II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DIRECTIVE

of 13 February 1975

on the restriction of the use of natural gas in power sations

(75/404/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 103 (4) thereof ;

Having regard to the proposal from the Commission ;

Having regard to the Opinion of the European Parliament (1) ;

Having regard to the Opinion of the Economic and Social Committee (2) ;

Whereas the implementation of a Community energy policy is one of the objectives that the Communities have set themselves ;

Whereas the security of Community energy supplies requires the development of all its sources of energy ;

Whereas natural gas is one such Community source of energy, but quantities available are limited ;

Whereas natural gas should be reserved in the first instance for those applications for which it can be most profitably used ;

Whereas natural gas has great advantages for certain specific uses ;

Whereas natural gas should consequently be converted into electricity only when it cannot be used for other purposes, or in cases of technical or economic necessity ;

Whereas special reasons relating to the protection of the environment can, in certain cases, likewise necessitate the use of natural gas in power stations ;

Whereas the main economic and technical reasons for the use of natural gas in power stations are the following :

— the quantities of natural gas available cannot for the moment be disposed of in any other way owing to the absence of a suitable transport and distribution network ;

— the quantities of natural gas available cannot be disposed of on the premium market with the necessary regularity on account of seasonal variations in sales which necessitate the conclusion of contracts providing for the possibility of interrupting deliveries ;

— the available means of transport cannot be exclusively used for supplying the premium market while a natural gas distribution network is being constructed ;

— no fuels other than natural gas are available ;

Whereas the conclusion of contracts for the supply of natural gas to power stations and the construction of new power stations using natural gas should for those reasons be subject to government authorization ;

Whereas it is necessary in the interests of optimum allocation of resources and security of supplies to

(1) OJ No C 93, 7. 8. 1974, p. 79.
(2) OJ No C 125, 16. 10. 1974, p. 58.

prevent the use of natural gas being covered by provisions which differ from one Member State to another,

HAS ADOPTED THIS DIRECTIVE:

Article 1

1. The conclusion of new contracts for the supply of natural gas to power stations, the extension of contracts upon expiry and the construction of new power stations using natural gas must be subject to prior authorization by the authorities of the Member State responsible for the power station concerned.

2. Authorization for contracts providing for the possibility of interruptible deliveries may be granted:

— if the use of natural gas in a power station proves necessary for technical reasons, or

— if the natural gas cannot be put to a more profitable use.

3. Authorization for contracts providing for uninterruptible deliveries may only be granted:

— if the use of natural gas in a power station proves necessary for technical reasons,

— if the natural gas is intended for use in a power station having a capacity of less than 10 MWe or is intended exclusively for the production of peak or reserve envergy,

— if the gas is used solely to ignite and to maintain the combustion of other products and if its total energy contribution remains small, or

— if special reasons relating to the protection of the environment necessitate the use of natural gas in a power station.

4. In exceptional cases which are not covered by paragraph 2 or 3 the use of natural gas in a power station may be authorized, in particular for economic reasons, by the Member States, who shall inform the Commission thereof.

Article 2

Where existing contracts for the supply of natural gas do not fulfil the conditions of the second and third paragraphs of Article 1, Member States shall encourage the cancellation of such contracts by mutual agreement between the contracting parties.

Article 3

Any authorization granted by a Member State pursuant to Article 1 and any measures taken pursuant to Article 2 shall be notified to the Commission, accompanied by a detailed statement of the reasons justifying the action taken.

Article 4

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive not later than 31 December 1975.

Article 5

More stringent national measures restricting the use of natural gas in power stations and conforming with the provisions of this Directive may be maintained or adopted.

Article 6

This Directive is addressed to the Member States.

Done at Brussels, 13 February 1975.

For the Council

The President

P. BARRY