



*Implementation status of renewable energy  
acquis, new development and next steps*

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# Renewables in the Energy Community

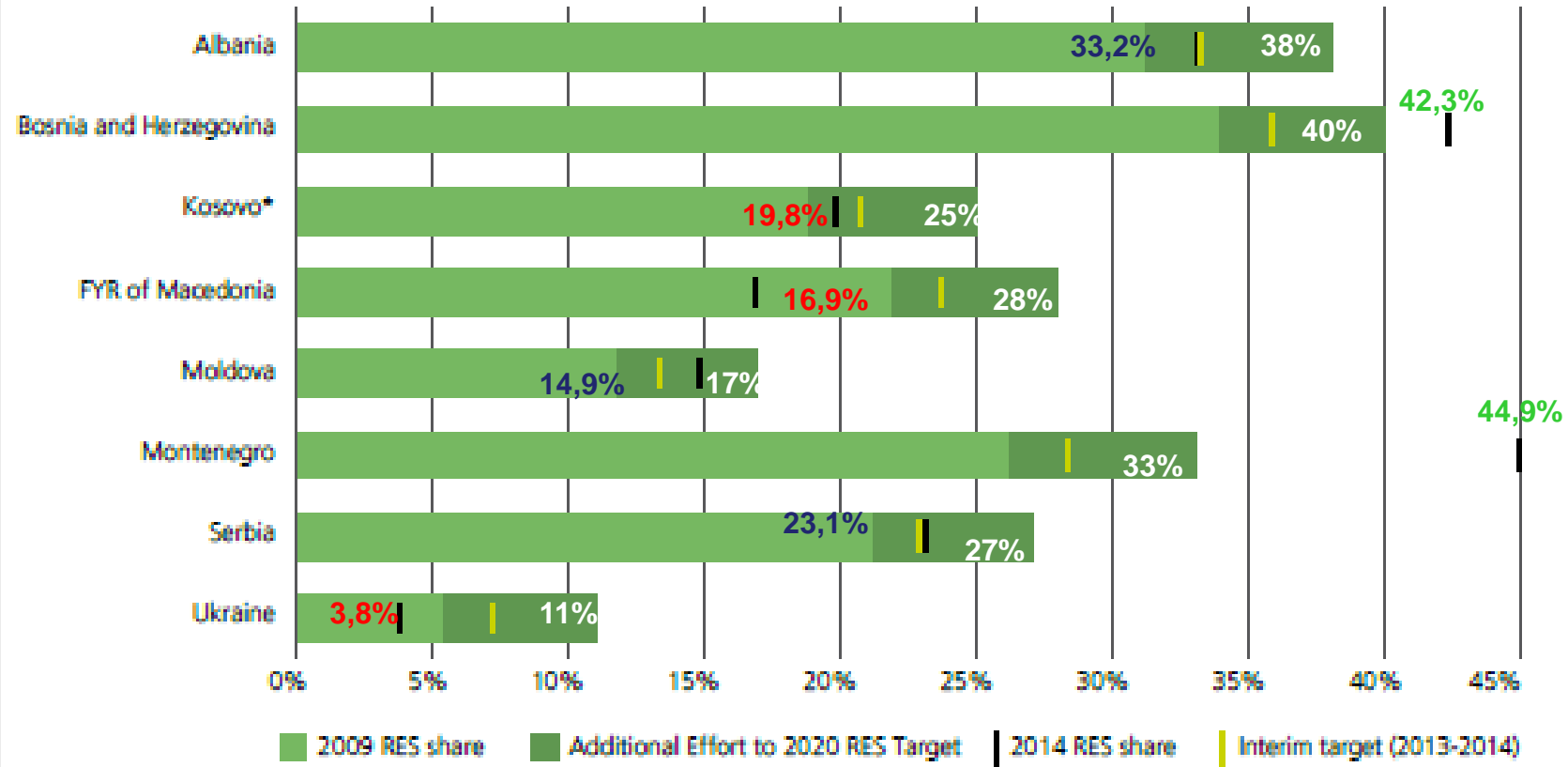


- **Directive 2009/28/EC as adapted and adopted by the Ministerial Council in 2012**
  - including binding targets to 2020, 10% RES in transport
- **All NREAPs submitted – BiH - in April 2016**
  - **NREAP of FYR of Macedonia not compliant with target achievement in 2020 – new biomass consumption data to be included in the energy balance;**
- **2015 - First Progress Report in promotion of RES in the Energy Community**
  - **2012-2013 BiH progress in RES was not reported;**
- **Implementation Report 2016 - Annual monitoring of ECS**
- **2017 – Second Progress Report in promotion of RES in the Energy Community – CPs reports due end of 2016;**

# Progress in the promotion of the use of energy from renewable sources – IR 2016



Energy Community Renewable Energy 2020 Targets



Source: EUROSTAT



- ***State Aid Guidelines on Environmental Protection and Energy 2014-2020 (EEAG 2014-2020)***
  - *support granted based on competitive process*
  - *RES integration into the market*
- ***Policy Guidelines for competition and renewable energy by the Energy Community Secretariat (2015)***
- ***European Commission Communication on Delivering a New Deal for Energy Consumers accompanied by **Best practices on Renewable Energy Self-consumption*****

# *Policy Guidelines for the Reform of Support schemes for promotion of energy from renewable sources*



- *Beyond applying the EEAG;*
- *EC Communication “Delivering the internal market in electricity and making the most of public interventions”*
  - *Renewables fit for the market and*
  - *Market fit for renewables*
- *Recommendations based on best practices tested in the implementation of the support schemes by EU Member States.*

# *Establish annual budgets for the promotion of RES*



➤ **Forecast and approve ex-ante annual fixed budgets** for promotion of energy from renewable sources to ensure that the Contracting Party is in line with the trajectory for meeting its legally binding 2020 renewable energy targets;

*Cost of RES policy financed by :*

- A charge imposed on energy end-consumers either through:

- uplift charge applied to end-customers or;
- included in the transmission network charges and socialized;

Or;

- Via a renewable energy tax imposed on taxpayers;

➤ *Impact of the renewable energy policy to the end-customers prices will not be so significant **IF the wholesale electricity market price would be competitive formed and transparently transferred to end-customers;***

# *Introduce competitive bidding process for granting the support*



- *Administratively set support tariffs unable to capture the technology cost-reduction and built-in adjustments are needed in the schemes;*
- *Expose RES producers to competition to enable efficient investment decision and cost-effectively deployment;*
- *Technology neutral tenders unless diversification is needed , networks constraints or stability of the grids are affected;*
- *Introduce penalties for non-delivery;*
- *No competitive tender for small projects - below 6 MW or 6 generation units (wind) or 1MW (others) (EEAG 2014-2020);*
- *FIT possible below 3 MW or 3 generation units (wind power) or 500 kW (other RES, like solar or biomass) (EEAG 2014-2020);*
- *Results of the tenders made publicly available.*



***Public consultation with relevant stakeholders should be conducted at national level and draft support schemes should be notified to the State aid enforcement authorities***

- *Enable the involvement of and cooperation with stakeholders from the beginning for an inclusive process from design to implementation to ensure investors' confidence;*
- *Notify the scheme ex-ante to the Secretariat*
- *Notify the scheme ex-ante to the national State aid authorities*



## *Ensure a stable and predictable investment environment*



- *Avoid any retroactive changes in the support that alter the return on investments already made;*
- *Do not disrupt the support schemes or introduce retroactive changes because undermine investors' legitimate expectations;*
- *Mitigate the risks in the market as legal disputes with the investors are deterring new investors;*
- *Keep the costs of the renewable energy policy under control as public acceptance of renewable energy is undermined by the increasing cost of developing new projects;*



## **1 ACTIVITY: REFORM OF THE SUPPORT SCHEMES TO COMPLY WITH THE STATE AID GUIDELINES**

CT1: Introduction of market based support schemes

CT2: Financing renewable energy development to 2020

CT3: Citizens participation in the development of renewable energy projects

## **2 ACTIVITY: THE IMPLEMENTATION OF THE RENEWABLE ENERGY DIRECTIVE**

CT4: Monitoring the implementation of Renewable Energy Directive

CT5: Removing administrative barriers for renewable energy technologies

CT6: Access to and operation of the grids with renewable energy

CT7: Biofuels and bioliquids

CT8: Cooperation mechanisms - existing agreements and possible other options

## **3 ACTIVITY: RENEWABLE ENERGY – THE FRAMEWORK TO 2030**

CT9: Identification of renewable energy policy objectives to 2030 for the Energy Community in the European Union context

CT10: Proposal for a renewable energy framework to 2030

## **4 ACTIVITY: HORIZONTAL AND CROSS-CUTTING ISSUES**

# WB6 Sustainability Charter – July 2016



1. *Improve the governance for **energy efficiency***
2. *Implement smart support measures for **renewable energy***
3. *Foster **climate action** and transparency of sustainable energy markets*



**Roadmap with 14 measures and  
Reporting the achievements every 3 months**



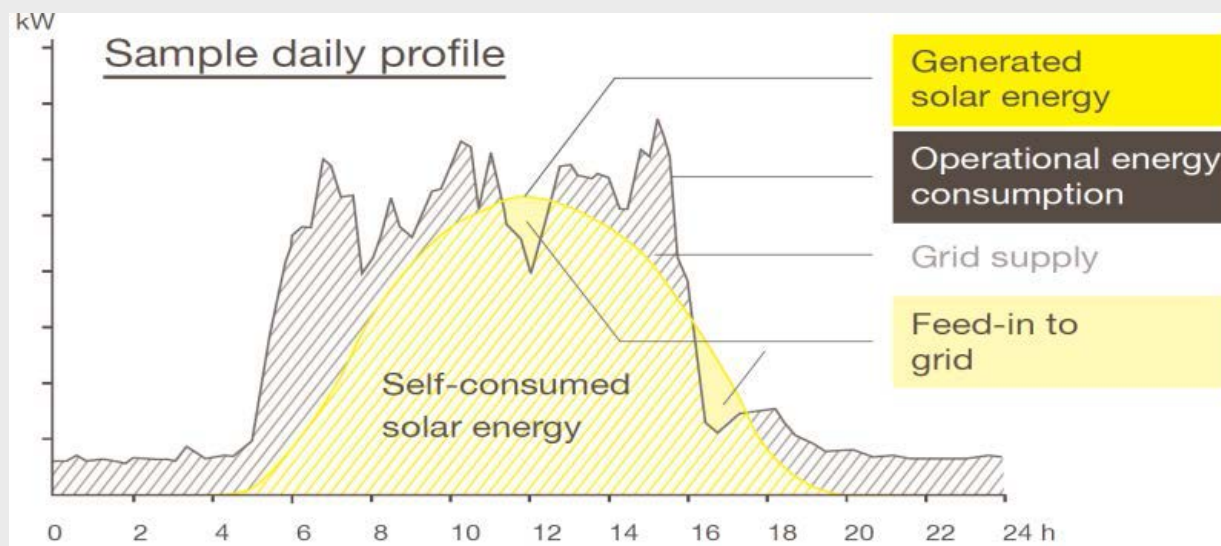
- **Market based support schemes for the promotion of renewable energy - June 2017;**
- **Strategies enabling the voluntary participation and engagement of citizens - June 2018;**
- **Information, awareness-raising, guidance in order to inform citizens on benefits - June 2018;**
- **Strategy for collection and use of municipal waste (el+heat) - November 2018;**
- **Inclusion in the curriculum in education and offering professional training (EE and RES) - June 2019;**
- **Developing national skills and qualifications for SME/individuals (building assessors, energy auditor installers etc.), by setting up qualification/ accreditation or certification schemes (EE and RES) (June 2018).**

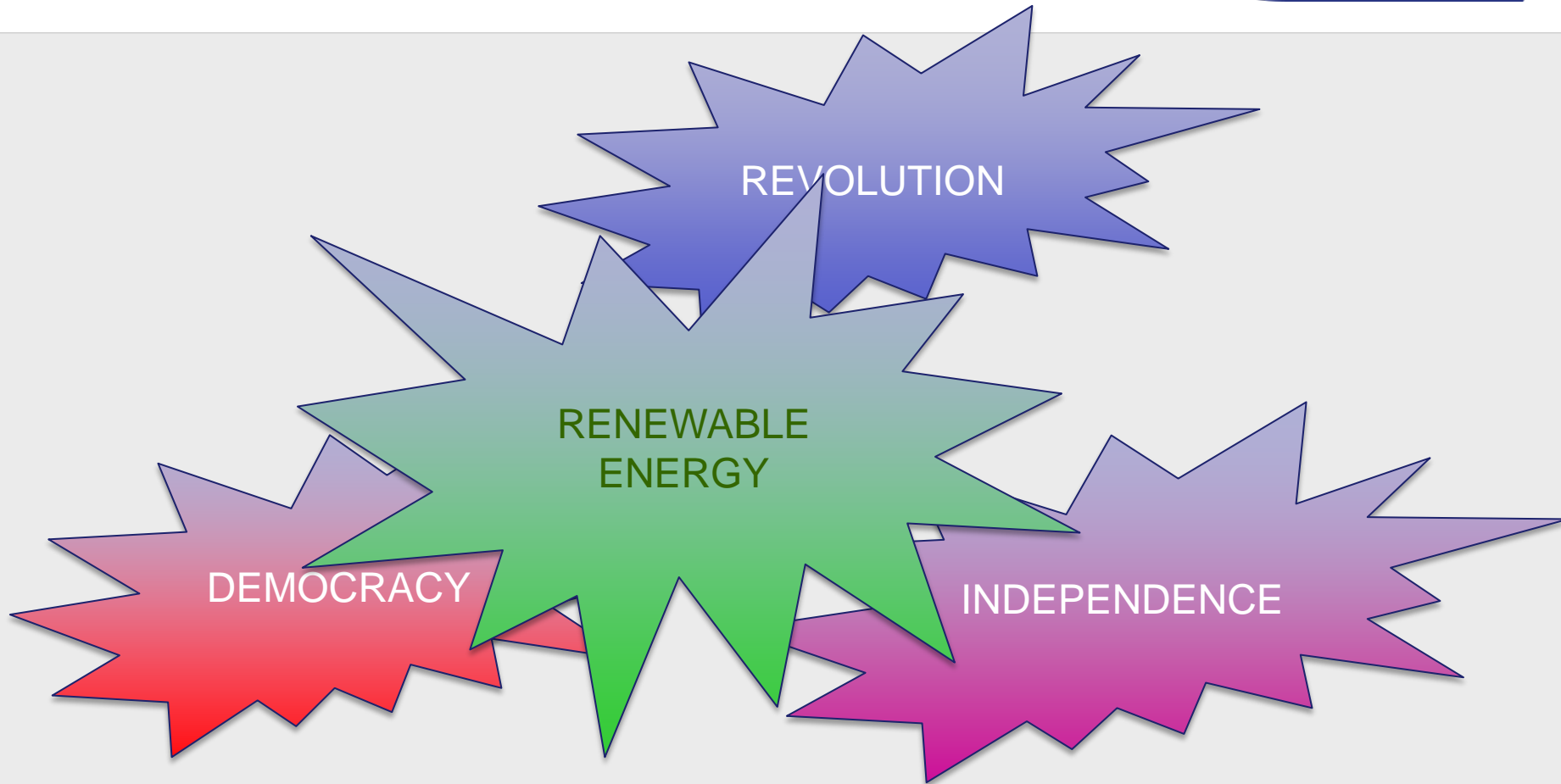
Source: kmbdg

## European Commission Communication 2015 - Best practices on self-consumption

**Objective:** identify best practice for promoting cost-effective self-consumption

**Scope:** micro and small-scale renewable energy systems (below 500 kW)



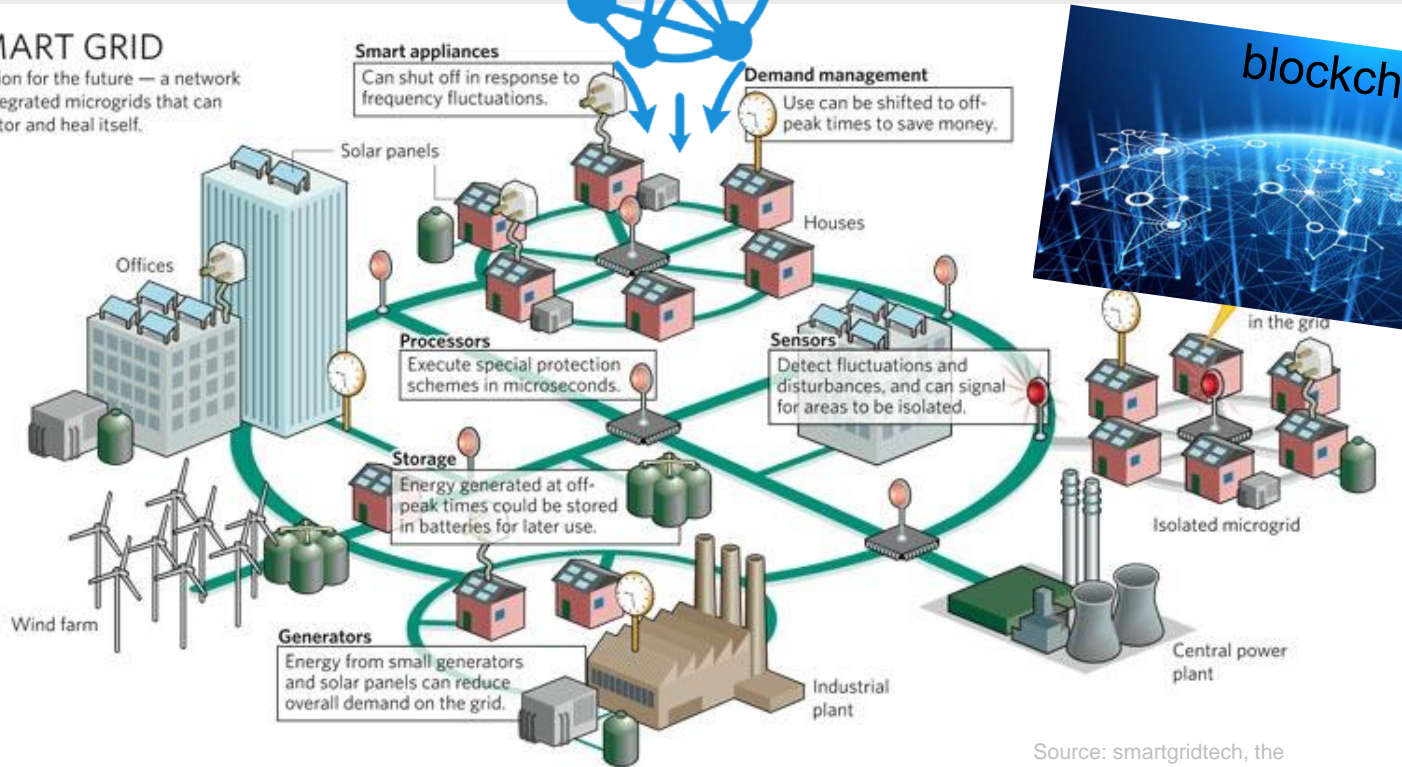


# Electricity system of the future ?



## SMART GRID

A vision for the future — a network of integrated microgrids that can monitor and heal itself.



Source: smartgridtech, the conversation, stellartadinsystem

## Next steps

- *Finalise WP 2016-2017 deliverables due end of 2016;*
- *Submit the National Progress Reports in promotion of RES by 31 December 2016;*
- *Start designing the market based support scheme for renewable energy projects, in line with EEAG 2014-2020 requirements;*
- *Enable the end-customers to trigger the energy transition to a low-carbon economy – inform – facilitate – involve;*
- *Work to remove the administrative barriers for renewable energy;*
- *Require the network operators to make plans to develop the grids for higher uptake of renewable energy and provide RES producers with transparent timetables for connection to the grids;*
- *....*





**Directive 2009/28/EC - Articles 17-19**

## *Directive 2003/30/EC*

- ✓ Promoting biofuels and other RES fuels in transport
- ✓ Incentive measures
- ✓ Definitions of biofuels
- ✓ **Indicative** targets: 2% by 2005; 5,75% by 2010
- ✓ Reporting on achievements, effectiveness of measures
- ✓ Monitoring of effects by blending > 5%

## *Directive 2009/28/EC*

- ✓ Promoting biofuels and other RES fuels in transport & Incentive measures
- ✓ **Mandatory** target: **10% by 2020**
- ✓ **Sustainability criteria & certification**
- ✓ Double counting for biofuels from waste and residues



- Plans to implement Directive 2003/30/EC submitted in 2007
- Law on biofuels in Albania (2008); Ruelbooks on fuel quality in BiH and fYR of Macedonia; biomass action plans in Serbia
- Domestic production of crops – for export
- Domestic production of biofuels – for export, sometimes based on imported waste oil
- Some production facilities switched to other products
- In NREAPs – 10% by biofuels, almost all import



- Actual share of RES in transport in 2015 ≈ close to 0%
- Draft Laws in Albania, Kosovo\*, fYR of Macedonia, draft amendments in Ukraine
- TA to fYR of Macedonia, Moldova, Ukraine; dedicated WSs late 2014
- **Sustainability criteria NOT transposed; Certification systems NOT in place**
- BUT obligation of 10% by 2020 and only certified biofuels (from 2014) can be calculated towards the target
- **10% RES in transport is integral part of overall target by 2020**

## Useful links:

- Directive 2009/28/EC of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC , incorporated and adapted by Ministerial Council Decision 2012/04/MC-EnC of 18 October 2012 on the implementation of Council Directive 2009/28/EC and amending Article 20 of the Energy Community Treaty – with adaptations made by Ministerial Council: [https://www.energy-community.org/portal/page/portal/ENC\\_HOME/DOCS/2938033/0633975AD78C7B9CE053C92FA8C06338.PDF](https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/2938033/0633975AD78C7B9CE053C92FA8C06338.PDF)
- Policy Guidelines on the Applicability of the Guidelines on State Aid for Environmental Protection and Energy 2014-2020 (ECS, 2015) [https://www.energy-community.org/portal/page/portal/ENC\\_HOME/DOCS/3892323/256E442005065CB8E053C92FA8C02D35.PDF](https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/3892323/256E442005065CB8E053C92FA8C02D35.PDF)
- Policy Guidelines on Reform of the Support Schemes for Promotion of Energy from Renewable Sources (ECS, 2015) [https://www.energy-community.org/portal/page/portal/ENC\\_HOME/DOCS/4188394/34EDFA0DA700275FE053C92FA8C0834E.pdf](https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4188394/34EDFA0DA700275FE053C92FA8C0834E.pdf);
- Best practices on renewable energy self-consumption (Communication from the Commission (339 final), 2015): [http://ec.europa.eu/energy/sites/ener/files/documents/1\\_EN\\_autre\\_document\\_travail\\_service\\_part1\\_v6.pdf](http://ec.europa.eu/energy/sites/ener/files/documents/1_EN_autre_document_travail_service_part1_v6.pdf)
- WB6 Sustainability Charter : [http://www.diplomatie.gouv.fr/fr/IMG/pdf/sustainable\\_charter\\_joint\\_final\\_cle4a33b9.pdf](http://www.diplomatie.gouv.fr/fr/IMG/pdf/sustainable_charter_joint_final_cle4a33b9.pdf)
- Implementation Report 2016 : [https://www.energy-community.org/portal/page/portal/ENC\\_HOME/DOCS/4332394/3D790302C9FD5024E053C92FA8C0D492.pdf](https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4332394/3D790302C9FD5024E053C92FA8C0D492.pdf)



*Thank You!*

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