

**Summary of the commentary on the Green Book  
"Towards a European Strategy for the Security of Energy Supply"**

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## **I. General comments**

### 1. The relationship between the market and political measures (conc. question 2)

The processes of the market economy bring about efficient supply and service structures. The European Union is aiming at an open and competition-oriented internal energy market, in which the relevant target triangle is still defined as "safe - cost-effective - environmentally friendly". Bearing this in mind, it is predominately the job of the EU to create calculable general conditions, which also includes joint solutions where the state, the economy and the consumers co-operate. In the framework of the subsidiarity principle, this task will have to be largely fulfilled by the individual EU member states. It is first and foremost the task of the EU to coordinate the measures and to recognise the different situation in each member state. The initial situation within the EU differs clearly from country to country, with their grown industries and settlement structures as well as with their different lifestyles, but also various climatic conditions characterising the European Union. This variety is a strength so that levelling measures should be avoided. Quite the contrary, this variety should be acknowledged and deliberately promoted.

Due to the infrastructural nature of the energy supply, the state will have to become active especially with regard to the following tasks:

- Securing that competition works and ensuring that the companies have equal chances within the EU and at international level;
- Creating the legal conditions by which investments are promoted, especially with the aim of strengthening the energy supply and the efficient utilisation of energy;
- Ensuring the security of energy supplies for all consumers as well as taking preventive measures against energy crises;
- Determining the requirements as regards technical safety;
- Determining flexible environmental standards that allow a location-specific assessment.

## 2. Reviewing the political measures regularly for their necessity (concerning question 3)

The question arises in all areas of activities where energy policies are expected to provide solutions, whether specific regulations become necessary, whether existing regulations need to be modified or whether the economy's own solutions are to be preferred. One important criterion for selecting measures and instruments with the help of which political targets in the energy sector are to be attained is their control efficiency. All political measures, including the existing ones, will have to be continuously checked under the aspect of their necessity, their duration, their scope of application as well as under the aspect, whether they contribute effectively to achieving the political, economic and environmental targets in the energy sector. These measures shall take the planning security and the protection of the investors' confidence duly into account. Moreover, these measures will have to be compatible with the EU law, with the international competition requirements and will have to be market-conform. When solutions provided by the economy meet the state criteria, state regulations will become superfluous.

- The demanding environmental and technical standards within the EU ensure that the energy production and conversion excludes negative effects on the population's health and on local ecological systems.
- The further development of the technology and the environmental standards will have to be aligned in the sense of BAT with the international standards.
- An overlapping of the requirements set by the technology and the environmental standards with global instruments, such as taxes and levies, may quickly lead to an over-regulated system which is detrimental to competition.

## 3. The EU as an energy location (concerning question 1)

Because of the policies pursued in the fields of energy, employment and technology, the target must be to create the prerequisites to allow the EU's energy industry to retain its strong position and contribution to the local value-added process. Country-specific features, such as the availability of oil, gas, coal and lignite deposits, or political decisions in the energy sector, such as for the use of nuclear or renewable energies or lignite and coal, will have to be respected by the EU in the sense of subsidiary decisions of individual states. The EU should concentrate its activities predominantly on harmonising the general rules. This makes it necessary both at EU level and at the level of the individual states

- to ensure a favourable investment climate (e.g. by creating long-term and reliable general conditions in the environmental policy and in the competition law);
- to limit the risks in the energy supply, which may be caused after all by being highly dependent on energy imports;
- to promote the indigenous energy production, conversion and distribution by the relevant legal framework;
- to ensure the international competitiveness of the European energy industry and to exempt energy as a production factor from taxation to the largest possible extent;
- to strengthen the internal market for power and gas;
- to develop the techniques for providing and utilising energy in the most efficient way as well as for utilising renewable energies at home, so that the export potential can be increasingly used in this respect.

#### 4. The importance of the substitution competition

The EU has comparatively few energy resources and will therefore have to limit the risks of being increasingly dependent on imports. The strategy will therefore have to be aimed at widening the range of energies offered thus giving the consumer a choice. This, in turn, will strengthen the position of the EU as a whole but also the individual consumer's position against the suppliers. The substitution competition is of particular significance in this connection.

The above statement applies first of all to the generation of power, where nuclear power, solid fuels, oil, gas, hydro-energy as well as regenerative energies are available, or may complement or replace each other.

- The cost-effective power generated from coal and lignite is the benchmark in many EU regions for comparing other generation techniques or fuels.
- The substitution competition in the power sector requires an openness for different technologies and fuels. Coal, lignite and nuclear power are absolutely necessary to establish a market balance with gas and are also the benchmark for alternative power production techniques at least in the long run.
- The criteria, which energy carriers are to be used for the generation of power, are their efficiency and the costs. CO<sub>2</sub> is not suitable as a criteria for evaluating primary energies, due to their natural differences and the international resource situation.

#### 5. Preventive climate protection by increasing efficiency (concerning question 9)

The question of avoiding CO<sub>2</sub> emissions can only be assessed at international level. Restricting the search for a solution to the EU alone would not sufficiently take into

account this aspect.

The doubts whether and how the climate is affected by human activities continue to exist, since a convincing connection between rising temperatures and rising CO<sub>2</sub> emissions has not been proved. The latest findings in the field of palio climatology and reducing CO<sub>2</sub> emissions as well as in solar, atmospheric and ocean research have pointed to rather complex connections. Narrowing down the discussions to anthropogenic CO<sub>2</sub> emissions is therefore not helpful. In a preventive sense, the coal and lignite industry is supportive of responding to the possible risks. However, in view of the scientific uncertainties on the one hand and the possible serious economic and social effects on the other political decisions should rather be directed towards economically justifiable measures without deadline pressure. Necessary are a cost-benefit analysis of the alternatives and the integration of the EU strategy into international measures.

- The EU strategies for the CO<sub>2</sub> reduction in the sense of making provisions in the energy sector are to be understood and interpreted as an equal but by no means as a superior target within the construct of a target triangle under the headline of "environmental protection".
- As all energy carriers are needed for reasons of resource and market policies, the replacement of one fossile energy carrier by another one is not helpful. It is rather necessary to utilise all energy carriers as efficiently as possible, a maxim also supported by the coal and lignite industry.

## **II. Proposals concerning the 3rd part of the Green Paper “Securing the Future - Outline of an Energy Strategy”**

On A: Risks in securing supplies – page 93

On 1: Physical risks

The Green paper states correctly that Europe has only few resources and that its energy and environmental strategies have to be defined in a world-wide context.

The world population increases, the international economy grows and the global energy consumption rises considerably. A considerable increase in the energy demand is also expected in the EU despite the rising efficiency in this sector, which will have a strong impact on the scarce oil and gas resources. This must be contrasted with the unequal regional distribution of these resources (as shown in Annexes 1 + 2),

with the competition for accessing these resources and with the contribution of alternative energy systems, given the fact that the latter will grow only gradually in the medium term.

Shell assumes in the light of rising oil and gas prices that the consumption of coal and lignite will further increase, at least during the forthcoming decades (Annex 3). This is due to the availability of large deposits that can be economically mined, but also to the fact that a large percentage of coal and lignite is converted into electric power. Coal and lignite in form of power is an energy with a first-class modernisation effect.

Power is a growing market, both at international and at EU level. If coal and lignite are needed everywhere in the form of power it seems only logical to retain European coal and lignite as one element of the energy mix and to increase its appreciation among the general public.

It is therefore surprising that the chances of utilising coal and lignite in the EU are not discussed under the headline of "Physical risks" as a means of avoiding them.

It must be pointed out that coal and lignite represent by far the largest European energy resource. This applies to both the current 15 EU states and the accession states alike. Annex 4 shows the coal/lignite production and imports in Europe.

Coal and lignite must not only be associated with the issue of production per se, consideration will especially have to be given to the technological chain, beginning with the extraction up to the utilisation in a power plant. Moreover, the shipments and utilisation of coal and lignite pose a very small environmental and health risk, while coal and lignite can be easily stockpiled.

The statement in the Green paper "It is likely that Europe will have to abandon coal production" must therefore be questioned under two aspects:

- As it has been pointed out correctly, Europe has large coal and lignite deposits which can be exploited in underground mines but also in open-cast mines. A number of deposits have been opened up and the coal and lignite industry is a

major economic factor in many regions.

- The competitiveness of the European coal and lignite production must be assessed under different aspects. Roughly speaking, coal and lignite produced in open-cast mines can be made available in many places permanently and at competitive prices. This applies first of all to the large lignite mining industries in Germany and Greece as well as a proportion of the British coal, which is mined in opencast mines, but also to the accession states. The production of coal in underground mines will also have to be assessed from case to case by taking into account the specific conditions of the deposits. Another question is how to assess the accessibility of the deposits, the regional development in the areas concerned or the technological aspect of coal mining.

## On 2 Economic risks – page 93

After having experienced several oil crises as well as the extreme dependence on one energy carrier and a few energy suppliers, the term "energy mix" has been coined and represents the following strategies:

- diversification into different energy carriers,
- a regional spread of the sources of supply
- the use of technologies to increase the energy yield.

As a result the energy mix has in the past and will also in the future ensure the energy supplies at reasonable prices. As far as the technology and the fuel is concerned, it is not a question of either/or but of both/and. The EU's high environmental and safety standards ensure an environmentally-friendly energy supply, while the high and increasing efficiency is an effective contribution to climate protection.

### **Variety must be seen as strength**

The deliberate development of an energy mix is a suitable strategy to manage both the chances and the risks alike. The conditions within the EU are rather varied, as a comparison of the big countries like Spain, France, Britain, Italy and Germany shows. There are differences in the availability of raw materials for the energy production and in the industrial structure, and also the climatic conditions and the consumers' habits are not identical, either. This is particularly obvious when one compares the power generating structures in the EU states (Annex 5). Greece, Germany, Ireland, Britain and Spain have a large share of solid fuels, while France and Belgium generate most of its power from nuclear energy. Hydro-power plays an important role in

Austria. As a result of this process, country-specific structures with their own reasons and logic have evolved. As this has led to a healthy mix in the EU as a whole (Annex 6), the EU should aim its policies at acknowledging and developing these chances which are based on the specific conditions in the individual countries and not at trying to eliminate these differences.

Energy is not only an important consumer item and production factor for the economy of the EU. The energy industry is also an important economic sector in its own right, ranging from the extraction of natural resources to the services it provides. This is a sector where major investment are made, where new technologies are developed and, last but not least, where hundreds of thousands of jobs are provided.

### **Developing competition in every respect**

From the consumer's point of view and thanks to the competition, the single market has opened up additional chances. The costs have come down and the availability of energy has so far not suffered.

Whatever works well within the EU's single market need not necessarily apply to the access to resources outside the EU. One cannot assume that these resources can always be made available under market aspects.

The Green Paper therefore speaks quite rightly of geopolitical risks which might occur as a result of a possible political instability. However, one should also take into consideration that a growing political stability in countries with large raw material resources may also lead to the formation of cartels. Recent developments in the oil and gas markets point in this direction. It would appear that the tendency to form cartels is on the increase.

The formation of cartels on the part of suppliers, which will have a negative impact on the prices in a large consumer region, can only be counteracted effectively when a sufficient number of alternatives is available. This applies to the diversification of the sources of supply and thus to the competition between suppliers of the same fuel, such as gas, on the one hand. But the **substitution competition** between different energy carriers, wherever it is technically possible, will also have to be maintained or

revived.

This is particularly important in the power sector, with natural gas being expected to play an important role in this large consumer sector. There are forecasts which expect an additional power demand approximately equal to the volume of the current EU consumption. Such a rise in demand, possibly enforced by giving up the generation of power from nuclear energy or by the substitution of coal and lignite, would considerably strengthen the position of the natural gas suppliers. They would then gain additional price advantages in the absence of a keen substitution competition.

A schematic presentation of competing power generating techniques (Annexes 7 + 8) shows that

- coal and lignite incur relatively low operational costs (as compared with nuclear power plants), although they are rather capital intensive, and
- the power generation based on oil and gas requires relatively low investments, the fuel prices, however, play a major role.

Both generating techniques compete directly, so that the price chargeable for the gas in the power sector is determined by the power generated with nuclear energy and coal/lignite. Compared with the current price level for coal/lignite and the investment costs, the gas in, say, Germany, which is priced in line with the world market prices, is so expensive that it is impossible at the moment to establish a competitive gas-fuelled base load power production.

Another aspect is the considerable fuel price risk when power is generated from gas and oil. In base load power generation in gas-fuelled power plants, the fuel accounts for more than two thirds of production costs so that these plants can easily become stranded investments by the external influence of competing fuels, such as coal, lignite and nuclear energy. (Annex 8). The most recent turbulence on the oil and gas markets have confirmed this assessment.

The high fuel price risk and the import of these fuels come along with a loss of value added inside the EU. A 1000-MW power plant with 7000 operating hours p.a. and production costs between 6 and 7 Pfennigs has a value added capacity of between

18 and 20 billion DM over a period of 40 years. When import coal is burnt, some 6 billion DM will flow out of the EU region, while the drain amounts to some 15 billion DM when gas is fuelled. As the EU will have to built power plants with an overall capacity of several tens of thousand MW in the long run, where a choice will have to be made between the different fuels, additional costs of several hundreds of billions of DM are at stake over this period.

It can therefore be concluded that the EU's policy of balancing the economic risks should also have due regard to maintaining the substitution competition by promoting nuclear energy and the highly efficient power production on the basis of coal and lignite.

#### On 4. Ecological risks - page 94

The EU has taken pioneering decisions especially in the power sector as far as the emission of pollutants, such as sulphur dioxide, dust or NO<sub>x</sub>, are concerned. This will ensure that coal and lignite can be converted into electricity within the EU in the long run without having a negative impact on the local ecological systems.

The issue of avoiding CO<sub>2</sub> emissions must be discussed and assessed in an international context. The aspect is not sufficiently taken into account when the search for a solution is restricted to the EU alone. The reduction in CO<sub>2</sub> emissions is a global protective measure under the headline of "environmental protection" within the construct of a target triangle that can only be understood and interpreted as an equal but by no means as a superior target. As all energy carriers are needed for reasons of resource and market policies, the replacement of one fossile energy carrier by another one does not lead anywhere. It must rather be demanded to utilise all energy carriers as efficiently as possible and, above all, to further improve the currently existing potentials for the raising the efficiency. An example of one of the German power plants can illustrate the dimensions involved (Annex 9). The efficiency can be raised by 30 % to 50 % when the old plant is replaced by the existing state-of-the-art technology. This is also demonstrated by the current example of reducing the CO<sub>2</sub> emissions in the newly-built lignite-fuelled power plants (Annex 10). Further potentials can be opened up by future technical developments.

Comparisons of CO<sub>2</sub> emissions generated by producing power from different energy carriers are usually based on an assessment of the utilisation of these energy carriers in power plants and the CO<sub>2</sub> volume generated there (Annex 11). This method of analysis is obviously insufficient in view of the different distances of transportation involved and the effect of other types of gas affecting the climate. This method must lead to incorrect results and conclusions and the values thus obtained do not include the other types of climate-relevant gas (especially methane) that are contained in the products of these fuels and that are generated during their shipments. Nor is the energy input included that is necessary for the production and the shipment of the energy carrier from its place of deposit to the power plant. By taking all these values into account, the effects the individual energy carriers have on the climate will become much more similar. Irrespective of that, coal and lignite on the one hand and gas on the other differ very much from each other, so that the attempt to measure them with the same yardstick, such as by their CO<sub>2</sub> emissions, will necessarily distort the picture.

Under the aspect of global climate protection and by taking the global resource situation into account, the substitution of one energy carrier by another one is little helpful. The targets set in this respect can only be attained by raising the efficiency.

The Green Paper contains a large number of proposals that refer to transportation, households and small-scale supplies, which make sense in this respect. But when reference is made to the power sector, one often gains the impression as if the existing volume of power production or any additional demand could be covered by gas.

Conclusion: It seems to be promising against the background of the risks in the oil and gas sector referred to above, that the EU keeps open the alternative of a highly efficient power production on the basis of coal and lignite by taking suitable political measures. This would include not to tighten the environmental standards beyond the BAT and not to take discriminating fiscal measures against the energy carriers coal and lignite.

On II. Priorities for the immediate future - page 100

The statement of the Commission, it can exert influence only to a limited extent as far

as energy offers are concerned, applies only to the sources outside the EU. As far as the sources inside the EU are concerned, the EU does have the opportunity to strengthen the energy offers quantitatively and qualitatively by its own activities, thus contributing to moderately priced energy supplies. The EU itself and also the accession states have large mineable coal and lignite deposits (Annex 12). The EU should understand and interpret both the existing and the additional resources as a chance that will have to be developed by an active policy within the community. The danger is, however, to attach too much importance to individual targets, such as climate protection. This could lead to a fuel substitution strategy, which will eventually kick the competitive inter-European energy production out of the market. Although the climate protection targets would then be seemingly met, the production will then be relocated to countries outside the EU, where restrictions of this kind do not apply.

Conclusion: Climate protection should not become the overriding and dominating target of the EU's economic and energy policy, because it would then have to be admitted very clearly that the priority of climate protection together with a strategy of fuel substitution will reduce the indigenous energy offers and increase the dependence on imports, which would lead to vast and immense costs.

On A. Controlling the growth of demand - page 100

On 2b Energy taxes - page 101

The taxation of energy, i.e. making energy more expensive for the end consumer, will certainly prevent energy from being wasted. However, it must be taken into account that energy is a production factor for the producing industries, which is utilised economically anyway. The legislation of power tax takes this duly into account by charging the producing industries only 20 % of the standard rate, which clearly marks the limits of any further tax burdens. Besides, the energy-intensive production within the single market competes with the world market and is very sensitive to any energy taxation.

It can basically be concluded that the taxation of energy drains off funds from the companies and thus restricts their investment capacities. It also means that old and inefficient plants will continue to be operated in the future.

The tax on the power consumption is not relevant for the generation of power for the time being, because it does not affect the position of the different production techniques and the fuels in the competition. The situation would change completely, if the primary energy used for the power production were to be taxed, say on the basis of the CO<sub>2</sub> emissions. A CO<sub>2</sub> oriented trading system with certificates, as discussed in the EU Green Paper in connection with Emissions Trading, would have the same effect.

The introduction of a CO<sub>2</sub> tax or of an emissions trading system would have a negative effect especially on carbon-rich energy carriers, such as coal and lignite. Based on a tax rate/certificate price of 64 DM/t of CO<sub>2</sub> emissions, the price of 1 kWh generated in modern coal or lignite-fuelled power plants would increase by 6.4 Pfennigs, that of power generated in modern gas-fuelled power plants by only 2.2 Pfennigs (Annex 13). In other words, natural gas would only be burdened with about one third of the extra costs incurred in coal or lignite-fuelled power plants. The power production based on fuelling natural gas could then become the unchallenged price leader as a result of the unequal tax burdens, with nuclear power even remaining tax-free.

When taking into account the differences in the power generation structure in the individual EU countries (Annex 5), an additional CO<sub>2</sub> tax or certificate price would lead to drastic differences in the tax burden and thus to a distortion in the competition between the countries concerned. The highest tax burden would have to be borne by countries with a high proportion of coal and lignite in power generation, such as Greece, Denmark, Ireland and Germany. Countries, such as Sweden and France, would be put at an advantage, because the power generation there is predominantly based on energy carriers with a low CO<sub>2</sub> content, such as nuclear power or hydro-energy (Annex 14).

The market response will remain unclear: It must be assumed that the gas suppliers will largely use the extra room for manoeuvring created by the higher prices themselves. They would not or hardly increase their offers, but maximise their profits. Although coal and lignite would remain in the power market, they would be subjected to an enormous pressure in the competition, given the fact that the power prices would drastically rise.

Another line of thinking could be the assumption that the additional demand will lead to a shortage of gas when the gas prices are too high. Only "rich" countries would then be able to afford the "expensive" gas. Coal and lignite would be pushed into the developing countries and burnt there in power plants with low efficiency. This would by no means have a positive effect on solving the global climate problems.

On B. Managing the supply dependence - page 104

On 1. Internal supply – page 104

a) Development of less polluting energy sources

This section of the Green Paper summarises the role of coal and lignite in a future European energy mix in just one brief phrase: "... solid fuels have been decried" and fails to acknowledge the positive aspects of coal and lignite as described above, namely

- the large deposits in Europe and in politically safe regions in the world,
- the high price stability which has a stabilising effect when being used for the generation of power,
- the competitiveness of coal and lignite produced in open-cast mines (underground mining in exceptional cases),
- the value added at home,
- the easy stockpiling for making provisions in the event of crises,
- no risks and toxic effects during the shipment,
- the large potential for efficiency increases,
- the favourable costs for avoiding CO<sub>2</sub> emissions,
- the long-term prospects for sequestration and depositing CO<sub>2</sub>.

The EU should therefore create more favourable investment conditions in the field of power production by developing incentive schemes for investments and by creating stable and general legal conditions, such as in environmental legislation. This includes to declare its belief in the substitution competition openly and to look ahead beyond the current problems.

It is undoubtedly correct that the market situation in the EU is characterised and de-

terminated by oversupply capacities, so that often only the variable costs for the power can be realised at wholesale trading level. As long as the power revenue is geared to the operating costs, large-scale investments can hardly be realised. One example of this situation is the comprehensive construction and rehabilitation program in the new federal states, because the liberalisation of the markets and dwindling power prices have troubled the investing companies. However, these plants with their high efficiency and low operating costs will be competitive in the medium term (Annex 15).

Although this observation is correct at the moment, one must not lose sight of the necessity to re-invest in locations inside the EU in the long run.

Due to the long service life, the high investment costs and the comparatively low fuel costs (Annex 12), investors keep a low profile in phases of uncertainty, while reasonable new investments will not be made for reasons of competitiveness and environmental protection. However, as far as the cost for avoiding CO<sub>2</sub> emissions are concerned, re-investments into old power plants are much more favourable than the use of natural gas at today's prices or the promotion of renewable energies (Annex 16).

On b) Preserving the access to resources – page 106

Minimum production level: 15 % of primary production.

In order to exempt the non-competitive national energy production from the regulations for subsidies by the EU the Green Book on the security of the energy supply considers the introduction of a “minimum production level” for the primary energy production of 15 %.

Indigenous energy resources play a special role to mitigate the risks of imports and prices. This is particularly true for the **competitive** energy resources. This situation is quite different in the individual member states of the EU, e. g. nuclear power and hydro power represent the basis of the energy production in France. Great Britain has available large reserves of oil and gas, but coal and nuclear power as well. In Germany notice is to be taken of the lignite production, which contributes some 10 % of the primary energy consumption and of the indigenous gas production with a contribution of 4 %. Furthermore, nuclear power take up a significant role in Germany, too.

The basis of the energy production in the EU is made up by the **competitive** production. This provides a security which is of particular importance in the electricity sector. A predominant target of the policy of the EU and its member states should be to develop this production in a fair regime of regulations in the international context.

In addition, there are those indigenous energy resources, which are supported for technological or regional economic reasons. An important question is how to maintain the accessibility of the deposits. Special governmental measures could be necessary in these areas since otherwise the production of these resources would not be competitive. This means in each member state of the EU there are particular specialties and political preferences which should be acknowledged by the EU as a whole. These areas should be – within a defined extent – kept open for national regulation. In Germany this would refer to the protection of the indigenous hard coal and renewable energy carriers as well. In Germany a total of 10 – 15 % of the primary energy consumption would be considered reasonable for this purpose.

The determination of a certain proportion of the primary energy consumption for national regulation defines on the contrary also the sector which operates under competitive conditions in accordance with the principles of the inner market of the EU for energy.

### **III. Additional comments**

#### **To draw the right conclusions from assessing the US energy markets**

The US have a proportion of more than 25 % of the world's energy consumption. In view of the rising economic growth and the increasing population, a change in this trend in the energy sector, i.e. from a continuous growth in consumption to an absolutely decreasing demand, cannot be expected. Still, a comprehensive energy and environmental discussion has also begun in the US, where many developments are recognisable earlier and more clearly than in other regions. This applies not only to the structure of the energy supplies, such as in relation to nuclear power, gas or coal, but also to the conditions in the power markets themselves, which are state regulated, and in this respect to a much larger extent than many would assume.

The power market of the USA has grown by some 20 % between 1990 and 1999. The additional output from the coal-fired and nuclear power plants has largely been achieved by a much better utilisation of existing capacities. No new nuclear power plant has been ordered for more than 20 years, and only very few nuclear power plants, but also a few coal-fuelled power plants have been taken into operation during the recent 10 years. The power production based on natural gas has been greatly expanded. After many years of economic growth, the coal and nuclear power capacities are scarce now, while the high gas demand for the power production encounters market restrictions.

At present there is a considerable turbulence in the power market which escalated into an energy crisis in California. This is the result of an inappropriate and unsuccessful liberalisation policy and senseless environmental regulations, which made the utilisation of coal virtually impossible in California and triggered off a run on natural gas. The power prices, but also the gas prices have soared drastically. Heavy price fluctuations have also been observed in the gas markets of other US regions. Even the power markets become increasingly volatile. The current considerations are therefore directed at a strengthening the offer side. One effect is that the long-term role of nuclear power is being discussed more openly again, another one is to develop new long-term prospects under the headline of "Clean Coal" for the contribution of coal to the power sector. A number of measures are under discussion how to stimulate investments in this field. This also includes to give a perspective for environmental guarantees to investors, so that they are more inclined to make investments.