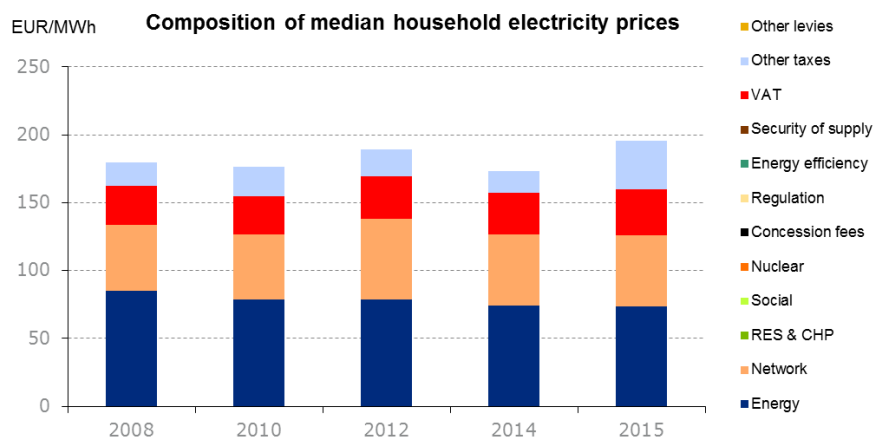
Netherlands

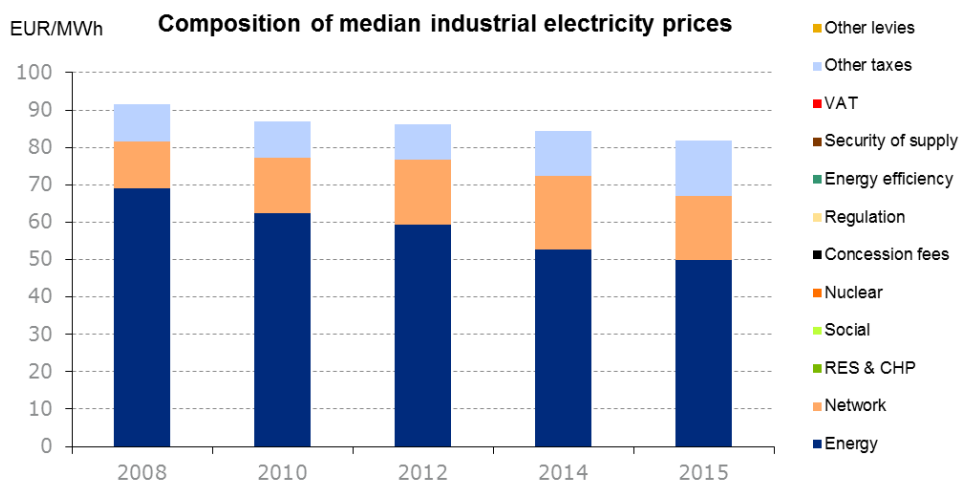


Evolution of electricity and natural gas prices



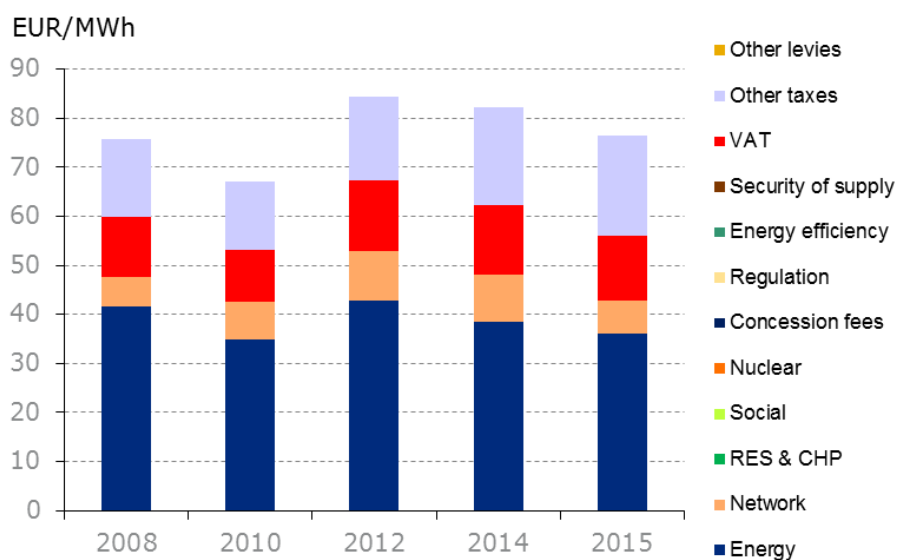
Composition of electricity prices



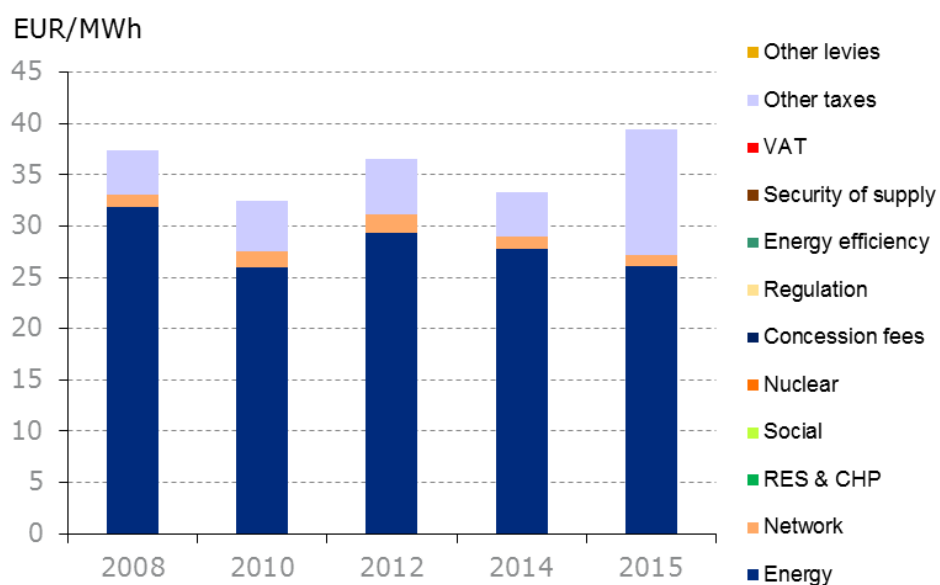


Composition of gas prices

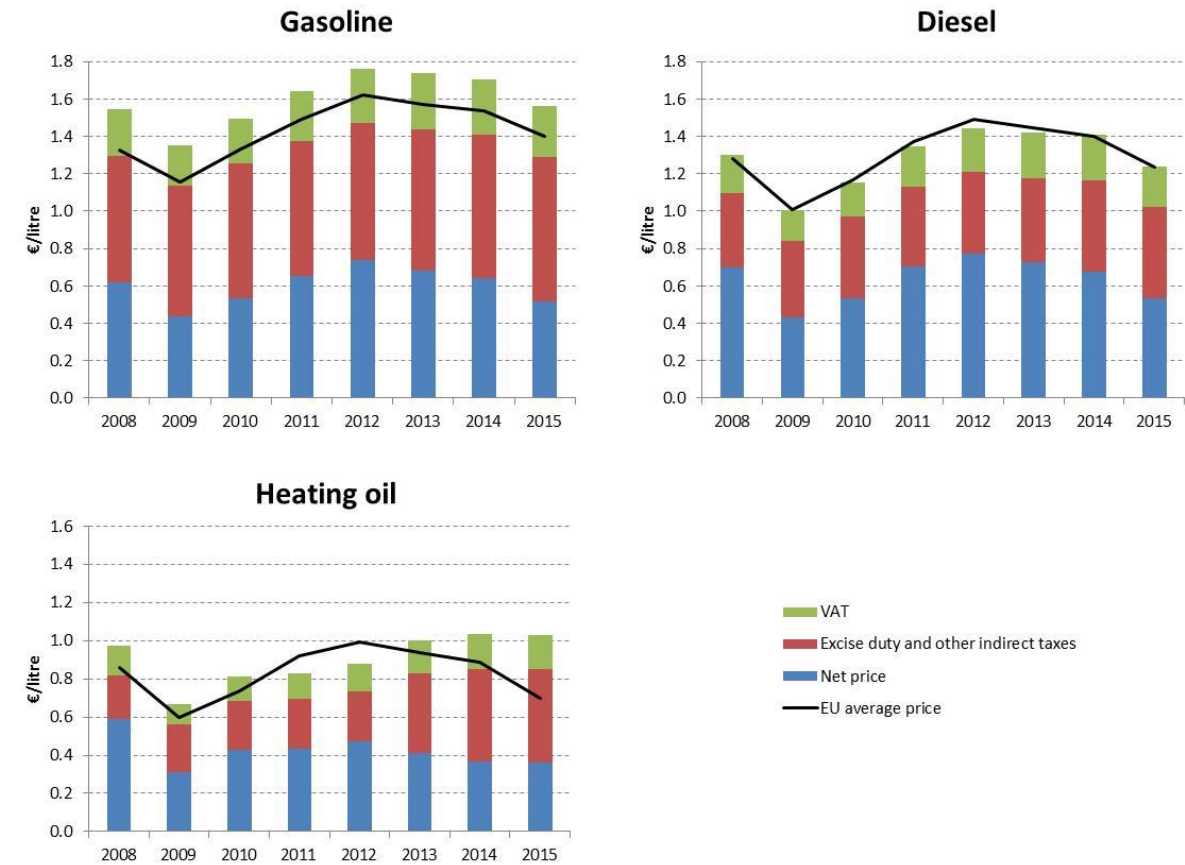
Composition of median household gas prices



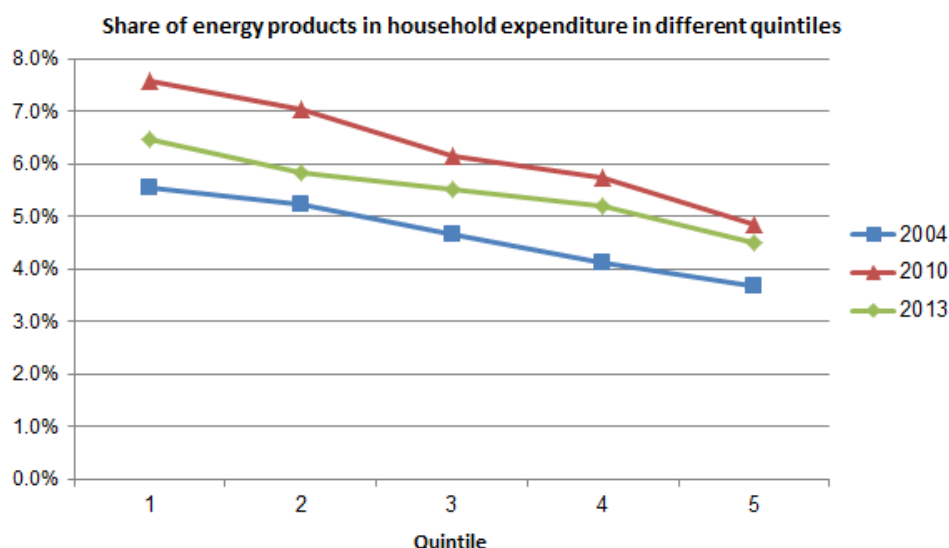
Composition of median industrial gas prices



Oil products prices

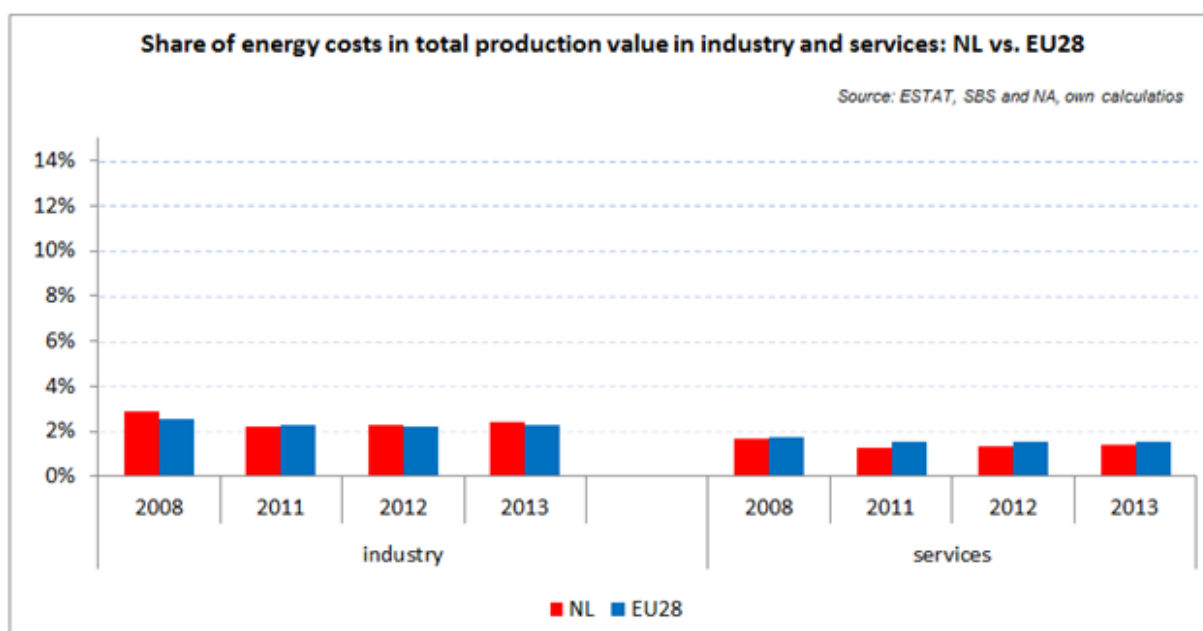


Energy in Households budgets



In the Netherlands the share of energy in total household expenditure rose measurably in all income quintiles between 2004 (blue line) and 2013 (green line). In the case of the poorest households (Quintile 1) the energy share went up from 5.5% to 7.6%, while in the case of households with middle income (Quintile 3) it rose from 4.6% to 6.2%.

Energy costs shares in total production costs



Notes
 Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available
 Data for 2009 and 2010 is incomplete and not reported
 Industry defined as NACE Rev.2 Section C (Manufacturing)
 Services defined as NACE Rev. 2 Sections G - U

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh 2015
Energy Supply	0.073300
Total energy component	0.073300
Transmission	0.006300
Standing charge	0.046500
Total network component	0.052800
Environmental tax on energy	0.035700
VAT	0.034000
Total taxes & levies component	0.069700
Total price	0.195800

Band ID	EUR/kWh 2015
Energy Supply	0.049800
Total energy component	0.049800
Transmission	0.017200
Standing charge	0.000100
Total network component	0.017300
Environmental tax on energy	0.014700
VAT	0.000000
Total taxes & levies component	0.014700
Total price	0.081800

Band D2	EUR/kWh 2015
Energy Supply	0.036031
Total energy component	0.036031
Standing charge	0.001185
Transmission	0.005643
Total network component	0.006828
Environmental tax on energy	0.020318
VAT	0.013267

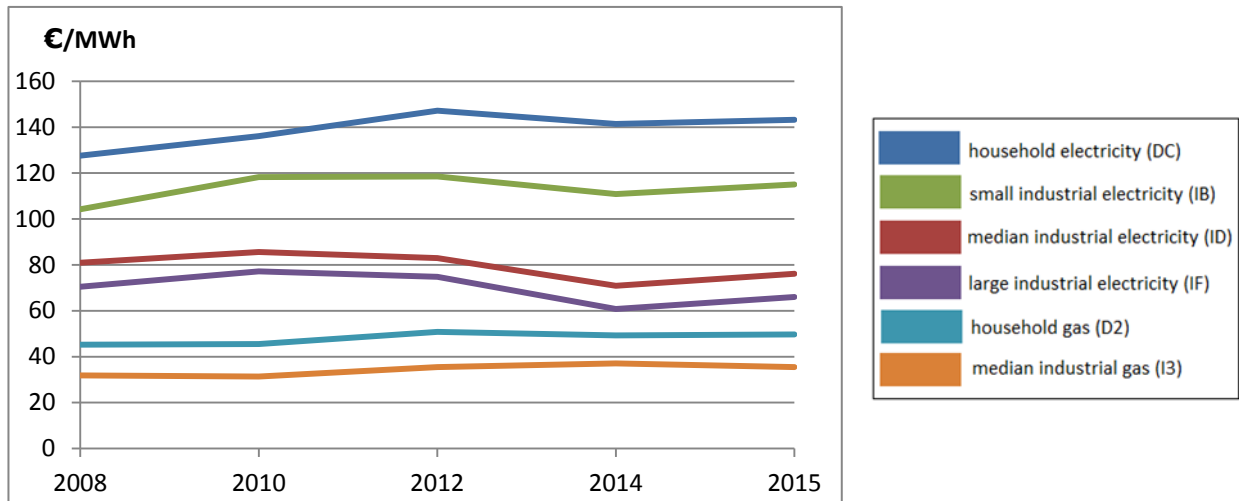
Total taxes & levies component	0.033586
Total price	0.076445

Band I3	EUR/kWh 2015
Energy Supply	0.026124
Total energy component	0.026124
Standing charge	0.000021
Transmission	0.001000
Total network component	0.001021
Environmental tax on energy	0.012227
VAT	0.000000
Total taxes & levies component	0.012227
Total price	0.039372

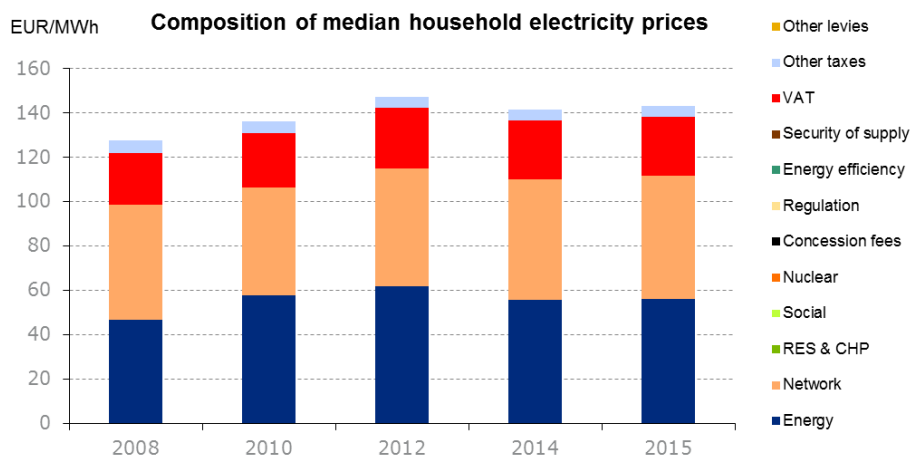
Poland

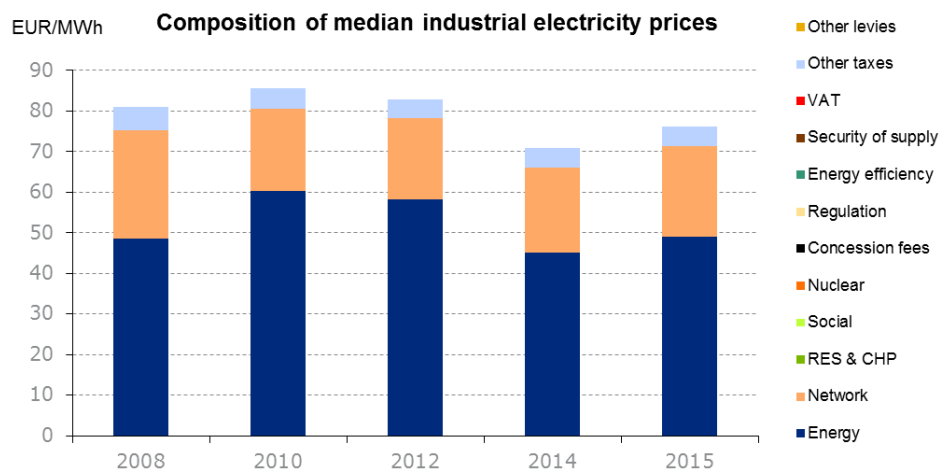


Evolution of electricity and natural gas prices



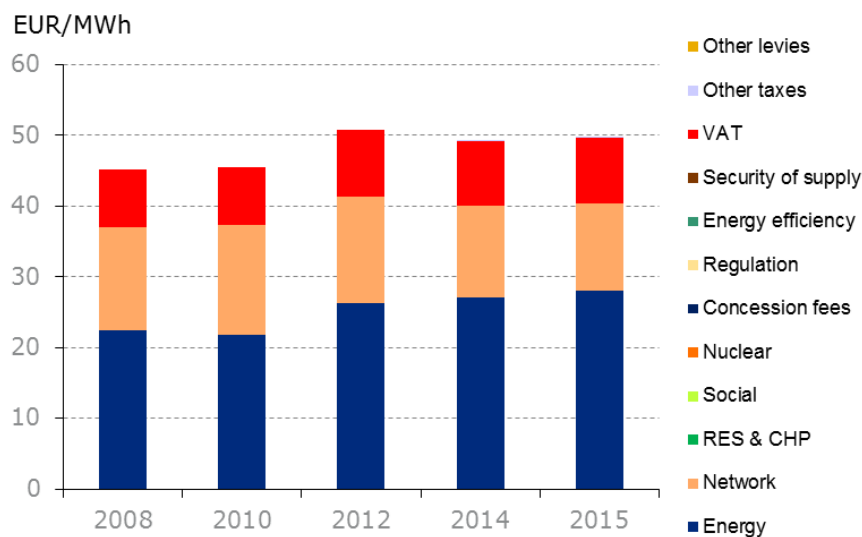
Composition of electricity prices



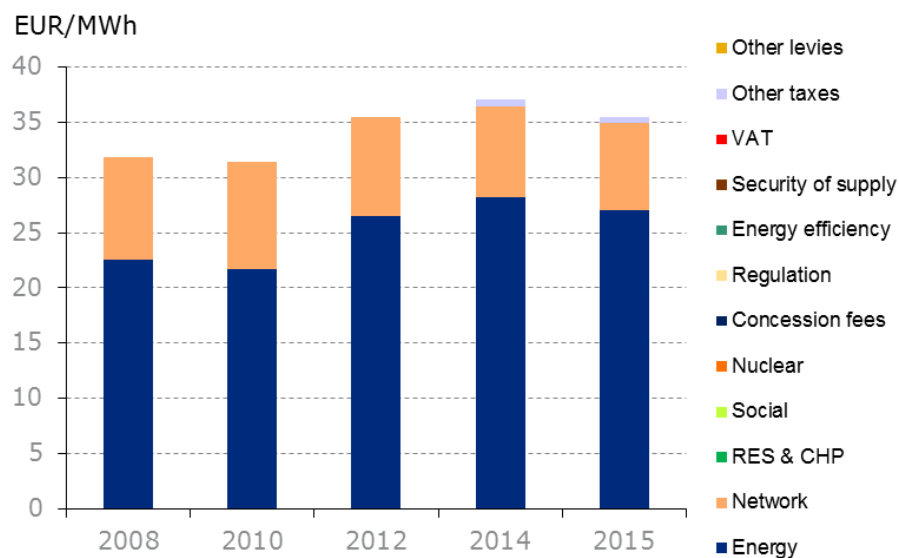


Composition of gas prices

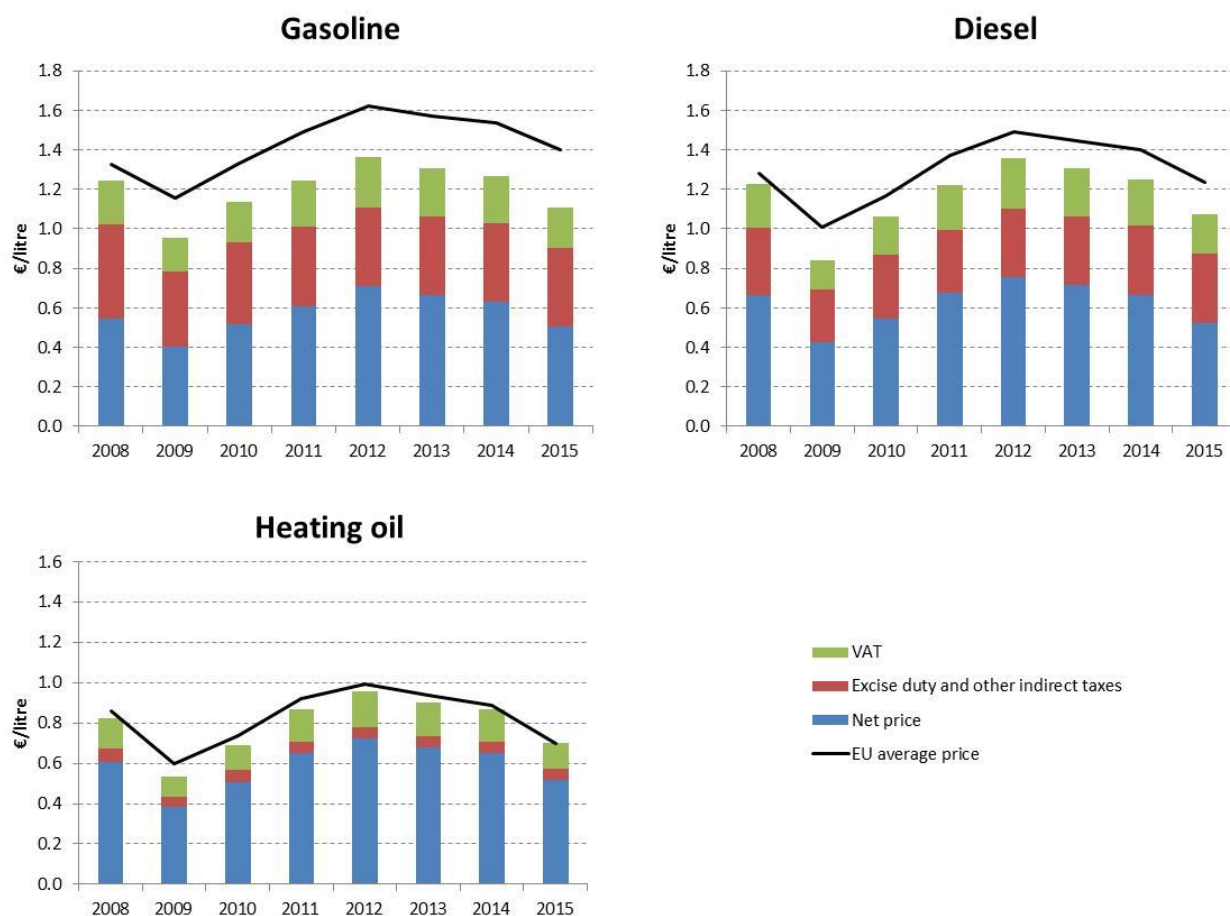
Composition of median household gas prices



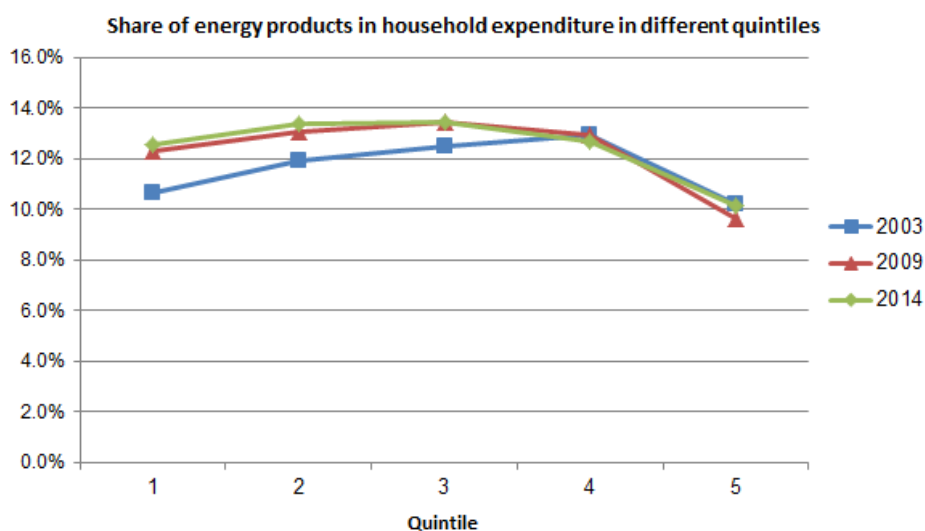
Composition of median industrial gas prices



Oil products prices



Energy in Households budgets



In Poland the share of energy in total household expenditure went up from 10.6% to 12.5% in the case of the poorest households (Quintile 1) between 2003 (blue line) and 2014 (green line). In the case of households with middle income (Quintile 3) the energy share rose from 12.5% to 13.4% in the same period.

Energy costs shares in total production costs

Data not available

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh 2015
Energy and supply	0.055976
Total energy component	0.055976
network	0.055617
Total network component	0.055617
excise tax	0.004790
VAT	0.026779
Total taxes & levies component	0.031569
Total price	0.143162

Band ID	EUR/kWh 2015
Energy and supply	0.049126
Total energy component	0.049126
network	0.022228
Total network component	0.022228
excise tax	0.004790
VAT	0.000000
Total taxes & levies component	0.004790
Total price	0.076144

Band D2	EUR/kWh 2015
Energy	0.028120
Total energy component	0.028120
network	0.012240
Total network component	0.012240
excise tax	0.000024
VAT	0.009293
Total taxes & levies	0.009317

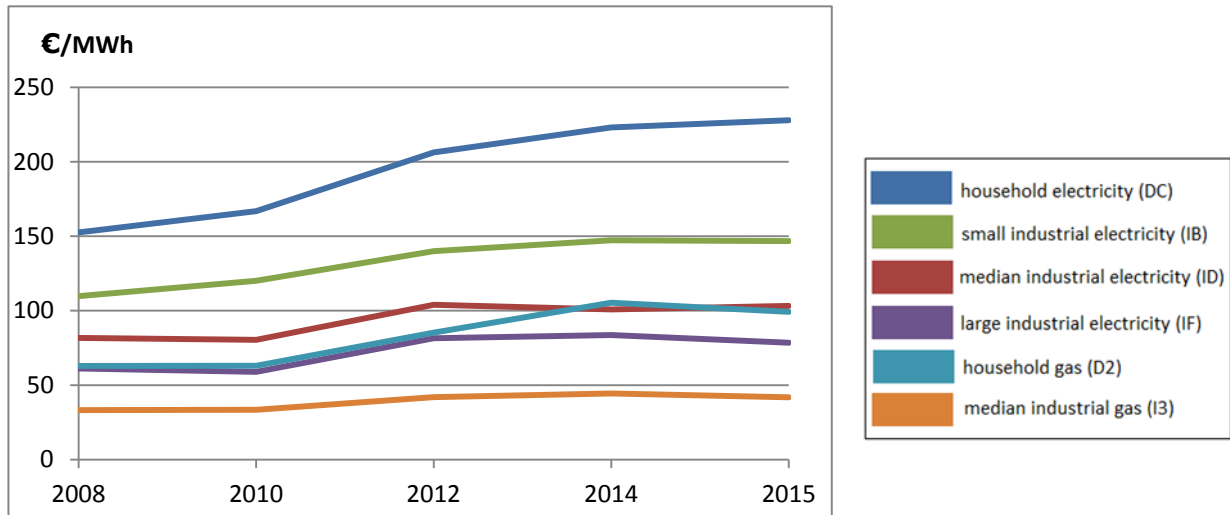
component	
Total price	0.049677

Band I3	EUR/kWh 2015
Energy	0.027018
Total energy component	0.027018
network	0.007904
Total network component	0.007904
excise tax	0.000551
VAT	0.000000
Total taxes & levies component	0.000551
Total price	0.035473

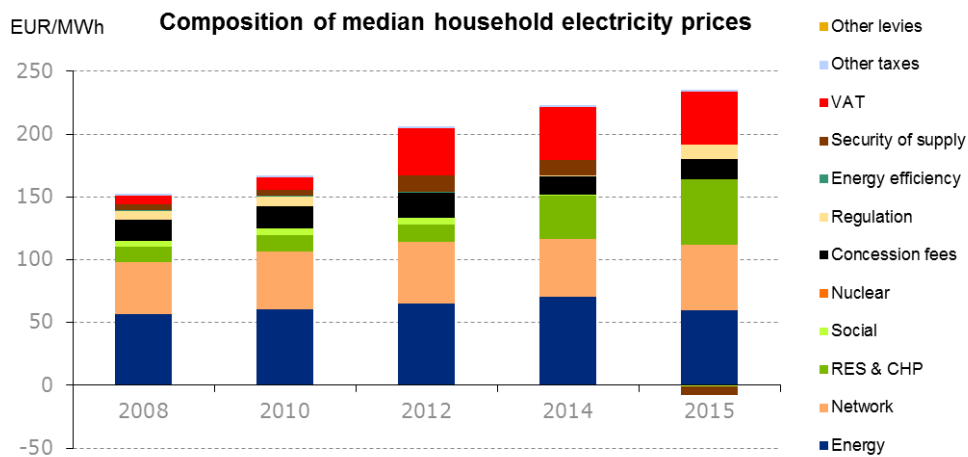
Portugal

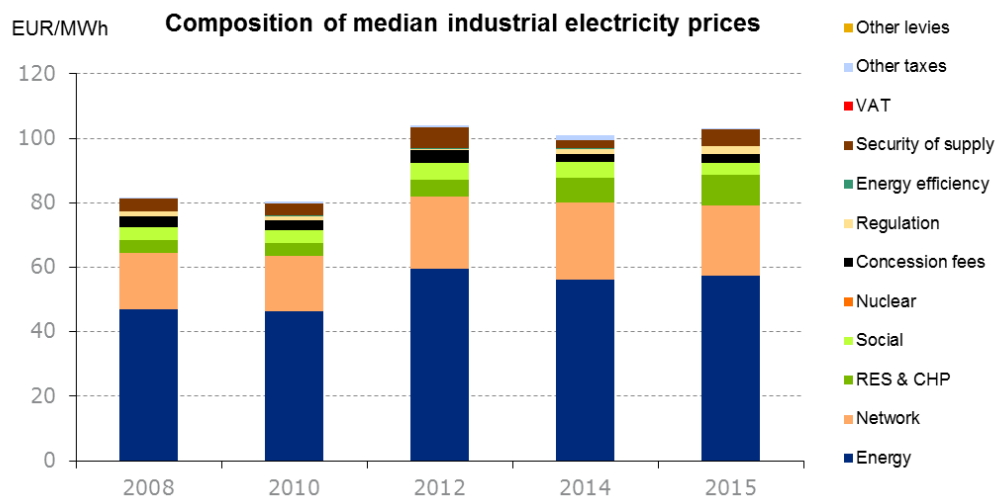


Evolution of electricity and natural gas prices



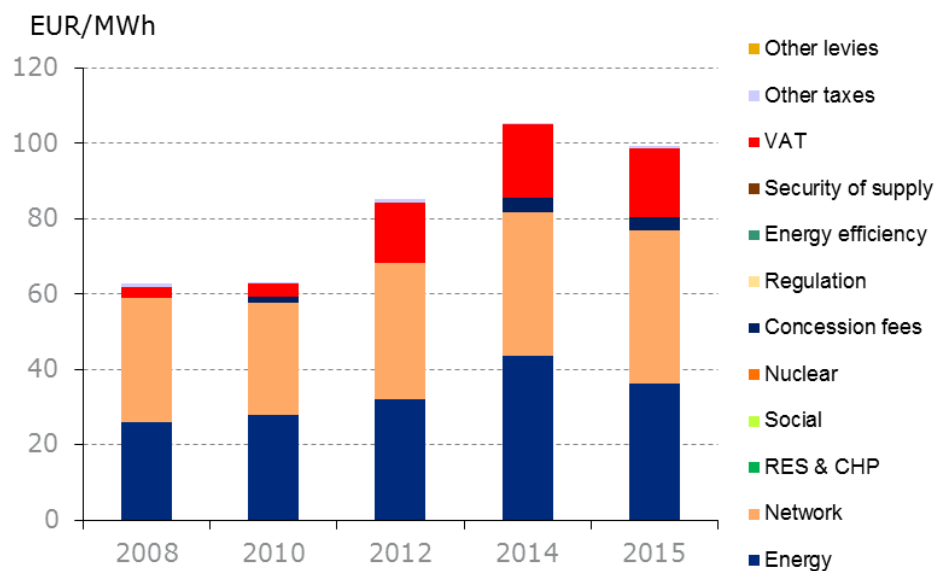
Composition of electricity prices



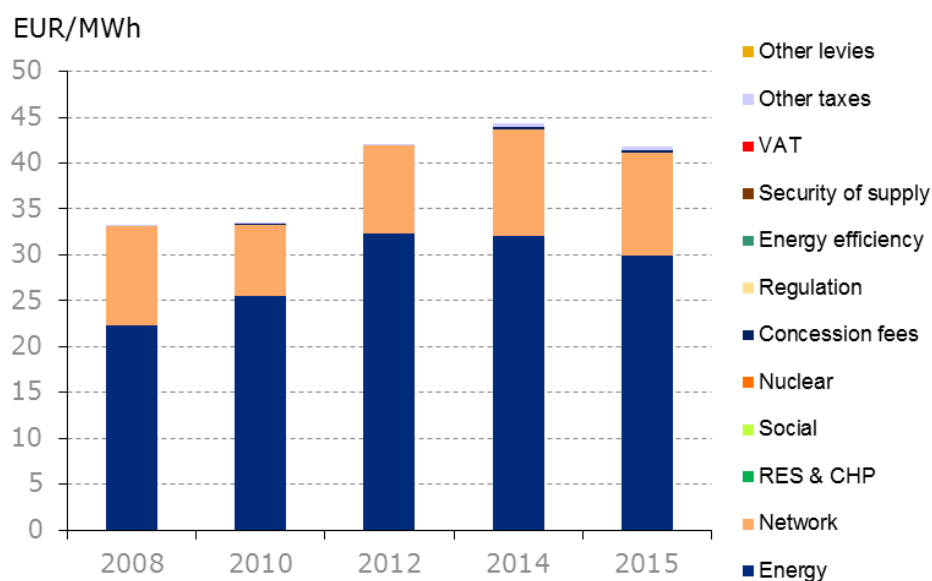


Composition of gas prices

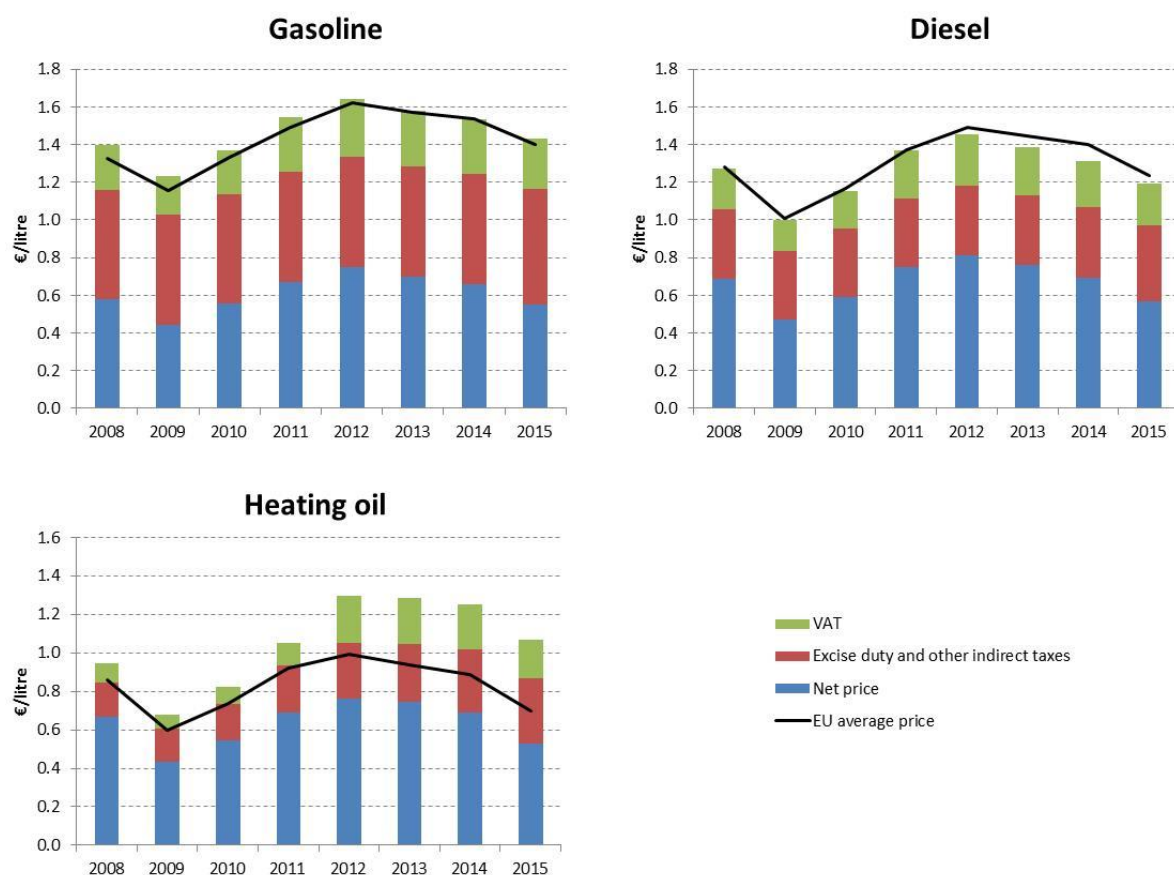
Composition of median household gas prices



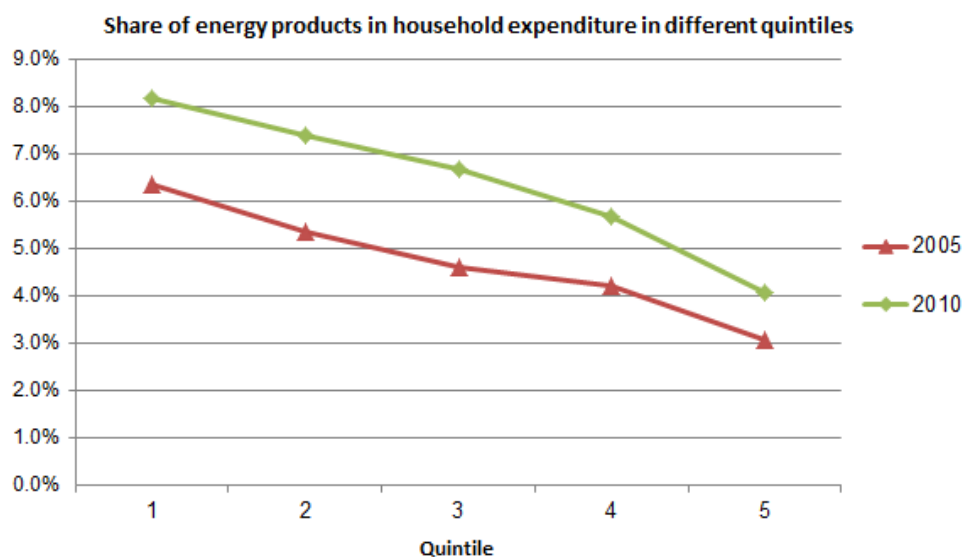
Composition of median industrial gas prices



Oil products prices

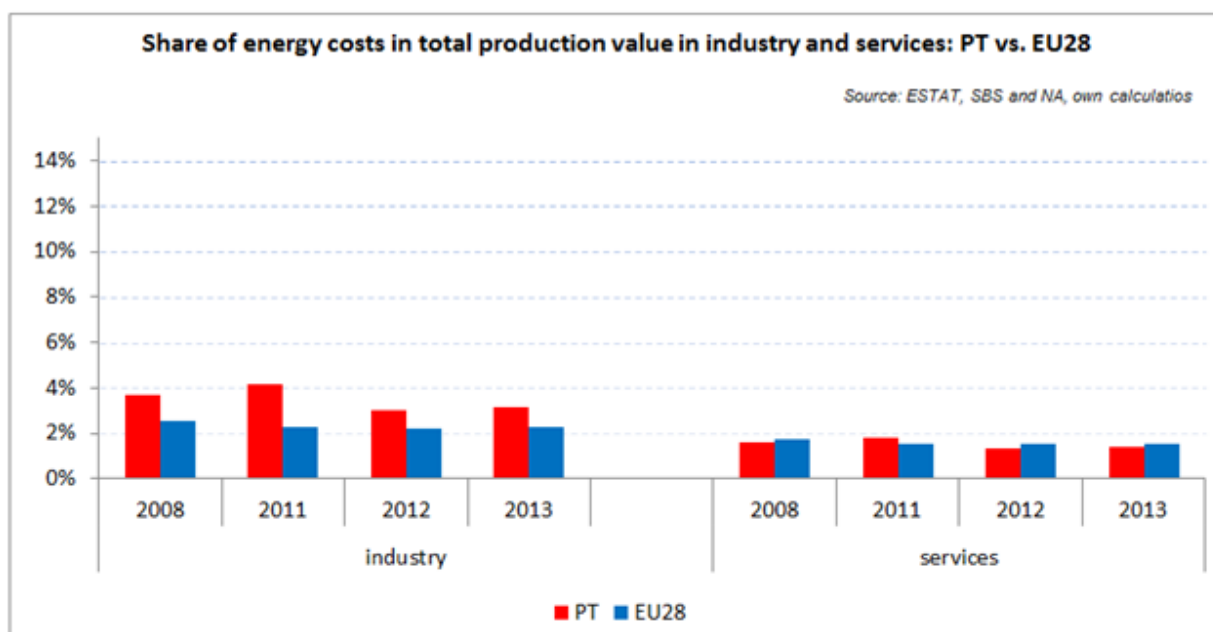


Energy in Households budgets



Between 2005 (red line) and 2010 (green line) the share of energy in total household expenditure in Portugal rose from 6.4% to 8.2% for the poorest households (Quintile 1), while in the case of households with middle income (Quintile 3) it went up from 4.6% to 6.7%.

Energy costs shares in total production costs



Notes

Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available

Data for 2009 and 2010 is incomplete and not reported

Industry defined as NACE Rev.2 Section C (Manufacturing)

Services defined as NACE Rev. 2 Sections G - U

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh
	2015
balancing energy	0.002766
electricity generation	0.056949
Total energy component	0.059715
Losses Transport	0.000977
Losses HV Distribution tariffs	0.000827
Losses MV Distribution tariffs	0.002511
Losses LV Distribution tariffs	0.003888
MV Distribution tariffs	0.008603
general system costs	0.005123
HV distribution tariffs	0.002062
LV distribution tariffs	0.022319
Transmission	0.006087
Total network component	0.052398
Plan for Promoting the Efficient Use	
isolated islands compensation	-0.001220
charges related with allocation mechanism incentive warranted guaranty	0.000000
Stranded Cost Compensation Mechanism	0.000000
Plans for energy efficient use and environmental performance	
stranded costs	-0.006266
concession fees or local/regional fiscal taxes	
support for renewable energy	0.041501
other taxes (financing NRA: ERSE, AdC, OMIP...)	0.000730
compensation to stranded costs CMECs	
concession fees related with tariffs deficits	0.003816
Support for combined heat and power (CHP)	0.010742

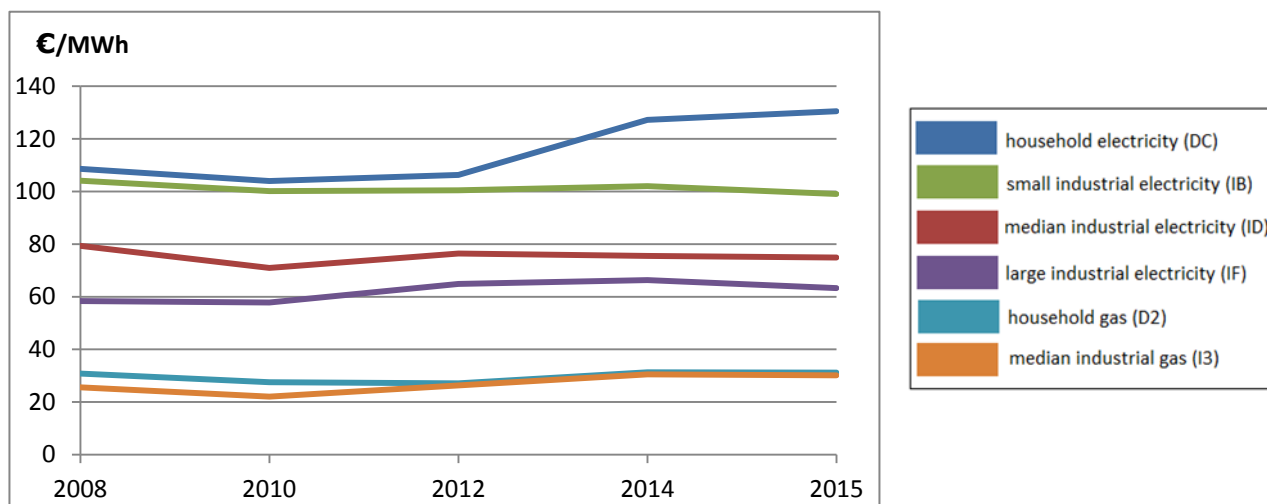
VAT	0.042300
CMECs	0.010281
excise tax	0.001720
Concession Fee	0.012183
renewable energy act	
other taxes (NRA...)	
Power purchase agreements (PPA)	
Total taxes & levies component	0.115786
Total price	0.227900
Band ID	EUR/kWh
	2015
balancing energy	0.002500
electricity generation	0.054900
Total energy component	0.057400
Losses Transport	
Losses HV Distribution tariffs	
Losses MV Distribution tariffs	
MV Distribution tariffs	0.010200
general system costs	0.004400
HV distribution tariffs	0.001800
Transmission	0.005500
Total network component	0.021900
generation fields	
isolated islands compensation	0.003700
charges related with allocation mechanism incentive warranted guaranty	
Stranded Cost Compensation Mechanism	
Plans for energy efficient use and environmental performance	0.000000
stranded costs	0.005200

support for renewable energy	0.000000
other taxes (financing NRA: ERSE, AdC, OMIP...)	0.000000
compensation to stranded costs CMECs	0.000000
concession fees related with tariffs deficits	0.002500
Support for combined heat and power (CHP)	0.009300
VAT	0.000000
CMECs	0.001700
excise tax	0.000500
Concession Fee	0.000200
renewable energy act	0.000200
other taxes (NRA...)	0.000600
Total taxes & levies component	0.023900
Total price	0.103200

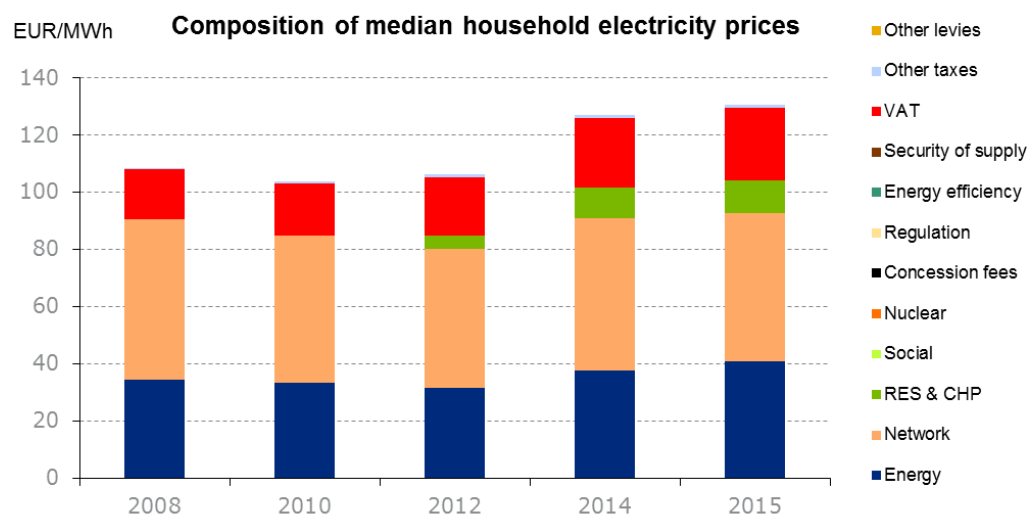
Romania

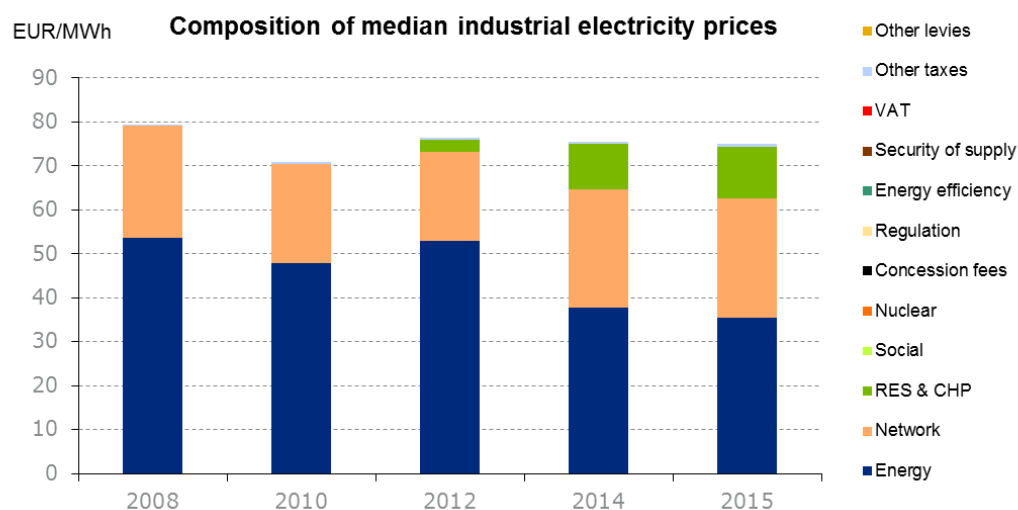


Evolution of electricity and natural gas prices



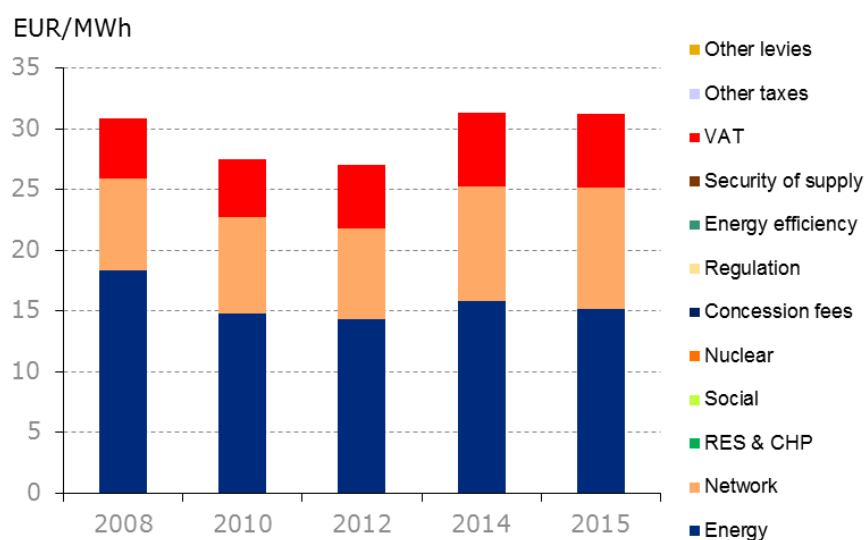
Composition of electricity prices



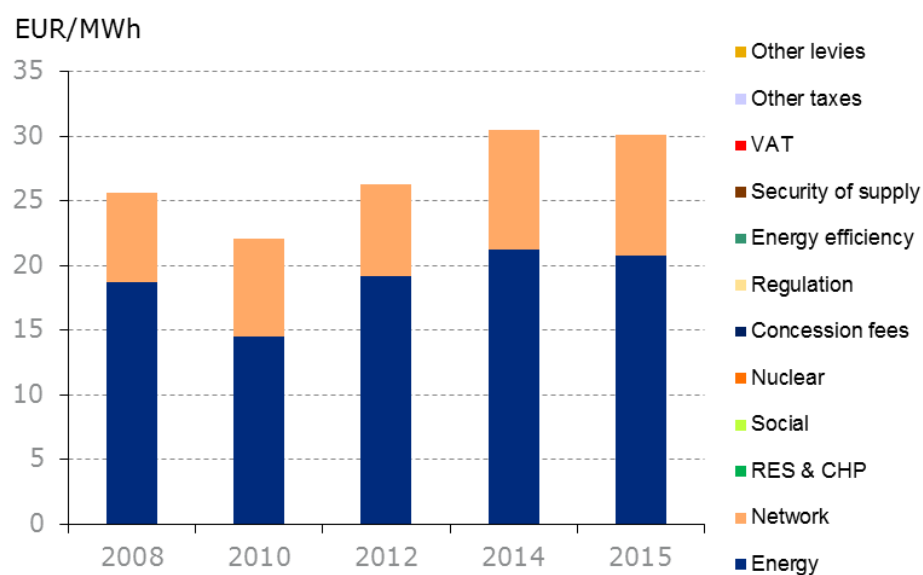


Composition of gas prices

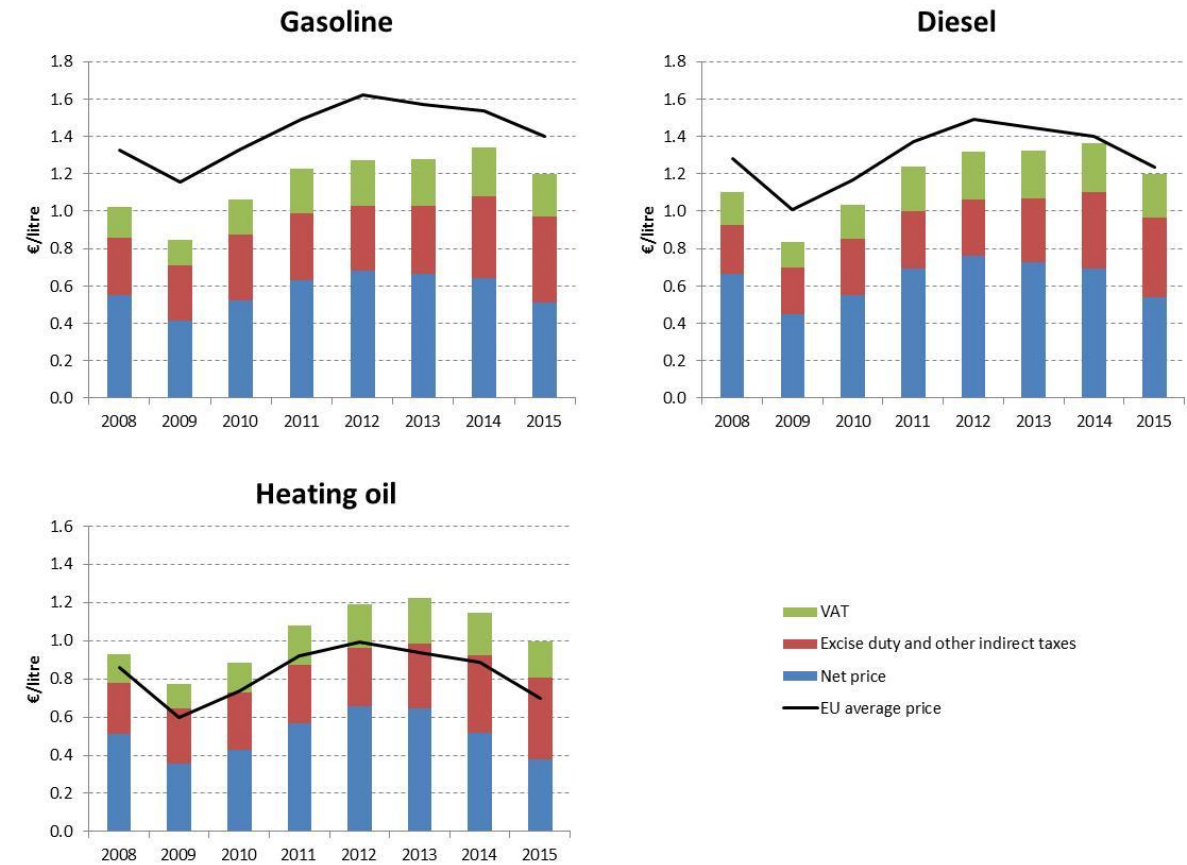
Composition of median household gas prices



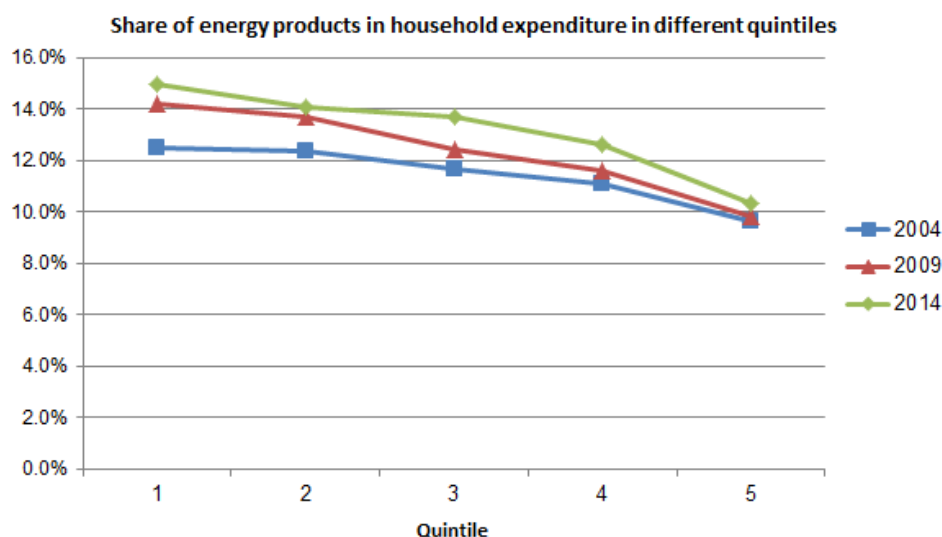
Composition of median industrial gas prices



Oil products prices

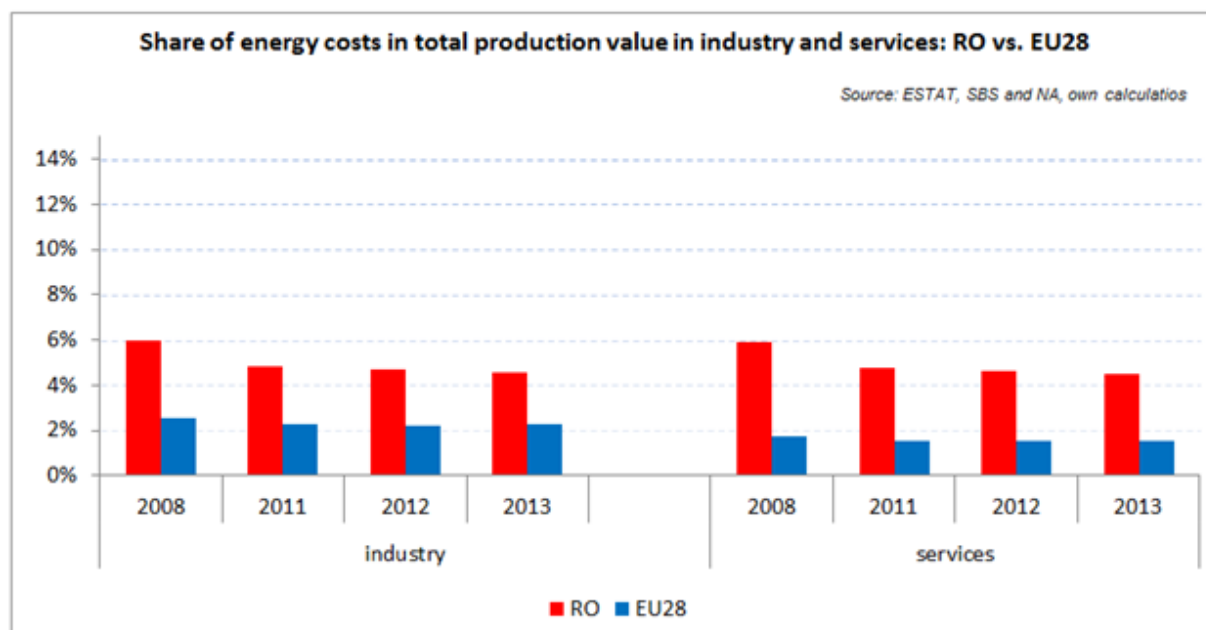


Energy in Households budgets



In Romania the share of energy in total household expenditure rose significantly between 2004 (blue line) and 2014 (green line): in the case of the poorest households (Quintile 1) it rose from 12.5% to 15%, while at the same time households with middle income (Quintile 3) also faced increasing share of energy in their expenditures (from 11.7% to 13.7%).

Energy costs shares in total production costs



Notes

Data for Malta, Poland, Slovenia (prior to 2012) and Ireland (after 2012) is not available

Data for 2009 and 2010 is incomplete and not reported

Industry defined as NACE Rev.2 Section C (Manufacturing)

Services defined as NACE Rev. 2 Sections G - U

Electricity and gas prices – Breakdown by price element

Band DC	EUR/kWh
	2015
Energy and supply	0.040904
Total energy component	0.040904
network	0.051956
Total network component	0.051956
Excise Tax	0.001077
VAT	0.025261
Support for RES and CHP combined	0.011326
Total taxes & levies component	0.037663
Total price	0.130523
Band IB	EUR/kWh
	2015
Energy and supply	0.044738
Total energy component	0.044738
network	0.042116
Total network component	0.042116
Excise Tax	0.000599
VAT	0.000000
Support for RES and CHP combined	0.011581
Total taxes & levies component	0.012180
Total price	0.099033

Band D2	EUR/kWh 2015
Energy and supply	0.015119
Total energy component	0.015119
Transmission	0.002151
Distribution	0.007892
Total network component	0.010043
VAT	0.006038
Total taxes & levies component	0.006038
Total price	0.031200

Band I3	EUR/kWh 2015
Energy and supply	0.020729
Total energy component	0.020729
Transmission	0.002151
Distribution	0.007241
Total network component	0.009392
VAT	0.000000
Total taxes & levies component	0.000000
Total price	0.030121