

Joint Open Letter to Energy Ministers on “Save Gas for a Safe Winter”

Industry and district heating operators call for prioritisation of efficient heat and power

Brussels, 25 July 2022

The supply of affordable, efficient and secure heat and power is essential for key European industry and citizens. Ahead of the Extraordinary Energy Council on “Save Gas for a Safe Winter” scheduled for 26 July, our organisations call on Member States to prioritise the efficient production of energy through cogeneration. This will not only help reduce overall gas use, but also minimise energy waste and limit disruption to critical industries and energy services.

In the “Save Gas for a Safe Winter” package published on 20 July, the European Commission has outlined urgent and necessary actions to reduce gas demand, along proposals to diversify energy supply and promote fuel switch. **To achieve these objectives cost-effectively and reduce the risk for end-use curtailment, Member States must also foster the efficient production of heat and power.**

Cogeneration is a recognised **energy efficiency principle, already saving more than 33 bcm of primary energy across a range of energy sources, of which at least 15 bcm are directly linked to natural gas savings (equivalent to 10-20% of REPowerEU objective).** Moreover, cogeneration is essential for the security of energy supply, accounting for 12% of power generation and covering 16% of heat demand in district heating, key industries, SMEs and homes across the EU.

For these reasons, cogeneration is uniquely placed to save energy, preserve security of supply, safeguard industrial competitiveness and ensure energy system resiliency. **Without cogeneration, keeping homes warm and maintaining critical operation of industry next winter will be significantly more energy intensive, more polluting and costlier.**

To implement energy efficiency first and secure energy supply for European homes and businesses as part of “Save Gas for a Safe Winter”, Member States must consider the following principles:

- Prioritise the operation of high efficiency cogeneration over less efficient gas-based power-only plants and gas boilers, as part of an increasingly diversified fuel mix¹
- Gas-based cogeneration should be among the last curtailed gas assets for both industrial consumers and district heating
- Gas saving schemes must recognize cogeneration savings over less efficient gas-based electricity displaced nearby, rather than simply count site-level demand reductions
- Non-discriminatory implementation of emergency interventions in both electricity and gas markets to support overall system efficiency, ensuring a level-playing field between gas-based power-only generation and on-site cogeneration.

Our associations, representing major European industries and local energy companies, ask for urgent measures to safeguard the operation of cogeneration installations, as an energy efficiency solution, complementing absolute demand reduction, diversification of energy supply and the switch to cleaner fuels. In these critical circumstances, Europe must learn to do more with less!

¹ High efficiency cogeneration is the simultaneous production of heat and power, saving at least 10% of primary energy compared to the separate production. Cogeneration systems maximise the efficient use of all thermal energy sources, including all gases, biomass, municipal residual waste, geothermal, solar thermal, nuclear and others.



About our organisations

CEPI: Ceperi is a Brussels-based non-profit making organisation representing the European pulp and paper industry and championing this industry's achievements and the benefits of its products. Through its 18 national associations Ceperi gathers 495 companies operating more than 900 pulp and paper mills across Europe producing paper, cardboard, pulp and other bio-based products. Ceperi represents 22% of world production, €82 billion of annual turnover to the European economy and directly employs more than 177,000 people. Website:

<https://www.cepi.org/>

Cerame-Unie: Cerame-Unie represents the European ceramic industry. Our mission is to ensure that the voice of this competitive, dynamic and innovative industry is heard at the EU level. Cerame-Unie which represents the 9 European ceramic sectors, a turnover of around €30 billion and over 200,000 direct jobs throughout the EU.

Website: <https://cerameunie.eu/>

CEWEP: Confederation of European Waste-to-Energy Plants, is the umbrella association of the operators of Waste-to-Energy (incineration with energy recovery) plants, representing about 410 plants from 23 countries. They make up more than 80% of the Waste-to-Energy capacity in Europe. Website: <https://www.cewep.eu/>

COGEN Europe: The European Association for the Promotion of Cogeneration, is the cross-sectoral voice of the cogeneration industry. We have over 60 members: 13 national associations and 50 organisations spanning the entire value chain from technology manufacturers and users to consultancies. Website:

<https://www.cogeneurope.eu/>

ESWET: ESWET is the European association representing manufacturers in the field of Waste-to-Energy.

Website: <https://eswet.eu/>

Primary Food Processors: PFP is the association for the European primary food processing industry to the European institutions and international organisations. The primary food processing industry uses around 220 million tonnes of agricultural raw commodities (cereals, sugar beet, rape-seeds, soy beans, sunflower seeds, crude vegetable oil, starch potatoes, cocoa beans...) a year, employing over 120,000 people in Europe. Website:

<https://www.pfp-eu.org/>