

59th Meeting of the Standing Committee on Utilities

04 October 2023, 09h00 – 17h30 CEST The International Association Centre / La Maison des Associations Internationales (M.A.I.) - Room "Brussels", Brussels IN PERSON Meeting

Draft Minutes

<u>Titulars</u>

Evgeni YANEV, VODOSNABDITEL, Bulgaria Ida SKIAKER KNUDSEN, DM, Denmark Sander VAIKMA, AEEWTU, Estonia Muriel MARCILLOUX, FNME-CGT, France Erno PINCZES, EVDSZ, Hungary Jurga SUBACIUTE-ZEMAITIENE, LITUF, Lithuania Vidar HENNUM, EL&IT, Norway Ambrosio Jose ARIAS RODRIGUEZ, UGT-FICA, Spain Ozcan COLAK, FNV, The Netherlands Matthew Russell LAY, UNISON, United Kingdom

Substitutes

Georg WACHTER, Younion, Austria Michal VOTAVA, OS UNIOS, Czech Republic Lone HANSEN, 3F, Denmark Elizabeth NEAU, CFE-CGC Energies, France Clivia CONRAD, Ver.di, Germany Letterio OCEANO, FILCTEM-CGIL, Italy Raluca POPESCU, Gaz Rom., Romania Jan-Olov OLSSON, Vision, Sweden Jan WINDE, FNV, The Netherlands

Observers

Jens Erik OHRT, OAO, Denmark Antonio LOSETTI, FLAEI-CISL, Italy Emanuela PREITI, FLAEI-CISL, Italy Luigi SEDRAN, FLAEI-CISL, Italy Bendik FLOMSTAD, NUMGE, Norway Bjorn FORNES, EL&IT, Norway Ingunn Reistad JACOBSEN, NUMGE, Norway Anton EHRLIN, Vision, Sweden

Speakers

Kieran PRADEEP, Friends of the Earth Europe Penny CLARKE, EPSU Pablo SANCHEZ CENTELLAS, EPSU

EPSU Secretariat

Jakob EMBACHER Tuscany BELL Roxana DRUG Can KAYA Nicola VIZZUSO (EPSU Stagiaire)

Apologies

Sari JOKINEN, JHL, Finland Anja KATTHOEFER, Ver.di, Germany Martin KRIMPHOVE, Ver.di, Germany Joakim GUTTMAN, Transport, Sweden Donna ROWE-MERRIMAN, UNISON, United Kingdom

1. Opening

Matthew LAY, the Chair of the Standing Committee on Utilities, welcomes all the colleagues and announces that this will be his last EPSU Standing Committee. Also, Jakob EMBACHER is leaving the position of EPSU Policy Officer and Tuscany BELL will replace him.

The minutes of the 58th Standing Committee are approved and the agenda is adopted.

2. Election of Vice-President

Ida Skiaker Knudsen (Dansk Metal Trade Union, Denmark) is officially elected new Vice-President with unanimity.

3. Policy Updates from Secretariat

Presentation by Jakob EMBACHER on Policy Updates and Directives. <u>See slides on the meeting page.</u>

Matthew LAY asks if there have been discussions at EU level about the sufficiency of manufacturing capacity.

Jakob EMBACHER replies that it has been recognized and that the European Commission has announced a new plan for grid technology (especially wind).

4. Social Dialogue

Presentation of Jakob EMBACHER on SSDC Electricity. See slides on the meeting page.

Ambrosio ARIAS reminds the colleagues of the request for a European Observatory of the Just Transition, which would be a useful instrument to control the quality of the ongoing transition. He asks if there is any news about the implementation of this.

Emanuela PREITI says that we are waiting a response from Eurelectric on the initiatives proposed by the Committee. It is time to understand if Eurelectric is concretely committed in the Social Dialogue and if they are available to find and sign agreements.

She remarks that the physical presence at the meetings is useful, but they have to work more outside our meetings and give clear responses.

Jakob EMBACHER answers that the Secretary of Eurelectric has not been so interested in the Social Dialogue. There is a gap between what Secretary wants and what members want.

Jakob agrees on the scarce commitment and underlines that together with IndustriAll we will continue to commit to joint action.

Regarding the Observatory of the Just Transition, there was a meeting with the European Commission Head Unit on Just Transition but there is not much follow-up.

Matthew LAY agrees that the Eurelectric Secretariat has to be more prepared. If it was not for Jakob, many projects would have collapsed.

Jakob EMBACHER continues his presentation showing the updates on the Social Dialogue in the Gas Sector. <u>See slides on the meeting page.</u>

The first negotiation session was successful but highlights the need for active participation on the employers side. In the first meeting there was just one person from ENGIE for Eurogas which makes it difficult to negotiate.

Matthew LAY thinks it is positive and we can build on those results.

Muriel MARCILLOUX comments that the one problem is the limited time - sometimes affiliates have 2 or 3 days to react. Another issue is the lack of clear meaning in concepts such as 'just transition'. She states that the time allocated to this discussion is too scarce: the Committee needs to work more to have collective guarantees on wages and to reorganize the set of skills of the people involved. New skills are needed but some others have to be maintained.

Ambrosio ARIAS affirms that it is important to lead the negotiations in the gas and in the electricity sectors in parallel. He reaffirms the need for the forementioned Observatory, which would make it possible to develop a common strategy that considers both sectors, even though they are different.

Antonio LOSETTI states that the present European political scenario poses challenges, but we should not renounce to ambitious goals. We need an ambitious European scheme involving both big companies and SMEs with mechanisms for qualification and requalification. We can promote a Just Transition through placement of the involved workers in the same companies or others, including in other sectors, but do so we need requalification instruments.

Matthew LAY says that the European Commission has not been very strong in advocating Social Dialogue in the Gas Sector; this has been dumped in terms of resources.

Jakob EMBACHER asserts that it is important for unions to sit at the table when the changes are discussed. One point that was discussed is a concrete plan for workers in terms of training and change of career.

Jakob EMBACHER responds to the point of Muriel on the need for clear definitions that the agreement will include a Chapter or part on definitions. Several times you read in European law a list of definitions and we want to do the same to give a definition of a "just transition". As regards the points stressed by Ambrosio Arias, Jakob says that we can negotiate just in gas sector, as Eurogas can negotiate only for gas workers.

The plan is to reach a good agreement in the gas sector and then do the same for electricity workers. When it comes to the creation of the Observatory there is still distance with the companies.

Raluca POPESCU suggests that MEPs could be contacted for advice on the legality of the agreement and the possibility for it to become a European Directive.

Jakob EMBACHER replies that they are not real experts on European law but the European Commission has offered legal advice.

Matthew LAY replies that the idea can be discussed.

Pablo SANCHEZ CENTELLAS says this is a matter of a political willingness from different actors. If you have local and national politicians that support your proposal, then you can hope for it to be approved. He says that we need some big countries to support the project. We don't need to waste money on expert opinion.

Matthew LAY says that now there are more open doors, more possibilities in comparison with the past. Transition is a signal that changes have to happen. The job of the unions is to make sure that they are supported by workers. He proposes to go to point 5 and then have a break.

5. Decarbonising heating in a socially just manner

Presentation of Jakob EMBACHER on decarbonising heating in a socially just manner. <u>See slides on the meeting page.</u>

Clivia CONRAD says that pressure will grow in the future. The goal of alimenting 65% of new buildings with renewable energy in Germany is not enough and should be broadened to all buildings. She affirms that the decarbonisation process is complicated because of issues such as heat pumps and accessory services provision, which still remain unclear and problematic. In particular, there is no plan which explains where and how to collect the funds to promote decarbonisation. Also, doubts remain around hydrogen and agreements on its usage.

Despite the high number of topics discussed, the work done in Germany is not enough and we need to find a way to help people stay in their houses.

Matthew LAY agrees and points out that governments cannot keep stopping and starting transition work. Decarbonising heat systems in the UK involves similar difficulties: because people from lower socio-economic backgrounds cannot afford to upgrade their houses which often have low energy efficiency, they are harmed by increasing carbon taxes. Richer households can afford decarbonisation of their properties and become efficient. The transition in the UK locked in economic inequality.

Antonio LOSETTI explains that in Italy there are many tax reliefs for people who invest in a better energy efficiency for their houses. These public funds cover up to the 60% of the work, including on gas boilers, thermostats, heat pumps, anti-seismic systems and house facades (in order to preserve the historic places and monuments in the city centres).

However, in the last years the so called "110% bonus" (which was intended to relaunch the construction industry) has added 80-90 billions of euros of new public debt and has made prices for these type of works skyrocket.

Vidar HENNUM affirms that Norway uses lot of electricity to produce heat and that they are working with their government.

Muriel MARCILLOUX explains the income criteria introduced by the French government to finance the decarbonisation of buildings, which in France account for the 25% of the emissions, and how this system turned out to help only well-off and harm poorer people. Inequalities increased even more with the progressive abandoning of gas, that's why we cannot ban gas, even though we need to find ways to use green alternatives.

Elizabeth NEAU adds that the idea of decarbonising quickly is unrealistic. Often what we see is a disconnection from reality. What we should focus on is monitoring the achievement of energy goals.

Ambrosio ARIAS says that Spain has a general problem with the construction system, where we notice a shortage of staff because of low wages, and with a poor spread of the governmental tax relief: many households do not know that they there is financial help.

Erno PINCZES explains the subsidies given by the Hungarian government which are up to 8000 € to convert traditional heat systems into more sustainable energy systems. This is being applied in schools, houses and companies.

Michal VOTAVA explains that since 2022 every new building has to follow strict rules. It has to have 0% energy consumption. New efficiency plans have been produced, such as "Let's fix granny's house", which gives a 10-year period and 95% of funding for young people who inherited houses. From 2023, companies have to present a transition plan towards sustainable energy supplies. The lack of workers in essential sectors slows the transition.

6. Elections to the European Parliament in 2024

Presentation of Jakob EMBACHER on European Parliament election in 2024. <u>See slides on the meeting page.</u>

Presentation of Kieran PRADEEP on a progressive narrative that the energy transition can work in people's favour.

Muriel MARCILLOUX says that energy should be considered an essential good like water – you cannot live without it. There is a lack of genuine investments, willingness to invest in energy efficiency: even though aid is important, it won't change the entire system, in which companies still make profits and are not penalised for their emissions. We need to find a way to change the policies.

Elizabeth NEAU echoes her French colleague. She calls for a low carbon transition that doesn't exclude nuclear energy. We have to think about what we can do with that form of energy, as well as at the history of its use. There is no form of energy that can solve the transition alone. We can't just think about generating profits.

Ambrosio ARIAS claims that there has been a transition from a social Europe towards a neoliberalist Europe. Twenty years ago, we were told that with the Energy Market Reform prices would have gone down and that this would avoid a monopoly, but in the end the market is still dominated by a few large companies. We need a systematic reform of this sector.

7. Water

Presentation of Pablo SANCHEZ CENTELLAS on the Urban Wastewater Treatment Directive.

Clivia CONRAD shares Pablo's criticism of the Directive. Ver.di will try to convince the German government to enter into trialogue discussions. The European Parliament is aiming at improvements – must ensure this is not worsened in trialogue.

Bendik FLOMSTAD shares concerns about the Directive, unless it takes into account geographical differences. Waterpipes in Norway are old and the massive costs for upgrading fall upon municipalities which is a problem where there are few inhabitants. There are big shortages of workers. Private companies want to tap into this sector. He hopes the Directive will looks at pragmatic solutions taking into account geography.

Pablo SANCHEZ CENTELLAS says that many countries have the same problem as Norway, there are differences between cities and rural municipalities that struggle with adaptation to European Directives.

Jakob EMBACHER says that the report of 10 years of ECI is still being elaborated, so it will be presented and discussed on the next meeting (<u>link to the video on the achievement of the ECI</u>).

Presentation by Penny CLARKE on the updates on the Concessions Directive. <u>See slides on</u> the meeting page.

Matthew LAY talks about the case of UK, which shows that the problem of private management of public services is evident and results in lack of investments and renovation.

8. Waste/Circular Economy

Presentation on the emerging risks in the waste sector – to be included in the agenda of the next meeting.

9. Congress 2024 – Programme of Action and preparation

Penny CLARKE presented the preparation of the EPSU Congress 2024.

The agenda is concluded so the meeting ends here.