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# COVID-19 IMPACT ON THE AUSTRIAN ENERGY SECTOR

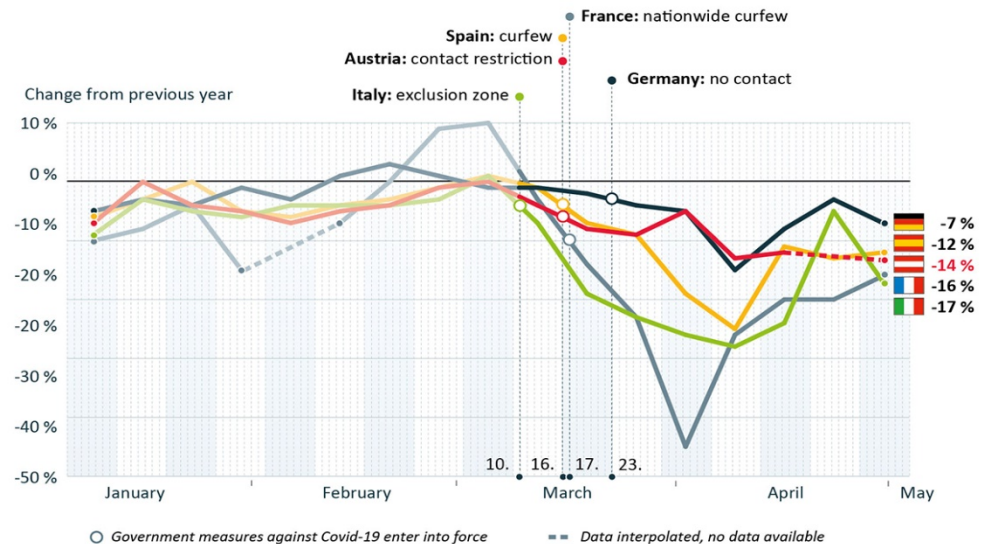
Bernd Rajal  
2 July 2020

# Impact on Energy Consumption

- Electricity consumption in Austria dropped by 13 % within two weeks in March 2020.
- Final customers consumed 10.7% less natural gas in April 2020 than in the previous year.
- Energy prices for household customers stayed largely the same.

## Electricity consumption in Europe 2020

Country comparison since the beginning of the year, change from previous year in percent



Client: APG Austrian Power Grid, source: ENTSO-E Transparency Platform

APA-AUFTRAGSGRAFIK

# Energy Contract Law

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- Delays or inability to meet contractual obligations
  - Assessment of contractual relationships depends on:
    - applicable law
    - provisions of the contract (in particular force majeure or hardship).
  - In 2005, Austrian Supreme Court deemed the occurrence of the infectious disease SARS as force majeure → Coronavirus is likely force majeure.
  - No force majeure clause? The following conditions must be met:
    - corona virus prevented the performance of a service or payment in the specific case; and
    - obliged party could not have prevented the occurrence of the impossibility to provide a service or payment default.
- adjustment or cancellation of the respective contract possible.

# Special Governmental Measures

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- Suspension of statutory and administrative deadlines
- Obligation to pay contractual penalties was suspended by law until 30 June if
  - the contract was concluded before 1 April; and
  - the obliged party defaulted because its economic capacity is substantially impaired or it is unable to fulfill obligations due to restrictions regarding economic activity.
- Energy supply was not switched off due to payment default until 1 July.

# Outlook

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- GDP is expected to shrink by 7.2 percent due to corona (according to the Austrian National Bank).
- RES Expansion Act will likely include substantial funding for renewable energy.

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BY **BORIS GROENDAHL, JONATHAN TIRONE, AND BLOOMBERG**

June 21, 2020 11:30 AM GMT+2

fortune.com June 21, 2020

# Outlook

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- New RES capacities of 27 TWh until 2030
- Renewable Energy Communities – Network Level 5/4
- Facilitated network access for small RES plants
- Administrative market premium for wind
- Mandatory renewable gases quota of 5,6%

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Thank you!

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