

**Question for written answer E-002506/2024
to the Commission**

Rule 144

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Subject: Michelin plant closures and European electricity market reform

On 5 November 2024, the Michelin Group announced the closure of its Cholet and Vannes sites in France¹. The automotive supplier cited the same reasons as Valeo: ‘inflation and rising energy prices’, which are contributing to the deterioration of competitiveness in Europe, particularly in relation to China.

The regulatory environment, including the scheduled phasing out of combustion engines, and the functioning of the European electricity market, even if reformed, are playing a major role in the increasing number of company closures in the EU, particularly among micro-enterprises and SMEs, by exacerbating the rise in energy prices. At present, nothing is being done to decouple gas and electricity prices, or to enable public investment in energy producers. As a result, Europeans face energy costs that are far higher than those of their American and Chinese competitors. For France, which benefits from the low cost of nuclear power generation, the situation is particularly damaging.

In view of the economic stakes and of its role, does the Commission intend to enact structural reforms of the European electricity market to base prices on production costs, and provide consumers and producers alike with a fair and sustainable price?

Supporters²

Submitted: 12.11.2024

¹ <https://www.michelin.com/publications/groupe/le-groupe-michelin-annonce-son-intention-de-fermer-les-sites-de-cholet-et-vannes-cp>

² This question is supported by Members other than the authors: Valérie Deloge (PfE), Aleksandar Nikolic (PfE)