



European Commission



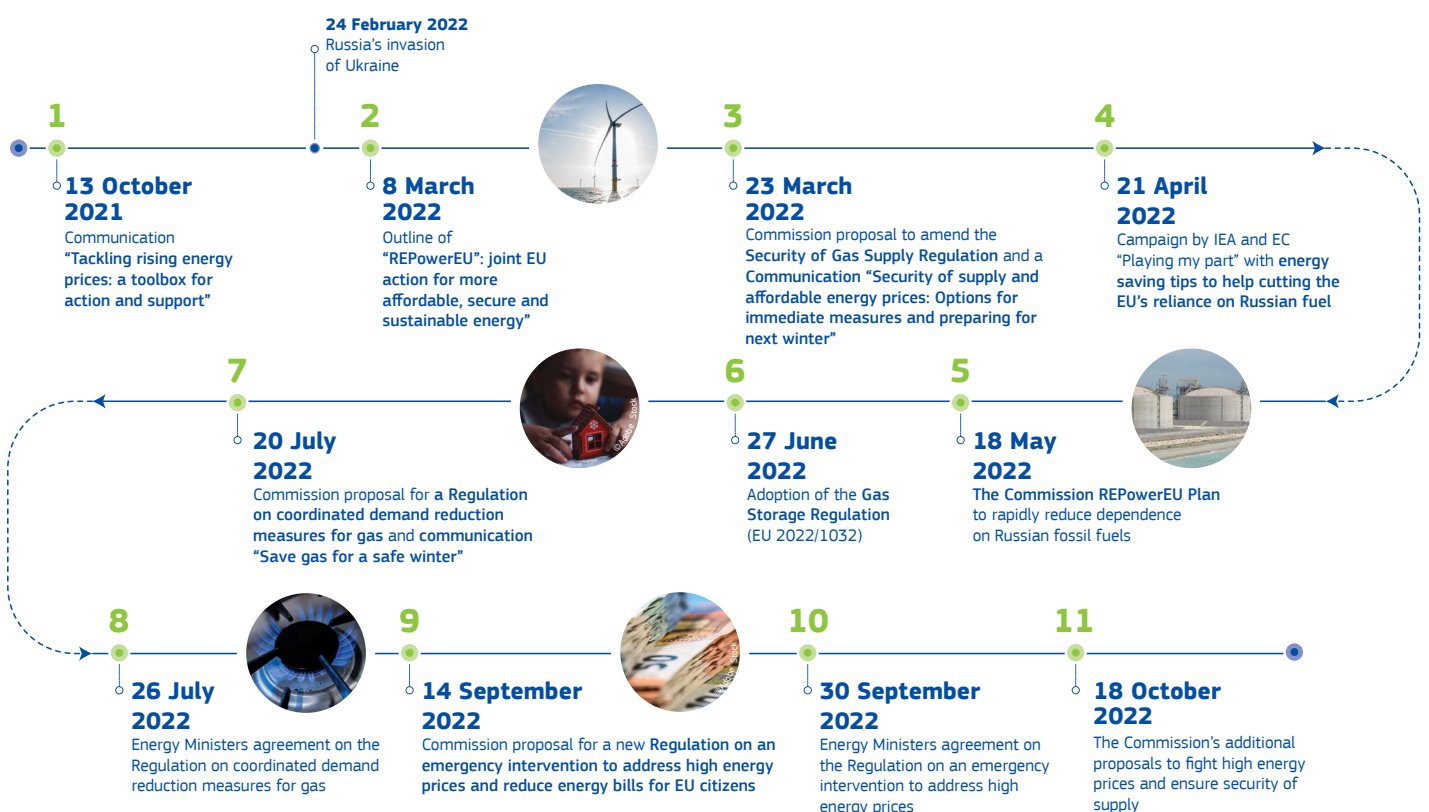
# EU actions on high energy prices and security of supply

OCTOBER 2022

The Commission has been tackling the issue of rising energy prices for the past year. The energy market situation has worsened considerably since **Russia's invasion of Ukraine** and its further weaponisation of its energy resources to blackmail Europe. Russia has continued to manipulate gas supplies, cutting off deliveries to Europe for unjustified reasons, and markets have become tighter and more nervous.



Despite the significant drop in Russian energy supplies – **from 45% of our gas imports last year, to just 14% in September 2022** – Europe has managed to find alternative energy supplies and reduced its demand to compensate for the shortfall. We have also taken policy measures to limit overall market volatility and redirect excessive energy sector revenues to citizens and businesses.



- We started by presenting an [Energy Prices Toolbox](#) in October 2021, which Member States have used to deploy many measures at national level to ease price pressure on citizens and industry.
- After Russia's invasion of Ukraine, the Commission expanded on the Energy Prices Toolbox in Spring 2022 with the [Communication on short-term market interventions and long-term improvements to the electricity market design](#).
- In May we adopted the [REPowerEU Plan](#) to end our dependence on Russian fossil fuels as soon as possible by saving energy, producing clean energy and diversifying our energy supplies.



To ensure security of supply for the coming winters, the Commission proposed new **minimum gas storage obligations** in March and a **15% gas demand reduction target** in July to ease the balance between supply and demand in Europe. Member States swiftly adopted these proposals before the summer and efforts to save energy and fill storage have so far made good progress. **Thanks to this gas storage in the EU is now at more than 90%.**

Prices increased further over the summer months, which were also marked by extreme weather conditions **caused by climate change**. In particular, droughts and extreme heat have had an impact on electricity generation by hydropower and nuclear, further reducing supply. Therefore, in September the Commission proposed and Member States agreed on **additional measures to reduce electricity demand** and **capture unexpected energy sector profits** to distribute more revenues to citizens and industry.



On 18 October, the Commission proposed to continue the work through **joint gas purchasing**, **price limiting mechanisms**, and new measures on **transparent infrastructure use**, **solidarity** between Member States and **demand management**. This will provide further stability to the market.

