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Overview of key measures taken in respect of ongoing energy crisis

In response to the global energy crisis, we have reviewed and collated energy policies (in particular, policies in the oil, power and gas sectors) proposed by the UK, the EU, certain individual EU member states and the G7, detailed in the below table. Note that this table is a work in progress and is not intended to be an exhaustive list. Rather, it is a high-level summary of headline policies proposed at the time of writing. If you would like any further information regarding specific policies outlined below, please get in touch and we will be happy to assist.

	Price caps/tariffs	**Additional measures**
UK	Household energy bills will be capped at £2,500 for the next two years under the Energy Price Guarantee scheme. The previously announced Energy Bills Support Scheme (£400 energy bills discount for eligible households) and the Warm Home Discount Scheme (£150 energy bills rebate for eligible homes) remain in place. Energy bills for businesses, charities and public sector organisations will be capped, as above, for six months. Further support will be available to vulnerable sectors, such as hospitality. The Energy Price Guarantee scheme supersedes the existing Ofgem Default Tariff (Price) Cap.	The UK government has advised that a windfall tax will not be implemented. The UK has committed to ending all Russian gas imports and phasing out Russian oil by the end of 2022. The UK Treasury and Bank of England is to launch a £40 billion fund to provide energy traders liquidity to deal with margin calls and to manage price volatility (the ‘Energy Markets Financing Scheme’). An Energy Supply Taskforce has been launched to negotiate long-term contracts with domestic and international gas suppliers, to reduce the price they charge. North Sea oil and gas production will be accelerated. A new oil and gas licensing round will be launched, which is expected to lead to over 100 new licences. Deployment of all clean and renewable technologies, including hydrogen, solar, carbon capture and storage, and wind, will be accelerated.

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		The fracking moratorium will be lifted, where there is local support, with aim of increasing gas supply within six months. Policy/regulatory reviews will be conducted on (i) energy regulation (to determine the underlying problems and to address supply and affordability in the long term) and (ii) the net zero by 2050 policy.
EU *Note, the Commission is expected to formally present its proposals by 16 September 2022.	An emergency and temporary EU-wide price cap on gas will be introduced. It is likely that this price cap will apply to all gas imports, as opposed to specific jurisdictions (such as Russia) only.	A windfall tax on energy producers will be proposed to cap the revenues of inframarginal electricity producers (i.e., non-gas producers) with low costs of production. A solidarity contribution from fossil fuel companies will also be proposed. A coordinated electricity demand-reduction across the EU will be proposed. Emergency liquidity instruments will be designed and implemented. The 'crisis framework' for state aid (implemented during the COVID-19 crisis to speed up applications by member states wanting to channel funds to private enterprises) may be temporarily prolonged given concerns regarding liquidity in the energy sector. Discussions regarding how to make use of the EU ETS in addressing current high electricity prices will continue. The Commission will continue to review the electricity market and propose adjustments to the functioning of electricity markets in the form of an impact assessment.
EU member states	Individual member states have been imposing energy price caps and other support measures, such as one-off payments and discounts, to support households and businesses through the energy crisis. Such measures include: **Austria**: Household energy bills will be partially reimbursed, from December 2022 until June 2024. For 80 per cent of the average consumption of an Austrian household – equivalent to 2900 kWh	The following member states have implemented or are considering the implementation of a windfall tax: Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Finland, France, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Poland, Portugal, Romania and Spain. Member states across the EU, such as Denmark, Estonia, Italy, Finland, Latvia, Luxembourg, Spain and Sweden, have implemented emergency liquidity support packages and loans, offering guarantees to certain power producers and businesses.

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	– up to 30 euro cents per kWh that households are charged beyond the protected price of 10 euro cents per kWh, will be reimbursed. **Bulgaria**: From 1 July to 30 September 2022, an electricity price cap of €128 (BGN 250) will be implemented for non-domestic end users. **Croatia**: Energy bills for businesses will be capped at €70 per Megawatt hour, or €180 per Megawatt hour for a level between 250 MWh and 2.5 GWh until March 2023. Businesses that consume over 2.5 GWh from October 2022 through March 2023 will pay €230 per MWh. **Czech Republic:** An energy tariff programme has been introduced, offering assistance in the form of a subsidy from the state budget intended for energy suppliers, which will be provided to all private consumers for the payment of energy bills. Enterprises from energy-intensive industries will receive additional help in the form of compensation for indirect costs. **France**: Wholesale energy prices have been capped from increasing by more than 4 per cent, until 2023. **Germany**: The government announced a 'price brake' on energy costs, though details are yet to be determined. An energy price relief package will be implemented, which will include one-off financial support for energy bills for eligible groups. **Hungary:** A household price cap on electricity usage of up to 2,523 kWh per year and gas usage of 1,729 cubic metres per year has been implemented. Higher-usage households are no longer eligible for the price cap for power consumed above the limit. Eligible micro-enterprises will continue to benefit from reduced electricity and gas tariffs until the end of 2022. **Italy**: Eligible bill payers are permitted to receive a government discount on gas and electricity bills under the social bonus for	Some member states, such as Austria, Belgium, Bulgaria, Croatia, Cyprus, Denmark, Finland, France, Italy and the Netherlands, have implemented or extended tax reduction policies, such as reductions in VAT on electricity and gas and/or exemptions for excise duty on qualifying electricity and gas sources. Short-term energy reduction measures have been implemented across a number of member states, including Belgium, Croatia, Denmark, Lithuania, Luxembourg, Malta and the Netherlands. Such measures include heating and air conditioning temperature caps and/or restrictions on lighting. Longer-term measures have also been introduced by some states, such as France, which has committed to a long-term energy reduction plan to cut energy use by 10 per cent before 2024 and by 40 per cent by 2050. Education and awareness campaigns have also been launched to encourage businesses and households to save as much energy as possible across the EU. Member states have also proposed long-term measures to increase energy security, such as accelerating the roll-out of renewable energy sources and increasing investment in production, amid concerns regarding reliance on Russian supplies. Notably, Bulgaria has proposed to conclude a contract for seven LNG cargo ships to secure six months' worth of natural gas supply (exploiting LNG terminals in Greece and Turkey) and has set up a working group between its Customs Agency and National Revenue Agency to limit the export of Russian oil products, starting from 5 December 2022. The Cypriot Ministry of Energy has concluded a contract with Chevron to commit to expediting development of the offshore Aphrodite gas field, to supply European markets and Egypt. Greece has also proposed a plan to invest €341 million towards a 900MW energy storage pipeline, under the EU state aid rules. The Latvian government is in discussions regarding the construction of an LNG terminal in Latvia to assist with energy security. A number of member states have delayed plans to phase out power plants, such as Italy, which has extended the operation of four coal-fired power plants for up to two years, and Germany, which has temporarily extended the operation of two nuclear power plants – Neckarwestheim in Baden Württemberg and Isar 2 in Bavaria. Belgium is also considering similar measures and is negotiating an agreement to extend the lifespan of the Doel 4 and Tihange 3 nuclear power stations beyond their

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	electricity and gas scheme until the end of 2022. Until 31 October 2022, any contractual clause that allows the electricity and natural gas supplier to unilaterally modify the general price contractual conditions is suspended. **Latvia**: Support measures for business have been introduced until the end of 2023, including state offsets of the costs of the electricity distribution tariff and mandatory procurement component. Additional aid will be introduced for energy-intensive companies, where energy costs constitute at least 10 per cent of total costs. Support for households has been provided in the form of governmental compensation for energy bills. **Luxembourg**: An aid package has been implemented to provide support to businesses until the end of 2023. The aid package will cover (i) the extra costs of natural gas and electricity incurred by energy-intensive businesses, and (ii) the extra costs of diesel fuel for businesses in the road freight transport, building and artisanal food production sectors. **Poland**: The costs of heating and hot water provided by district heating plants will rise this year by no more than 40 per cent, relative to March 2022 prices. The one-off allowance of 3,000 zloty for households heated using coal has been extended to different fuel sources. **Portugal**: The European Commission has approved a €2.1 billion subsidy for Portugal as part of an €8.4 billion package for Portugal and Spain to lower wholesale electricity prices until 31 May 2023. The price cap has been set on gas at €40 per MWh. After six months, the price cap will increase by €5 per month, resulting in a final price cap of €70 per MWh. **Romania**: Electricity and natural gas prices for households and small businesses will be capped until 31 August 2023. Electricity and	original shutdown date of 2025. The French government has announced plans to spend €50 billion by 2030 to extend the lives of existing nuclear reactors and to build six new ones by 2035. Hungary has re-opened the coal-fired Matra power plant and extended the operating licence of the Paks nuclear power plant. The Netherlands has lifted the output restriction for coal-fired power stations with immediate effect. However, Slovakia has committed to its plan to close the Novácky coal power plant as planned at the end of 2023, as part of the government's wider coal phase-out plan. Further notable measures introduced by individual member states include: **Germany**: A levy on all gas consumers will be in place from 1 October 2022 to April 2024, aimed at helping suppliers by imposing the levy on all households and industrial consumers with long-term contracts. The levy is to amount to between 1.5 euro cents and 5 euro cents per kWh, with the proceeds available to all companies that need to replace Russian gas. However, this levy may be amended and/or scrapped following negative public reaction. **Latvia**: A national energy crisis in the supply of oil products throughout Latvia has been declared, under which a ban on exports of oil products has been imposed until 31 December 2022. **Luxembourg**: The government has increased its contribution to the 'renewable/cogeneration compensation mechanism', which is used to finance the development of renewable energies, to assist with stabilising energy prices. The government is also to strengthen financial aid measures for energy renovation, the installation of renewable energies and sustainable mobility. **The Netherlands**: From 2023, as part of efforts to reduce CO_2 emissions and end reliance on Russian fossil fuels, major energy users (those that use either 50,000 kWh of electricity or 25,000 cubic metres of gas annually) are to implement measures to reduce consumption. Under the policy, it will be mandatory for companies to invest in all possible energy-saving measures if the investment can be recovered within five years.

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	natural gas prices for non-household customers will be capped at 20 euro cents (electricity) and 7.5 euro cents per kWh (gas). **Slovakia:** A price cap on household energy bills, whereby electricity prices will not increase until 2024, has been implemented. Electricity will be delivered at a price of approximately €61 per MWh. **Spain**: The European Commission has approved a €6.3 billion subsidy for Spain as part of an €8.4 billion package for Spain and Portugal to lower wholesale electricity prices until 31 May 2023. The price cap has been set on gas at €40 per MWh. After six months, the price cap will increase by €5 per month, resulting in a final price cap of €70 per MWh.	**Poland**: The government is in discussions with Ukraine to buy power from Ukraine's Khmelnytskyi nuclear plant as a coal alternative, amid efforts to roll back dependence on Russian energy sources. **Romania**: A contribution tax to an Energy Transition Fund will be enforced on energy and gas producers, as well as traders. **Spain**: From 1 January 2023, renewable generation plants will be able to sell their electricity outside the wholesale market. Electro-intensive consumers will benefit from an 80 per cent reduction in the tolls paid for the use of electricity transmission and distribution networks until the end of 2022, and from an increase in compensation for the costs of CO_2.
G7	A Russian oil price cap policy (for crude oil and petroleum products) will be implemented. The policy will take effect from 5 December 2022 for crude oil and from 5 February 2023 for petroleum products. Under the policy, Russian oil priced above the price cap (which is yet to be set) will not be permitted for purchase. Note that key details, including the per-barrel level of the cap, are yet to be determined – the coalition of countries will conduct a technical exercise to consider a range of factors and reach consensus on the level at which the price cap is set.	Proposed legislation to introduce a windfall tax on oil and gas producers' profits is being considered by the U.S. government.