



President Ursula von der Leyen
European Commission
Rue de la Loi 200
Brussels 1049

Brussels, 6 September 2022

Dear President von der Leyen,

Re: **EU gas and electricity prices. Urgent EU actions are needed**

The undersigned energy intensive industries are representatives of a fundamental part of the European economy which is severely impacted by the ongoing energy crisis. Given the market concentration on the supply side, the volatility and extreme level of the European gas prices, one can question whether the gas market is working. This situation has serious consequences also for the electricity market.

With the EU gas peaking at 334 €/MWh TTF spot prices two weeks ago, which is 15 times its pre-crisis level, 10 times more than the US prices and well above the prices in Asia, it is clear that the relation with a normal market is lost. Beyond the current impact on citizens through inflation, destructive consequences on gas and electricity industrial users are inevitable.

The last weeks saw a great number of industrial plants shutting their doors or reducing their production in Europe and more are expected in the forthcoming weeks. These massive plants curtailments will increase Europe's dependency on third markets for strategic supply chains and will drastically increase the global carbon emissions.

For many energy intensive industries there is currently no business case to continue production in Europe nor visibility and certainty for investments and further developments. The effects of those closures are also starting to have a severe impact on our value chains endangering European industrial base and the availability of essential products more broadly.

Immediate and impactful action is needed at European level, and we welcome your proactive role in this regard.

Therefore, against the background of the State of the Union address of 14 September and ahead of the Extraordinary Energy Council of 9 September, we call on the European Union to urgently introduce EU-wide measures aimed at limiting the price of natural gas and also measures designed to disconnect electricity prices from gas prices. The temporary crisis state aid framework also needs to be adjusted to this new reality.

Thanking you for your consideration, we remain at your disposal should you have any question.

Yours sincerely,



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Director General
CEFIC



Koen Coppenholle
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