



OPINION

European Economic and Social Committee

Public investment in energy infrastructure as part of the solution to climate issues

Public investment in energy infrastructure as part of the solution to climate issues
(own-initiative opinion)

TEN/771

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EN

Plenary Assembly decision	20/01/2022
Legal basis	Rule 52(2) of the Rules of Procedure Own-initiative opinion
Section responsible	Transport, Energy, Infrastructure and the Information Society
Adopted in section	07/09/2022
Adopted at plenary	22/09/2022
Plenary session No	572
Outcome of vote (for/against/abstentions)	162/7/8

1. Conclusions and recommendations

- 1.1 The consequences of the climate crisis are having a major impact on Europe and the world. Although the opportunities available to effectively adapt to climate change have increased in recent years, experts point to insufficient mobilisation of funding, insufficient engagement of citizens and the private sector, and a lack of political leadership.
- 1.2 To meet increasing demand for electricity and achieve our climate objectives, we must double investment in the electricity grid to EUR 55 billion per year and increase the budget for building clean generation capacity to EUR 75 billion per year¹. In this context, public investment in smart and renewable energy systems and storage infrastructure is of great importance when it comes to ensuring security of supply, tackling energy poverty, keeping prices affordable, and creating jobs.
- 1.3 The EESC supports the Commission's proposals to speed up and streamline permit-granting procedures in the area of renewable energy and to establish "go-to areas" for such projects. There is significant potential here to speed up the energy transition. It is all the more important to determine as precisely as possible what simplifications apply in the "go-to areas".
- 1.4 European energy law does not recognise climate protection as an objective of grid regulation. As a result, national regulators also find it difficult to create incentives to transform, expand and modernise electricity distribution grids that meet the requirements of climate neutrality.
- 1.5 With regard to the future organisation of energy systems and energy infrastructure, the EESC has repeatedly stressed the importance of the active participation of all consumers – households, businesses and energy communities – in developing smart energy systems, as well as the need to create incentives to enable civil society to participate in the energy transition, but also to ensure they contribute when it comes to financing.
- 1.6 The EU's rate of public investment in clean energy technologies needed for decarbonisation is the lowest among the major economies and puts the EU's competitiveness at risk. Since deregulation began, investment by electricity companies has been declining. This decline in investment has led to shortages of supply and hampers the further development of renewable energies. The EESC therefore supports the Commission's proposal to use the Recovery Plans and the Recovery and Resilience Facility, as well as additional funding from the Cohesion Fund for regional development and the EU's Common Agricultural Policy pot, to implement the REPowerEU Plan.
- 1.7 Market design and regulation must be adapted to new future realities in which renewable energies prevail (including more decentralised production and increased on-site consumption). They must also create the necessary conditions for the various players involved, and ensure adequate consumer protection. The EESC welcomes the Commission's intention to explore options to optimise the design of the electricity market and is strongly in favour of market assessments to analyse the behaviour of all potential players in the energy market as well as the

¹ This is the conclusion of the federation for the European electricity industry, Eurelectric.

energy market design. In any case, the EESC stresses the importance of carrying out a comprehensive impact assessment prior to making any proposals.

- 1.8 The EESC once again recommends the "golden rule" for public investments, in order to safeguard productivity and the social and ecological base for the well-being of future generations.
- 1.9 Blended finance involving private investors is only an option if it can be ensured that allocations are transparent and that there are no unjustified additional costs for the public authorities compared to public financing. There must be full transparency regarding justified additional costs. It is all the more important, when using such blending models, to clearly define rights and obligations, clarify liability issues, and provide for an efficient and rapid conflict resolution system, in order to avoid additional long-term costs and adverse liability issues.
- 1.10 The EESC underlines that the "just transition" is not just a question of financing the transition. It also includes the objective of creating decent work, quality jobs and social security, as well as of maintaining the competitiveness of European businesses, and requires specific action at all levels, particularly at regional level.
- 1.11 The EESC is convinced that particular attention should be paid to defining grid development as an overriding public interest, including climate protection as a regulatory objective and, more generally, synchronising the planning of renewable energies and the electricity grid more effectively. There is an urgent need for specific provisions under EU law.
- 1.12 The developments of the last decade, the challenges linked to grid expansion, the massive increase in energy prices, the danger of cyberattacks, and, last but not least, the war in Ukraine, clearly illustrate what is at stake: namely the question of who, in future, will have control over key infrastructure such as the energy grid. There is therefore primarily a public interest. This would logically entail public ownership that is committed to the common good and eliminates existing inequalities.
- 1.13 The issue of the advantages and disadvantages of public and private ownership and/or private financing of energy infrastructure for a well-functioning energy market is undoubtedly important and should be examined in the Commission's planned assessment of options for optimising the design of the energy market. The results of such an analysis can serve as a valuable decision-making tool for Member States, who are responsible for deciding on public or private ownership of energy infrastructures. In the EESC's view, electricity is not only a key strategic commodity for the entire EU economy, but also a public good. The EESC therefore calls on the European Commission to analyse in detail the impact and consequences of the whole process of the privatisation and liberalisation of the European energy sector in relation to its stability, the reliability of supply and the functioning of the electricity market, and to translate the results into a redesign of the entire energy sector, including options for strengthening the role of the national and public sectors.

2. Background

- 2.1 The impact of the climate crisis is already affecting billions of people worldwide, but it is also affecting ecosystems, as highlighted in the latest reports of the Intergovernmental Panel on Climate Change (IPCC). This is despite the fact that the temperature increase has not yet reached the 1.5°C degree target set in Paris. One particularly problematic issue is the fact that the systems and groups that will be hardest hit by heat, drought, floods, diseases, and water and food shortages often have the fewest resources to deal with them.
- 2.2 The possibilities for effective adaptation to climate change have increased in recent years. However, in many parts of Europe the measures implemented and planned are not satisfactory. Experts point to insufficient mobilisation of funding, insufficient engagement of citizens and the private sector, and a lack of political leadership.
- 2.3 The fact that, as a result of the war in Ukraine, Europe is rapidly making large amounts of money available for military purposes is giving rise to fears that financial resources will become tied up as a result, possibly leading to delays with regard to climate action. The EESC therefore welcomes the measures and instruments announced by the Commission in the REPowerEU Plan² to reduce the EU's dependence on fossil fuels, in particular those originating from Russia, by taking energy saving measures, accelerating the transition to renewable energy, promoting diversification of suppliers, and joining forces to achieve a more resilient energy system and a genuine Energy Union.
- 2.4 In order to achieve the climate objectives, renewable energy capacity needs to be more than doubled. The cost, in large countries such as Germany, of green electricity that cannot be used or transported and which must be curtailed already amounts to several hundred million euro a year. This economic loss will increase many times over if electricity grids and storage capacities are not rapidly expanded and the possibilities for using electricity locally are not improved. It is important, when planning and regulating networks, to align the development of energy networks with the climate neutrality objective. Distribution networks play a crucial role in this regard; this is because this is where most renewable energy installations are connected.
- 2.5 To meet these requirements, we must double investment in the electricity network to EUR 55 billion per year and increase the budget for building clean generation capacity to EUR 75 billion per year³. In this context, the EESC stresses the added value of the Commission's proposals on swift permit-granting procedures for renewable energy projects and the establishment of "go-to areas" for such projects. The EESC supports speeding up and streamlining permit-granting procedures linked to renewable energy. Particular attention must be paid to distribution grids, as renewables generally feed into these.
- 2.6 In this context, public investment in smart and renewable energy systems is of great importance when it comes to ensuring security of supply, tackling energy poverty, keeping prices affordable, and creating jobs. There is no doubt that the green transition, in line with the

² REPowerEU Plan COM(2022) 230 final.

³ This is the conclusion of the federation for the European electricity industry, Eurelectric.

European Green Deal, will have a huge impact on employment in carbon-intensive energy sectors. At the same time, a substantial increase in public investment in climate-neutral energy systems will create numerous new employment opportunities. This calls for corresponding budgetary margins by reshaping the fiscal framework, as proposed by the EESC in its own-initiative opinion of October 2021 on *Reshaping the EU Fiscal Framework for a Sustainable Recovery and a Just Transition*.

- 2.7 European energy law does not yet recognise climate protection as an objective of grid regulation. As a result, national regulators also find it difficult to create incentives to transform, expand and modernise electricity distribution grids that meet the requirements of climate neutrality.
- 2.8 With reference to the future organisation of energy systems and infrastructure, the EESC has repeatedly stressed the importance of the active participation of all consumers – households, businesses and energy communities – in developing smart energy systems. Unfortunately, there have been no discernible initiatives in this direction, only promises. The EESC calls for incentives to finally be introduced to mobilise prosumers, renewable energy communities and citizen energy communities, in order to enable civil society to participate in the energy transition and to give consumers the opportunity to actively participate in the market. This will also help to alleviate the problem of the ever-increasing costs associated with the need to curtail renewable energy due to grid congestion.
- 2.9 The EESC is in favour of adapting the EU rules on the trans-European energy networks (TEN-E) to the objectives of the Green Deal more effectively, combining in particular the decarbonisation of the energy system, the transition to climate neutrality, the development of renewable energy sources, energy efficiency, and the prevention of the risk of fuel poverty. As energy networks play a key role in ensuring the balance, resilience and development of the energy system, the EESC calls for the Regulation to fit more clearly into the process of integrating the energy system, in order to promote all decarbonised forms of energy, and for any form of break-up to be rendered impossible. Against this background, the Committee welcomes the initiative adopted by the Council and the European Parliament to define distribution grids as a matter of "overriding public interest", alongside renewable energy.
- 2.10 The current price increases are putting a strain on European citizens and businesses. The EESC notes with regret that its call⁴ for a reduction in strategic dependency on unreliable third parties was not previously translated into action by political leaders, and that on the contrary this dependency has increased. Russia is the largest exporter of oil, gas and coal to the EU and many nuclear power plants depend on Russian fuel rods and technologies. The current energy price crisis would have hit European citizens and businesses much less severely if Europe had reduced its imports of fossil fuels as promised. The EESC therefore welcomes the efforts set out in the REPowerEU Plan to rapidly reduce this dependency, in particular on Russia. The EESC supports the efforts of the EU institutions and the Member States to effectively address the price issue in line with the Communication of October 2021, Communication COM(2022) 236 final

⁴ EESC opinion on Energy prices, [OJ C 275, 18.7.2022, p. 80](#).

on the electricity market, and the tools offered under the State Aid COVID Temporary Framework.

- 2.11 In the current context, however, the EESC reiterates that it is not primarily a matter of diversifying dependencies, but rather of achieving, as far as possible, "strategic energy independence and autonomy". Renewable energy and hydrogen will be a driving force in the decarbonisation process and their production should, as far as possible, be located within the EU.
- 2.12 LNG currently offers a short- to medium-term substitute for Russian natural gas in some regions, alongside significant energy saving measures. In the long term, if it is available in sufficient quantities and at a reasonable price, green hydrogen is a climate-compatible option. As long as Europe is not able to produce the full volume of gas it needs – which is obviously true in the case of LNG, while in the case of hydrogen the EU still has the possibility to structure its import independence – the right lessons must be drawn from the Russian disaster. When it comes to resources to replace Russian gas, the EESC warns that the EU must take particular care with regard to the impact of these resources on the environment as well as to new dependencies on third countries that do not share European values such as democracy, respect for human rights and the rule of law.
- 2.13 The EU's rate of public investment in clean energy technologies needed for decarbonisation is the lowest among the major economies and puts global competitiveness at risk. In addition, the European Court of Auditors warns that the REPowerEU strategy may not mobilise enough money. The EESC therefore supports the Commission's proposal to use the Recovery Plans and the Recovery and Resilience Facility, as well as additional funding from the Cohesion Fund for regional development and the EU's Common Agricultural Policy pot, to implement the REPowerEU Plan.
- 2.14 The impact of the war in Ukraine is seen in some EU Member States, and at EU level, as a definitive impetus for greater energy independence and climate neutrality. The EESC welcomes this. However, the picture is mixed: increased use of liquefied gas and a return to coal are on the cards and could mark a step backwards in the energy transition. The EESC takes a critical view of this, but is aware that, in the short term, having versatile options for generating energy boosts energy security as an emergency measure. In addition to wind and solar power, it is thus important to make use of the wide variety of low-carbon energy sources that fit economically and ecologically within an energy system. At the same time, the EESC calls for more efforts towards the green transformation of the energy system.
- 2.15 The European Public Service Union (EPSU) published a report⁵ confirming that the deregulation of the energy system has provided few answers to the ongoing climate crisis. The widespread use of viable alternatives to carbon-emitting energy sources has been made possible largely by substantial public subsidies and not by free market competition. The report shows

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A Decarbonised, Affordable and Democratic Energy System for Europe.
https://www.epsu.org/sites/default/files/article/files/Going%20Public_EPSU-PSIRU%20Report%202019%20-%20EN.pdf.

that, without a change to the current energy system model in Europe, it will not be possible to meet the Paris Agreement commitments.

3. **General comments**

- 3.1 Due to rapid climate change and the current energy crisis, investment in infrastructure is needed in the short term in order to achieve the objective of climate neutrality by 2050 and ensure energy supply. At the same time, the surge in energy prices has highlighted the weaknesses in the energy market. Fundamental questions need to be asked about the future of energy that ensures a clean, affordable and reliable energy supply and the right to energy. The EESC stresses the urgency of public investment to achieve energy independence from Russian gas imports and supports the measures in this regard proposed by the Commission in the REPowerEU Plan.
- 3.2 In this connection, it is necessary to take into account the design and regulation of the energy market, to create the necessary conditions for individual players, and to strengthen adequate consumer protections. The EESC welcomes the Commission's intention to explore options to optimise the design of the electricity market and takes note of the Commission's analysis of the electricity and gas markets and of the measures proposed to address high energy prices, as well as the proposals to improve energy networks and storage capacities, as well as the renewed promises to improve market access for small players (prosumers) and ensure security of supply.
- 3.3 Market design and regulation must be adapted to new future realities in which renewable energies prevail. Keywords: decentralised production and increased on-site consumption. For this to happen, however, the necessary conditions still need to be put in place for the individual players and an adequate level of consumer protection needs to be ensured. Market assessments are needed that analyse the behaviour of all potential players in the energy market as well as the energy market design. In any case, the EESC stresses the importance of carrying out a comprehensive impact assessment prior to making any proposals. The EESC points out the urgent need to combat high electricity prices, including the bundling of electricity and gas prices, which are having a negative impact on the economies of the Member States.
- 3.4 The question of the degree to which security of supply can be achieved by means of the market, and with which market design, has been put off for a long time. In principle, an energy system based on (largely domestically produced) renewables promises a high level of security of supply. However, this system will not come about of its own accord – having the right regulatory setting is a prerequisite. Particularly important are smart grids that send clear signals to the many millions of producers and consumers so that they behave in a "system-friendly" way, thereby contributing to security of supply.
- 3.5 With regard to the financing of infrastructure projects, strict fiscal rules have in the past proved, time and time again, to be the biggest barrier faced by public authorities. The aim must therefore be to exempt projects associated with the European Green Deal, energy independence and the digital sector from any rules that hamper such public investment. Therefore, in line with its

opinion on *Reshaping the EU fiscal framework*⁶, the EESC recommends applying the "golden rule" for public investment in order to safeguard productivity and the social and ecological base for the well-being of future generations.

- 3.6 Blended finance involving private investors is only an option if it can be ensured that allocations are transparent and that there are no unjustified additional costs for the public authorities compared to public financing. There must be full transparency regarding justified additional costs. A European Investment Bank report notes that, for example, PPP contracts in the area of road transport in Europe were on average 24% more expensive than similar projects with traditional financing⁷. It is all the more important, when using such blending models, to clearly define rights and obligations, clarify liability issues, and provide for an efficient and rapid conflict resolution system, in order to avoid additional long-term costs and adverse liability issues.
- 3.7 The Commission rightly points out that public investments can and need to trigger private money. But REPowerEU does not cover the refinancing of the respective public funds. The abolition of subsidies for fossil resources would be one approach for how to organise it; the taxation of windfall profits, that have their origin in the major oil and gas crisis and find their expression in enormous extra profits especially for big oil companies would be another one. The EESC is concerned that the extremely high profits of energy companies on the one hand and the increased energy poverty caused by energy price surges on the other may have a dangerous destabilising effect on society. The EESC proposes that these profits be skimmed off with the help of taxes and passed on as financial compensation to energy consumers, e.g. financially weaker households or energy-intensive companies, and used for the expansion of renewable energy production and the necessary grid infrastructure, especially as it is already being discussed or implemented in some Members States. The EESC takes the view that in order not to discourage energy companies from investing in low-carbon solutions, such taxation should be defined very sensitively. The EESC calls on the Commission to propose respective measures without any further time delay.
- 3.8 The primary purpose of infrastructure is that it works, not that it transports electricity from A to B as an end in itself, thereby generating steady returns. The developments of the last decade, the challenges linked to grid expansion, the massive increase in energy prices, the danger of cyberattacks, and, last but not least, the war in Ukraine, clearly illustrate what is at stake: namely the question of who, in future, will have control over key infrastructure such as the energy grid. There is therefore primarily a public interest. This would logically entail public ownership that is committed to the common good and eliminates existing inequalities.
- 3.9 The EESC underlines that the "just transition" is not just a question of financing the transition. It also includes the objective of creating decent work, quality jobs and social security, as well as of maintaining the competitiveness of European businesses, and requires specific action at all

⁶ [Opinion of the European Economic and Social Committee on "Reshaping the EU fiscal framework for a sustainable recovery and a just transition", OJ C 105, 04.03.2022, p. 11](#)

⁷ EIB 2006. Ex ante construction costs in the European road sector: a comparison of public-private partnerships and traditional public procurement. Economic and Financial Report 2006/01, Blanc-Brude, F., Goldsmith, H. and Väilä, T., https://www.eib.org/attachments/efs/efr_2006_v01_en.pdf.

levels, particularly at regional level. Other key factors for a "just transition" include an active and organisational role for the public sector and ensuring the democratic participation of the social partners at all levels.

- 3.10 The energy grid is part of our critical infrastructure. Failure or disruption of this infrastructure can cause devastating supply shortages and threaten public security. Critical infrastructure such as transport and traffic circulation, health services, finance and security, to name but a few, are increasingly in the hands of private operators in Europe due to the wave of deregulation and privatisation in recent decades. This is problematic as the sectors are interlinked and the vulnerability of one sector reduces or limits the ability of other critical infrastructure to operate (cascade effect). On the one hand, these interdependencies are difficult to estimate and, on the other hand, it is in the public interest to ensure their operational performance. Particularly in the event of market disruptions or a disaster, it becomes crucially important for public coordinating bodies with the power to ensure regionally coordinated resilience to have access. These risks are particularly high in the case of electricity, without which the functioning of an advanced 21st century civilisation is practically unthinkable, and widespread blackouts would lead to the breakdown of society as a whole.
- 3.11 Given that buildings in Europe account for around 40% of energy consumption, a smart link with new technologies, implementation-effective renovations and the promotion of new civic participation models play a particularly important role in the energy transition and in increasing energy efficiency in the housing sector. The Electricity Directive promotes this participation of consumers in the production of renewable electricity and provides an essential basis for the acceptance of decentralised energy production. In this connection, harmonisation for the whole EU area is important in order to enable as many households as possible in Europe to participate in the energy transition. Concepts such as energy sharing and community energy in general offer reasonable prospects for using energy grids for small-scale, demand-driven, grid-centred supply.
- 3.12 The EESC reiterates its position that the aim should be to achieve the greatest possible reduction of greenhouse gas emissions at the lowest possible socio-economic cost. The EESC recommends combining instruments compatible with a well-regulated market and regulatory measures when needed, including financial instruments with the support of the Multiannual Financial Framework and NextGenerationEU to contribute to a more efficient energy environment. However, it must also be clear that, where careful analysis indicates that there are well-founded indications of existing market failure or a threat of such a failure, the public authorities must remedy this situation, for example by investing or intervening in the market.

4. **Specific comments**

- 4.1 Investments in energy infrastructure are about boosting security of supply and the development of renewable energy in a swift, efficient and cost-effective manner for the benefit of consumers and the economy. In this connection, everything centres on one key question: who will have control over key infrastructure such as the energy network and storage infrastructure in the future? Since deregulation began, investment by electricity companies has been declining. This

decline in investment – in the grid and in generation – has led to shortages of supply and hampers the further development of renewable energies.

- 4.2 From an economic point of view, the question arises as to why an energy network that is attractive to investors because it represents a reliable investment should not also be attractive to the State. The annual dividends paid by private companies could be reinvested in public ownership in the public interest and would relieve the burden on public finances. Not least because some partial privatisations in the past have already shown that public ownership would have been the rational choice in purely financial terms. A number of Member States already use public or semi-public structures. At the same time, there is a trend towards re-municipalisation. The issue of the advantages and disadvantages of public and private ownership and/or private financing of energy infrastructure for a well-functioning energy market is undoubtedly important and should be examined in the Commission's planned assessment of options for optimising the design of the energy market. The results of such an analysis can serve as a valuable decision-making tool for Member States, who are responsible for deciding on public or private ownership of energy infrastructures.
- 4.3 In this context, local and regional energy supply and the remunicipalisation of utilities are becoming increasingly important, especially in the context of decentralisation strategies. In this context, public investment in decentralised energy production at local level plays a key role. Other financing possibilities, such as direct financing through funds, should be explored. Roofs on public buildings are particularly well suited to supplying cheap solar energy to entire neighbourhoods.
- 4.4 In some Member States, financial incentives are provided in order to step up the roll-out of photovoltaics. In a letter to the Commission, Austria, Belgium, Lithuania, Luxembourg and Spain request that administrative buildings, supermarkets, flat roofs and industrial installations be required to be equipped with photovoltaic systems under certain conditions. Photovoltaic systems should also become the norm for new and renovated houses. They call on the Commission to make more money available from the EU budget for developments in this direction. The EESC welcomes this idea and calls on the Commission to analyse what investment, regulations, and accompanying measures such as research and development, are needed to boost the development and production of photovoltaics in the EU.
- 4.5 Energy as a social good: in this connection, the EESC points to the implementation of the EU's shared values regarding services of general economic interest within the meaning of Article 14 of the Treaty on the Functioning of the European Union (TFEU), as set out in Protocol No 26 to the TEU and the TFEU on services of general interest. This would increase efficiency and affordability and avoid market failures.
- 4.6 The current energy crisis highlights the particular importance of energy as an asset with social relevance. In addition to maintaining quality jobs and employment, the link between social and environmental aspects is becoming clear. Public ownership can ensure democratic control, public investment, security of supply, and a fair distribution of the costs of transforming the energy sector to renewable energy sources.

- 4.7 In order to avoid bad and misguided investments, existing ambiguities and inconsistencies concerning the new energy system's basic structures, market architecture, market roles and market rules need to be addressed, and in particular the social impact on workers and consumers needs to be resolved immediately. A fair distribution of the investment burden plays a central role in this regard – the same applies to a fair distribution of any profits. Ensuring investment needs and profitability is one of the key issues to be addressed in order to ensure the optimal functioning of the energy market in the long term. The EESC takes note of the conclusions of the ACER study and the Communication on the electricity and gas markets in this regard and welcomes the Commission's intention to assess the electricity market.
- 4.8 An important aspect of the energy transition will be coordination and organisation between importers, regional grid operators, civic energy companies, self-suppliers and energy communities using their electricity locally, as well as storage companies and distributors.

Brussels, 22 September 2022

Christa SCHWENG

The president of the European Economic and Social Committee

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APPENDIX
to the
OPINION
of the European Economic and Social Committee

The following amendment, which received at least a quarter of the votes cast, was rejected during the discussion:

Point 2.9

Amend as follows:

<i>Section opinion</i>	<i>Amendment</i>
<p>The EESC is in favour of adapting the EU rules on the trans-European energy networks (TEN-E) to the objectives of the Green Deal more effectively, combining in particular the decarbonisation of the energy system, the transition to climate neutrality, the development of renewable energy sources, energy efficiency, and the prevention of the risk of fuel poverty. As energy networks play a key role in ensuring the balance, resilience and development of the energy system, the EESC calls for the Regulation to fit more clearly into the process of integrating the energy system, in order to promote all decarbonised forms of energy, and for any form of break-up to be rendered impossible. Against this background, the Committee welcomes the initiative adopted by the Council and the European Parliament to define distribution grids as a matter of "overriding public interest", alongside renewable energy.</p>	<p>The EESC is in favour of adapting the EU rules on the trans-European energy networks (TEN-E) to the objectives of the Green Deal more effectively, combining in particular the decarbonisation of the energy system, the transition to climate neutrality, the development of renewable energy sources, energy efficiency, and the prevention of the risk of fuel poverty. As energy networks play a key role in ensuring the balance, resilience and development of the energy system, the EESC calls for the Regulation to fit more clearly into the process of integrating the energy system, in order to promote all decarbonised forms of energy, <i>including nuclear</i>, and for any form of break-up to be rendered impossible. Against this background, the Committee welcomes the initiative adopted by the Council and the European Parliament to define distribution grids as a matter of "overriding public interest", alongside renewable energy.</p>

Reason
<p>Nuclear power generation plays and will continue to play an important role among the wide range of low-emission technologies, as highlighted by EC president von der Leyen in recent speeches.</p>

Outcome of the vote on the amendment:

Votes in favour: 44
 Votes against: 109
 Abstentions: 14