EU Energy and Climate targets for 2030: Enhancing the contribution of natural gas

Jérôme Ferrier
President IGU
IGU is the voice of 95% of the Global Gas Market
91 Member Countries, 43 Associate Members
The **Triple 20 EU Energy target for 2020**

- Reduce greenhouse gas levels by 20% (achieved: -24%)
- Increase share of renewables to 20% (achieved: 21%)
- Reduce energy consumption by 20% (achieved: -17%)

Source: Eu Commission 2014

9th Energy Forum, January 23th, 2014 - Karpacz, Poland
EU shares of sectors in GHG emissions 1990-2030

Source: Eu Commission
New coal-fired power capacities in Europe

Source: Ecoprog GmbH.
EU power generation capacities by age in 2013

Source: EU Commission
EU Electricity prices for industry (70-150 GWh/year) in 2013

Source: Eurostat
EU Electricity prices to the residential sector in 2012

Source: HEPI
US power generation by source 1990-2040

Source: IEA WEO 2014
Coal has fallen below 35% of the US power generation mix

Source: EIA 2013
EPS requires that any new coal fired power plant demonstrate CCS on at least 300 MW of the proposed generating capacity.

Sets a CO2 emission limit at 450 g/kWh until 2045.

Guarantees stability of emission regulation until 2045 (grandfathering).

EPS complements the economic signals provided by the Carbon Floor Price and, when applicable, the feed-in electricity purchase tariff with Contract for Difference (CFD).

EPS gives incentives to « Good Quality » CHPs, by discounting the volumes of CO2 saved in the heat production by displacing other fossil fuels.
Average annual increases in Renewable based Power capacities

Source: IEA WEO 2014 NPS
Scenarios for CO2 Abatements, by top-down increasing costs

Source: World Energy Council & IEA
Agreed EU headline targets 2030 Framework for Climayer and Energy

2020

-20% Greenhouse Gas Emissions
20% Renewable Energy
20% Energy Efficiency
10% Interconnection

2030

≤ - 40% Greenhouse Gas Emissions
≥ 27% Renewable Energy
≥ 27%* Energy Efficiency
15% Interconnection

* To be reviewed by 2020, having in mind an EU level of 30%

New governance system + indicators

Source: EU Commission
EU GHG emission reductions targets 2020 and 2030

Source: EU Commission

EMISSION REDUCTIONS IN ETS AND NON-ETS COMPARED TO 2005

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETS</td>
<td>-10%</td>
<td>-21%</td>
</tr>
<tr>
<td>NON-ETS</td>
<td>-30%</td>
<td>-43%</td>
</tr>
</tbody>
</table>

Including road transport, housing, agriculture etc.

Source: EU Commission
2015 World Gas Conference

26th World Gas Conference
Paris, France
1 - 5 June 2015

International Gas Union