

Energy Lobbyism in Brussels

**How E.ON and DONG Energy Use the Access Channels to
the EU Institutions for their Interest Representation**

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Abbreviations and Acronyms

| | |
|------------------|---|
| ACER | Agency for the Cooperation of Energy Regulators ¹ |
| ALDE | Alliance of Liberals and Democrats for Europe |
| BDEW | Bundesverband der Energie- und Wasserwirtschaft e.V. (German Association of Energy and Water Industries) |
| Business Europe | The Confederation of European Business |
| CEER | Council of European Energy Regulators ² |
| CEPS | Centre for European Policy Studies (Think Tank) |
| COREPER | Comité des représentants permanents (Committee of Permanent Representatives) |
| Danish Operators | Offshore Oil and Gas Operators in Denmark |
| DI | Dansk Industri (Confederation of Danish Industry) |
| DE | Dansk Energi (Danish Energy Association) |
| DG | Directorate-General (of the European Commission) |
| EC | European Commission |
| ECJ | European Court of Justice |
| ECR | European Conservatives and Reformist Group |
| EFD | Europe of Freedom and Democracy |
| EFET | European Federation of Energy Traders |
| EMU | European Monetary Union |
| ENVI | EP Committee on the Environment, Public Health and Food Safety |
| EP | European Parliament |
| EPAD | European Public Affairs Directorate |
| EPC | European Policy Centre (Think Tank) |
| EPP | European People's Party |
| ERGEG | European Regulators Group for Electricity and Gas (dissolved in July 2011) ³ |
| EREC | European Renewable Energy Council |
| ERR | European Energy Regulators |
| EU | European Union |
| EURELECTRIC | The Union of the Electricity Industry |
| EUROGAS | Association of the European Gas Producers |
| EWEA | European Wind Energy Association |
| FORATOM | European Atomic Forum |
| Greens/EFA | The Greens/European Free Alliance |

¹ European Energy Regulators (ERR) website a)

² ERR website b)

³ EER website a)

| | |
|----------|--|
| GUE/NGL | European United Left/Nordic Green Left |
| IFED | Institut für Energiedienstleistungen (Institute for Energy Services) |
| ITRE | EP Committee on Industry, Research and Energy |
| Marcogaz | Technical Association of the European Natural Gas Industry |
| MEP | Member of the European Parliament |
| NGO | Non-governmental organisation |
| OGP | Oil and Gas Producers |
| SEA | Single European Act |
| S&D | Group of the Progressive Alliance of Socialists & Democrats in the European Parliament |
| VEBA | Vereinigte Elektrizitäts- und Bergwerks AG (merged with VIAG in 2000 to become E.ON) |
| VIAG | Vereinigte Industrieunternehmungen AG (merged with VEBA in 2000 to become E.ON) |

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Abstract

This thesis examines how the German utility company E.ON and the Danish utility company DONG Energy use the access channels to the European institutions for their interest representation and what determines their choice of these channels, since it is argued that the utility companies' lobbying endeavours have not been studied comprehensively beyond their role during the EU electricity liberalization in the mid-1990s. Guided by a conceptual framework constructed from Pieter Bouwen's 'logic of access approach' (2002) and Rainer Eising's 'resource dependencies approach' (2007, 2009) relevant stakeholders in the EU policy process were identified and consecutively interviewed in addition to the companies' representatives.

Based on these interviews the present thesis demonstrates that both companies use a range of access channels as supportive means for their interest representation. Through the application of a multi-level lobbying approach, they combine their individual lobbying efforts with the lobbying endeavours of their national energy association or other associations, which are representing a particular area of their business activities as well as approaching the European sector associations individually or through their national energy association. The companies' choice of the respective access channel is thereby based on a venue-shopping approach, i.e. the companies try to approach all crucial actors at the relevant time through the most appropriate access channel by following the EU policy process.

The interviews with relevant stakeholders further implied that the EU institutions grant access based on the degree of expert knowledge, professionalism, trust and reliability – a 'formula', which both companies seem to be able to live up to. While E.ON has proven to be an essential resource for information for the EU institutions and has established a strong degree of trust among them through their many years of experience, DONG Energy quickly gained access to the EU institutions after gearing up their EU lobbying activities in late 2010 by branding their progressive business model of reversing their current energy mix over the next 30 years to the advantage of renewable sources of energy and by benefitting from the good reputation that Danish companies enjoy in Brussels. The present study therefore shows that the (market) size of a company does not exclusively determine the degree of access to the EU institutions but that expert knowledge (e.g. technical information) and best practices (e.g. ambitious CO₂ emissions reduction strategies) are more important assets to become an interesting interlocutor for them.

1. Introduction

Since the European Internal Electricity Market Directive took effect in February 1999⁴, everyone who was observing the developments in the energy industry across Europe could witness profound changes. The liberalisation and integration of the European energy markets and the thereby incited transition to a competitive environment has changed the scope and landscape of utility companies since the mid-1990s (Bulteel, 2002; BDEW, 2011). This development has taken up speed during the last decade and it is not surprising that the utilities and other actors affected by the increased EU energy regulation are not only closely following the EU policy-making process but also actively taking part in it. The influence of lobbyism and interest groups in general has been subject to a large body of research on lobbying in the European community, for example by studying companies' preferred access channels to the EU policy making (e.g. Mazey & Richardson, 1993; Coen, 1997; Broscheid & Coen, 2003). It is however surprising that single utilities or the energy industry as a whole have not been more in the focus for comparable studies on EU lobbying, since those have been conducted for the car industry, the agricultural sector or the textile industry (McLaughlin & Jordan, 1993; Peckstadt *et al.*, 1993; Grant & Stocker, 2009; Woll, 2009).

Studies on utilities and their involvement in EU policy-making are mostly limited to the examination of their roles and lobbying efforts in the deregulation process leading to the Directive 96/92/EC and Directive 2003/54/EC⁵ (Greenwood in Pedler, 2002), but given the huge changes and developments in the European energy sector during the last five to ten years⁶, this study deems it necessary to focus on those recent developments within European energy regulation to study the dynamics and mechanisms of energy lobbyism that accompany the legislative process in the EU institutions.

As mentioned above, whereas the *macro* level (i.e. studying EU lobbying as a general phenomenon) and the *meso* level (i.e. studying the EU lobbying activities of a particular industry) have been widely discussed and analysed, the academic literature has only rarely focused on the *micro* level, i.e. the lobbying activities of an individual company. However, examining these endeavours of E.ON and DONG Energy enables this study to identify their similarities and differences and to potentially offer new insights on how company-specific characteristics affect the company's particular lobbying approach.

⁴ DIRECTIVE 96/92/EC

⁵ Europa.eu website a)

⁶ For elaboration please consult chapter 7.1 on the liberalization of EU energy markets

1.1 Research Objective

Given the perceived lack of insight to and knowledge of utilities' EU lobbying, this research project is conducting a comparative analysis of the lobbying activities of the German utility company E.ON and the Danish utility company DONG Energy by studying which variables influence the lobbying approaches of these particular utility companies. Choosing these particular corporations as the subject of analysis was based on the considerable size of these utilities in their respective countries and core markets, notably the market leader role of DONG Energy in Denmark and the oligopoly-like situation in Germany with E.ON, EnBW, RWE and Vattenfall controlling more than 80% of the market.⁷ In a European perspective, however, E.ON and DONG Energy are playing in quite different leagues, since E.ON is also a heavy weight in most other European markets, while DONG Energy currently is – though the undisputed market leader in Denmark – only a small player in the European market. Conducting a comparative analysis between those two single companies, can provide new perspectives on whether companies' different basic positions (e.g. their market size) affect the company's particular lobbying approach and thereby direct the use or exclusion of particular access channels to the EU institutions.

1.2 How does this Research Project fit into the IBP Programme?

The continuous development of EU harmonization results in the fact that more than 70% of all economic policies that are likely to affect European businesses are drafted and decided upon in Brussels (Coen, 2004; Otto & Adamek, 2008). This development has made it crucial for companies to make their voices heard in Brussels in order to ensure the most favourable outcome for them and their industry. Unsurprisingly, this has impacted the way they go about EU lobbying and in turn the way the EU manages the access channels to its institutions (Coen, 2004). By examining how two companies move and interact in the EU policy process by touching upon interest group organisation and state-business relations, this project is concerned with the very synergy of international business and politics and can therefore built upon the knowledge gained during the IBP Master programme.

1.3 Scope and Delimitations

While this study is analyzing the access channels to the European institutions, there has been no intention to provide a detailed description of the legislative process in the EU system, nor an extensive account of the capacities and authorities of the institutions that are referred to in the present study. As the academic literature has provided numerous papers, studies, and books about the political system of the EU (e.g. Hix, 2005), the author would like to refer the reader to those or the relevant online resources of the EU institution in question. Brief descriptions of the institutions are only intended to argue for their inclusion in this study but do not aim to provide a comprehensive account of these.

⁷ Verband der Industriellen Energie- und Kraftwerkswirtschaft (VIK), online source

Further, given the character of the EU lobbying business which depends to a great extent on trust, long-term relationship building (Broscheid & Coen, 2003; Coen, 2007; Mazey & Richardson, 2006) and the handling with at times sensitive information, this study is not attempting to disclose the companies' lobbying strategies or relationships to all its corporate, institutional or non-profit actors but to generalize about the respective company's usage of the initialized access channels by the EU institutions, as well as to analyse the advantages and challenges of cooperating with third parties. This study does therefore include only limited references to specific lobbying cases as well as direct citations from the case companies' representatives. In order to assure the confidentiality of the information disclosed in the conducted interviews, all references to those have been sent to the respective interviewees for approval.

Lastly, while the issue of nuclear energy is being fiercely discussed throughout the EU member states at the time of submission of this master thesis, it has not been prioritized in the analysis, since the decision about establishing nuclear energy plants is being dealt with exclusively on a national level.⁸ The issue of nuclear energy in utilities' energy mixes is further a currently sensitive issue and utilities are therefore not very eager to talk about these activities. As those reservations might have discouraged the case companies to participate, the author underlined that this study is not aiming at supporting or discrediting utilities' activities in this field.

⁸ European Commission (EC) website n)

2. Literature Review

Reviewing the literature demonstrated rather quickly that there was no shortage on empirical studies on interest representation on the EU level (Mazey & Richardson, 1993; Coen 1997, 1998, 2007; Greenwood 1997, 2003). However, there were different strands and approaches to the issue of EU lobbying emerging: Many scholars were investigating the Europeanization of interest groups and associations (Coen, 1997; Richardson, 2000; Pedersen, 2006) and their role in the EU policy process (Greenwood, 2002; Eising 2007, 2009). Another strand of literature focused on publishing guides for (especially) business actors on how to manoeuvre in the political arena in Brussels and on how to lobby the EU institutions to one's advantage (Andersen, 1992; Burson-Marsteller, 2009; Suder, 2008; Stern, 1994). However, as Eising (2007) points out, many of the studies which suggest practical lobbying advice do rarely go beyond the description of the available lobbying channels. Grasping how to gain influence seems to be the most popular rationale for a range of studies, whereas there are different arguments for determining influence through the political strategies of either 'access' or 'voice' (Bouwen, 2002; Beyers, 2004). The latter has however only been studied peripheral in the EU policy context and many authors rather focused on the mechanisms of access to the EU legislative process to channel these considerations into new analytical frameworks and to develop a clear theoretical formation of the lobbying process in Brussels (Coen 1997, 1998; Kohler-Koch & Eising, 1999; Bouwen, 2002; Eising 2007, 2009).

The theoretical frameworks developed in the aforementioned studies were mostly constructed from smaller case studies that focused on a particular policy area (Bouwen 2002, 2004; Pedler (ed.) *et al.*, 2002), while others pursued studies based on larger samples (Coen, 1997; Kohler-Koch & Eising, 1999; Eising, 2009). As briefly mentioned in the introduction, those case studies often preferred the policy domains of agriculture, of the automobile or the textile industry (McLaughlin & Jordan, 1993, Peckstadt *et al.*, 1993; Grant & Stocker, 2009; Woll, 2009).

Studying the EU institutions and illustrating their importance and particular role in the EU policy process has been extensively covered through the rather descriptive studies pointed out before. In recent years however, other actors in the lobbying process have moved to the centre of attention, in particular EU business associations (McLaughlin & Jordan in Mazey & Richardson, 1993; Greenwood *et al.*, 2002; Mazey & Richardson, 2006). These studies illustrate the rapid growth of interest groups in Brussels, especially in the late 1980s following the adoption of the Single European Act (SEA) in 1986.⁹ They analyse among others which factors have influenced EU business associations' effectiveness and their ability to add value for their members (Greenwood (ed.), 2002). In Greenwood's collection of cases, the EURELECTRIC one is an interesting example of an EU business association,

⁹ EC website b)

which was founded as a response to an EU regulation proposal, since EURELECTRIC was originally initiated to oppose electricity deregulation (Bulsteel, 2002). Today, it however constitutes a main driver for further market integration and a competitive energy market in Europe.¹⁰

Given the ever increasing attraction of Brussels for interest groups and the tremendous increase of interest groups' offices in Brussels since the late 1980s (Andersen & Eliassen, 1995), some authors struck the comparison of Brussels becoming the European equivalent of Washington, D.C., motivating the examination of possible similarities and differences in the lobbying process of the two systems (Mack, 1997; Coen, 2004; Baumgartner, 2007).

Large companies as a political actor in the EU policy process have also increasingly become the focus of empirical studies to explain their activities on the EU level (Coen, 1997) also since the European Commission is said to be evidentially biased towards business interests (Bouwen, 2002). This is not surprising since business and professional organisations account for approx. 76% of EU interest groups, while public interest groups only make up for 20% (Greenwood, 2003). This preferred access is often accredited to business groups' greater financial resources and their organisational capacities and expertise, which has evoked the term 'élite pluralism' for companies' preferred contacts to the EU institutions (Apeldoorn, 2000; Coen 1997, 1998, 2007; Bouwen, 2002; Mazey & Richardson, 2006). Eising (2007, 2009) challenges this concept through his large n-study, but could however not attenuate the suspicion that companies and EU business associations are substantial regulatory partners of the European Commission.¹¹

In order to be granted access to European institutions and decision makers there seems to be a broad consensus about the fact that information, knowledge and expertise are the currency in the interactions between institutional and private actors in the EU policy process (ibid.). Mazey & Richardson (2006) elaborate in this regard on Baumgartner and Jones' 'venue shopping' approach (1991) as interest groups in Brussels try to seek out the most favourable venue for consideration of their issues. Others have outlined the positive contribution of knowledge from external experts (Richardson, 1996) in the European Commission's consultations processes and how it shapes the public policy process through the arrangement of discussion groups (Coen, 1997; Broscheid & Coen, 2007). However, Radaelli (1999) points out that these 'expert gatherings' are exposed to severe criticism since some authors claim that the legislative process in the European Union is solely controlled by technocrats and non-elected policy-makers, who combine all authority and power in their hands. O'Neill and Wincott (in Radaelli, 1999), among others regard this circumstance as the manifestation of the EU's democratic deficit.

¹⁰ EURELECTRIC website

¹¹ For elaboration see chapter 4.

It is therefore not astonishing that the recent developments in the EU lobbying literature are calling for a more coherent regulation of private actors in the EU arena. Academia however also recognizes the challenges of such an endeavour, given the autonomy of EU institutions to regulate their internal affairs based on their respective operational rules (Obradovic, 2009). While Richardson (2009) suggests that the complexity of the EU policy process can only be grasped with multiple models, scholars still request new theoretical approaches that are distinct to the EU and call therefore for empirical testing of the recently developed theoretical frameworks and approaches (Bouwen, 2002; Coen, 2007) to prove their validity and relevance.

Based on this literature review the problem statement, research question and methodology were developed, which are presented in the next chapter.

3. Methodology

3.1 Purpose of Research and Research Question

While lobbying and interest representation in the EU institutions have been the subject of a broad portfolio of research on the meso and the macro level¹² (e.g. Coen, 2002; Mazey & Richardson, 1993 & 2001; Hix, 2005), the purpose of this research project is to studying the lobbying activities in the EU institutions of two utility companies and thereby to exclusively focus on the micro level of EU lobbying. This is done by analyzing the interest representation approaches of the German utility E.ON and the Danish pendant DONG Energy. While these two companies are the market leaders in their respective country of origin, they vary considerably in size and market share within the European Union. It is therefore interesting to investigate, if this and other factors have an effect on their lobbying approaches. Thereby, the applied micro level approach potentially provides new insights and a better understanding of the interactions between utilities and the institutions in the EU policy-making process beyond their role in the deregulations process stretching throughout the last two decades.¹³

By analyzing both companies' approaches to representing their interests at the EU level, this thesis is in particular focusing on which access channels to the EU institutions are used by the respective companies and the rationale for those choices. Therefore, the following research question has been developed to encompass the research area of this analysis:

How do the German utility company E.ON and the Danish utility company DONG Energy use the access channels to the European institutions for their interest representation and what determines their choice of these channels?

3.2 Research Design

According to David de Vaus “the function of a research design is to ensure that the evidence obtained enables us to answer the initial question as unambiguously as possible” (de Vaus, 2001, p.9). This study is constructed and planned following an *exploratory* research design, as it can be flexible and adaptable, given that the author commenced this research project with a limited understanding about the field of EU lobbying. Conducting a literature review over the academic record of lobbying in the European Union institutions set the stage for this study and helped to identify the theories that are reflected upon in the conceptual framework, which is constructed subsequently to guide the research process. Since the research question presented above asks *how* the case companies are using the access channels to the European institutions, this study calls for evidence from the companies themselves, the EU institutions they interact with and which act as gatekeepers for the access channels to them, as well

¹² See introduction for specifications

¹³ Compare with literature review, chapter 2

as for evidence from other relevant actors, which are identified by the conceptual framework. Determining and questioning all of these actors thus aims at obtaining the relevant evidence, which helps to answer the research question “in a convincing way” (de Vaus, 2001).

Thus, by following the research approach of grounded theory, this range of interviews serves as the basis for explanations to reach the research objective (Saunders *et al.*, 2003).¹⁴ Initially, it was further planned to compare DONG Energy’s and E.ON’s activities by using one or more particular pieces of EU legislation, in which they were directly or indirectly involved, as the basis for a case study. However, during the course of the interviews there was no clear case evolving from either company, since the interviewees did not provide sufficiently detailed information on a particular piece of (draft) legislation that would allow for a distinctive comparison of the case companies’ approaches to such one. The data obtained from the interviews therefore constitute the backbone of the present report in examining similarities and differences in the EU lobbying approaches of E.ON and DONG Energy.

3.3 Terminology

In order to ensure the understanding of certain terms and how they are used throughout the report, this section lists terms and concepts that are essential for this research project.

Access: Is defined as the admission to one or more of the European institutions and consecutively “the frequency of contacts between interest organization and EU institution” (Eising, 2009, p.131).

Access Channels to the EU institutions: Describe the modes of gaining access to the respective EU institution. Ideal types of these channels encompass bilateral or multilateral meetings with the institutions (e.g. with a Commissioner, Commission staff or MEPs), hearings in a respective institution, preparatory committees, European interest associations, national interest associations, national governments, regional representations, think tanks or themed receptions and events. This is not a comprehensive list, but reflects the access channels that were most frequently referred to during the literature review. Alternative ones can further be established by interest groups.

Admission to EU institutions: Is granted by the relevant EU institution if actors request it and can provide a certain access good¹⁵ that is relevant for the institution. Actors can also obtain admission upon invitation from the respective EU institution if it wants access to certain information which the actor possesses.

Brussels: While the author is well aware that the EU institutions and their agencies not exclusively reside in Brussels (but also in Strasbourg, Luxembourg, The Hague (Europol) and Frankfurt

¹⁴ Forum für Wirtschaftswissenschaftler, online source

¹⁵ For elaboration on access goods according to Bouwen (2002) see chapter 4.

(European Central Bank)),¹⁶ the term ‘Brussels’ is used throughout this report to encompass activities in all of the locations that are part of the legislative process, its preparation and implementation. Thereby energy lobbying in Brussels encompasses energy lobbying in all relevant EU Institutions.

EU policy process: Describes the legislative process of co-decision for EU legislation. It commences with the consultation process and eventual proposal from the European Commission, the discussion and amendment in the European Parliament (first reading) - which possibly leads to an amended proposal by the Commission - the discussion in the European Council, and possibly second reading by the European Parliament and the European Council, as well as a possible conciliation procedure upon non-agreement between the European Parliament and the European Council.¹⁷

European Institutions: Refers to the ‘institutional triangle’ comprised of the European Commission and its corresponding departments (Directorates-General), the European Parliament, and the Council of the European Union.¹⁸ Other EU institutions are the European Court of Justice, the Court of Auditors, the Economic and Social Committee, the Committee of the Regions, the European Investment Bank, the European Central Bank, the European Ombudsman, the European Data Protection Supervisor, the Office for Official Publications of the European Communities, the European Personnel Selection Office and the European Administrative School.¹⁹ However, as only the ‘institutional triangle’ is concerned with the initiation and adoption of new policies, this research project is only focusing on the case companies’ relations with those three institutions.

Influence: Trying to define influence is a very difficult matter since it is based on subjective perceptions that can either label influence as being negative, even illicit, or as a positive gain. The concept of influence can therefore hardly be grasped by theories nor measured in an objective manner. The literature has acknowledged these problems in regards to influencing the European institutions (Hubertus & Kleinijenhuis, 1994; Bouwen, 2002; Eising, 2009) and while the initial research question for this study included the term influence, given the subjectivity and ambiguity of the concept, it was consequently rephrased. The conceptual framework further presents two studies that try to find alternative approaches to go around the concept and its difficulties. As part of the interviews with the companies themselves and other relevant stakeholders, interviewees were asked to evaluate their self-perception of the degree of influence, which they think their organisation possesses as well as which indicators they use to determine their influence. It is emphasized that the term is used throughout this research project as synonymous with “affecting” or “actuating” the EU institutions and not to presuppose a malignant intention of the actors involved in the EU lobbying process.

¹⁶ Protocol (No 8) on the location of the seats of the institutions and of certain bodies and departments of the European Communities and of Europol in Amsterdam Treaty (1997)

¹⁷ For detailed process please consult Appendix I

¹⁸ Also Council of Ministers; europa.eu website b)

¹⁹ Ibid.

Lobbying Approach: Describes the choice and possible combination of lobbying channels and the mode of these choices. Ideal types can be reactive (engaging in lobbying only as a reaction to an already issued proposal, new legislation etc.), proactive (among others following and possibly engaging in the framing of ideas for and the preparation of draft legislation), coordinated (reconciling and adjusting lobbying activities internally and with other actors), uncoordinated (based on impulse decisions, following no distinguishable plan or organisation), hybrid (combination of approaches) or market-oriented (framed by market and customer considerations). As numerous as there are access channels to the EU institutions there are lobbying approaches and this list is therefore not a comprehensive one.

3.4 Philosophy of Science

This study applies an *inductive research approach*, since it is initiated from empirical data collected from relevant interviews, which serve as the basis to explore which themes emerge from the interviews and which of these should be concentrated on in the analysis (Saunders *et al.*, 2003). This process can then lead to a general theory. As outlined by Easterby-Smith *et al.* (in Saunders *et al.*, 2003), an inductive approach may be more appropriate if the anticipated research is to create an understanding for certain social phenomena rather than describing an event, which therefore is well-suited for studying the phenomena of business lobbying. There has not – to the author’s knowledge – been a study conducted on either DONG Energy’s or E.ON’s lobby activities in Brussels. Following Mill’s argument on inductive research “that the only grounds that we have for inferring from a sample to a population or from the past to the future are given by present experience or memory” (Wilson on Mills’ work on Induction, 2009) therefore justifies the collection of primary data for this study from the relevant actors, which can describe their experiences or memories about the lobbying activities of the case companies. Following this tradition, this research project is built upon a grounded theory method which can explain a certain social situation by identifying the core and central themes that arise from the collected data (Baker *et al.*, 1992; Saunders *et al.*, 2003). Analyzing data during a grounded theory approach is aiming at figuring out if the observations constitute a certain case or a more general phenomenon, or whether the empirical data fit into a certain pattern (de Vaus, 2001).

Following these contemplations, it is evident that the research method is a qualitative one, since the analysis is built upon interviews as the main empirical source for this research project. The research philosophy in line with *interpretivism* seems therefore most appropriate, since the interviews serve as a means to explore the subjective meanings that motivate the interviewees’ actions and opinions on either their organisations’ lobbying activities (companies, national and European sector associations) or their perception and experience of dealing and cooperating with interest group representatives in order to understand them (Saunders *et al.*, 2003).

A deductive research approach was not chosen since this study analyses a very specific area on a micro level, i.e. DONG Energy's and E.ON's approach to interest representation in Brussels, which has not yet been studied in this format. Further, in line with what Easterby-Smith *et al.* (in Saunders *et al.*, 2003) suggest, the author of this study commenced with a limited understanding of the topic at hand, which did not allow for a sufficient development of hypotheses that could have been tested through a deductive approach. Evidently, the inductive approach was selected and applied.

As noted in the research design section, this research project is mainly an *exploratory* study since its purpose is to develop and evaluate causal theories on the respective companies' lobbying activities. Starting from a literature review, the academic field of EU lobbyism is explored, motivating the selection of interviewees for the consecutive series of interviews, whose responses have the potential to change the direction of the analysis (Saunders *et al.*, 2003). Exploring this research topic without a predetermined theoretical framework requires the development of a conceptual framework to guide the research process and the analysis of the data as it is collected (*ibid.*), which is presented in the following chapter.

4. Conceptual Framework

According to Maxwell, a conceptual framework is a conception or model of the research area or subject that is anticipated to be studied, a “tentative theory of the phenomena” which are to be investigated (Maxwell, 2005, p.33). Introducing two theories that are particular relevant for this study, place this research project in a certain setting, which is to guide the research process and to create an underlying “understanding of what is going on with these phenomena” (Maxwell, 2005, p.35). The first theory presents the ‘Logic of Access’ argument by Pieter Bouwen (2002) to explain whether certain business interests are granted a higher or lower degree of access to specific EU institutions and which ‘access goods’ can increase their chances of access to these. The second theoretical approach by Rainer Eising (2007, 2009) puts forward the ‘Resource Dependency Perspective’ arguing that access to the EU institutions is shaped by resource dependencies, the EU institutional context, and the forms, structures and strategies of business interest organisations.

While those theories are not tested during the course of this study, as it would be the case if it would follow a purely deductive research approach, they make up a guiding conceptual framework to lead this research process. As Maxwell continues, the function of those theories are “to inform the rest of [the research] design—to help you to assess and refine [...] [the research] goals, develop realistic and relevant research questions, select appropriate methods and identify potential validity threats to [the] [...] conclusions” (Maxwell, 2005, pp.33-34). As he further underlines, the conceptual framework can also assist to justify the research endeavour (ibid.).

The conceptual framework is set up by briefly introducing the two identified theories and by consecutively presenting and stressing the concepts of each theoretical approach which act as guidance for this research project.

4.1 Theoretical Approach 1

Pieter Bouwen’s “*access framework*” was presented in the Journal of European Public Policy in his article ‘*Corporate lobbying in the European Union: the logic of access*’ (2002). It analyses what determines the level of access to the different EU institutions based on a survey among companies from the financial sector. Bouwen explains the degree of access to these institutions in terms of a theory of demand and supply of ‘access goods’, namely expert knowledge. Bouwen’s aim with this paper is the development of a theoretical framework to study the interaction between business interests and the EU institutions in an EU policy area. He commences by focusing on the access of business interests to the EU institutions instead of concentrating on influence, as he calls access a ‘*conditio sine*

*qua non*²⁰ to exercise influence. In addition to the European Commission – which is often solely studied due to its position as a legislative initiator – Bouwen also includes the European Parliament and the Council of Ministers in his study. He compares how firms, EU associations, national associations and consultants representing the financial sector gain access to the EU institutions by delivering different access goods. He implies that the kind of access goods determines the access patterns to the EU institutions.

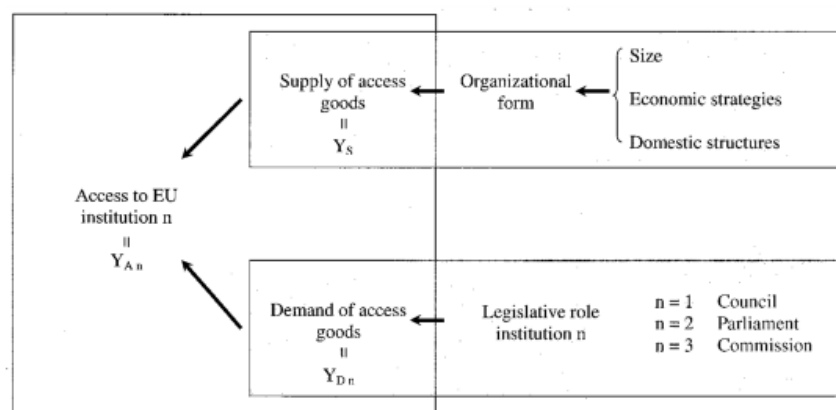


Figure 1 Bouwen's supply-and-demand scheme (Bouwen, 2002)

In order to gain access to these institutions Bouwen implies that the access goods of interest organisations have to be demanded by the particular EU institution, i.e. they have to concern information that is essential in the EU policymaking process. To show that these different access goods can explain the access patterns that EU politicians and officials uphold with the different interest group organisations, Bouwen conducted several interviews with representatives of EU institutions. Taking access goods as the central unit of analysis, Bouwen then differentiates between the kinds of access goods that are delivered by the different actors. He argues that expert knowledge about markets and technologies is preferably obtained from companies, while EU associations are best at delivering information about what Bouwen labels the 'encompassing European interest' of their members. While national associations control information about the 'encompassing national interest' of their members, consultants have supposedly only a very limited capacity for providing access goods.

²⁰ A condition without which it could not be.

Bouwen constructs a set of hypotheses from his theoretical framework, which include that the private actor who provides the highest quantity and quality of the critical access good in the most efficient way enjoys the highest degree of access to the EU institution. While those hypotheses are not tested empirically, he still considers his framework an effective tool to derive concrete strategic advice for corporate lobbying in the EU that goes beyond the large strand of literature, which only describes the available channels for lobbying in Brussels.²¹ He furthermore sees the potential of his framework to be used for the analysis of other sectors than the financial one.

4.2 Theoretical Approach 2

Rainer Eising's "*Resource dependency perspective*" was presented in the Journal for European Public Policy in his article '*The access of business interests to EU institutions: towards elite pluralism?*' (2007) and elaborated in his book '*The Political Economy of State-Business Relations in Europe - Interest mediation, capitalism and EU policy-making*' (2009). Eising argues that the access patterns to the EU institutions are shaped by resource dependencies, the EU institutional context, as well as the forms, structures and strategies of business interest organisations. His comparison of these access patterns of interest organisations to the EU institutions is followed by an analysis of the relations that have emerged between the state and business actors in the EU.

Eising's analysis is in essence founded on his criticism of Bouwen's access framework, as he calls it an important empirical study but also criticizes it for being "piecemeal" (Eising, 2007, p.385) and for only including business actors from the financial sector. He regards this as a neglect of an array of other sectors that are strongly represented in Brussels through companies or associations, and therefore weakens Bouwen's results. He also points out that Bouwen only considers the demand-side, i.e. which access goods the respective EU institution is requesting. However, as he acknowledges the importance of the underlying concepts of Bouwen's study, Eising complements the study by collecting data from the supply side (i.e. German, British, French, and EU business associations and large companies) and by analyzing the access of interest groups representing different business sectors.

Resource dependencies are put centre stage in Eising's analysis as he argues that state institutions or interest groups cannot autonomously pursue and achieve their political goals and are therefore dependent on an exchange of information. In the same vein as Bouwen, Eising demonstrates the dependency of EU institutions on external knowledge to put forward "divisive policy proposals that solve problems at hand, can be administered in member states, and win a sufficient political majority" (Eising, 2007, p.386). He also discusses the potential danger of especially business interests to manipulate or withhold certain information. This is however lessened, since the EU institutions have such a vast variety of sources to draw from and since abuse of granted access or manipulation of

²¹ Compare with literature review

information is very likely to result in damaging the business actor's reputation and lead to the exclusion from future information exchanges. Like Bouwen, Eising also sees access as a precondition that – while it does not automatically lead to influence – is likely to put those actors with access in an advantageous position to influence EU policies compared to those actors that do not have access.

Based on their respective decisive position in the EU legislation process, Eising sorts the EU institutions according to their importance for interest organisations, ranking the European Commission as the institution that interest organisations maintain most contacts with, followed by the European Parliament and the Council of the European Union.

He further analyses how the capacities of interest organisations affect their degree of access to policy-makers and points out how a company's dependence on associations and its capacity to act autonomously in Brussels is determined by its size. Since smaller companies often lack the resources to maintain their own public affairs activities, they are more dependent on associations to represent their interests in order to cooperate with other SMEs to gain political influence. On the contrary, Eising demonstrates how the developments within the EU regulatory framework in the 1970s and 1980s have incited large companies to increasingly organize themselves autonomously on the EU level as national programmes fell short of responding to problems that arose in this period (e.g. the European economic crisis and rising international competition). He shows how in the same vein, the Commission involved more and more companies in the consultation process to come up with solutions that can support the industrial sectors, valuing companies' economic and technical know-how at the expense of associations. This development led many to conclude that there is an apparent 'élite pluralism' that favours large companies over EU business associations in their access to EU institutions.

Eising challenges this by bringing forward empirical results from German, British, French, and EU business associations and large companies which indicate that different forms of organisations employ a different mix of lobbying strategies. This casts doubt on the proposition that élite pluralism is characteristic for EU interest intermediation as the access of large companies and EU associations does not differ as much as suggested. However, Eising also points to crucial imbalances in EU interest intermediation, since EU policy-makers favour large companies' expert knowledge and the capability of EU associations to represent the EU-wide interests of their members over the ability of national associations to represent their domestic encompassing interests – while large companies are the preferred partner for political leaders over business associations.

4.3 Constructing the Conceptual Framework

The author chose the presented theories to construct the conceptual framework for this study because they constitute two theories that are on the one hand well established in the lobbyism literature²² and on the other hand undoubtedly complementing each other very well. Bouwen's approach initially inspired this study to focus on the access patterns of business actors to the European institutions and since the author wanted to study these phenomena in the energy sector, it seemed appropriate to apply his framework to the two utility companies studied in this report. Confronted with the criticism that Eising exerted in his paper, however, the author considered both approaches to be a very well suited complementation to guide the research process of this study. Eising's supplement to Bouwen's approach through the variation of empirical data from different economic sectors strengthens the initial framework Bouwen put forward and opens up for new considerations.

By inspiring this study of comparing E.ON and DONG Energy in their approaches to lobby the EU institutions, the conceptual framework provides the justification and explanation for the choice of interview partners: The importance of the respective EU institutions for the legislative process and the role of individual firms and European and national business associations in it are outlined in both papers and the conceptual framework follows Bouwen's notion that all three EU institutions have to be studied simultaneously to "understand the logic of interest politics at the European level" (Bouwen, 2002, pp.366-367). Based on Bouwen's and Eising's approaches this report studies the different access channels and considers them as a conditionality of exerting influence on the respective institutions. It analyses the identified channels in relation to the two companies and their lobbying activities and tries to dissect the rationale behind their choices. While Bouwen also studies the activation of a third party (political consultancies and specialized law firms) to undertake the lobbying activities of individual companies, this study only focuses on the individual political action on the part of the company, either through individual action or through an association.

Using this conceptual framework encompasses therefore the analysis of E.ON and DONG Energy's *lobbying approaches*, i.e. how they use certain *access channels* and how these can grant them *admission* to the *EU institutions*. In this regard it has to be underlined that the context of this study is limited to the companies' response to the EU policy process and is not including an examination of how they might affect this process themselves, i.e. the study assumes a reactive course of the companies to the EU policy process. Figure 2 below depicts this scope of the thesis by connecting the core concepts that were defined in section 3.1.3 and by highlighting the focus on the companies' reactive course to the EU policy process. As also examining the reverse course (arrow in parenthesis) goes beyond the scope of a master thesis, it has not been included in the conceptual framework.

²² See literature review chapter 2

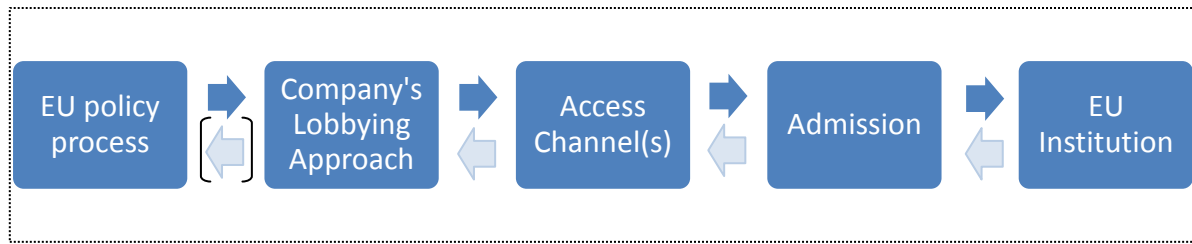


Figure 2: Scope of thesis

In conclusion, as a complementation of the two theoretical approaches takes both the institutional side and the private interest group side into account, it provides guidance on how to study the relations between the two if applied to the case companies' lobbying approaches towards the EU institutions. As both authors further emphasize that the size and resource capacities of the companies are decisive for their degree of access to the respective EU institutions, it is interesting to study if this correlation also applies for the access patterns of E.ON and DONG Energy.

5. Empirical Framework

Based on the conceptual framework the following actors have been identified for the empirical framework.

5.1 Primary Data: identification and selection of potential interviewees

5.1.1 Case Companies E.ON and DONG Energy

Since the purpose of this research project has the comparison of DONG Energy's and E.ON's activities in Brussels at its core, it was crucial to arrange a qualitative interview with representatives from both companies. Information on whom to contact was however not easy to obtain and since there was no alternative if the companies were reluctant to participate, the author tried to get introduced to a responsible person in the public affairs department or as in the case of E.ON, to get a reference to their representative office in Brussels. These attempts were unfortunately unsuccessful. Since the author did not have access to the European Public Affairs Directorate (EPAD), which lists all interest groups and lobbyists in Brussels and did neither have the resources to obtain access to it,²³ the head of E.ON's Representation Office in Brussels, Norbert Schneider, was eventually contacted via an e-mail address that had been obtained through a newspaper article and consecutive internet research, through which an interview with a E.ON representative could be scheduled. The contact to DONG Energy was eventually established through the help of the author's supervisor, who referred her to DONG Energy's Vice-President Jakob Askou Bøss and through whom a reference to DONG Energy's EU policy coordinator Trygve Ilkjær could be made, who then agreed to be interviewed.

5.1.2 National Business Associations

Since DONG Energy has no permanent representation office in Brussels but is operating mainly through the Danish Energy Association (Dansk Energi – DE), this organisation seemed very relevant for the anticipated series of interviews and an interview with their Head of International and EU Affairs could be arranged. Similarly, the German Association of Energy and Water Industries (BDEW), of which E.ON is a member, was contacted and through a personal reference from an employee of the BDEW office in Berlin an interview with their EU representation office in Brussels was scheduled.

²³ EPAD - The European Public Affairs Directory 2011, list price € 312.70

5.1.3 National Industry Confederations

The decision to contact the Confederation of Danish Industry (Dansk Industri – DI) followed a recommendation of a personal contact and was supported by the interview with DONG Energy, in which it was also recommended to talk to them. Through the contact at the DI EU Office the contact to their EU consultant Louis Funder Kristensen could be established and an interview was scheduled subsequently. Since the interview with DI was only agreed upon shortly before the author was leaving for Brussels to conduct the interviews that should serve as primary data, it was dismissed to contact the German pendant, the German Business Representation (BDI - Bundesverband Deutscher Industrie), as it was a too short amount of time to have an interview arranged in Brussels. As the association was neither mentioned in the interviews with E.ON or BDEW, it was not deemed important to include the BDI in the list of interviewees. Since the interview with DI further suggested that the involvement of national industry confederations in the lobbying activities of a single member company is rather limited, it was assumed that this may apply to the BDI as well.

5.1.4 EU Institutions

While the interviews with the companies and the national sector associations suggested a good and supposedly in-depth insight to the respective company's activities in Brussels, those interviews would only reveal one side of the two-way communication between the EU institutions and the two companies. Therefore the European Commission (EC) and the European Parliament (EP) were identified as important additional sources for primary data concerning the case companies' lobbying activities as also pointed out in the conceptual framework: The EC due to its position as the EU's "executive body"²⁴ which proposes and enforces legislation, and the EP since it through co-decision shares legislative power with the Council of the European Union.²⁵

5.1.4.1 European Parliament

Since MEPs still represent their national constituencies, it seems more natural to lobby MEPs that share the same nationality as the companies' head offices and main businesses, as well as those that are concerned with energy-related questions in their responsibilities. Based on this assumption, Danish and German MEPs who are represented in the European Parliament's committee on Industry, Technology, Research and Energy (ITRE)²⁶ were identified. As the ITRE committee is mainly concerned with discussing and amending draft initiatives regarding energy regulation and trading, it

²⁴ EC website d)

²⁵ EC website a)

²⁶ European Parliament (EP) website a)

was prioritized over other ones with a possible relevance, e.g. the committee concerned with Environment, Public Health and Food Safety (ENVI). This decision was based on studying the past and current issues that ITRE deals with as well as on the list of its responsibilities, which included “[c]ommunity measures relating to energy policy in general, the security of energy supply and energy efficiency including the establishment and development of trans-European networks in the energy infrastructure sector”²⁷ which suggested a high relevance of ITRE’s activities for this study.

The interviews should further reflect the opinions of politicians from the different political camps, which is why the Danish MEP Bendt Bendtsen (‘De Konservative’) from the EPP, the political advisor of MEP Britta Thomsen (‘Socialdemokraterne’) from S&D, Mads Reinholdt, and MEP Jens Rohde (‘Venstre’) from the ALDE group were interviewed. Since neither ‘De Radikale’, ‘Socialistisk Folkeparti’ nor ‘Dansk Folkeparti’ had an MEP assigned to the ITRE committee, MEPs with these affiliations were not contacted. As for the German MEPs, it was only possible to schedule an interview with the political assistant of an MEP of the Greens/EFA as well as a telephone interview with the MEP Jorgo Chatzimarkakis (‘FDP’) from the ALDE group. The German MEP (‘CDU’) of the EPP that was assigned to ITRE did not want to get interviewed for this research project. In the selection of MEPs it was fortunate to interview MEPs or the political advisors of MEPs, who have been active as *rapporteur* or *shadow-rapporteur* in the ITRE committee, i.e. they have been the primary contact person for lobbyists and interest group demands as they have to administer amendments and changes to the policy drafts discussed in the ITRE committee (Eising, 2009). Thereby, most interviewees could relate to face-to-face encounters with one or both case companies, which substantially increased the relevance of those interviews for this research project.

Following the interview with DONG Energy and the political assistant of the Greens/EFA MEP, it was further recommended to contact MEP Claude Turmes from Luxembourg, since he is supposedly the most experienced and influential MEP in the field of energy and environmental policies and is interacting a lot with both E.ON and DONG Energy, national and European business associations as well as NGOs (DONG Energy, 2011; PA Greens/EFA, 2011). However, due to his busy schedule, an interview could not be scheduled.

5.1.4.2 European Commission

Regarding the European Commission, the Commissioner for Energy Günther Oettinger was identified as the most suitable and valuable interviewee to represent the Commission’s opinion about energy lobbyism. However, his team referred to the Department (Directorates General - DG) for Energy,²⁸ since the employees in the DGs are responsible for drafting policy proposals and scrutinize their

²⁷ EP website b)

²⁸ See organisational chart in Appendix III.

details (Eising, 2009). The DG Energy was therefore contacted and an interview was scheduled with an employee under the condition of anonymity which is respected in this report.

Interviewing both actors from the private sector (the case companies, DI and the national sector associations) as well as the relevant EU institutions (European Commission, European Parliament) is based on the rationale to triangulate the findings from the interviews with these actors, since hearing different sides to the same story (namely E.ON's and DONG Energy's activities in the EU policy system) is expected to increase the objectivity of the interviews' evaluations, thus increase the validity of the findings²⁹.

5.1.5 Deselected Potential Interviewees

The Council of the EU is an important decision-making body, however as Eising (2009) concludes, given the Council's relatively limited number of meetings and its composition of national delegates, it is considered less attractive for direct lobbying and is rather influenced through contacting the national governments departments in the respective capital. While the different stakeholders were questioned about their cooperation and lobbying activities with the Council of the EU, the respective German and Danish representatives in the Council were not approached for the above-mentioned reasons. Further, while the European sector and business organisations such as EURELECTRIC, EUROGAS, FORATOM, EWEA or Business Europe could also have been included as possible interviewees, they have been excluded since E.ON and DONG Energy are not a direct member of these associations. As the national sector and business associations are part of these European Associations and it seemed more logical that the companies are lobbying those organisations through their membership in the national sector organisation, BDEW and the Danish Energy Association or DI respectively. For a list of the 11 conducted interviews please refer to Appendix II.

5.1.6 Preparing Interviews

In order to prepare for the face-to-face as well as for the telephone interview, guides for semi-structured qualitative interviews were developed. Those were based on the research question, on initial research on the organisational structure of the case companies as well as on the other identified actors (Saunders *et al.*, 2003). A sufficient level of background knowledge on the research topic prior to the interview was also desired to establish credibility during the interview (*ibid.*). The interview inquiries were therefore first sent out after a brief research on the organisations' and MEPs' background in order to write the inquiries as targeted to the recipients as possible. The inquiries were further intended

²⁹ For elaboration see chapter 6.2

to supply potential interviewees with a brief overview of the anticipated study as well as with the general interview themes.

According to Kvale and Brinkmann a qualitative interview is one which “does not aim at quantification [but at] [...] nuanced accounts of different aspects of the interviewee’s life world” (Kvale and Brinkmann, 2009, p.30). Focusing the interview on a specific topic, the interviewer can direct the interviewee “toward certain themes, but not to specific opinions about these themes” (ibid., p.31). A qualitative and focused interview seemed therefore most appropriate to answer the research question, as it enables the collection of a rich and detailed set of data (Saunders et al., 2003), which was deemed necessary to create an understanding for the case companies approach to EU lobbying.

The interview guides were constructed in a way to start out with more general questions to establish a certain level of trust and confidence in the interviewer and gradually included questions which become more and more specific and potentially sensitive (Healy & Rawlinson, 1994 in Saunders *et al.*, 2003). During the development of the interview guides, the author paid attention not to include any questions that are leading and/or have the potential to indicate or induce bias. Open questions to trigger definitions and descriptions of a situation by the interviewee as well as probing questions to give the responses a special focus and/or to receive an explanation of the reasoning of a certain response were primarily used in constructing the interview guides. However, some single closed questions were used to obtain specific information (e.g. the number of employees involved with interest representation in Brussels) (Saunders *et al.*, 2003). The questions were further framed in a language that avoided too many technical terms and terminology, in order to forgo possible misunderstandings (Easterby-Smith *et al.* in Saunders *et al.*, 2003). Prior to the actual interviews, the interview guides were sent to the author’s supervisor for comments and possible additions that were subsequently taken into consideration.

In order to allow for a consistent approach, the same interview guides were used for a specific group of actors, i.e. one guide for the company representatives’ interviews, one for the interviews with MEPs, and one for the business associations.³⁰ While the structure of the different interview guides was equal for respondents in the same group, some questions to be adapted to the national or structural context. Further, depending on each individual interview, follow-up questions differed of course from other interviews.

5.1.7 Conducting Interviews

As the author is both fluent in German and Danish, the interviews were conducted in the respective mother tongue of the particular interviewee. Thereby, it is suggested that the interviewees felt more

³⁰ Plus the guide for the DG Energy Interview. All guides can be found in appendix IV

secure and relaxed as they can choose their words with higher precision than in a second language and due to the technical nature of the sector that the case companies operate in, the potential of misunderstandings is limited through the use of the interviewees first language (Welch and Piekkari, 2006). Prior to the actual interview the author asked for permission to record the interview, which was accepted by all interviewees, though by single ones with some restrictions, which are outlined in the previous section.

5.1.8 Power Asymmetry

As the author primarily interviewed respondents that are either in a higher management position or a leading political position, the issue of power asymmetry cannot be ignored. The author prepared well for the interviews to display her seriousness and professionalism and Kvale and Brinkmann ascribe a considerable power to the researcher as he or she “has the scientific competence [...] initiates and defines the interview situation, determines the interview topic, poses questions and decides which answers to follow up” (Kvale and Brinkmann, 2009, p.33). However, given the professional (leadership) positions of the interviewees and the position of the author as a graduate student, it is suggested that a reverse power asymmetry is rather likely to have directed the course of some interviews instead (ibid., p.147). This dilemma was attempted to be counteracted through repeated and/or modified follow-up questions in the few interview situations, in which the power asymmetry might have affected the interview.

5.2 Secondary Data

The European Commission’s websites on directives, communications, draft initiatives, initiatives and roadmaps related to energy regulation served as a primary source of preparation for the interviews as well as throughout the research process. Prior to the interviews those served as background information to possibly identify a case to question the interviewees about. As noted above, since no clear case evolved during the interviews, secondary data from the European Commission’s website was used to draw a timeline of important EU regulation for the energy sector,³¹ which might have spurred lobbying activities in Brussels. Other secondary data included the annual reports of DONG Energy, E.ON, and some other European utilities, as well as studies on the European energy market, publications from EURELECTRIC or other organisations dealing with EU policies and the energy sector as well as newspaper articles from leading (online) business magazines like Bloomberg or Handelsblatt.³²

³¹ See Figure 3 in chapter 7.1

³² For a comprehensive list see bibliography

6. Analytical Approach

6.1 Operationalization of Analysis

Having set the methodological scope for the research project, this section outlines how the concepts introduced above are being translated into tangible indicators (Saunders *et al.*, 2003). Guided by the presented conceptual framework, the analysis is put into context by giving a brief overview of the developments within the field of EU energy regulation over the last two decades. The case companies E.ON and DONG Energy are briefly introduced as well as their respective positioning in the European energy market.

Following this contextual introduction, the analysis of the empirical data is presented and, building upon the above introduction of the interviewees identified for this study, their relationship to the case companies is illustrated. Explanations were extracted from the empirical data by using open coding and axial coding with the aid of computer-assisted qualitative data analysis software (CAQDAS)³³ in order to compare the lobbying approaches of DONG Energy and E.ON. The analysis is structured according to the identified categories that evolved from the data analysis and is subsequently presenting the findings of each category for each company, which are summarized and interpreted by the author in a brief conclusion for each category. Thus, by putting forward the chain of evidence in presenting and interpreting the findings of the empirical analysis allows for the assessment of their relevance to answer the research question.

In the subsequent discussion, the findings are scrutinized and related back to the conceptual framework to analyse whether the findings support the conceptual framework or if other explanations and generalisations are needed. The research findings are summarized and put into perspective in the final conclusion to address potential continuations and extensions of this study as well as to address possible weaknesses that have been identified during the analysis and discussion of the research findings.

6.2 Reliability

According to Saunders *et al.* (2003) reliability describes the degree to which the data collection method or methods will yield consistent findings, if similar observations are to be made or conclusions reached by other researchers, or whether there is transparency in how sense was made from the raw data. As Kvale and Brinkmann (2009) summarize this, reliability is reflected by consistency and trustworthiness of the research instruments and measurements, which is achieved “when the steps of the research are verified through examination of such items as raw data, data reduction products, and

³³ ATLAS.ti website

process notes” (Campbell in Golafshani, 2003). This can be demonstrated for this thesis by on the one hand the digital recordings of all interviews and their transcriptions – which the author has saved and archived to keep a record of all data collected for this report³⁴ – as well as by keeping interview notes and reflections that have been composed after each interview. However, given that many interviewees chose to stay anonymous and that only the references to the interviews which are included in this thesis have been verified to be disclosed by the interviewees, the transcripts of the interviews are not attached to this report.

Another limitation to the reliability are the suggested internal changes within one or both case companies, which suggest that a study with a similar research question might come forward with different research findings in one or two years from now. This is due to DONG Energy’s proposed possible expansion of their activities in Brussels, while E.ON might change or downsize some of their activities to respond to the undergoing changes in the regulatory framework in Germany, i.e. the phasing out of their nuclear power plants in the country³⁵.

6.3 Validity

Validity is reached when the concepts, variables, measures, and instruments that the research project applies determine what they should (Saunders *et al.*, 2003). This is ensured in three ways for this thesis: Firstly, this research project is guided by the conceptual framework constructed from Bouwen’s and Eising’s theoretical approaches on business lobbying in the EU institutions. Using the conceptual framework ensures to include the relevant actors in the analysis as well as to keep the focus on the research objective and prevent distraction from it. Constructing the conceptual framework and applying the core concepts that are defined in the terminology also set the frame for the applicability of this study as outlined in chapter 4.3. As the concepts, measures and instruments to collect and analyse the empirical data are also derived from the conceptual framework and the research question, the relevance of those has been provided for.

Secondly, validity of the research findings is ensured through the application of the concept of triangulation, i.e. the usage of multiple sources of evidence as well as by the continuous scrutiny of the research findings. The empirical evidence from interviewing the case companies are thereby triangulated with the empirical evidence from the MEPs’ interviews, the interview with the employee from the European Commission as well as with the interviews of the national business associations in order to increase the objectivity of the research findings by presenting different sides to the companies’ story.

³⁴ The recordings are however not be disclosed without the permission of the respective interviewee.

³⁵ For elaboration see chapter 8, 9 and 10.

Thirdly, the chain of evidence is outlined in the empirical framework and the operationalization of the analysis and thereby justifies the data and evidence which are used in the analysis and scrutinized in the discussion. The reader can thus follow why and how the data was gathered, coded and analysed and how it thereby motivated the conclusions made at the end of the report. Data validity was further ensured through the composition of interview transcriptions³⁶ and the subsequent validation of citations and information, which are drawn from the collected empirical data by the particular interviewees.

³⁶ For more details on the transcription process please see chapter 8.1 on coding data.

7. Setting the Scene – contextual presentation

In order to place this study in the relevant context, the following chapter is offering a brief overview of the developments in EU energy regulation. The case companies are further introduced and key facts and figures are presented regarding their history, structure, and market position. Their business activities are also appraised since it is suggested that those might indicate a certain direction for their lobbying approaches in the EU institutions.

7.1 The Liberalization of EU's Energy Markets – a brief overview

While the formal liberalization and integration of the European electricity and gas markets commenced in the mid-1990s when Directive 96/92/EC³⁷ set common rules for the internal market in electricity, integration of the energy sector had already been one of the first priorities of the newly established European Coal and Steel Community back in 1951 (Greenwood, 2002). Under the EC presidency of Jacques Delors (1985-1995)³⁸ the sector became an apparent candidate to complete a European Single Market. But despite these efforts, the utility companies hardly moved from their positions as regional monopoly suppliers and their often state-led operations. The 1996 directive therefore manifested the European Commission's long-standing – and initially fiercely opposed – endeavours for market integration in the energy sector. Similar requirements followed in 1998 by Directive 98/30/EC for the internal market in natural gas (ibid.).

To further accelerate market integration the second legislative package for an internal EU gas and electricity market was adopted in 2003 through Directive 2003/54/EC (electricity) and 2003/55/EC (natural gas) and followed by the third legislative package constituted through Directive 2009/72/EC (electricity) and Directive 2009/73/EC (natural gas) for an internal EU gas and electricity market in 2009. The last package includes – beyond issues specific to the electricity and gas markets – also extensive regulations concerning consumer protection, unbundling, the quality and security of energy supplies, the competencies of the national regulatory authorities and of the newly formed Agency for the Cooperation of Energy Regulators (ACER³⁹) (BDEW 2011⁴⁰). The 3rd of March 2011 marked the deadline for EU Member States to have accommodated the two 'Gas and Electricity Directives' into national law.⁴¹ To conclude the endeavours for the internal energy market, the European Commission is conducting annual benchmarking reports and has stressed this pursuit in their communication on the 'Energy 2020' strategy from November 2010⁴² (BDEW, 2011). In addition to these legislative

³⁷ europa.eu website a)

³⁸ Notre Europe – Thinking a United Europe website

³⁹ EC website g)

⁴⁰ BDEW website a)

⁴¹ EC website h)

⁴² EC website i)

initiatives, voluntary co-operations of the European utilities and other relevant actors are to further advance the integration of the European electricity and gas markets. This is for example pursued through the ‘regional initiatives’ and the contribution through the Regulatory forums led by the European Commission.⁴³

The increased political focus on energy-related issues is not only visible through the increased concerns about the EU’s energy security⁴⁴ but also through the institutionalization of an Directorate General of the European Commission for Energy and one for Climate Action as established on February 17th 2010.⁴⁵ Since 2000, energy related policies were drafted under the Directorate General Transport and Energy. This development has not surprisingly led to a higher intensity and volume of policy briefs, roadmaps, communications and (draft) directives concerning the further advance of the internal energy market.

In conclusion, since the first legislative package for an internal energy market was adopted in 1998 liberalization of the European energy markets has come a long way and has included more and more areas to be regulated under the respective directives (see Figure 3 below). The future work programme for the European Commission does suggest a further development on this path towards stronger integration of the European energy markets and sets an interesting and challenging playing field for European utilities and might give E.ON and DONG Energy ever more reason to engage themselves in lobbying activities in Brussels.

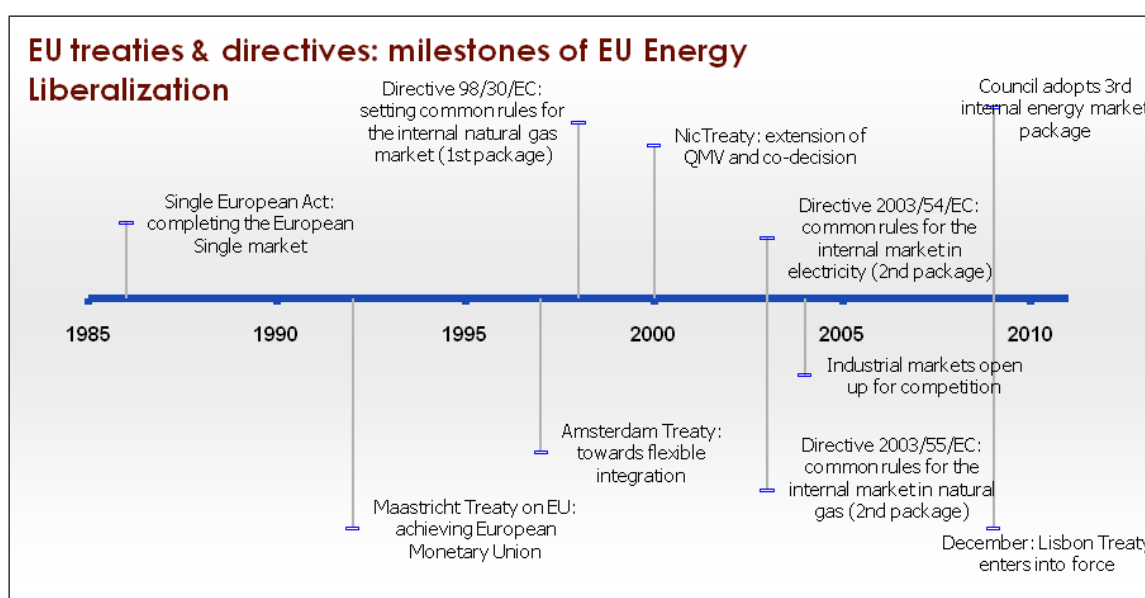


Figure 3: EU treaties & directives: Milestones of EU Energy Liberalization ⁴⁶

⁴³ Gas Regulatory Forum (Madrid), Electricity Regulatory Forum (Florence), Citizen’s Energy Forum (London)

⁴⁴ European Commission website p)

⁴⁵ europa.eu website c)

⁴⁶ Composed by author based on EC website j) and EURactiv website

7.2 Company Profiles

7.2.1 E.ON

The E.ON Group, which is headquartered in Dusseldorf, Germany, is one of the world's largest non-state owned power and gas companies. Their core business is situated in Europe but E.ON also operates facilities in Russia and North America. They employ more than 85,000 people and with revenue of EUR 92.8 billion in sales in 2010⁴⁷ E.ON accounts for the highest revenue among his European competitors in 2010, with the French GDF-Suez annual revenue in 2010 of € 84.5 billion⁴⁸ coming in second.

E.ON is the result of the merger between VIAG and VEBA in June 2000, which were both founded as financial holding companies for the German government and the government of the state of Prussia respectively in the 1920s.⁴⁹ VIAG emerged as a specialist in aluminium, electricity, and nitrogen, while VEBA's activities focused on coal as well as petroleum exploration and production.⁵⁰ Growing strongly during the Second World War the companies struggled in the post-war years but through privatization in the 1960s and 1980s they diversified their operations and productions and increased profitability during the following years. Covering production and services within energy production, telecommunications, and upstream and downstream oil industry on the one hand and aluminium, chemicals and packaging business on the other hand, VEBA and VIAG became Germany's two largest industrial groups in the 1990s.⁵¹

The merger between the two companies, which was formalized in June 2000, was mainly motivated by the high costs of competing against each other in too many business areas. The core industries where then reduced to energy and chemicals,⁵² while the latter was eventually dismissed when E.ON executed a focus strategy in the consecutive years.

Through the merger and further expansion by purchasing power plants “from Spain to Siberia” (Bloomberg, 2011) following increased market openings made E.ON one of today's largest investor-owned energy companies world-wide, operating in Austria, Bulgaria, the Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, the Netherlands, Norway, Poland, Romania, Russia, Slovakia, Spain, Sweden, the USA, and the United Kingdom.⁵³

⁴⁷ E.ON company website k)

⁴⁸ GDF-Suez Annual Report 2010

⁴⁹ E.ON company website a)

⁵⁰ Reference for business - Company History Index

⁵¹ Ibid., E.ON company website b)

⁵² Reference for business - Company History Index

⁵³ E.ON company website c)

7.2.1.1 Energy Mix

At the end of 2010, E.ON's attributable generation capacity accounted for approximately 68 GW of which almost 28 GW was gas- and oil-fired, over 19 GW coal-fired, over 11 GW nuclear, almost 6 GW hydro and almost 5 GW wind and other renewable sources such as solar energy and bio energy.⁵⁴

7.2.1.2 Structure⁵⁵

The E.ON headquarters in Dusseldorf acts as the group's management hub by supervising and coordinating the operations of the entire group (Figure 4 below). The 'Group Management' develops and directs the company's strategy and the global and regional units. It also secures financing, manages risk, and continually tries to optimise the Group's business portfolio. Those are segmented into five global units, which cover the functions *Conventional Generation*, *Renewables Generation*, *New Build & Technology*, *Global Gas*, and *Trading*, as well as 12 regional units in Europe, organized by country, which manage E.ON's sales operations, regional energy networks, and distributed-generation businesses in the respective countries. Russia is treated as a special focus country, because of its geographic location and since Russia's power system is not part of Europe's integrated grid. Support functions like IT, procurement, and business processes are organized on-site of E.ON's operation facilities where needed and according to attempts to leverage synergies between these support functions.



Figure 4: E.ON's Group structure⁵⁶

7.2.1.3 Ownership Structure⁵⁷

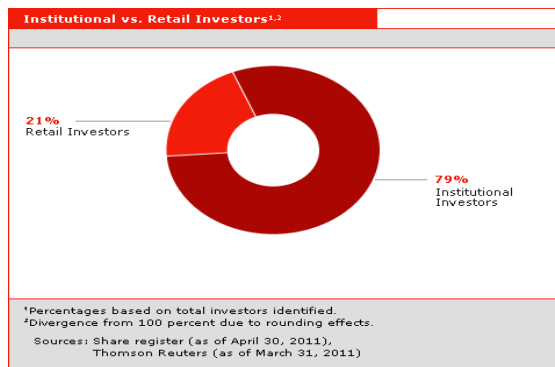
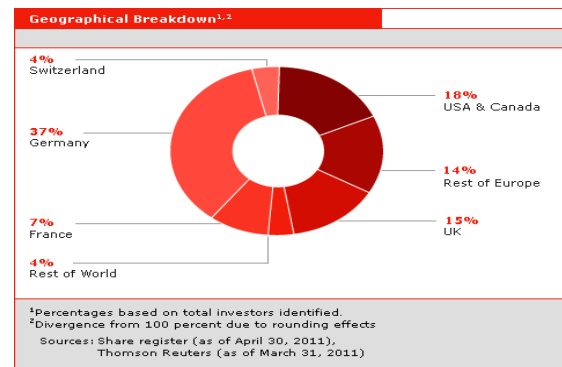
As mentioned above, E.ON is among the largest privately-owned utility companies in the world and is traded on the stock exchange. Concerning their shareholder structure, E.ON has reported that approximately 79% of all identified shareholders are institutional investors and approximately 21% are retail investors (Figure 5). Broken down by geographical dispersion, approximately 37% of all shares are held by German and 63% by foreign shareholders (Figure 6).

⁵⁴ E.ON company website d)

⁵⁵ E.ON company website e)

⁵⁶ Ibid.

⁵⁷ E.ON company website f)

Figure 5: Institutional vs. Retail Investors⁵⁸Figure 6: Geographical Breakdown⁵⁹

7.2.1.4 Strategy and Corporate Branding

E.ON is focusing on making their current energy mix based on fossil fuels and nuclear power “better and cleaner.”⁶⁰ This strategy which was introduced in 2010 includes the pledge to reduce the emissions of their plants in Europe by 50% until 2020 based on their emissions in 1990.⁶¹ This is mainly to be reached by increasing efficiency of fossil fuel plants, cutting down emissions of those plants as well as the promotion of nuclear energy as a ‘bridging technology’. E.ON is however not ignoring renewable energy sources as it holds large stakes in on- and offshore wind farms in Europe and the US and has announced to make large-scale investments in this business area in the future.⁶² Further, since during the process of writing this report, the German government has decided to abandon nuclear energy completely by 2022,⁶³ E.ON might expand its share of renewable energy in its portfolio, since the company holds the majority ownership in seven and has stakes in another four of the 17 still active nuclear power plants in Germany.⁶⁴

7.2.1.5 Presence in Brussels

E.ON has been established with their Representative Office in Brussels since 2000 as E.ON and already since 1990 as VEBA.⁶⁵ They are therefore one of the longest permanent established business representations in Brussels. The office has approximately 3-4 permanent staff, headed by Norbert Schneider a former European Commission employee.⁶⁶ The office is used – beyond the daily activities for E.ON’s interest representation – as a meeting point for external staff and delegations from E.ON’s European subsidiaries as well as internal and external experts.⁶⁷

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ Referring to E.ON’s new strategy slogan “Cleaner & Better Energy” & latest business presentation by CEO, November 2010, E.ON company website g)

⁶¹ E.ON company website h)

⁶² E.ON company website i)

⁶³ BBC news website

⁶⁴ Interview with E.ON’s chairman for R&D, 25th May 2011, accessed at: Spiegel Online a) and b)

⁶⁵ As mentioned in interview with BDEW 2011

⁶⁶ Information received from Interview with MEPs 2011

⁶⁷ Information received during interview with two of E.ON’s staff at their representative office on May 24th 2011

7.2.2 DONG Energy

DONG Energy is the market leader in Denmark and holds strong positions especially in other Northern European markets. DONG Energy is a holding company and is headquartered in Fredericia, Denmark. The company has diversified their activities from their former focus areas in natural gas sourcing, wholesale, exploration, and gas and oil production toward activities across the whole value chain of the energy business and has thereby turned into an integrated energy company.⁶⁸ In 2010, they employed approximately 6,000 people and reported annual revenue of DKK 54.6 billion (€ 7.3 million).⁶⁹

DONG Energy was founded as Dansk Naturgas A/S (DNG) by the Kingdom of Denmark on 27 March 1972 (changed to Dansk Olie og Naturgas A/S in 1973 and to DONG in 2002)⁷⁰ to develop Danish energy activities. The company has expanded both in Denmark and throughout Europe, most notably through the merger of DONG with five other Danish energy companies – Elsam, ENERGI E2, Nesa, Copenhagen Energy, and Frederiksberg Forsyning – in 2006, thereby creating DONG Energy.⁷¹ The merger was a substantial step for DONG Energy to become a fully integrated utility company as it consolidated the resources of the acquired companies, including oil and natural gas exploration and production, electricity generation at power stations and renewable energy facilities, gas and electricity distribution, as well as sales and energy consulting. Parallel to the merger, DONG Energy acquired 10.34% of the Ormen Lange gas field on the Norwegian continental shelf in February 2005, which represented a major step in shifting from oil to natural gas. Commercial production from the Ormen Lange field started in October 2007.⁷² Today, DONG Energy has operations in Denmark, Sweden, Norway, Poland, Germany, the Netherlands and Great Britain.⁷³

7.2.2.1 Energy Mix

The latest published numbers on DONG Energy's energy production mix were from 2009, were 83% accounted for the production in thermal power stations and the remaining 17% came from hydro power in Sweden and on- and off-shore wind turbines in Denmark, Sweden, Great Britain, France, Poland, and Norway.⁷⁴ While DONG Energy has rejected the use of nuclear energy and is investing substantially in renewable sources of energy production, they support the use of coal particularly in Denmark, since "wind turbines still only deliver power when the wind is blowing and since hydropower is not an option"⁷⁵ in the country.

⁶⁸ DONG Energy company website a)

⁶⁹ DONG Energy company website b)

⁷⁰ DONG Energy company website c)

⁷¹ EC website l) & DONG Energy company website d)

⁷² DONG Energy company website e)

⁷³ DONG Energy company website f)

⁷⁴ Ibid.

⁷⁵ DONG Energy company website g)

7.2.2.2 Structure⁷⁶

DONG Energy is organized into five major business segments. *Exploration & Production* focuses on these activities for oil and gas and has most of its activities in the waters around Denmark, Norway, the UK (West of the Shetland area), the Faroe Islands and Greenland. The *Renewables* business area develops, constructs, and operates wind farms, in which the company has over 30 years of experience,⁷⁷ while the *Generation* segment produces and sells electricity and heat mainly based on the combined heat and power (CHP) plants in Denmark. The business area *Energy Markets* sells gas and power to wholesale customers and trades on energy exchanges and is thereby linking the Groups' procurement and sale of energy. Lastly, the *Sales and Distribution* segment sells gas, power and related products to private customers, companies and public institutions in Denmark, Sweden and the Netherlands and does further operate the gas distribution network and power grids, gas storage facility and oil pipeline owned by DONG Energy in Denmark.⁷⁸

7.2.2.3 Ownership Structure

DONG Energy is a shareholding company in which the Danish state acts as the primary shareholder owning around 76% of all shares. SEAS-NVE Holding holds an approximate part of 11%, SYD ENERGI Net A/S of 7%, while the remaining 6% of shares are held by other smaller investors as depicted below (Figure 7).



Figure 7: DONG Energy Ownership Structure⁷⁹

7.2.2.4 Strategy and Corporate Branding

Following energy market deregulation in the EU member states, DONG Energy increased its own international activities significantly and is now an international energy company focusing on North European energy markets. DONG Energy has announced to reverse its current energy mix from today

⁷⁶ DONG Energy company website h)

⁷⁷ DONG Energy company website i)

⁷⁸ DONG Energy company website j)

⁷⁹ DONG Energy company website k)

85% fossil fuels and 15% renewable sources within the next 30 years⁸⁰ and is branding itself with “delivering clean and reliable energy.”⁸¹

7.2.2.5 Presence in Brussels

DONG Energy is not represented in Brussels through a permanent office or employee but is operating primarily through the Danish Energy Association which has two representatives in Brussels. Since the company has only recently prioritized a focus on the EU coordination tasks, Trygve Ilkjær was recruited as DONG Energy’s EU policy coordinator in November 2010. Since then DONG Energy’s EU activities are pursued to be more centralized and coordinated. Besides the representation through the Danish Energy Association, DONG is currently pursuing a jet-in-jet-out approach, as DONG Energy’s EU policy coordinator is flying from Copenhagen to Brussels on a regular basis for, among others, bilateral meetings with the EU institutions.

7.2.3 Conclusion

The company profiles reveal that both E.ON and DONG Energy are fully integrated utility companies with operations throughout the value chain, whereas E.ON is also engaged in nuclear energy operations. Significant differences concern the companies’ sizes, since E.ON is operating in more countries than DONG Energy. Other noticeable dissimilarities concern the agendas of E.ON and DONG Energy regarding the development and expansion of renewable sources of energy. Having briefly introduced both companies, the next chapter examines where they can be positioned in the European energy market respectively.

7.3 E.ON and DONG Energy’s Positioning in the European Energy Market

As briefly touched upon in the introduction, E.ON and DONG Energy play in quite different leagues regarding their size and market share. The following section presents where the two companies stand in the EU market as this information is not only relevant for placing the results from the conducted interviews in a context which frames this study, but those are also interesting indicators to return to in the discussion of the research findings.

Based on revenues in 2008 the table below shows that E.ON is the largest utility company in the European market with annual revenue of € 86.8 billion, closely followed by the French GDF-Suez (€ 83.1 billion). In comparison, DONG Energy’s revenue accounted for € 8.1 billion in 2008.⁸²

⁸⁰ DONG Energy company website l)

⁸¹ DONG Energy company website m)

| | E.ON | GDF-Suez (Energy) | EDF | Enel | RWE | Iberdrola | Vattenfall |
|--------------------------------------|-------------|-------------------|---------|-------|-----------|-----------|------------|
| Revenues (€bn) | 86.8 | 83.1 (70.7) | 64.3 | 61.2 | 49.0 | 25.2 | 17.1 |
| EBITDA (€bn) | 13.4 | 13.9 (11.8) | 14.2 | 14.3 | 8.3 | 6.4 | 4.8 |
| Margin (EBITDA/revenues, in %) | 15.4 | 16.7 (16.7) | 22.1 | 23.4 | 16.9 | 25.4 | 28.1 |
| Net Debt (€bn at end-2008) | 44.9 | 28.9 | 24.5 | 50.0 | 18.7 | 28.4 | 6.9 |
| Employees | 93,500 | 198,200 (134,600) | 160,900 | 76,00 | 65,900 | 33,00 | 32,800 |
| Electricity production capacity (GW) | 74 | 68 | 127 | 94* | 45 | 43 | 35 |
| Electricity generation (TWh) | 318 | 276 | 610 | 253 | 224 | 124 | 163 |
| Electricity sales (TWh) | 615 | 197 | 674 | 270 | 317 | 182 | 189 |
| Gas sales (TWh) | 294 (1,224) | 500 | 19 | 86 | 218 (328) | 181 | n.a |

* With Endesa at 100 percent

N.B. Electricity and gas sales: to end customers if data available, some doubts especially for gas; overall sale including intra-group or to resellers in parentheses if available. Some data includes extra-European values

Source: Annual Reports 2008

Table 1: Major utilities in 2008 (Schülke, 2010)

Concerning electricity production, the picture looks a bit different, as Figure 8 shows that the French EDF is exceeding the other leading utilities by far with an annual capacity of 652 TWh in 2009 compared to E.ON's electricity production of 216 TWh in the same year. DONG Energy makes the cut onto the graph with an annual electricity production capacity of 18 TWh.

Electricity Production in Europe 2007-2009
(all companies on the panel)

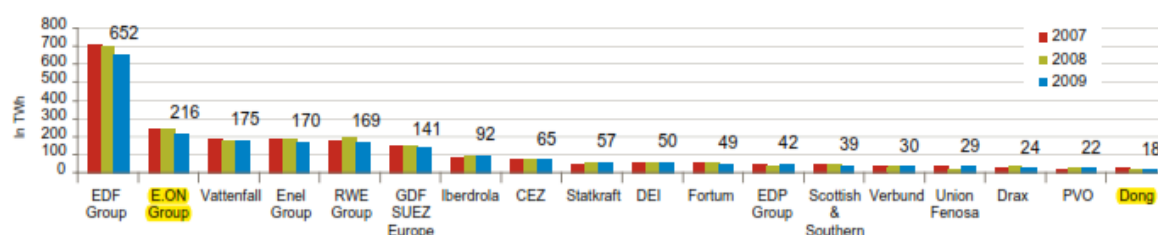


Figure 8: Electricity Production in Europe 2007-2009⁸³

DONG Energy can however come in before E.ON concerning the percentage that renewable energy accounts for in the companies' electricity production (Figure 9), since DONG Energy's renewable share accounts for 16% in 2009 and E.ON's share for 13% in 2009. This share was reported by DONG Energy to have increased to 20% by 2010,⁸⁴ while E.ON cites a share of around 10% to account for their own generation from renewable sources for the same year.⁸⁵ Incontestably leading the way today and in 2009 however are the Austrian VERBUND and the Norwegian Statkraft whose electricity production is mainly based on hydropower.

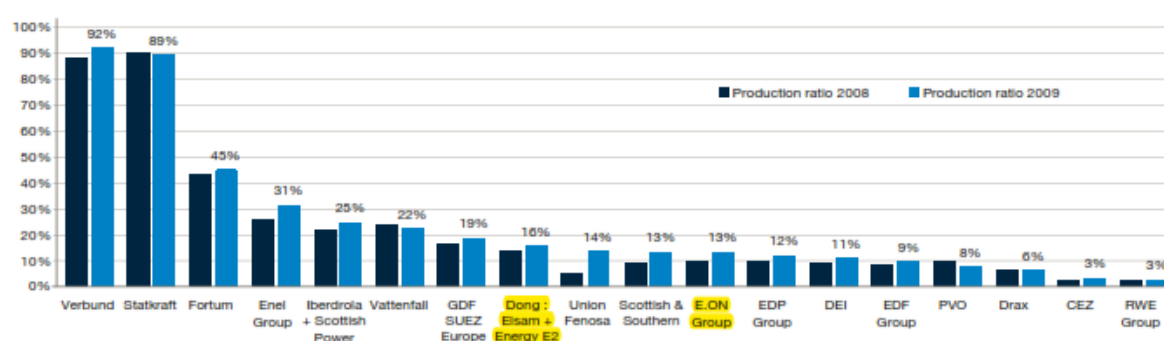
⁸² DONG Energy Annual Report 2008

⁸³ PWC France & Enerpresse online source

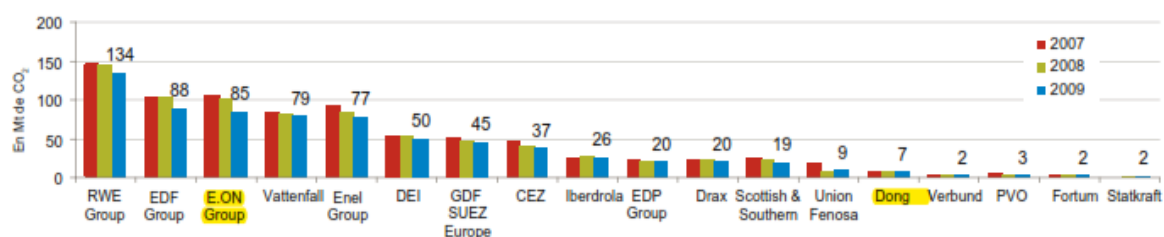
⁸⁴ DONG Energy company website n)

⁸⁵ E.ON company website j)

Renewable Energy % in Electricity Production 2008-2009

Figure 9: Renewable Energy % in Electricity Production 2008 -2009⁸⁶

Regarding CO₂ emissions in 2009 (Figure 10), E.ON is among the top three emitters in Europe accounting for 85 Mt (Metric ton) of CO₂, while DONG Energy's emissions accumulated to 7 Mt of CO₂ in the same year.

CO₂ Emissions in Europe 2007-2009
(all companies on the panel)Figure 10: CO₂ Emissions in Europe 2007-2009⁸⁷

7.3.1 Conclusion

As this brief overview illustrated, E.ON and DONG Energy are not competitors on equal footing. In the EU market E.ON is among the leading utility companies, whereas DONG Energy is a rather small player. Keeping this and the characteristics of each company in mind, it is now time to see if those factors are reflected in the analysis of the interviews to determine how E.ON and DONG Energy are using the access channels to the EU institutions for their interest representation.

⁸⁶ PWC France & Enerpresse online source

⁸⁷ Ibid.

8. Analysis

8.1 Coding Interview Data

As outlined in the methodology and the empirical framework, 11 interviews were conducted with relevant stakeholders who were identified through the conceptual framework. In order to extract the significant information from the interviews a general inductive approach for qualitative data analysis was applied as described by Thomas (2003) and Streubert and Carpenter (1999), which is guided by specific objectives, i.e. the research question. Accordingly, frequent or significant themes in the raw data frame the emergence of research findings instead of being constrained by structured methodologies (Thomas, 2003). Through this constant comparative method the data is analysed simultaneously to identify variables that do not only recur frequently but which can also link various data and have explanatory functions (ibid.).

It has been advised by some authors that interviews should be pre-analysed shortly after they have been conducted to build upon the previous interview for the following one (e.g. Merriam, 2009). However since the interviews for this report were conducted over the period of only one week, it was not possible to transcribe the previous interview and to pre-analyse them in detail before conducting the next one. To compensate for this weakness, notes were taken during and after each interview and a record was kept of reflections, ideas and things to pursue in the following interviews. These notes did not only serve as a point of reference for the consecutive interviews but were also used to organize and streamline the data analysis for all interviews.

Having these first reflections in mind and in order to identify and refine frequent or significant categories, the recorded interviews were transcribed and subsequently examined in different stages: First, the completed transcripts were read again in tandem with the respective recording to control for possible mistakes and misspellings and to refresh the interview situation. In order to identify themes and categories the transcripts were subsequently studied several times without listening to the recording. Since the different stakeholders focused on different main issues in their interviews the first round of coding produced more than 17 categories. As this number of categories proved not only impractical to analyse but also suggested a lack of focus onto the research problem, the categories were subsequently refined by returning back to the research question and using it to identify the areas that should be focused on in studying the interviews. This strategy reduced the distraction by interesting but for the research objectives irrelevant information and allowed for filtering information that is relevant to the topic (Streubert & Carpenter, 1999). The following comparison and contrasting of the data then gave room for the significant themes to emerge and to create relevant categories for the further evaluation.

The qualitative data analysis process consecutively resulted in the emergence of three categories which are strongly interlinked: The first category identified was labelled *processes*, since the interviews revealed determinants of how issues are prioritized and selected within the case companies. The category therefore encompasses the underlying mechanisms and arguments that are applied to reach decisions to pursue a certain issue or not. While this mainly concerns internal processes of the case companies that are presented in the following, this category also includes external processes (as in external to the companies), which affect the ways the lobbying process adhere to.

Closely linked to this category is the second one, *lobbying approach*, as it follows from the prioritization and selection of issues to be pursued and which approaches the respective case company chooses to frame and direct these issues. It also encompasses the opinions of other stakeholders about different lobbying approaches that they apply or are exposed to and by comparing the opinions about different lobbying approaches the companies' lobbying activities can be evaluated accordingly.

The third category, *results*, is then again closely linked to the previous category as the lobbying approach is to conclude at a certain point and it is intriguing to examine if and how results from the companies' lobbying approaches can be determined and reported and if the case companies are even interested in presenting results. The category also includes collected information about the perception of different actors' influence in the EU policy process.

The choice of the categories was equally supported through the linkages and relations between them which became apparent during the coding process of the raw data and which are visualized below in Figure 11: The *processes* are associated ($=$) to the *lobbying approach* as they eventually determine and alter it, while the *results* and the perceived influence is described to be a cause of ($= >$) the *lobbying approach*. It should be noted that other factors than the lobbying approach can affect the results, which are discussed later on, so this direct linkage is only a simplification for demonstrative purposes.

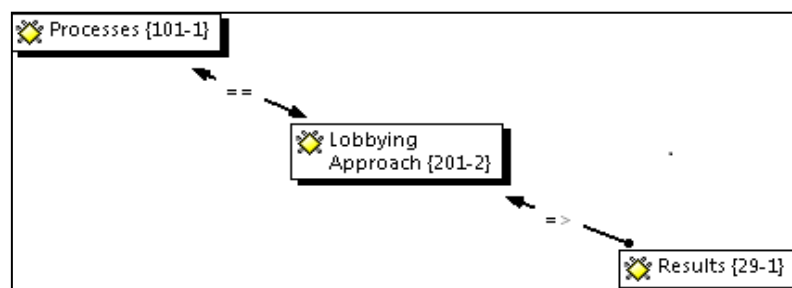


Figure 11: Network View: Lobbying Approach, Processes, Results⁸⁸

⁸⁸ Network View composed in Atlas TI. The number next to the name of the category describes the quantity of quotations that have been ascribed to the respective category

The development of these themes from the raw data assisted the understanding of meaning in the complex data (Thomas, 2003) and the categories did therefore create the structure for further processing the considerable amount of raw data by consecutively analyzing the data in each category. This allowed for linking issues within the same category and then between different categories to extract the relevant information to meet the research objective. To enable the reader to follow the chain of evidence of the analysis, the following section presents the findings by running through each category, highlighting specific and reoccurring issues and patterns that evolved from the data analysis. Citations from the conducted interviews are used where they illustrate findings and corollaries, provided that the interviewees agreed to be cited. A limitation to the citations shall be stressed at this point: Since the interviews were conducted in the mother tongue of the respective interviewee the citations were translated to English. As the author is not a trained interpreter, the citations were made to the best of her abilities and have further been verified and changed in their translated version by the respective interviewee to ensure the correct understanding of the citations. Each category section is then summarized in a brief conclusion to underline the main findings and possible linkages to other categories.

8.2 Framing the Lobbying Game: external and internal processes

The interviews conducted for this report gave insight to the internal processes of the case companies which frame the respective company's lobbying approach. As mentioned above, during coding the raw data, it also became apparent that the internal processes of the case companies seemed to be influenced by external processes and this category was therefore divided into these two sub-groups, external and internal processes. However, they both go under the main category *processes* as both groups emerged to be strongly interlinked as is presented in this section.

8.2.1 External Processes

During the data analysis two strong trends evolved in the sub-category external processes: On the one hand the perception of the enduring and increasing importance and focus on energy related issues and their regulation on the EU level, and on the other hand the EU policy process, which affects the internal process of the case companies and not surprisingly also of all other stakeholders involved in lobbying activities in Brussels. These trends were detected throughout the interviews with the different stakeholders and are specified in the following presentation and evaluation of the findings.

8.2.1.1 Increased Importance and Focus on Energy-related Issues

All interviewees affirmed that they can observe an increased focus and importance of energy related issues in Brussels over the last couple of years, fuelled primarily by the increased number of energy related directives or regulations adopted by the EU. Milestones which also spurred lobbying activities from this increased focus were the internal energy market packages, the renewable energies act, and the recent draft directives on energy efficiency and on energy infrastructures⁸⁹ (Interviews with DONG Energy, E.ON, BDEW the Danish Energy Association, 2011).

BDEW stressed that there is “currently a very active phase [for energy-related policy drafts] with a strong strategic course, including the energy strategies 2020, 2050, roadmaps, [and] energy efficiency planning” (BDEW Interview, 2011⁹⁰). This trend is also confirmed in the European Commission as the employee from the DG Energy stressed that “the first European council on energy was hosted in February this year [2011]. This by itself is a sign that energy is much more important than in the past” (DG Energy interview, 2011⁹¹). They continue that the establishment of an independent Directorate-General for Energy in 2010 is a tribute to the increased interest and bearing of energy, as is the number of the Commission’s initiatives in the area of energy, which have been named above. This development also “depicts the need to lead the path in the areas of energy and an increased activity in the Commission does of course automatically lead to an increased response from companies” (ibid.). In addition to the policy milestones named above, the DG Energy employee also stressed that the European Recovery Package, which has been adopted following the economic and financial crises, also reserved a considerable amount of financial support to enable investments in the energy sector (ibid.).

MEP Bendt Bendtsen is similarly observing that this increased intensity within EU energy regulation has again triggered many companies to open a direct representation after the first “mushrooming” of company representations followed the Single European Act in 1986 (Bendt Bendtsen interview, 2011⁹²). As the DONG Energy Representative noted, this is supposedly also due to the European Commission’s increased focus on energy efficiency and the involvement in drafting according proposal by companies and government administrations which are on the forefront with renewable energy (DONG Energy interview, 2011⁹³).

As the range of issues to be dealt with grew exponentially it also became more and more difficult for lobbyists and MEPs to keep an overview over all issues that are concerned with energy-related regulation (BDEW, 2011). This is also supported by E.ON’s representative who stresses that his company has been very focused on EU issues early on, but they also register that the processes have

⁸⁹ For details see chapter 7.1

⁹⁰ BDEW, 2011 in the following.

⁹¹ DG Energy, 2011 in the following

⁹² Bendt Bendtsen, 2011 in the following

⁹³ DONG Energy, 2011 in the following

become more diverse [and] comprehensive and that many more issues are included and considered in a much shorter time period (E.ON interview, 2011⁹⁴).

The increase of lobbying activities and the number of actors who are involved in energy lobbying has supposedly also influenced the character of the EU policy process: BDEW experienced that the consultations have become “more institutionalized” (BDEW, 2011). As an example the EU transparency register⁹⁵ – which serves as a voluntary point of reference and is expected to grant official acceptance of lobbyist to the EU institutions – was mentioned. DONG Energy also refers to the transparency register, since their listing includes the notification for all consultation meetings and hearings with the Commission and thereby invites registered interest groups to these consultations within their indicated policy areas of interest (DONG Energy, 2011). The company has been accredited in the transparency register of the European Commission since November 12th 2010,⁹⁶ while E.ON did not yet register. Questioned about this, they named administrative reasons, since they were waiting for the decision for a joint registry of the European Commission and the European Parliament (E.ON, 2011). However, the joint transparency registry was launched on 26th June 2011⁹⁷ and the company was not yet listed upon submission of this research project.⁹⁸

While there seems to be quite a broad consensus among all interviewees on the increased intensity, speed and/or importance of energy related issues in the EU policy process, the political assistant of a MEP from the Greens/EFA believes that this awareness has been enduring already since the first internal energy market package was adopted in 1998⁹⁹ and that the intensity and number of draft directives and other documents proposed by the European Commission are rather influenced by the legislative cycles of the Commission (political assistant of a Greens/EFA MEP interview, 2011¹⁰⁰). The perceived increased intensity, they suggest, is thereby only a sign of the new Commission settling in. While this fact definitely has to be taken into consideration, the establishment of the DG Energy and the policy outlook with for example the proposal for the EU’s energy efficiency 2050¹⁰¹ to secure supply for EU citizens and to live up to the climate change goals set by the EU by cutting CO₂ emissions still suggests that there has been a substantial shift towards an increased focus on the area of energy regulation.

⁹⁴ E.ON, 2011 in the following

⁹⁵ europa.eu website d)

⁹⁶ EC website k)

⁹⁷ EC website k)

⁹⁸ Last accessed September 20th 2011

⁹⁹ Compare with overview of EU Energy liberalization, chapter 7.1

¹⁰⁰ PA Greens 2011 in the following

¹⁰¹ EC website m)

8.2.1.2 EU Policy Process as a Determinant for Companies' Internal Processes

The EU policy process was briefly introduced in the methodology chapter and does – maybe not surprisingly – prove to command the internal processes concerning companies' lobbying activities. It therefore becomes rather “generic” as DONG Energy's EU policy coordinator described it (DONG Energy, 2011), as the relevant institutions are approached according to the respective phase in the EU policy process (ibid.).

Starting from the initial level of ideas, potential initiatives or directives are discussed at public initial hearings in the Commission to get the input from a broad range of affected stakeholders. These hearings are attended by representatives of both companies (“We start to be active as soon as the Commission opens a hearing” (DONG Energy, 2011)) and are used to determine the relevance of the new proposals that are presented (E.ON, 2011).

Hearings can also be held by the European Energy Regulators CEER or ERGEG¹⁰² which can act as a source for the European Commission's considerations (DONG, 2011; DG Energy, 2011). The Parliament can, if supported by a majority of its members, also propose or request a corresponding legislative proposal by submitting an own-initiative report.¹⁰³ Besides the knowledge input that is collected through these hearings and the consultation phases with external stakeholders, the DG Energy employee also stresses that “there is also the way of generating knowledge within the organisation [European Commission]” (DG Energy 2011) for example through the development of models by the economists in the Commission. “A very important source however” they continue, “[...] remain to be the member states” (ibid.).

Also think tanks such as CEPS or EPC can give an impulse for a new proposal and are equally involved in the consultations with the European Commission (Confederation of Danish Industry interview, 2011¹⁰⁴; DG Energy, 2011). The internal knowledge creation and development of ideas in the Commission is pointed out by many interviewees as an important stage, since all of the inputs are consecutively considered within the organisation. “[The different commissioners] decide as a College. In general, the responsible DG prepares a proposal. The proposal is then internally discussed with other DGs concerned, being still on a stage of confidentiality. [Amendments are made and discussed] and are then approved by the College. After approval, the official proposal is made public and is sent to the European Parliament and the Council for adoption in the respective legislative procedure” (BDEW, 2011).

When a draft proposal is issued by the Commission it is to be discussed and amended in the European Parliament, which is said to spur a lot of lobbying activity especially for the MEPs that have been appointed *rapporteur* (who leads the discussion on the draft in question and proposes changes) and

¹⁰² Forerunner to ACER, dissolved in March 2011 when ACER was fully operational, EER website a)

¹⁰³ EP website c)

¹⁰⁴ DI 2011 in the following

shadow rapporteurs (who lead the discussion on behalf of their political faction): “When I am *rapporteur* or *shadow rapporteur* and I have to amend a text and have to write amendment requests, that is the hot stage” (MEP Chatzimarkakis interview, 2011¹⁰⁵). While the lobbying activities in the Parliament have intensified over the last years, this can also be explained by an increased level of influence of the parliament on EU decision-making granted through the treaty of Maastricht¹⁰⁶ (DG Energy, 2011).

The policy process within the European Parliament is in opposition to the preparations of the draft directives from the EC – which are generally based on objectivity, facts and scientific evidence (ibid.) – much more politically motivated as all MEPs and their political faction have of course a political programme to promote (impressions from MEPs/political assistant interviews 2011).

The amended proposal is then given to the Council for confirmation through the member states and if adopted here also in the European Parliament. If the amended proposal is not adopted in the Council, a second reading is scheduled and the draft is discussed with the member states representatives¹⁰⁷ for improvements and possibly further amended in the respective Parliamentary Committee(s) with final adoption in the Plenary. If this version fails in the Council there is the last possibility of a conciliation procedure executed by a conciliation committee to find a compromise between the EP’s position and the Council’s position (so-called ‘trialouge’). As the E.ON representative notes, this conciliation process takes place when it’s about the crux of the matter, where you could not reach an agreement, and still try to find a solution (E.ON, 2011).

Running through this simplified version of the EU policy process in the respective interviews, both companies stressed that it makes three institutions specifically interesting for lobbying activities: the European Commission, the European Parliament and the European Council (E.ON, 2011; DONG Energy, 2011). Further, the political assistant of a MEP from the Greens/EFA stresses that “[...] the more familiar lobbyists are with the system, the earlier they will enter the process. In the end [of the process] it is very limited, what kind of changes you can achieve” (PA Greens, 2011).

8.2.1.3 Conclusion

Evaluating the findings on the external process this section has shown that there is a strong consciousness for energy-related issues in the EU’s legislative system since all institutional and private actors are very aware of it and observe and frame this trend with an increased apprehension. The EU policy process as a determinant for the lobbying activities has also partly been influenced by this increased focus as it has aggravated the number of lobbying actors in the respective institutions.

¹⁰⁵ MEP Chatzimarkakis 2011 in the following

¹⁰⁶ EC website a) extended under Treaty of Amsterdam and Treaty of Nice

¹⁰⁷ COREPER: Comité des représentants permanents

Formalizing and institutionalizing lobbying activities especially in the European Commission is one result of this trend. How those two external processes might affect the internal process of E.ON and DONG Energy is examined in the next section.

8.2.2 Internal Processes

As described above, it is expected that the external processes introduced and presented above direct the internal processes that determine E.ON's and DONG Energy's lobbying activities. Given the policy process of the EU, the representative of the Confederation of Danish Industry stresses that to determine where the lobbying process begins for his organisation or lobbyists in general "depends on how proactive you want to work" (DI, 2011). As an example for a very proactive approach he mentions the possibility to set an agenda in one of the EU think tanks (CEPS or EPC), which might get transferred into the EC's drafting of policies (ibid.). Considering the content and prioritization of documents issued by the Commission, he further stresses that roadmaps, communications and the like are no hard legislation, and thus often only followed loosely in the different organisations (ibid.). However, as they often sketch out the issues that are being included in the final directive they should not be neglected: "First, you had a road map for energy policy [...] then there was an action plan, an energy efficiency action plan and I can see, after I read those and now have seen this draft directive [on Energy Efficiency] that there are a lot of the things that have been directly transferred or ideas that have been transferred" (ibid.).

8.2.2.1 E.ON

Concerning the internal processes at E.ON, they state that issues that are proposed or pointed out by the Commission are analysed after their degree of possibly influencing the company's activities either negatively or positively, for example if a policy draft is likely to create negative impacts or prevent the company to enter certain markets or move within those markets (E.ON, 2011). Possible impacts are analysed by E.ON's internal experts as well as by experts of the BDEW (ibid.). The positioning of BDEW is done together with member companies in respective working groups, steering committees etc.: "BDEW represents 90 percent of Germany's electricity sales, more than 60 percent of the local and district heat supply and 90 percent of natural gas sales. It represents companies that stretch from the large German utilities to the small public owned power producers in municipalities" (BDEW, 2011).

The increase in energy-related EU policies and the higher focus on energy in general can also be seen internally at BDEW as the appointment of an executive manager for the EU office in 2009¹⁰⁸ and the increased number of employees in their Brussels office can be interpreted as expressing the appreciation of the importance of the association's EU-related tasks (BDEW, 2011).

As the number and depth of relevant proposals has increased, the representative from E.ON's EU Office states that they do not go into great detail if the document in question is not concerning 'hard' and binding legislation (e.g. pure communication of the Commission), but that they use the preparation of such documents to ask questions or to support for example task forces that are established by one of the relevant energy-related association like BDEW, EUROGAS or EURELECTRIC, which gather analyses and knowledge on the impact of proposals' main ideas on the energy business if turned into binding legislation. This internal process of analyzing and accessing impacts therefore reveals which differences can be made in the prioritization of issues and E.ON can then react accordingly with different lobbying approaches (E.ON, 2011). Thus, the processes in Brussels are being closely followed by the company since they can have a huge impact on E.ON's business and their strategic planning as they need to evaluate the national policies and the EU policy are creating the framework, in which their corporate decisions have to be made (ibid.).

8.2.2.2 DONG Energy

The increased activity in EU regulation and significant changes of it took DONG Energy seemingly by surprise: "[D]uring the last five years, there has happened extremely much on the EU legislative front. Both if we look at the third internal energy market package – which really fundamentally changed the possibilities and terms for electricity and gas activities in Europe – and not at least those 2020 goals, which have pushed the transformation of the European energy system in a totally different direction, they were pretty surprised at DONG Energy. They thought where does this come from? And what does that mean? And so they have reacted to this way, way too late. They could not even manage to react to it" (DONG Energy, 2011). And this experience seemed to have taught them a lesson about EU lobbying: "They do not want that situation again. So that's the definite reason for why there's been said: that shall not happen again, now we need to be on our tippy toes with the development" (ibid.).

Concerning DONG Energy's internal processes the company's increased attention for the EU policy process and their involvement in it has first and foremost resulted in the creation of an EU policy coordinator position which was filled with Trygve Ilkjær, who formerly worked for the Confederation of Danish Industry in Brussels. It has further meant more centralization of their regulatory affairs, by coordinating their EU lobbying activities on the company's group level¹⁰⁹ (DONG Energy, 2011). This

¹⁰⁸ BDEW website b)

¹⁰⁹ Compare with DONG Energy's company structure

change in their internal processes has also moved them from a mainly reactive and uncoordinated regulatory affairs approach before November 2010 to a more proactive one. Moving towards this is the result of developing a monitoring tool, which aides analyzing internally if issues prepared by the Commission are of relevance for the company's business activities and to keep an overview of the timeline for these issues (ibid.). Other internal processes to prepare DONG Energy's lobbying activities in Brussels (and also in Denmark) include the pursuit of internal knowledge sharing for example by issuing a monthly regulatory affairs newsletter (ibid.).

The monitoring tool is also used for the internal evaluation and to determine the choice of access channels to lobby for a certain issue or direction, depending on where it is currently discussed or negotiated in the legislative process. Current issues and lobbying tasks are delegated inside the company to the most relevant and most knowledgeable experts in the organisation by coordinating with the respective business units (ibid.).

This internal shift went of course not unnoticed in the Danish Energy Association: "Since he [(Trygve Ilkjær)] started there has been a tremendous change, no doubt; because they were not very visible before, while there is a strong cooperation now. And I think what we experienced when he started was that they [(DONG Energy)] really geared up on EU issues and it now fills much more and bears a more strategic and more political mark" (DE interview, 2011¹¹⁰).

The increased scope and scale of energy-related EU policies and the increased awareness of DONG for EU regulation and its potential positive or negative effects on their operations makes it very likely that the company might expand their EU coordination function in the future. Another longer term objective for DONG Energy's internal processes is their intention to use the implementation of EU regulations as part of their branding strategy (DONG Energy, 2011).

8.2.2.3 Conclusion

The findings of the interviews demonstrated that the external processes, namely the increased importance and focus on energy related issues and the EU policy process, direct the internal processes that determine E.ON's and DONG Energy's lobbying activities. Given E.ON's longer experience in EU lobbying, their internal processes were only slightly adjusted to keep up with the increased intensity of energy-related draft proposals, whereas DONG Energy had to kick-start their lobbying activities almost from scratch and needed to catch up on their activities. This also explains the close cooperation with the Danish Energy Association to represent their interests in Brussels, as they can build on their expertise and professional network, coordinate their bilateral lobbying activities from their office and receive regular updates and briefings from the association.

¹¹⁰ DE 2011 in the following

8.3 Choosing Your Game: E.ON and DONG Energy's lobbying approaches

As the former section outlined, the EU policy process very much determines which EU institution is important to approach at what time. The European Commission seems to be the main focus for interest groups and also for E.ON and DONG Energy before and during the drafting phase of a directive or other papers, and the European Parliament after the proposal of such documents. The following section therefore presents the findings of the data category *lobbying approach*, which sheds light on which channels each company uses to approach the EU institutions in particular and which variables can affect their choices.

8.3.1 E.ON

E.ON had a representative office in Brussels since their establishment in 2000, taking over the office of the former VEBA¹¹¹ which by the time had already gained 10 years of experience in EU lobbying in Brussels. They have therefore been among the first waves of company representation that were established in Brussels and are very well established in and knowledgeable about the EU policy process. Their office in Brussels is also a point of communication internally for the company, where E.ON tries to coordinate comprehensively. When they have an issue that comes from Brussels then they try to coordinate it from there to determine which department and which experts from which daughter companies need to get involved. In the following, the Brussels Office informs the relevant experts in their company about the state of affairs in Brussels and asks them for their input and assessment. When an employee is assigned he or she is responsible for coordinating and summarizing these inputs to develop a position about the issue at hand (E.ON, 2011).

Being present in Brussels is also essential for E.ON in order to be there as a point of reference for the European Commission and the European Parliament, since they are not only approaching those European institutions but are equally approached by them if certain issues are prepared. This does not necessarily always involve the concrete input to a draft proposal but can also include the provision of answers to questions from the Commission staff (also within a public consultation process), the Commissioners or the MEPs (or EP Committees) to inform them about the situation in specific markets or projects, and to provide information and to present themselves as a reliable partner for these institutions (ibid.).

Beyond the office staff in Brussels, E.ON has a team of for example technical or judicial experts, who are distributed throughout their different subsidiaries for example E.ON Ruhrgas, E.ON Energy, E.ON Climate & Renewables, or E.ON Energy Trading. Those are responsible for developing concrete ideas and to analyse if the recent proposals hold any implications for E.ON's business activities. This approach is taken to provide the legislators with suggestions and ideas about how the plans for the

¹¹¹ One of the two companies that merged to become E.ON.

future can look like (ibid.). Some of E.ON's experts are also active in the meetings of different energy-related associations, task forces and working groups. E.ON's Representative office acts thereby as a meeting and coordination point for these different specialists from E.ON's different country and subsidiary offices. Within the associations, European energy companies are discussing different opinions with the aim to find a common understanding about how to formulate a legislative text better or how to frame a "roadmap" clearer or to outline aspects that have been forgotten (E.ON, 2011).

Besides E.ON's individual or bilateral activities they are also very active in cooperating with European energy associations such as EURELECTRIC, EUROGAS, FORATOM and other relevant associations to coordinate their positions with other companies or national associations. If they succeed in establishing a common opinion via an association, they are aware that they can present it more easily to the Commission, as it combines the position of many companies (E.ON, 2011), which of course increases the relevance of that opinion. While they are in frequent contact¹¹² with BDEW in Brussels, E.ON regards the cooperation with it as a supplementation to their own lobby activities and sees the association's main task in generating a position for the German energy or gas sector. While this can support E.ON's position, the company also pursues its own lobbying activities, since the positioning within the association takes more time and is of course not always company specific as it has to be based on consensus (ibid.). Also BDEW supports this two-way strategy of E.ON but stresses that the cooperation with national and European associations, other companies and interest groups is essential and necessary as the range of issues has expanded over the last decade (BDEW, 2011). BDEW is not only bundling the interests of its members but is also trying to coordinate the lobbying activities "as it is not very reasonable if eight people try to get different appointments with an MEP for defending the same position" (ibid.).

8.3.1.1 Access to the European Commission

E.ON's long establishment in Brussels and their position in the European market have provided them with a good reputation within the European Commission. The company frequently comments via position papers (developed within the company or in the associations) for example on communications from the Commission. They further follow the consultation processes, where the Commission asks for input on issues such as foreign energy policy or the energy roadmap 2050 or about financing future infrastructure projects (E.ON, 2011). This relationship to the Commission allows E.ON also to meet with the Commission staff or the Commissioners bilaterally or in smaller circles with other big European utility companies: "At least about E.ON, I am certain that senior staff is meeting our General Director from time to time and probably or certainly also our Commissioner. I think [...] many other

¹¹² BDEW mentioned daily contact.

companies in the energy sector but also environmental organisations, consumer organisations, are in regular contact with the Directorate-General and the Commissioner” (DG Energy, 2011).

E.ON is usually already active in the hearings and consultation phases in the Commission to ask questions and to bring forward suggestions to the respective issue on the agenda. Through their co-operations with BDEW and many European associations they can also support their position in many cases through the consultation of the Commission with these associations (E.ON, 2011).

8.3.1.2 Access to the European Parliament

The ITRE committee and the MEPs working in that committee are the most important contact points for E.ON in the European Parliament. Issues with a stronger environmental focus are discussed in the ENVI committee which is also a relevant arena for their lobbying activities, depending on the proposal in question (E.ON, 2011). Both in the committees and in general, the German MEPs are the primary reference points, however due to E.ON’s broad positioning in other European countries, other MEPs are also approached, if appropriate. Their main task in their relation to the MEPs is in providing them with relevant information, since they need expertise and the MEPs are of course not all 100% updated on all issues. E.ON considers this exchange of information as a kind of consultation, as the company expresses their opinion about certain issues. They can also provide an MEP with background information about a country he or she is officially visiting, especially if they have questions about the country’s oil or natural gas reserves and established co-operations. In such cases the company serves primarily as a source of information (ibid.).

Among MEPs, E.ON therefore enjoys a very good reputation as a reliable partner: “As far as I am concerned I had no problems working with the Public Affairs Department of E.ON. [...] If you need information, then you usually get it. Of course it is ‘biased’ information since there is a lobby interest involved, but they also provide ‘meaty’ information. [...] A good lobbyist in my mind should not try to lead you on the garden path. I try to balance of the interests of the players involved, the overall aim, however, is to make legislation better so that it works for the customers and people. I don’t go for blunt protection of acquired possession rights. In conclusion, E.ON has so far been a reliable partner, based on my assessment” (MEP Chatzimarkakis, 2011). This reliance is also founded on their long-term experience as the MEP continues: “The longer the experience, the stronger the established trust, the more reliable everything appears. This applies to some stakeholders such as E.ON” (ibid.).

8.3.1.3 Access to the Council of Ministers

E.ON states that they are in frequent contact with the permanent representation of Germany in Brussels to keep each other well informed about legislative processes and policy initiatives. This is also motivated by the fact that the relevant ministries in Germany also have a certain interest in bringing the policies which are generated in Brussels into coherence with the politics in Germany (E.ON, 2011). Given the broad positioning of E.ON in the European market, they do of course also focus on other permanent representations from other European member states that they operate in (ibid.). The political assistant of the Greens/EFA MEP stresses that “the utility companies engage, even more than in the European Parliament, in lobbying their national governments, and I think also often successfully. [...] You can observe that frequently, for example for the energy market regulation a few years ago, the parliament called for the complete unbundling of the electrical networks [...]. And that was mainly toppled by Germany and France in the Council [of Ministers]” (PA Greens, 2011).

Besides those targeted approaches for each institution, E.ON also relies on broader approaches to promote issues or policy areas that concern their core business activities or their future planning, for example through a dinner debate or breakfast in the European Parliament (within the framework of the Parliaments’ European Energy Foundation), small conferences in cooperation with the associations, or seminars with an educative character. Those events primarily focus on promoting certain of E.ON’s business areas (for example natural gas) among the mainstream of the decision makers in Brussels, since E.ON cannot control who is eventually present at such events. However, they might attract an interested MEP, an expert from a company, an expert from the Commission, who’s main focus is natural gas, or someone from a related association (e.g. BDEW, EURELECTRIC, EUROGAS, Marcogaz), who is invited. Thereby they can start the discussion on a certain issue and increase awareness for it (E.ON, 2011).

8.3.2 DONG Energy

Since DONG Energy does not maintain a permanent representative office in Brussels to coordinate their EU lobbying activities from, they operate as mentioned above, primarily through the Danish Energy Association of which it is “by far the biggest member” (DONG Energy, 2011). There are several reasons for why “a large part of [their] political interest is executed through the Danish Energy Association” (ibid): They value the competencies of the association’s employees and their capacity to have two employees to work full time exclusively with EU regulation on site in Brussels, and to have knowledgeable consultants in Copenhagen who are experts in different areas of energy policy. As also national energy policy is affected by EU regulations these consultants are thus very familiar with the challenges of these tasks (ibid.). DONG Energy is further using the Danish Energy Association’s

facilities in Brussels, when they are in the city and they coordinate all EU-related tasks with them (DE, 2011). The Danish Energy Associations is also responsible for providing DONG Energy with any relevant information: “We collect and gather information for them, as much as we can” (ibid.).

However, using the Danish Energy Association is limited to activities concerning the production and trade of electricity of DONG Energy. When the company’s gas or oil activities are in question, the company uses the association of Offshore Oil and Gas Operators in Denmark (Danish Operators) on a national, and the association of Oil and Gas Producers (OGP) on the EU level of their public affairs activities (DONG Energy, 2011).

Another approach to communicate their interests is happening through the European business associations, depending on the activities of DONG Energy’s business in question. The European associations EURELECTRIC and EUROGAS are contact partners if any business in the electricity or gas units of the company are concerned, the European Wind Energy Association (EWEA) is the reference point for them concerning their off- and on-shore wind activities, and the European Federation of Energy Traders (EFET) for DONG Energy’s market activities. The Danish Energy Association uses the European Associations, especially EURELECTRIC, as a provider of knowledge about how other EU member states are thinking about certain issues: “[W]e use EURELECTRIC primarily for knowledge. Knowledge about what is happening and discussions of issues, because it gives us insight to – if we are on an issue – how is this discussed in Germany, how is this discussed in France, what do they think about in the French energy sector?” (DE, 2011). Thus they can find out with which partner association(s) to cooperate and to possibly set a respective agenda in the European associations (ibid.).

While coordinating with these associations is mainly done through the Danish Energy Association, DONG Energy also increasingly engages in bilateral lobbying with either European associations or the EU institutions themselves. According to the representative of DONG Energy, they are pursuing a multi level lobbying approach, i.e. they are “both active as a lobbyist bilaterally as well as indirectly through Danish organisations and indirectly through international organisations” (DONG Energy, 2011). This provides them with a large intersecting set in relation to their connections to the decision makers and regulators in Europe (ibid.).

The bilateral activities are mainly concentrated on the European Commission, the European Parliament and the Council since “in any case, to the supranational institutions, we go on our own, but that is an evaluation from case to case” (DONG Energy, 2011), depending on if the Danish Energy Association has better access, the stronger expertise, and depending on whether there is a 100% agreement on their and DONG Energy’s positioning. They would then go parallel with the association or let them handle the case on their behalf (ibid.). In general, “so are we [(DONG Energy)] active, if we do not feel that there is an organisation that represents our interests completely, [b]ut we definitely

mainly use our partners, since we are [...] in a very initial stage of our build-up. Until now it is only me, who works 100% with this issue [...]. So no doubt that we use the organisations the most” (ibid.). DONG Energy’s EU policy coordinator describes their combination of access channels as ‘venue shopping’ which in the literature is defined as “finding a decision setting that offers the best prospects for reaching one’s policy goals” (Pralle, 2003).¹¹³

8.3.2.1 Access to the European Commission

Approaching the European Commission is usually done by DONG Energy individually and follows a simple rationale: “If there is an issue that is of great importance for us, well then we meet with the Commission to try to express which implications this could have for a company like us. Maybe taking it further and see [...] which implications does it have for the consumer, because it is obvious that this is what most legislators are interested in” (DONG Energy, 2011). However, DONG Energy is realistic that “[t]he four, five big utility companies, among them E.ON, have probably a more natural access to the Commission, since when the Commission prepares to issue any kind of proposal, then they know that it has a really strong significance for E.ON’s way to drive its business, so they therefore of course need to ask a company like E.ON rather than DONG Energy, which only accounts for, what, 2% of the European market. [...] Clearly, there is something that’s called market power here” (ibid.). Despite the company’s small European market size, they have found a way to become an interesting interlocutor for the Commission: “I think we have a production that is approximately 70% fossil-based and 30% fossil-free. But already in this decade, 50% are going to be fossil-free, so we will be quite far ahead in relation to our 80/20 strategy by 2040. This story about DONG Energy – but also the progress we make, and our plans for offshore wind and bio fuel, new technologies – results in a very strong interest for DONG Energy in the EU system and that we are perceived as a progressive energy company. And that means that there are many that want to play with us and that is of course very nice and means that we are being contacted [...] by the Commission, that they want to meet us” (ibid.).

The progressive image that DONG Energy has established is further based on their investments in new technologies and by going new ways in finding investors: “We have the world’s biggest second generation ethanol plant, so every time it is about bio fuel, sustainability requirements et cetera, then they [(the Commission)] want of course to meet DONG Energy. If it is about how to get pension funds to invest in wind parks, where we are the only ones who have done that; that is something the Commission really wants to hear more about. [...] I have experienced that many times during the short time that I have been here. So we have benefitted greatly from this” (ibid.).

¹¹³ Compare with Baumgartner and Jones in literature review, ch.2

8.3.2.2 Access to the European Parliament

To approach the MEPs, DONG Energy is aware that they as a Danish company do of course enjoy increased attention of the Danish MEPs (DONG Energy, 2011) and use primarily the Danish Energy Association to build and maintain relations with them: “[I]n regards to [...] the day-to-day communication with the parliamentarians, we leave this to the Danish Energy Association; they have a close relation with the Danish parliamentarians and provide that they are continuously updated with Danish core interests” (ibid.). Also the Danish Energy Association itself points out its good network in the European Parliament: “[I]f we then come to the parliament, then it is clear that we use a lot of energy on the parliament, because as a lobbyists, we have quite some influence compared to the Council of Ministers” (DE, 2011). DONG Energy’s focus on increasing their share of fossil-free production makes them also an attractive source of information for MEPs: “DONG [is] progressive and has made a good business of [...] ‘moving energy forward’ [(DONG Energy’s slogan)] and got a bigger green CO₂ footprint. That is why we are often invited, also to the parliament” (DONG Energy, 2011). And although DONG Energy is not among the big players in the European Energy sector, they developed good relations with ‘the right’ MEPs: “It is not like everybody knows DONG Energy, but one of the most influential MEPs is Claude Turmes. He is very enthusiastic about DONG Energy [...]. Even though he is from the Green party and therefore by definition not very powerful, he is still the most important ITRE-guy in the parliament. And I had many meetings with him, just since Christmas about different issues and he name-drops DONG in many different contexts” (ibid.).

The good and long-term relations that the Danish Energy Association has established to the Danish MEPs include “especially [...] those that are in the ITRE or ENVI committees, which are the most important ones for us” (DE, 2011). However, as mentioned in the external process section, regarding the work on amendments and discussions about a proposal, they “address the MEPs who are *rapporteurs*” (ibid.). What was noticeable – though maybe not surprising – was that when questioned about details about the cooperation between MEPs and DONG Energy, both parties preferred to not give detailed examples: “Well, to go really into detail about what we have done, I do not think that we should do that, because there is an understanding about lobbying in Denmark that is completely different than in many other countries” (DONG Energy, 2011). And MEP Jens Rohde supports this approach: “[...] I would also never ever give a concrete example on how their [(the utilities)] lobbyism works, how they do it specifically. They are welcome to do that themselves, but for me it is crucial that the people who come here have my confidentiality and they always have that” (Jens Rohde, 2011). He also stresses why this confidentiality is an important prerequisite: “[...T]he earlier you receive the information, the faster you can act, which gives by far most influence; which quite goes without saying. It gets really banal, but you do not get any information before they are issued as a document if you do not have this confidential network” (ibid.).

The Danish MEPs and political assistants all stressed the professionalism of both the Danish Energy Association and DONG Energy and how that makes them a preferred cooperation partner: “[T]he most important thing is that they are credible, that they are credible in the way they work. There are some that really just go around focusing only on their own interest and have little understanding for the overall puzzle that needs to fall in place. And the Danish Energy Association has that” (Jens Rohde, 2011). Political assistant Mads Reinholdt supports this impression of the association: “I have really good experiences with the Danish Energy Association, [...] they understand to anticipate that [MEP] Britta [Thomsen] has one position, [and MEP] Bendt [Bendtsen] has a different one. So if they are suppose to help us then it is no use to give us the same things. So they anticipate that” (Mads Reinholdt, 2011). And also MEP Bendt Bendtsen agrees that “they are ably” (Bendt Bendtsen, 2011).

8.3.2.3 Access to the Council of Ministers

In the Council of Ministers, the DONG Energy representative states, “[...] there we are such a small company, so we only focus on Denmark. [...] [W]e do not have the resources to lobby the other countries. If we are active in other countries, then that is in the UK, because this is where we have the largest part of our investments right now and it is very significant for us what is happening there” (DONG Energy, 2011). The access to the national government in the Council is mainly established at home in the relevant ministries and organisations (ibid.). The relationship to the ministries is very close since many employees at DONG Energy have formally worked at the Ministry for Energy or the other way around (ibid.). Given that DONG Energy is a state-owned company, it is however not possible to clearly determine how coordinated DONG Energy uses the possibility of ‘going through’ the Danish government to promote their interests, except from the Danish seat in the Council of Ministers. Besides focusing on that, the Danish Energy Association also tries to gain support for their mandate through their network of other national Energy Associations. They are equally contacted from the other energy associations to hear if the Danish seat could back their proposals (DE, 2011).

8.3.3 Conclusion

The findings from this category probably disclose many differences between E.ON’s and DONG Energy’s lobbying activities: While E.ON is a long-established, recognized and respected big player in the lobbying process in Brussels, DONG Energy just recently geared up their lobbying endeavours and had to build up their activities after they had established a position for an EU policy coordinator in November 2010. However, due to their company’s focus on renewable energy production and ambitious targets to reverse their energy mix over the next 30 years, they were able to brand themselves as a cutting-edge utility company in the Commission and the European Parliament. While DONG Energy is aware of its size in relation to the other players in the European market and

especially E.ON, they have gained access to all relevant EU institutions rather quickly. This is of course also due to their cooperation with the Danish Energy Association as they could draw on their network, experience, and reputation, and did not have to build all their relations from scratch.

E.ON can base their lobbying activities on their well-established network of contacts and their reputation as a steady reliable partner, which they have developed over more than two decades in Brussels and their access to all EU institutions is therefore quite well-set. With their regional expansion followed a broader approach for the country seats in the Council of Ministers and also for the MEPs in the European Parliament. What seems to be a significant difference to DONG Energy's approach is the rather loosely targeted approach of hosting small events and conferences to spur the discussion about issues that E.ON would like to promote in the EU political system. Given that E.ON is one of the world's largest non-state owned power and gas companies and can maintain a representation office in Brussels, hosting such events is of course also a matter of financial resources. Their positioning as a company in the EU market and their positioning as a lobbyist in Brussels provides E.ON with a comfortable base for their lobbying activities.

In general for both companies, the access to the European Parliament is usually rather easily established, since MEPs contact the associations and companies regularly to receive information and briefings that they need to prepare for meeting in the specialized committees, for amendments or for material that they can use to write speeches (Bendt Bendtsen, Chatzimarkakis, Mads Reinholdt, Jens Rohde, 2011). The technical nature of energy-related policies and directives makes those actors essential for the EU institutions and MEPs to consult. Both companies and associations are thereby drawing on the expertise of their 'home offices' where their consultants provide them with information that make them reliable and trustworthy lobbyists (DE, DI, DONG Energy, E.ON, Mads Reinholdt, 2011). In these coalitions between companies and MEPs there is a high awareness of trust, confidentiality and reliability, which seems to be the reason why company representatives and MEPs did not want to disclose specific co-operations with each other.

The analysis of the lobbying approach category demonstrates that both E.ON and DONG Energy combine their individual lobbying efforts with the lobbying endeavours of their national energy association or other associations which are representing a particular area of their business activities as well as approaching the European sector associations individually or through their national energy association. Determining the companies' choice of a respective access channel is thereby based on a venue-shopping approach, i.e. the companies try to approach all crucial actors at the relevant time through the most appropriate means by following the EU policy process.

Both companies and the national associations with which they operate closely (the German Association of Energy and Water Industries (BDEW) and the Danish Energy Association (DE)) have been assessed by the MEPs as being highly professional and to know how to 'play the game'. Noticing

that MEPs stressed that the lobbying process is an enduring process without a start and ending point and that understanding this distinguishes professional and rather less professional lobbyists in Brussels (Rohde, 2011). As both utility companies seem to demonstrate those traits, this puts them in an advantageous position to conduct their lobbying efforts from.

8.4 Evaluating Your Game: Determining lobbying results and the perception of influence

This section analyses if and how E.ON and DONG Energy assess the results and the outcome of their lobbying endeavours. It further examines how their influence in the EU policy system is assessed by the MEPs and which challenges the different interviewees see in appraising influence of lobbying activities in the European institutions.

8.4.1 E.ON

E.ON did not comment on their own perception of their influence in Brussels but stress that they focus on executing their work responsibly and fair and to be a reliable contact. (E.ON, 2011). A detailed assessment and evaluation of their activities and possible results is not undertaken, since they point out that new issues are already coming in, when the former ones have just been finished. They however positively acknowledge if one of their ideas is being followed along and is receiving broader attention (ibid.). The main reason which they state as a reason why they are not undertaking a detailed assessment is due to the challenge or impossibility to determine which action triggered which result, since lobbying is the collective effort of all institutions with all the associations and all companies to try to develop certain outcomes (ibid.).

BDEW, as E.ON's frequent cooperation partner, is taking stock on their activities at the end of each legislative procedure and assesses if their arguments were strong enough to have an impact on the proposal in question (BDEW, 2011). They further are aware that they as an association which is representing almost the entire German energy sector are a sought-after partner for the Commission and in the European Parliament: "[The common positioning] is absolutely representative for the German energy industry sector. The Commission and the Parliament are interested in having an aggregated view of the whole industry sector which is already weighing out the different interests" (ibid.).

The MEPs that were questioned for this report were quite explicit in their perception of E.ON's influence in the EU policy process: "E.ON has an enormous influence. But that is of course also due to that there are so many Germans, for example in the industrial committee there they have a really strong impetus. You do just not even doubt that. You cannot doubt that when you are listening to [the

Commissioner for Energy] Günther Oettinger. And that is completely legitimate” (Jens Rohde, 2011). However, they did not only notice E.ON’s well-maintained network in the EU institutions but also recognized that this is the result of their long-term establishment in Brussels: “The longer the experience, the stronger the established trust, the more reliable everything appears. This applies to some stakeholders such as E.ON” (MEP Chatzimarkakis, 2011). In regards to how he perceives E.ON’s degree of influence he continues: “[T]hey are very well positioned, because they know exactly where you can influence decisions with good arguments” (ibid.).

8.4.2 DONG Energy

As outlined in the analysis of the previous category, DONG Energy is very cognizant about their position as a rather small player in the EU policy game – both in terms of financial resources and of EU market share. This awareness forces them to concentrate on a few core areas at one time and to use their competitive advantage as a progressive utility company with a lot of expertise in investing heavily in renewable energy production. This combined approach results in that in relation to their size and seniority in the EU lobbying arena, DONG Energy is very well connected and recognized in the EU institutions and also the Danish Energy Association as their close partner knows about their good reputation in the EU institutions: “We have very little resources in comparison to other organisations, so it is obvious that EURELECTRIC and Business Europe are taken up a lot and in many different areas. I think in comparison to them, on the issues we choose, [...] we are getting quite far with those. But that is also dependent on which cases you choose and what kind of legitimacy you have when you take them up. And you do have a different kind of legitimacy if you are coming from the Danish energy sector; then you have a different kind of legitimacy in relation to the Commission as if you come as EURELECTRIC. Because we have a different heritage, a different reputation: From Denmark, then you are someone who is playing by the rules and who is supporting renewable energy [...] there is a positive attitude towards us, when we are coming along. And we use that a lot. But I won’t overestimate our degree of influence; that is after all also a question of resources” (DE, 2011).

In relation to DONG Energy’s evaluation of their lobbying activities, Trygve Ilkjær can observe two kinds of results. On the one hand he can detect a greater awareness for EU-related issues inside the company as he is more often approached within the company and gets pointers to documents or announcements that might potentially affect their business activities. So he sees this as a positive development since “people are getting more and more aware of that we now have a resource that should be used” (DONG Energy, 2011). On the other hand their activities in Brussels stay not unnoticed: “[...] I can see it at the results that we have created in regards to the Commission which makes proposals about something specific that we have given an input for or in regards to the MEPs, who present amendments heavily inspired by our dialogues and which are adopted in the following; in

regards to common statements that we have made with other energy companies or NGOs, which are cited in the Financial Times etc. That the things that we are starting make a difference, are being adopted, recited etc. So on my own little checklist I can observe that we are making a progress” (ibid.). While DONG Energy is pleased to see results of their investments in their lobbying activities, they also recognize the challenges that come with assessing influence in their lobbying efforts: “With all kind of lobbying in general, it is really difficult to measure its effects, because how can you assess your input if ten others have said the same or if three others have said the same and four the exact opposite. How are you then calculating your results? So this is of course quite a subjective assessment” (ibid.).

To evaluate their activities for DONG Energy’s management, their EU policy coordinator is preparing an interim report at the end of each month, which describes their main activities and to also provide a justification of these endeavours (ibid.). Also the Danish Energy Association is reporting their results: “We are reporting a success as soon as it is there. So it is a success if there is something in a first draft that bears a big fingerprint of us, just as it is a success if we can see that a *rapporteur* is bringing forward a report that includes all our proposed amendments. [...] This is also a success if it has not yet been voted on in the plenary, but that it is included along a part of the way. This is when we can justify our success” (DE, 2011). They further present a list of their activities in every board meeting to account for their activities to their members (ibid.).

8.4.3 Permanent Representation versus Jet-in-Jet-out Approach

Another aspect, which was mentioned a few times in the collected interviews in relation to the degree of influence that can be obtained in the EU policy process were the advantages and disadvantages of a permanent representation on-site in Brussels. Asked about the necessity of a company representation, BDEW stresses that both representations – on association level and on company level – complement each other. “There are also company-specific interests and the company should be capable of representing those themselves” (BDEW, 2011). BDEW emphasizes that it is an advantage for the companies that are represented in Brussels to be able to draw on the association in order to both depict the common sector interest and their specific company interest as both complement each other in the lobbying process (ibid.).

The representative from the Danish Energy Association also stresses that the cooperation with DONG Energy’s EU policy coordinator makes it possible to delegate tasks and join forces on certain issues (DE, 2011) and he is certain that “they at one point also will have an office down here [in Brussels]. [...] Because the policies are coming home [to Denmark] from here and I think that DONG is getting more and more international oriented in their niche areas. So it would be a natural step for them”

(ibid.). Also the employee of the DG Energy can see an advantage for companies to be present in Brussels: “What I could say is that companies that are present in Brussels tend to have an easier time to play a role in the debates in Brussels, but I can also imagine that this could be covered by someone, who is coming here regularly. It is not a necessity” (DG Energy, 2011). On a follow-up question, DONG Energy’s representative said that they have no plans within the near future to open a company office in Brussels; however they are contemplating the thought of it for their long-term planning (DONG Energy, 2011).

8.4.4 Conclusion

The findings of this category show that E.ON and DONG Energy hold rather different approaches towards the internal evaluation and reporting of their activities and the assessment of their lobbying efforts. While E.ON is acknowledging if their ideas are being followed up upon in the policy process they do not evaluate their activities in a structured manner. It can be argued that they do not see a need or necessity to justify their activities to the headquarter, since they have been present in Brussels for such a long time and the close relation to the Commission and the European Parliament seems reason enough to continue their work on the ground. DONG Energy on the other hand has only recently established an EU policy coordinator position, so it seems obvious that detailed reporting and evaluation are necessary to assess their investment in this matter. Given the short time DONG Energy has focused so explicitly on their EU lobbying, they can present considerable results both in the company internally as well as in the way they have established themselves as a regular interlocutor of the EU institutions.

On assessing the companies’ degree of influence, all interviewees agreed that it is very hard to determine which actions triggered which effects and that the final result is often the combination of different actors’ activities. However, it was also noted that successful lobbying is often a question of resources and capacities – may they be financially, time-wise or in regards to human resources – that can be allocated to a certain issue. Lastly, the degree of influence was partly also connected with a company’s representation in Brussels since it is suggested that being on-site is easing the access to the EU institutions as companies are constantly available for questions and the provision of information.

9. Discussion

After the findings have been presented in the previous chapter they are in the following discussed in relation to the conceptual framework by outlining the emerging tendencies that the analysis brought forward.

9.1 Energy – an ever more important concern

As the different interviewees underlined and a glance at the planned proposals from the European Commission on energy show, energy-related issues are treated with an increased sense of importance and urgency. The establishment of a Directorate-General Energy¹¹⁴ in February 2010, which is exclusively dealing with those policies is on the one hand an acknowledgement of this aggravated attention and constitutes on the other hand also an engine behind the increased number of policies that have been adopted and are in the pipeline regarding energy regulation in the EU. However, also before the establishment of the DG Energy did the energy sector become more and more the focus for EU regulation proposals. Since the Commission issued more directives and communications concerning those matters this has of course been answered by a higher lobbying intensity from the relevant and affected stakeholders. As energy security and the threat of energy dependency are further reappearing topics on the national and European political agendas, energy regulation is not only becoming more and more crucial for utilities and other energy-related companies to follow, but is also increasingly a factor in the EU member states' security policies.¹¹⁵

In relations to the lobbying activities of the case companies, it seems that the increase in energy regulation at the latest with the 2009 third legislative package for an internal EU gas and electricity market meant a wake-up call for DONG Energy and significantly triggered the establishment of their lobbying activities to get involved in the EU policy process at the end of 2010.

9.2 Size and Experience versus Progressive Branding

The comparison of E.ON and DONG Energy's lobbying approaches and their use of the different access channels to the EU institutions show that – while it is a good constitutive factor – the size of a company is not necessarily explaining the preferred access to the EU institutions, since the example of DONG Energy and their cooperation with the Danish Energy Association shows that other factors can enhance this preferred access as well. So while in general, it seems that E.ON and DONG Energy have equally easy access to the EU institutions, they have it for different reasons: While E.ON's size in the EU market and their long and firm establishment in Brussels have made them an essential corresponding partner for the European institutions, DONG Energy could brand themselves as a

¹¹⁴europa.eu website c)

¹¹⁵ European Commission website p)

progressive utility company and first mover in scaling up renewable energy technologies to become a frequently consulted reference point for the European institutions, especially the European Commission.

In the European Parliament DONG Energy has well established relations to the Danish MEPs and is also approaching the respective *rapporteurs* either bilaterally or through the Danish Energy Association. Despite this good positioning, they are not very well known among MEPs from other EU member states except maybe for the British ones, in whom the company has a particular interest given their large investments in the UK. E.ON enjoys through their broader regional dispersion and simply through its market position a higher level of familiarity among MEPs from different EU member states. The same applies for the Council of Ministers in which E.ON, for the aforementioned reasons, has considerably more leverage than DONG Energy.

These findings therefore support Eising (2009) in that the institutional context, resource dependencies, organisational structures and strategic choices have to be taken into account when analysing the access of business interest organisations to the EU institutions.

9.3 The ‘Access Formula’: Expert knowledge, professionalism, trust and reliability

The technical nature of energy-related proposals from the Commission is stressed by most interviewees and that this circumstance makes it essential for Commission staff and MEPs to get technical expertise from the utility companies or the sector associations that can draw on their specialist knowledge from their home offices. The national sector associations are however also aware of the weight that the EU associations, like EURELECTRIC, have in consulting the European Commission, since they represent a consensus among the European energy association. This therefore supports Bouwen’s claim that expert knowledge about markets and technologies is preferably obtained from companies, while EU associations are best at delivering information about what Bouwen labels the ‘encompassing European interest’ of their members, i.e. a consensus reached between all national energy associations. It further supports Eising’s observation of crucial imbalances in EU interest intermediation, since EU policy-makers seem to favour large companies’ expert knowledge – for example about DONG Energy’s ethanol plant or E.ON’s natural gas activities – and the capability of EU associations to represent the EU-wide interests of their members over the ability of national associations to represent their domestic encompassing interests – which is affirmed by the Danish Energy Association.

Equally for MEPs, business associations are not necessarily their preferred partner although they acknowledge their importance. They however often see the utility companies as their favoured

partners, since they are supposed to work more efficiently. Their information are further said to often be more useful to create a political discussion as they are more sharp-edged than the information from the business associations. As the MEPs often need information quickly they are dependent on lobbyists to obtain them, which speaks for their preference of big companies for information procurement as they are said to react more quickly to MEP's inquiries (Reinholdt; Chatzimarkakis, 2011).

For a relation to lobbyists to be maintained MEPs also stressed that the lobbying representatives themselves and their charisma are most important, as the lobbying is primarily based on face-to face contact. Professionalism and long-term relation building are highly valued among MEPs whereas ad-hoc lobbying is perceived rather negatively, i.e. the most successful lobbyists are those that are not too pushy, but provide information when they are needed. It was noticeable during the interviews that MEPs were reflecting more critically on lobbyism and lobbyists and differentiated more strongly between the professional and less professional actors (Chatzimarkakis, 2011). However, they also stressed that it is always up to the politicians themselves how much influence lobbyist could gain (Bendtsen; Reinholdt, 2011) and that the use of lobbyists' information has to support their own political programme as a prerequisite. Therefore the political agenda of MEPs' political groups can reflect which interest groups are approaching them on which issues or which they approach for information (Reinholdt, 2011).

9.4 Towards Direct Company Representations and Bilateral Lobbying

As the former sections discussed, it was expected that interest groups who bundle interests of diverse sub-groups are more attractive to consult the EU institutions, however it seems like institutions rather prefer to deal with the companies directly. In this regard having a company representation in Brussels might be a considerable advantage to stay ahead in the EU policy process. As this variable constitutes a major difference between E.ON's and DONG Energy's lobbying approaches, the different opinions and arguments were presented in the analysis. In general there seems to be a tendency that the on-site presence of big companies is perceived as an advantage (DG Energy, 2011), with the main reason of obtaining information on draft proposals earlier. The presence on the ground is further said to maintain a closer relationship with the Commission and the MEPs and to cooperate more closely on certain issues with the national business associations in Brussels and to engage in work-sharing by delegating tasks among each other (BDEW, 2011). It is thereby also easier for the companies to supplement the lobby activities of the business association with company specific issues. It is however not suggested that every company with some EU interest should open an EU representation office in Brussels. However, many interviewees seemed to support the position that the market leader from a particular country should be present in Brussels. As many of the utilities in the EU member states are expanding

their operations and services into other EU countries, a company presentation might also act as a manifestation that the company is embedded in Europe.

DONG seems to get more involved into bilateral lobbying but is cooperating more with the Danish Energy Association since they are not themselves present in Brussels. As both the Danish Energy Association and BDEW act as an umbrella organisation for many different utilities, it can be difficult to exactly cover the single company's interests to the fullest. To represent the company's specific interests a company representation like E.ON has maintained for many years is then of course advantageous. However, if a company does not want to be too exposed in their lobbying endeavours, it might be more advisable to operate through a jet-in-jet-out approach or through a business association.

9.5 Communicating Lobbying Activities

Collecting the data for this thesis disclosed noticeable differences in the way the companies communicated their lobbying activities. Most compelling seemed that while within the EU institutions and among cooperation partners there is generally no negative perception of lobbying (if it is done professionally), the German stakeholders seemed to be more cautious on talking about their involvement in lobbying than the Danish ones. Some of the interviewees noted that the German energy-related companies are apparently suffering under a bad image which makes them 'attractive' for the media and environmental interest groups to scrutinize their activities. It can therefore be argued that this perception and given Germany's heavy industry and subsidized coal exploration provides E.ON and possibly other German energy companies an incentive to keep a low profile. DONG Energy and the Danish Energy Association on the other hand had hardly any hesitations and restrictions. This perception can also be based on the positive attitude towards the Danish actors in the EU system, who are generally perceived as being open, transparent and progressive in their energy policy (DE, 2011). Those perceptions and self perceptions of the energy sector in Denmark and Germany might explain the more conscious expressions from the German stakeholders (DI; DE; BDEW; DONG, 2011).

Differences can also be noted when looking at E.ON's and DONG Energy's approach to report their activities or results internally or to their head office. A general problem that has been acknowledged by all interviewees is thereby to measure the actual degree of influence. It seems however reasonable that DONG Energy engages in reporting and accounts for their activities, since they have to show the management that the investment they are making is paying off or not. E.ON on the other hand seems to be confident of their position in the EU policy system and given their longer establishment in Brussels it does not seem crucial for them to account for their activities internally anymore.

10. Conclusion

Based on the foregoing analysis and discussion, this chapter summarizes the outcome of this report and some recommendation for the case companies are presented.

This analysis has been undertaken to answer how the German utility company E.ON and the Danish utility company DONG Energy use the access channels to the European institutions for their interest representation and what determines their choice of these channels. Based on the findings that could be drawn from interviews with the companies and other relevant stakeholders, the present thesis demonstrates that both companies use a range of access channels as supportive means for their interest representation. Through the application of a multi-level lobbying approach, they combine their individual lobbying efforts with the lobbying endeavours of their national energy association or other associations which are representing a particular area of their business activities as well as approaching the European sector associations individually or through their national energy association. Determining the companies' choice of a respective access channel is thereby based on a venue-shopping approach, i.e. the companies try to approach all crucial actors at the relevant time through the most appropriate means by following the EU policy process.

While both companies have established access to all EU institutions of the institutional triangle, E.ON enjoys a broader i.e. better access to the Council of Ministers as they operate in more EU countries than DONG Energy and have therefore a more natural access to other member state representatives in the Council than the Danish utility. The interviews implied that the EU institutions grant access based on the degree of expert knowledge, professionalism, trust, and reliability – a 'formula', which both companies seem to be able to live up to: While E.ON has proven to be an essential resource for information for the EU institutions and has established a strong degree of trust among them through their many years of experience, DONG Energy quickly gained access through branding their progressive business model and benefitted from the good reputation that Danish companies enjoy in Brussels. The present study therefore shows that the (market) size of a company does not exclusively determine the degree of access to the EU institutions but that expert knowledge (e.g. technical information) and best practices (e.g. ambitious CO₂ emissions reduction strategies) are more important assets to become an interesting interlocutor for them. This conclusion supports Bouwen's access goods approach and Eising's 'resource dependence' approach and while it is based on the comparison of two utilities it seems reasonable that this conclusion can be applicable for the interaction with companies and the EU institutions in general.

10.1 Outlook

10.1.1 E.ON – bumpy roads ahead

E.ON's market leader position in Europe through their expansion strategy seems to come at a price: After the company completed purchases of € 11.5 billion from Enel SpA (ENEL) and Acciona SA (ANA) in 2008 and € 4.1 billion in Russia in 2007,¹¹⁶ the company has piled up a considerable amount of debt that it is eager to decrease. As the company has to expect significant losses of scheduled future profits due to the phasing out of nuclear energy in Germany, E.ON announced on 10th August 2011 that they have scheduled to lay off up to 10% of their staff to cut costs¹¹⁷ and further declared that they have to reduce dividends after their first-half profit plunged.¹¹⁸ E.ON's profit losses from nuclear plant capacities are also suggested to be a result of their delay in large-scale investments in renewable energy.¹¹⁹ It is not clear if these developments will affect their lobbying activities, but as E.ON announced cutting especially in administrative areas of their business it might also affect their representation office in Brussels. As the phasing out of nuclear energy in Germany is decreasing a considerable area of their business activities it might also affect their lobbying activities within their EU institutions and might broaden their activities on renewable energy activities but also coal and gas as plants fired with those fossil fuels are expected to bolster the phasing out capacities from the current nuclear plants.¹²⁰

10.1.1.2 Recommendations

Based on this perspective and the findings of this study the following recommendations have been formulated to enhance and maintain E.ON's position in the EU policy process.

Given the significant differences in the communication approaches of E.ON and DONG Energy it is recommended that E.ON should work towards becoming more transparent and accessible in their activities. While for example being listed in the transparency register is only optional, it sends the wrong signal to external stakeholders if the largest German utility is not listed but the other three big players RWE, EnBW and Vattenfall are and were even before the consolidation of the EC and EP register. In relation to their communication approach they should therefore change from defence to a more open and approachable attitude. In addition to the listing in the EU transparency register, E.ON could also use internal reporting for this purpose. Given the degree of confidentiality such activity reports do not need to be exhaustively detailed but should include a list of institutions, companies and/or individuals that the company has consulted – just as most MEPs publish a list of lobbyists

¹¹⁶ Bloomberg news

¹¹⁷ Ibid.

¹¹⁸ Vault Career Intelligence

¹¹⁹ Handelsblatt, print edition August 12th/13th 2011, Nr.155, pp.26-27

¹²⁰ Ibid.

whom they have met with on their website. Being such a big player in the utility market in Europe, keeping a low profile might give the wrong impression to external stakeholders. The interview responses from E.ON's cooperation partners in the Commission and the European Parliament further suggest that the company is a respected and reliable partner, which is providing expert knowledge whenever requested. It is therefore recommended to make use of this positive reputation and to transfer it to the external stakeholders. Becoming more accessible for those might even help to diminish the rather negative reputation that the German energy industry suffers from in the public opinion. Adopting their activities in Brussels to the expected change in their business activities would thereby be a good starting point to go new ways in their communication of those as well.

10.1.2 DONG Energy – expanding slowly but surely

DONG Energy geared up their lobbying activities just in time before falling even further behind in the EU lobbying arena. Their decision seemed to have been correct and it seems that they have achieved quite a lot in such a short time since they have established regular access to all EU institutions either bilaterally or through leveraging on their good and close cooperation with the Danish Energy Association. They have thereby managed to become a demanded interlocutor in the Commission and the Parliament. Based on their competitive advantage of following a progressive energy strategy and branding themselves with it helped the company to gain admission through providing expert knowledge especially in the area of renewables.

10.1.2.1 Recommendations

Based on the findings of this study the following recommendations have been formulated to consolidate and further enhance DONG Energy's position in the EU policy process.

It might be too early to contemplate about a company representation of DONG Energy, given that their EU activities have only been kick-started at the end of 2010, however pursuing this as a longer term perspective is recommended. Given the strong progressive brand that DONG Energy represents, this move could give the opportunity to establish even closer relations to the EU institutions and other important stakeholders in Brussels. Based on the positive publicity that DONG Energy seemed to have received in the EU institutions they should continue to brand themselves on their '85/15' strategy and to contribute with their applicable expertise and knowledge in relevant hearings and consultations. Since the communications and strategies from the European Commission promise further regulation in favour of energy efficiency and renewables, DONG Energy might further gain leverage by taking the role as a first mover and role model for other European utilities adapting to future EU regulation.

As an alternative to opening their own office in Brussels, it is further suggested to extend their current cooperation with the Danish Energy Association by following their approach of having one fulltime DONG Energy employee present in the association's office in Brussels and to simultaneously continue the jet-in-jet-out approach of their EU policy coordinator to keep their EU lobbying activities connected to business activities in Denmark. Sharing the costs for the facilities might make this move further attractive. The apparent success of this structure at the Danish Energy Association is encouraging for it to be transferred to DONG Energy's lobbying approach when deemed appropriate by the company. This step has of course to be based on DONG Energy's willingness to potentially become more exposed in their lobbying activities.

10.2 Research Perspectives

Given the boundaries of this thesis of only considering the companies' response to the EU policy process and not including an examination of how they might affect this process themselves, it would be a next natural step to take a more comprehensive look at their lobbying activities. For example by analyzing if the companies' activities in lobbying their home constituencies are already a part of their EU lobbying approach, since suggestions from the member states are often the basis for the EC to elaborate on new legislative proposals (DG Energy, 2011). Examining if and how companies shape and mould the EU policy process themselves would therefore complement this thesis' analysis of their reactions to it.

Given that E.ON and DONG Energy are operating in so many different business areas along the value chain – with many respective interest associations on the national and European level to take into account – it might further be interesting to pick a particular business area (e.g. renewables or natural gas) and to analyse their respective lobby activities in that area. However, given the discrete handling of co-operations among MEPs, business associations or other companies, it is rather unlikely to be granted access to the necessary information.

In the same vein, comparing two companies seems to allow researchers only admission to a limited amount of information, since it might have created concerns by the companies to expose their lobbying strategies, internal processes and cooperation partners. While it might be out of the scope of a master thesis, it would be interesting to derive a questionnaire for a larger sample of European utilities on how they lobby the EU institutions. This format would allow an anonymous collection of data, which can possibly disclose more information as it cannot be linked to a certain company i.e. competitor.

Lastly, since the venue shopping approach was referred to in some interviews and is also used as a conclusion to summarize the approach of both case companies, repeating a similar study, the conceptual framework for such one could combine either Eising or Bouwen's approach with a theory on venue shopping, which might result in an alternative research design and process.

While this is only a brief selection of many interesting topics for further research in energy lobbying, it is anticipated that this thesis can contribute to an increased awareness for lobbying activities in the utility sector and to give an incentive for further research within this area.

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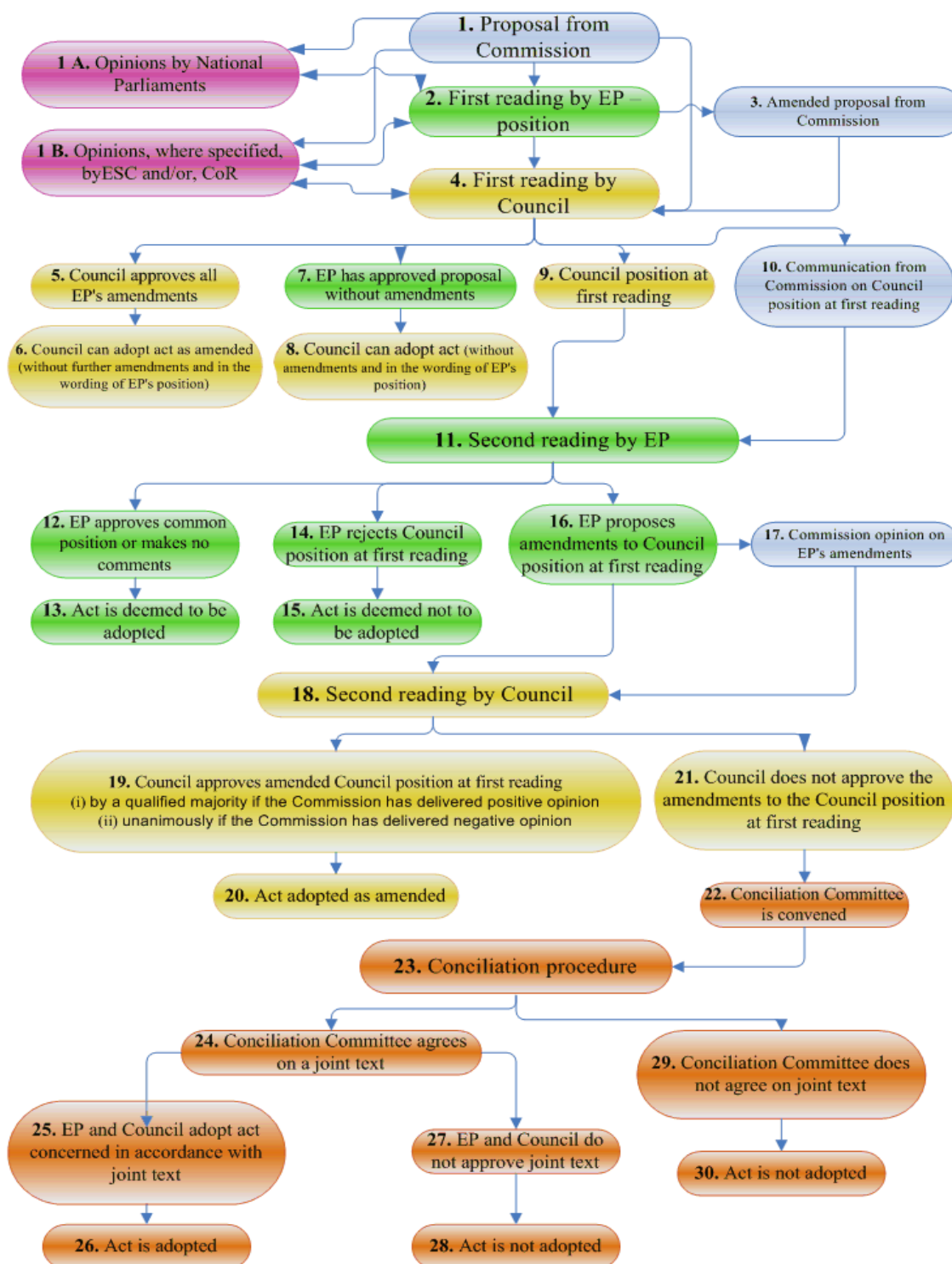
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12. Appendices

Appendix I – Co-decision procedure flow-chart¹²¹

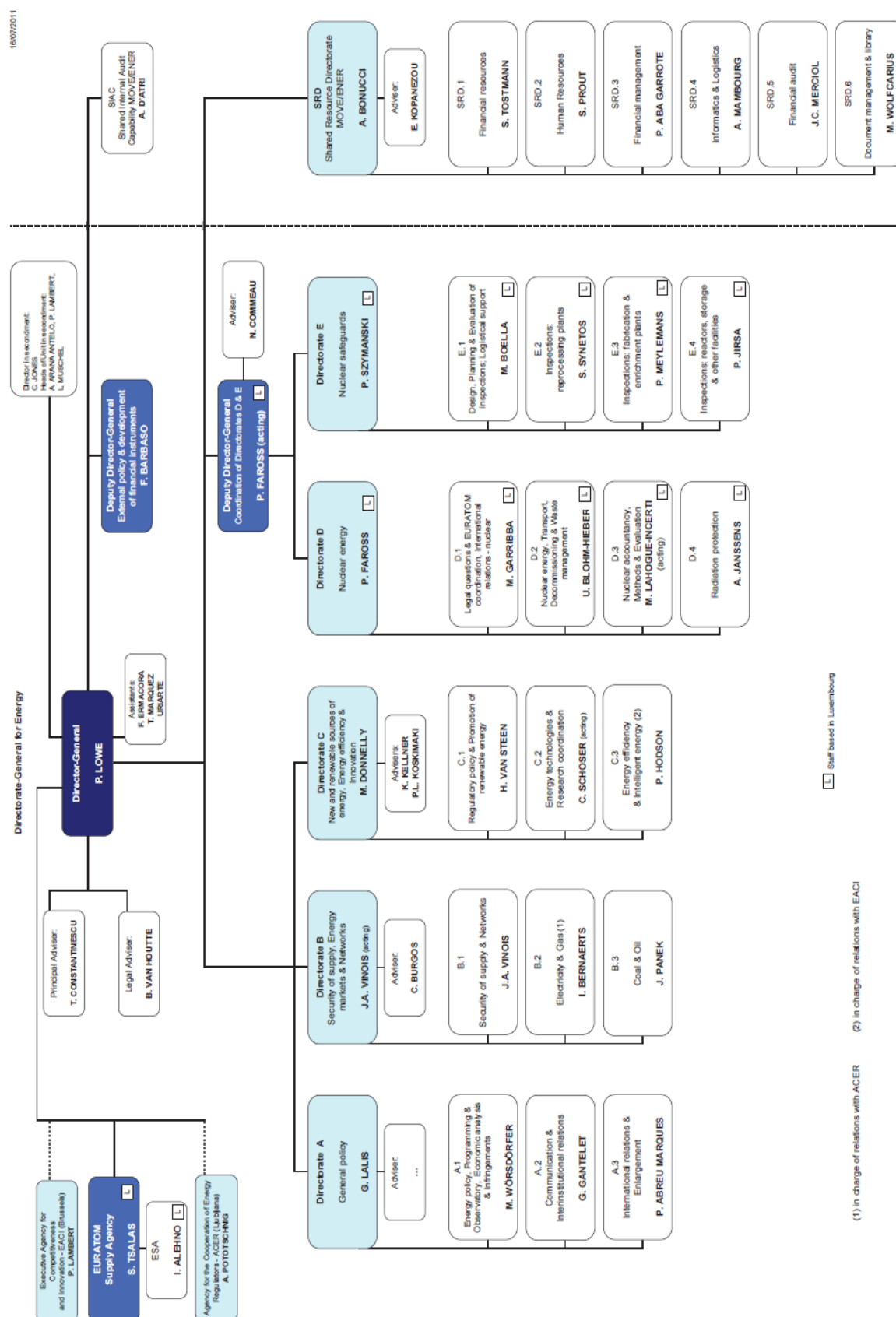


¹²¹ http://ec.europa.eu/codecision/index_en.htm & http://ec.europa.eu/codecision/stepbystep/text/index_en.htm

Appendix II – Overview of interviews listed chronologically

| Overview of interviews | | | | |
|------------------------------------|--|--------------------------|---|-----------------|
| Interviewer: Ulrike Schenka | | | | |
| Date: | Respondent: | Kind of interview | Place of interview | Duration |
| 18 th May 2011 | Trygve Ilkjær, EU Policy Coordinator, DONG Energy | Face-to - face interview | Department of Business and Politics Steen Blichers Vej 22, DK-2000 Frederiksberg | 01:05:48 |
| 23 rd May 2011 | Louis Funder Kristensen, EU Cosultant, Confederation of Danish Industry (DI) | Face-to - face interview | Confederation of Danish Industry Avenue de Cortenbergh 168 B - 1000 Brussels | 00:50:18 |
| 24 th May 2011 | Public Affairs Consultant E.ON AG, EU Representative Office | Face-to - face interview | E.ON AG EU-Representative Office Avenue de Cortenbergh 60 B-1000 Brussels | 01:02:20 |
| 24 th May 2011 | MEP Bendt Bendtsen (Denmark), European People's Party (EPP Group) | Face-to - face interview | European Parliament, Rue Wiertz 60 B-1047 Brussels | 00:29:25 |
| 24 th May 2011 | Mads Reinholdt, Political Advisor to MEP Britta Thomsen (Denmark), Group of the Progressive Alliance of Socialists & Democrats (S&D) | Face-to - face interview | European Parliament, Rue Wiertz 60 B-1047 Brussels | 00:24:33 |
| 25 th May 2011 | MEP Jens Rohde (Denmark), Alliance of Liberals and Democrats for Europe (ALDE Group) | Face-to - face interview | European Parliament, Rue Wiertz 60 B-1047 Brussels | 00:32:32 |
| 25 th May 2011 | European Commission, Directorate General Energy (Interviewee preferred to be anonymous) | Face-to - face interview | European Commission DG Energy Rue Demot 24 B- 1040 – Brussels | 00:22:15 |

| | | | | |
|--------------------------------------|---|--------------------------|--|----------|
| 25 th May 2011 | Ulrich Bang, Head of International and EU Affairs Danish Energy Association | Face-to - face interview | Danish Energy Association Rue de la Loi 227 B-1040 Brussels | 00:38:42 |
| 27 th May 2011 | Head of the EU office of the German Association of Energy and Water Industries (BDEW) and one of their political advisors | Face-to - face interview | BDEW Representation to the European Union Avenue de Cortenbergh 52 B-1000 Brussels | 00:42:56 |
| 27 th May 2011 | Political Assistant to an MEP, The Greens/European Free Alliance (Greens/EFA) | Face-to - face interview | European Parliament, Rue Wiertz 60 B-1047 Brussels | 00:27:46 |
| 10 th June 2011 | MEP Jorgo Chatzimarkakis (Germany), Alliance of Liberals and Democrats for Europe (ALDE Group) | Telephone interview | N/A | 00:21:52 |
| Rejected interview inquiries: | | | | |
| 12 th April 2011 | MEP Reinhard Bütikofer, Germany (Greens/EFA) | | | |
| 12 th April, 2011 | MEP Daniel Caspary, Germany (EPP) | | | |
| 7th June 2011 | MEP Claude Turmes, Luxembourg (Greens/EFA) | | | |

Appendix III – Organisational Chart: Directorate-General for Energy¹²²¹²² http://ec.europa.eu/dgs/energy/doc/dg_energy_organigram_en.pdf

Appendix IV – Interview Guides

Guide for Interviews with MEPs/political assistants

Date: May 24th and May 25th , EU Parliament, Rue Wiertz 60, Brussels

- 1) How long have you been active as an MEP in Brussels?
- 2) What are your main activities in the EU Parliament?
- 3) How much of your work is dedicated to energy-related issues?
- 4) How do you get your background information for energy-related issues and proposals? What kind of information are you interested in (plans, detailed information, technical information, opinions)?
- 5) Are you observing/following the negotiation of a proposal from the beginning, when the first hearing is held? When do you follow a proposal more closely?
- 6) Which subjects do you try to put on the EU policy agenda? Do you do this in cooperation with other (Danish/German) MEPs? With what kind of results?

Channels used and process

- 7) Are you being contacted by companies, interest groups or government representatives? When? Why?
- 8) Are you contacting companies, interest groups or government representatives to collect certain information for your work in the parliament? What kind of information and for which issue areas? When?
- 9) Do you work with e.g. EURELECTRIC, Business Europe, DI, BDEW? Are you cooperating with other utilities in EU countries, with other comparable companies in Denmark/Germany? With interest groups, companies, etc? When?
- 10) When are you being contacted in the lobbying process? How does the typical lobbying process look like? Where does it start, where does it end, and which activities are between those points?

Cooperation with E.ON/DONG Energy

- 11) How does E.ON/DONG Energy use you as an MEP to represent their interest in Brussels? Does the company approach you in certain cases and asks you for support or delegates tasks to you? When and why?

- 12) Do you prioritize certain policy drafts over others? Why? When? When and how do you decide if you are involving yourself in a policy draft or the like?
- 13) Which cases or circumstances can you think of, where you have cooperated with E.ON or BDEW/DONG Energy or the Danish Energy Association? Why did you cooperate? What was the result of this cooperation?
- 14) How would you evaluate E.ON/DONG Energy's influence and access to the EU institutions? Why?
- 15) Do you remember a case in your cooperation with E.ON/DONG Energy which was very successful? Which one and why?

Guide for Interview with E.ON in Brussels and DONG Energy in Copenhagen

Date: May 18th 2011 (DONG Energy) and May 24th 2011 (E.ON)

1. How long have you been working for E.ON/DONG Energy?
2. What are your main activities?

Channels used

3. How do you ensure that E.ON/DONG Energy's interests are communicated in Brussels?
4. What is communicated (plans, detailed information, opinions, technical data, interests)
5. Which channels do you use? In Brussels and in Germany/Denmark or elsewhere? Why those?
6. Do you use BDEW/DI/DE to represent your interests? How? Why?
7. Have you established partnerships in regards to your lobbying activities with other energy utilities in Germany/Denmark or other countries, interest groups, companies, etc?
8. (*Only DONG Energy*) Given that the Danish state is the major shareholder, is this reflected in DONG Energy's EU activities? How?
9. Which units (departments, offices) at E.ON/DONG Energy are involved in which tasks concerning lobbying? Is there a differentiation between the communication, negotiation and technical units in this regard?

10. Where does the lobbying process start and where does it end? Which activities are undertaken in between those two endpoints?

Specific Cases

11. Which cases or incidents would come to your mind to which E.ON/DONG Energy has provided its knowledge and expertise or other forms of information? Why was this/were those important for E.ON/DONG Energy to be involved in?
12. How do you determine if a certain policy draft is of potential importance for DONG's business activities? When and how do you decide to get involved?
13. Are you/E.ON/DONG approached by the EU institutions or their preparatory committees to provide certain information? In which instances?

E.ON/DONG Energy's EU activities and strategy in the long-run

14. How do you communicate with the top-management? Are they involved in the EU strategy?
15. What has triggered E.ON/DONG Energy's decision to get involved in EU lobbying? When?
16. How would you rate E.ON/DONG Energy's degree of influence on and access to the EU institutions? How do you determine/measure/evaluate this?
17. Do you remember a case in which your activities have been particularly successful?

Guide for Interview with BDEW and Dansk Energi in Brussels

Date: May 25th (Dansk Energi) and May 27th (BDEW) 2011

- 1) How long have you worked for BDEW/DE (in Brussels)?
- 2) Which parts of your association is concerned with EU-related issues?
- 3) What are your main tasks in Brussels?

Bundling Interests

- 4) How do you bundle the interests of your members for your work in Brussels?
- 5) What do you communicate (plans, detailed information, technical information, opinions)?
- 6) Which issues do you try to get on the EU Policy agenda? With which results?

Channels used & Process

- 7) Which channels do you use to communicate your interests in Brussels, in Germany/Denmark or another place? Why and when?
- 8) To what degree can your members' interests be represented through the national government (e.g. in the Council of Ministers)? Does your association use this way? When?
- 9) Does your association gets contacted by EU institutions (Commission, EP, Council of ministers or the preparatory committees) or requested for information? What kind of information and in which areas? When?
- 10) Whom do you cooperate with in your lobbying efforts? (e.g. EURELECTRIC, Business Europe, DI)? Do you cooperate with other utilities in EU countries, with other similar companies in Germany/Denmark? When?
- 11) Where does the lobbying process start and where does it end? Which activities are undertaken in between those two endpoints?

Cooperation with DONG Energy

- 12) How does E.ON/DONG Energy use your association to represent their interests in Brussels? Do they approach you in certain cases and ask you for support or delegate tasks to you? When and why?

Specific Cases

- 13) How do you evaluate if a certain policy draft is of importance for your members? When and how do you decide if you should get involved in a policy draft or the like?
- 14) Can you name a few cases in which your association has contributed to with its knowledge and expertise or another form of information? Why were these important for your association to be involved in?
- 15) How would you evaluate your associations degree of influence and access to the EU institutions? How do you determine this?
- 16) Can you recall a case in which your activities have been very successful? When and why?

Guide for Interview with European Commission - DG Energy in Brussels

Date: May 25th

- 1) How long have you been working for the DG Energy of the European Commission?
- 2) What are your main tasks?
- 3) Which part of your work is concerned with the cooperation with companies and interest groups?

Information

- 4) How do you gather background information for energy-related proposals? What kind of information are you interested in (plans, detailed information, technical information, opinions)?

Channels used and process

- 5) Are you approached by companies, interest groups or national governments? Why, when and to what extent?
- 6) Are you already approached by interest groups/companies before the first hearing? Why and by whom?
- 7) Are you contacting companies, interest groups or national governments to receive certain information for your work at the DG Energy? Which kind of information and about which areas? When?
- 8) Do you cooperate with e.g. EURELECTRIC, Business Europe, BDEW, DE? When and for which reasons?
- 9) Where does the lobbying process start and where does it end? Which activities are undertaken in between those two endpoints?

Cooperation with E.ON and DONG Energy

- 10) When do you get contacted by E.ON/DONG Energy? Why?
- 11) Can you recall examples in which you have cooperated with E.ON/DONG Energy? Why and how was the cooperation established? What was the result of this cooperation?
- 12) How would you evaluate the influence of E.ON and DONG Energy? Why?
- 13) Can you recall an example in which the cooperation with E.ON/DONG Energy was very successful? When and why?