

13th Renewable Energy Coordination Group meeting

*HYBRID: Energy Community Secretariat, Am Hof 4, 1010 Vienna & WEBEX online
Tuesday, 24 May 2022, 10:00 – 16:00*

Opening

Ms. Naida Taso, Renewable Energy Expert in the Energy Community Secretariat, introduced the ground rules and the agenda of the meeting.

The agenda of the 13th meeting was adopted. All members of the RECG were present during the meeting (in person or online).

Ms. Margalita Arabidze, Deputy Head of Energy Reforms and International Relations Department in the Ministry of Economy and Sustainable Development of Georgia and Chair of the RECG, took the floor, and discussed the new context for energy security in light of the war in Ukraine. Ms. Arabidze highlighted the support needed for the Contracting Parties in the transposition and implementation of REDII and other acts from the CEP and the importance of close cooperation between Contracting Parties within the Energy Community.

Ms. Violeta Kogalniceanu, Head of the Green Deal Unit in the Energy Community Secretariat, discussed the time sensitivity, which Contracting Parties need to be aware of in transposing directives in national legislation. Ms. Kogalniceanu emphasized that the Energy Community wishes to support its Contracting Parties, provide revision of laws, clarification and best practices, but that the majority of effort must occur at the national level.

Mr. Peter Poszgai, Governance Expert at the Energy Community Secretariat, kindly invited Contracting Parties to submit their Fifth Progress report (initial deadline 31 December 2022) earlier based on the obligation arising from the newly adopted Governance regulation (deadline 30 April 2022).

Mr. Mathieu Ballu, Policy Officer in the European Commission (DG ENER), introduced the REPowerEU package, as a fast-evolving policy, which has gained importance in light of the war in Ukraine. Mr. Ballu presented the EU's short- and medium-term action plans and referred to 2030 RE targets, which have been proposed to increase from 40% to 45% at the EU level. Mr. Ballu also presented potential obstacles for achieving these goals such as costs, permitting, PPA's and need for technology innovation. Mr. Ballu later referred to the EU's 2020 targets achievement (including through statistical transfers) and lessons learned. He concluded by discussing the EU's overall ambition.

1. Latest updates in the implementation of renewable energy acquis

The Contracting Parties' representatives in the meeting briefly presented a status of the implementation of Renewable Energy Directive.

Ms. Xhelilaj from Albania informed the group that National Energy and Climate Plan (NECP) was approved in December 2021 with the RES target for 2030 at the level of 54,4%. Ms. Xhelilaj informed that amendments to the RES Law transposing REII are expected to be sent to the Parliament in July 2022 and that first Solar PV granted with support through auctions started with construction in 2022. Ms. Kapetina informed that Republika Srpska adopted new RES Law transposing REDII in March 2022, while Federation of Bosnia and Herzegovina is still working on amendments. Ms. Arabidze reported that Georgia is working, with the support of Energy Community and EU4Energy, on the amendments for RES Law to transpose REDII. Ms. Arabidze announced that Georgia plans around 3900 MW of new RES capacities by 2030. Ms. Qorraj informed that Kosovo* is actively working on the preparation of the first RES Law with support of the Energy Community Secretariat and USAID, while Energy Strategy is in the consultation process. Kosovo* plans first renewable auction for the capacity of 100 MW to be implemented by the end of the year.

Mr. Magdil informed that Moldova reached its RES 2020 and is currently working on law amendments to provide details on PPA according to the best international practices. Ms. Damjanovic informed that Montenegro has already overachieved its 2020 target. With a support of the EBRD, preparation of first the RES law in Montenegro is about to start with an aim to transpose REDII. According to the representative of North Macedonia, Ms. Daskalova, last auction held in October 2021 for 80MW resulted in fixed Feed in Premium (FiP) of 15 EUR/MWh on top of the price realized by the sale of each kWh on the wholesale electricity market for 15 years. So far, eight RE power plants winning auctions for support in North Macedonia have been constructed. Ms. Markovic announced that Serbia adopted several secondary acts and decisions, including 400 MW wind quota for first auction as well ceiling price of 5,57 cEUR/kWh. However, to implement first auction, balancing responsibility act needs to be adopted. Finally, Ms. Lenska, the representative of Ukraine, reported that the regulatory drafts will need to be adjusted in light of the war, as targets and measures do not correspond to the current situation. She concluded that goals would have to be reassessed when audits can be undertaken.

2. Transposing REDII - experiences of neighbouring countries

Mr. Borut Rajer, a representative from Borzen – the Slovenian Power Market Operator - provided a presentation of the new RES law adopted in Slovenia for transposing REDII. Mr. Rajer explained how Slovenia split up the single energy law into several area laws which made it more manageable, especially in light of such a complex legislative framework. Mr. Rajer presented the key changes implemented by Slovenia, which included the redesign of subsidies for RE projects, the expansion of GO's, the implementation of a single contact point, establishment of energy communities and support in spatial planning and administrative procedures.

A representative from Croatia, Ms. Dubravka Brkić from the Croatian Energy Market Operator, portrayed how the REDII had been transposed in Croatia. Ms. Brkić referred to a number of lessons learned which included using joint support schemes between Member States to offer renewable projects at lower costs, the critical role of cross-sectoral communication, the importance of establishing energy communities and one point of contact, and, finally, guarantees of origin, which could be used for other energy sources such as hydrogen and biomethane.

3. Guidelines on permit-granting procedures for renewables projects

Ms. Vera Kissler, from the European Commission, discussed the recommendations and guidance for permit granting and PPA's necessary for REPowerEU's success. Ms. Kissler claimed that to reach goals of REPowerEU, permit granting procedures must be sped up, and spatial planning for RE projects must be improved. Concerning the former, Ms. Kissler stated that procedures should not exceed 2 years and that this can be ensured using sufficient human resources, which may require addressing skill gaps. With regards to improved site selections, Ms. Kissler argued that restrictions which may prevent access to certain locations must be lifted (no no-go zones), that go-to areas must be identified, and that multiple use of spaces should be enabled.

4. Charging VAT on electricity generated by self-consumers

Ms. Milka Mumovic, Senior Electricity and Statistics Expert at the Energy Community Secretariat, discussed the status, rights and obligations of jointly active customers, referred to the positive difference between producers and consumers, showed how differences between consumption and prediction should be reported, and finally portrayed the VAT implications of registered values.