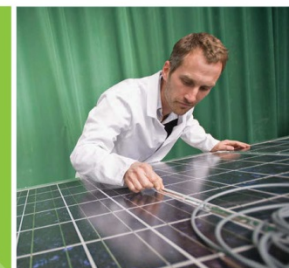




European
Commission



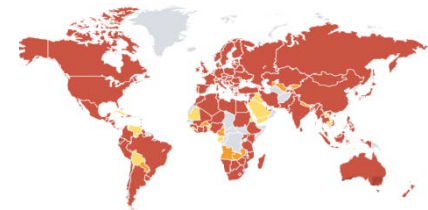
***An enhanced renewables
framework post-2020
What does the Clean Energy
package bring?***

Energy Community RES WS
13 November 2019



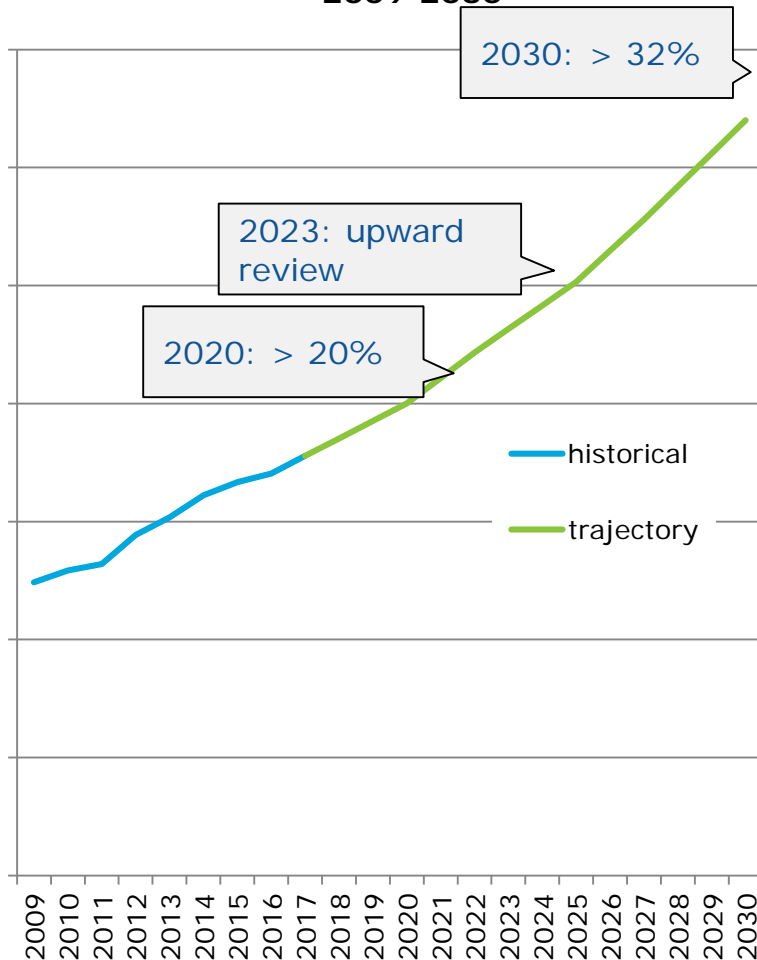
SETTING THE SCENE

- **Falling costs of renewables worldwide**
- **EU first mover** – today, 173 countries have renewable energy targets
- **How to retain leadership?**
 - Explore new areas for competitiveness: integrated systems, offshore, small-scale and decentralized solutions
- **Domestic benefits:**
 - ~ 1.4 million jobs
 - Reduced import dependency
- **Looking ahead:**
 - Increase efforts across sectors
 - Integrate high RES shares
 - Decentralize + empower consumers



A NEW EUROPEAN APPROACH TO RENEWABLES

EU renewable energy share
2009-2030



- **Binding EU-target of at least 32%** (upward review in 2023)
- Underpinned by **national contributions**
- **Formula** to assess contributions (in case of ambition gap)
- **Collective responsibility** of target achievement
- **Joint measures** (EU financial platform)

... OR HIGHER?

A Union that strives for more

My agenda for Europe

By candidate for President of the European Commission

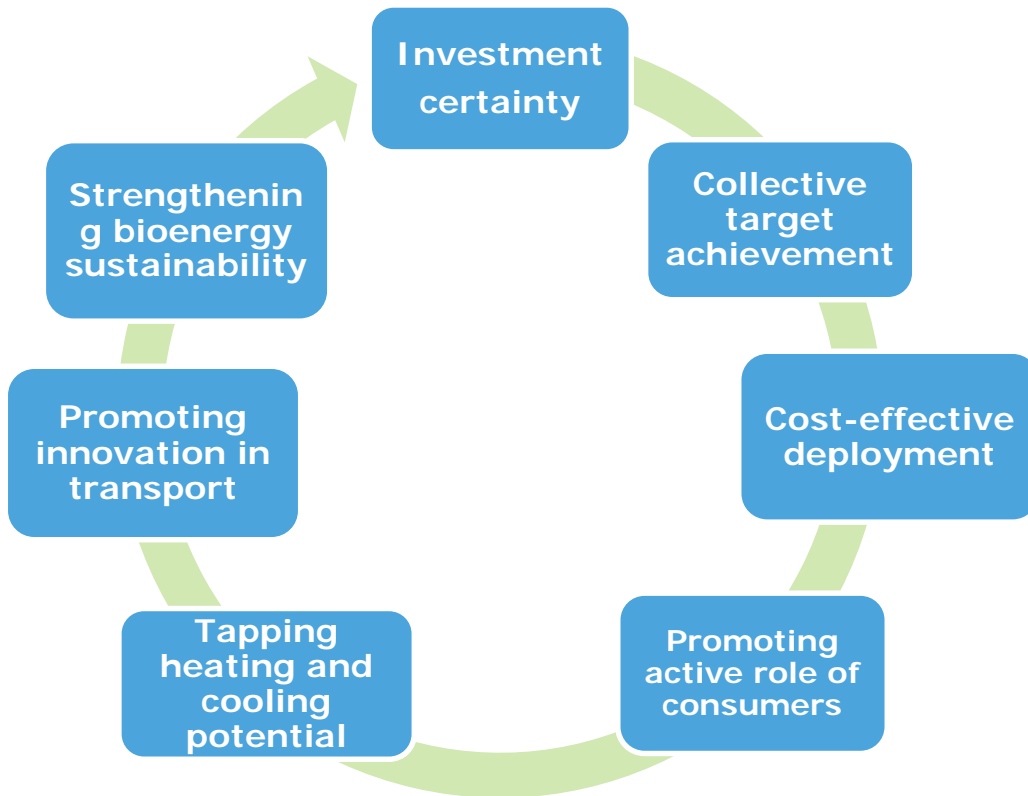
Ursula von der Leyen

More ambitious targets for 2030

We have to be more ambitious when it comes to our 2030 targets. I want to reduce emissions by at least 50% by 2030. However, to achieve real impact the world has to move together. **The EU will lead international negotiations to increase the level of ambition of other major emitters by 2021.**

By this date, I commit myself to putting forward a comprehensive plan to **increase the European Union's target for 2030 towards 55% in a responsible way.**

THE REVISED RENEWABLES DIRECTIVE – KEY OBJECTIVES

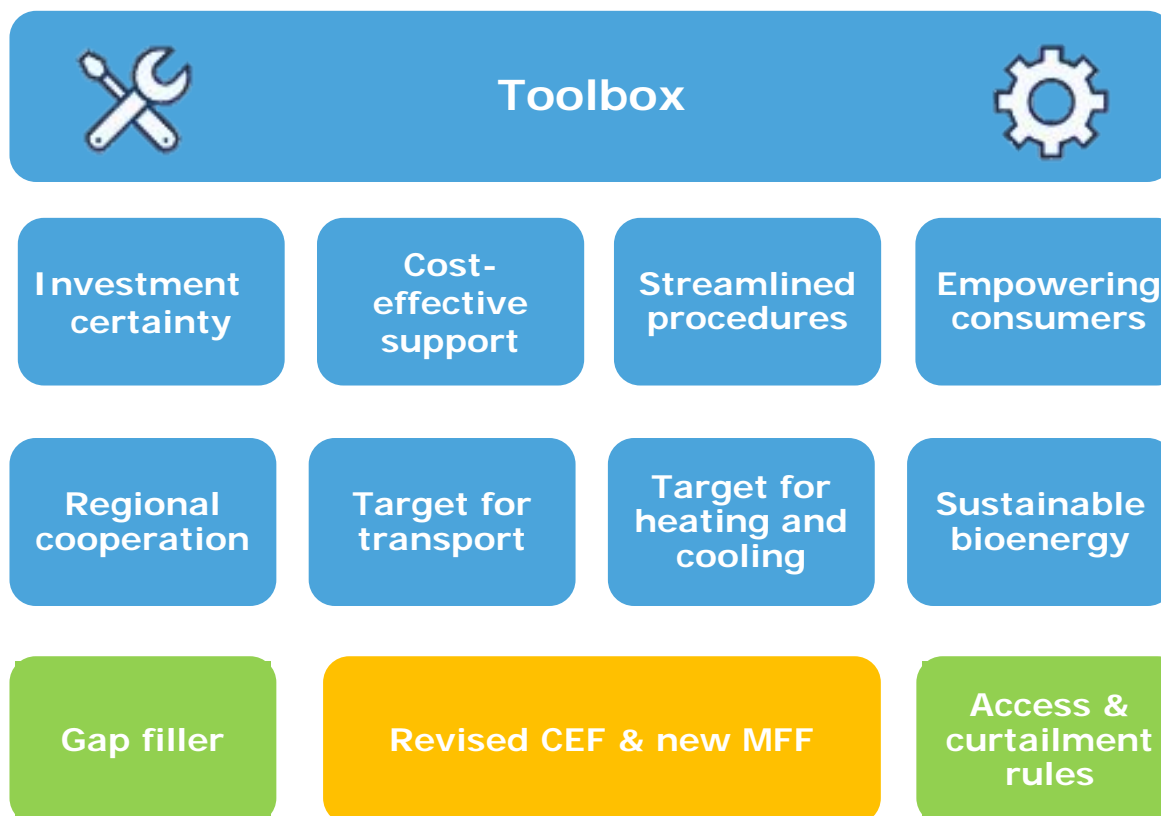


Contributing to the EU political priority of **world leadership in renewables**

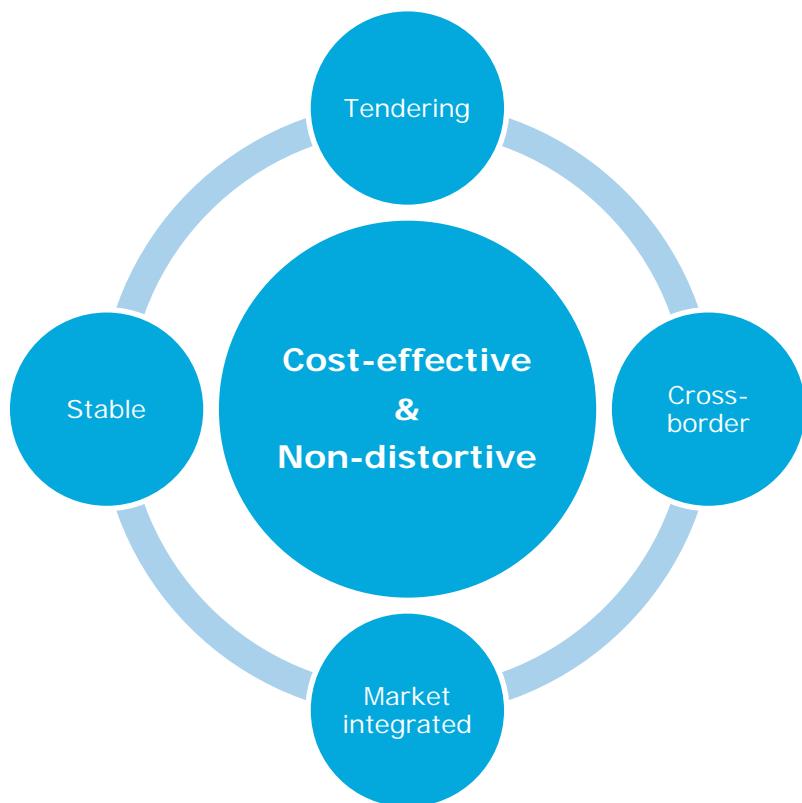
&

Achieving the at least 32 % EU-level binding renewables target cost-effectively

A SET OF WELL-BALANCED MEASURES TO GET TO AT LEAST 32%



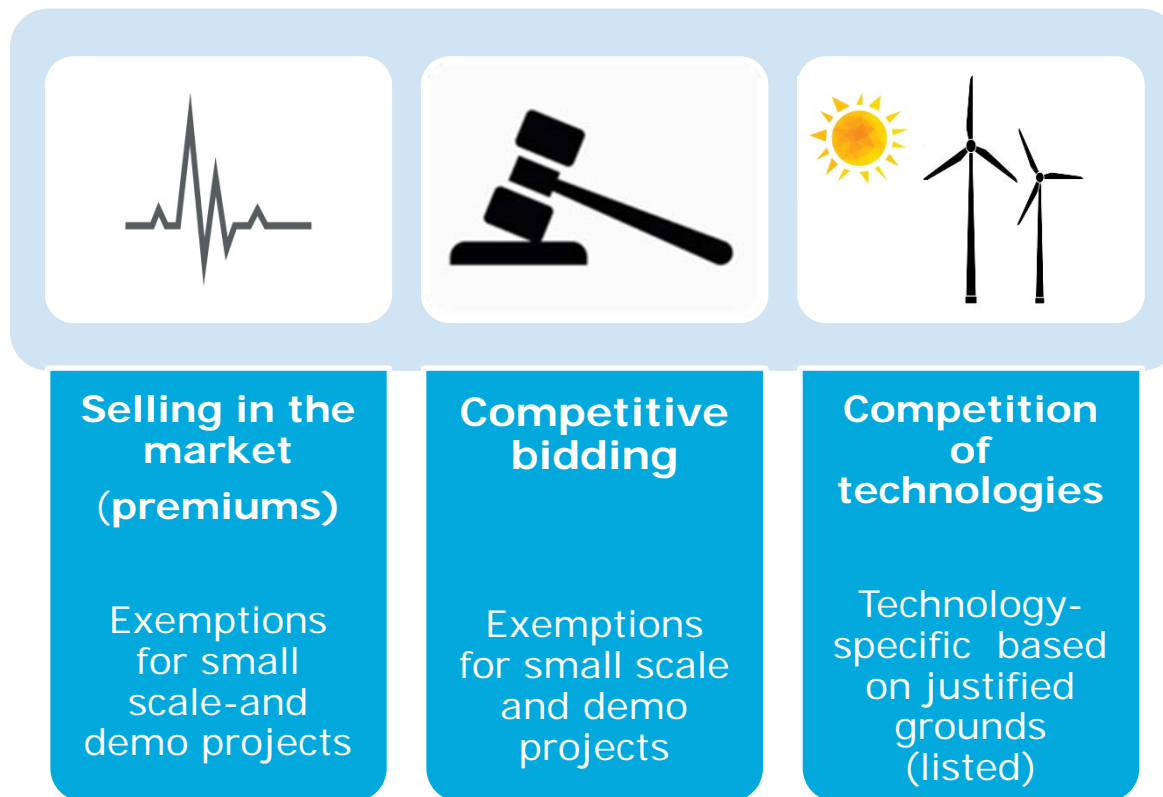
MAKING SUPPORT SCHEMES MORE COST-EFFECTIVE



"Getting best value for money"

- ~320 GW of net additional RES-E needed to reach 32%
- Support needs to be cost-efficient and non-distortive
- New design principles will foster:
 - More competition
 - More market integration
 - More coherence across MS

INCREASING COMPETITION AND MARKET INTEGRATION OF RES-E



Without prejudice to individual state aid procedures (case-by-case assessment)

INCREASING STABILITY AND PREDICTABILITY

Don't turn back time!

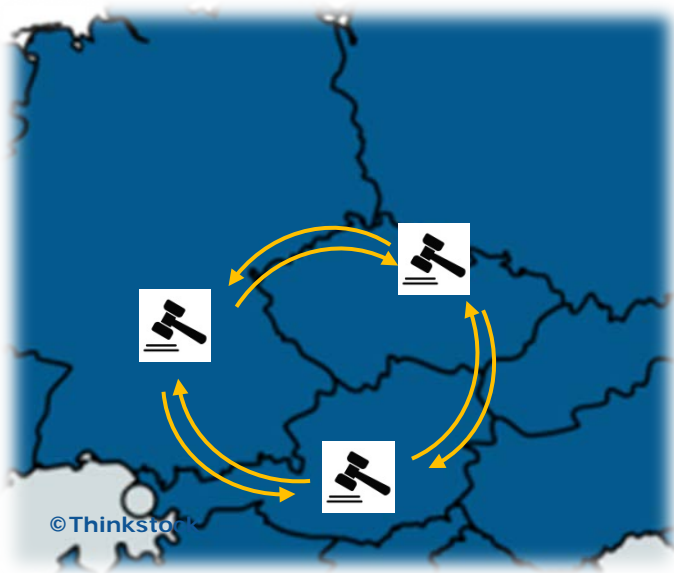


©Thinkstock

Abrupt and "retroactive" changes are toxic for RES investments and ...make them more expensive

- Specific provision to **avoid "retroactive" changes** to support
- Revisions **may not compromise the economic viability** of supported projects
- Need to **publish long-term schedules** for support schemes

EUROPEANIZING SUPPORT: MAKE THE MOST OF OUR POTENTIAL

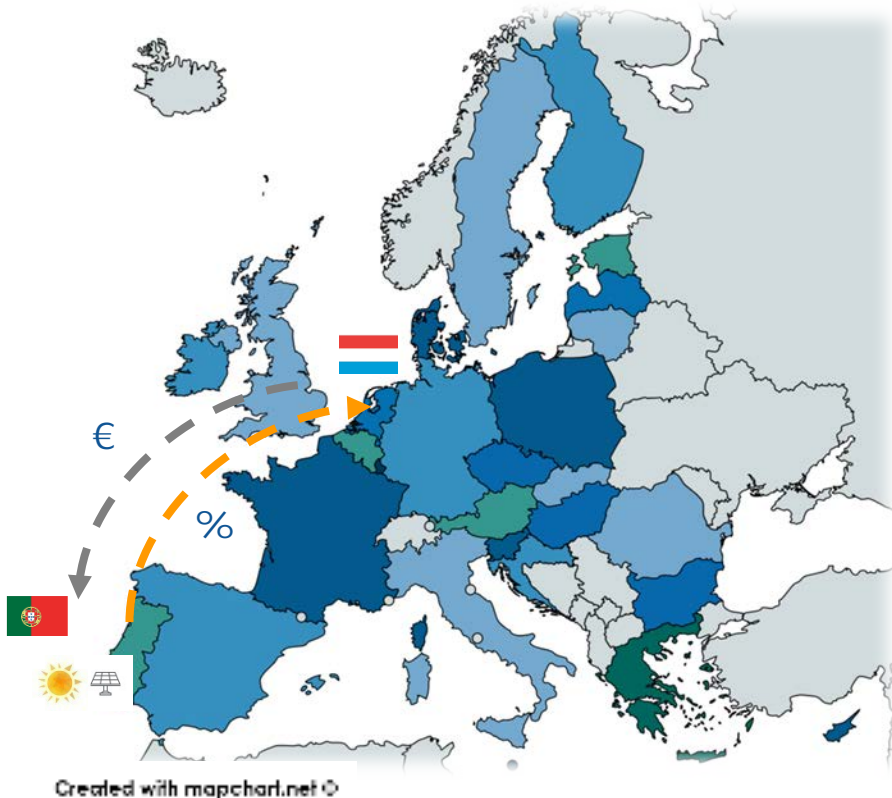


Cross-border auction - opened to neighbouring countries

Cross-border cooperation to reduce support costs and fosters alignment of support

- **Opening is encouraged**, but remains voluntary (indicative shares: 5% 2023-2026; 10% 2027-2030)
- **Review clause for 2023** to reassess a mandatory opening (of 5% by 2025 and 10% by 2030)

STRENGTHENING THE TOOLBOX FOR COOPERATION



- **Cooperation Mechanisms** are **maintained** and **strengthened** (→ statistical transfers, joint projects and joint support schemes)
- **New EU trading platform for statistical transfers**
- CEF window for cross-border renewables projects (MFF proposal)

ACCELERATING ADMINISTRATIVE PROCEDURES

Putting an end to this...



- **Single contact point** for permit applicants
- **Clear time limits** for procedures:
 - Two years*
- Swift procedure for **repowering**:
 - One year*
- **Simple notification procedures for small installations** (up to 10.8 kW)

* One year extension under extraordinary circumstances

TOWARDS A DECENTRALISED ENERGY SYSTEM



- REDII will **empower citizens** and local actors to be active in the energy transition
- Objectives:
 - **mobilise private capital**
 - **increase local acceptance**
- For the first time, a **definition** and a new **legal regime** for **self-consumption** and for **renewable energy communities**
- **Facilitate uptake of long-term power purchase agreements (PPAs)**

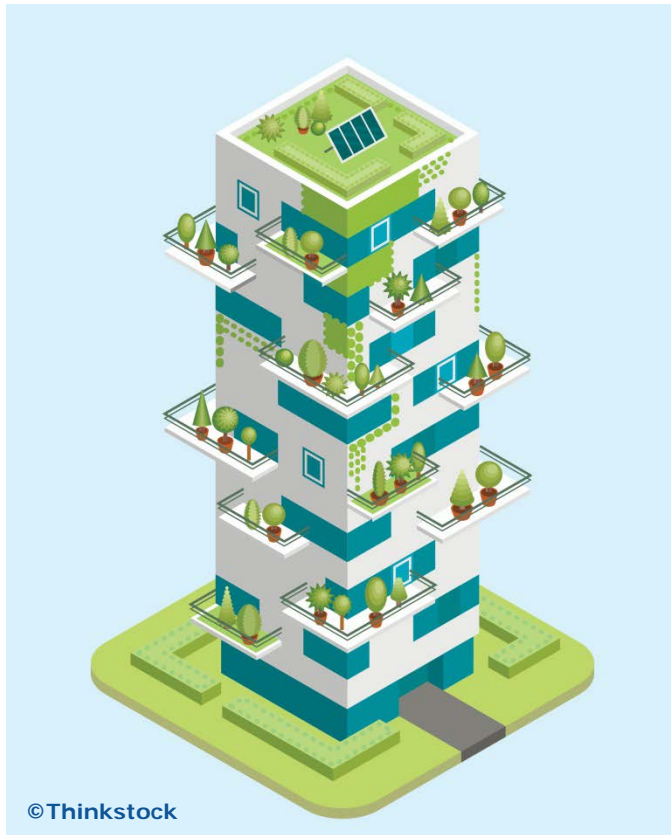
EMPOWERING ENERGY CONSUMERS: SELF-CONSUMPTION

Consumers entitled to become self-consumers, including multi-apartment blocks

- **No discrimination or disproportionate charges**
- Electricity **behind the meter not be charged. Exemptions:**
 - Installations larger than 30 kWp
 - Risk of financial instability of the system (after December 2026)
 - Electricity that benefits from support schemes
- **Remuneration** when feeding into the grid
- Self-consumers **active in the market:**
 - Power Purchase Agreements
 - Peer-to-peer trading
 - Other possibilities of MDI (demand response)
- **Enabling framework** by the end of 2019



EMPOWERING ENERGY CONSUMERS: RENEWABLE ENERGY COMMUNITIES



Entitled to generate, sell and store renewable energy

- **Definition** for the first time in EU legislation
- Increased **participation** of citizens in the energy transition
- Communities can directly reap the **environmental, economic and social benefits** of renewable energy
- Any final energy customer can become member (while maintaining all rights and obligations)
- **Enabling framework** by the end of 2019

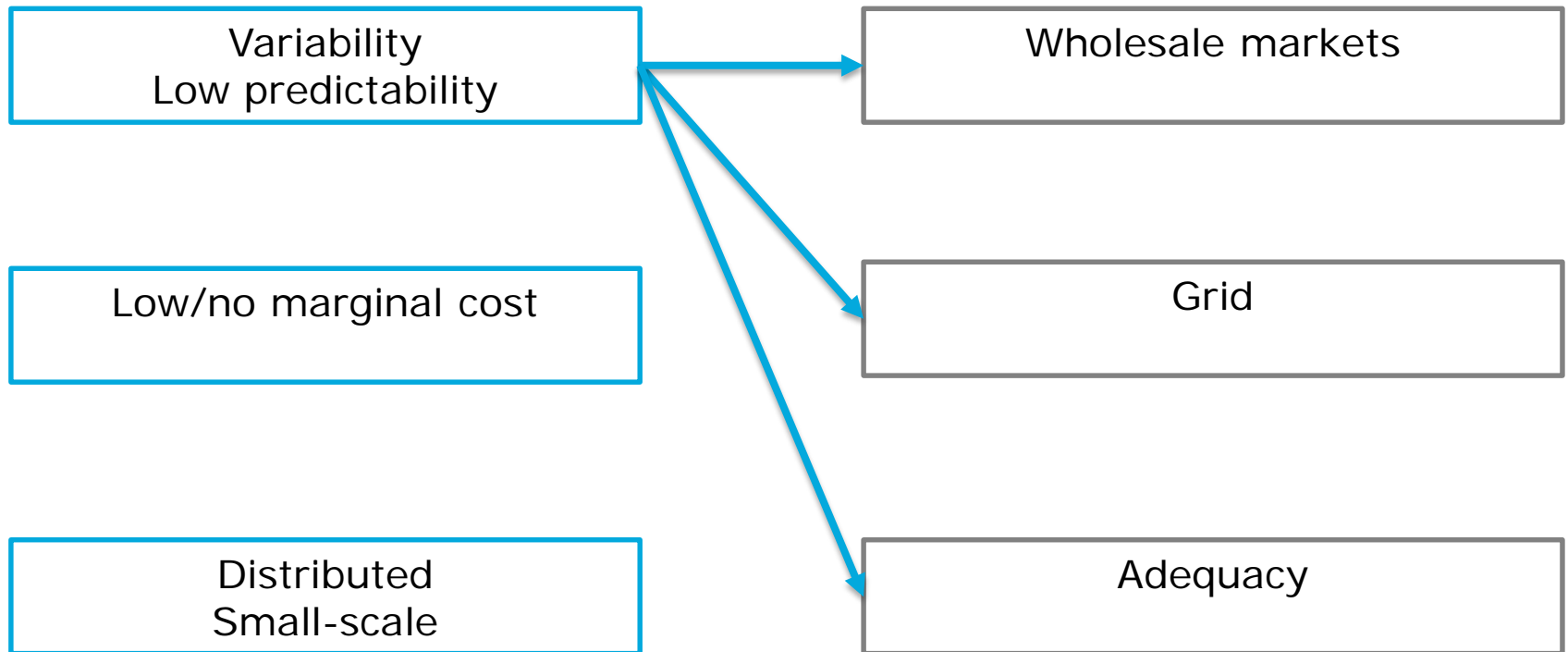
EMPOWERING ENERGY CONSUMERS: FOSTERING LONG TERM RES PPAs*



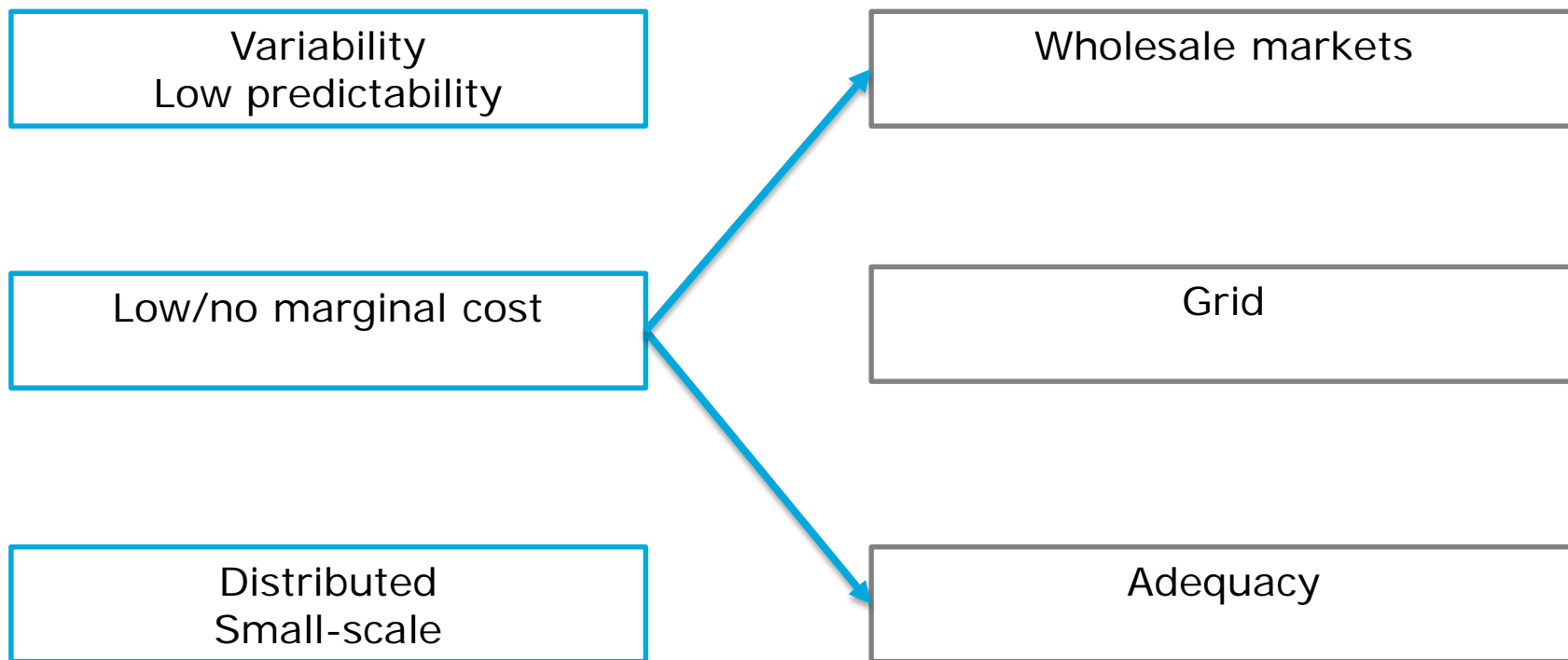
- Help secure RES investments and reduce deployment costs
- MS to facilitate uptake of RES PPAs:
 - Assesing **administrative and regulatory barriers**
 - **No disproportionate procedures and charges**
 - **Policies and measures in NECP**

* Renewables Power Purchase Agreements (RES PPA) - direct contract with an energy generator towards the purchase of renewable electricity (eg: Corporate PPAs)

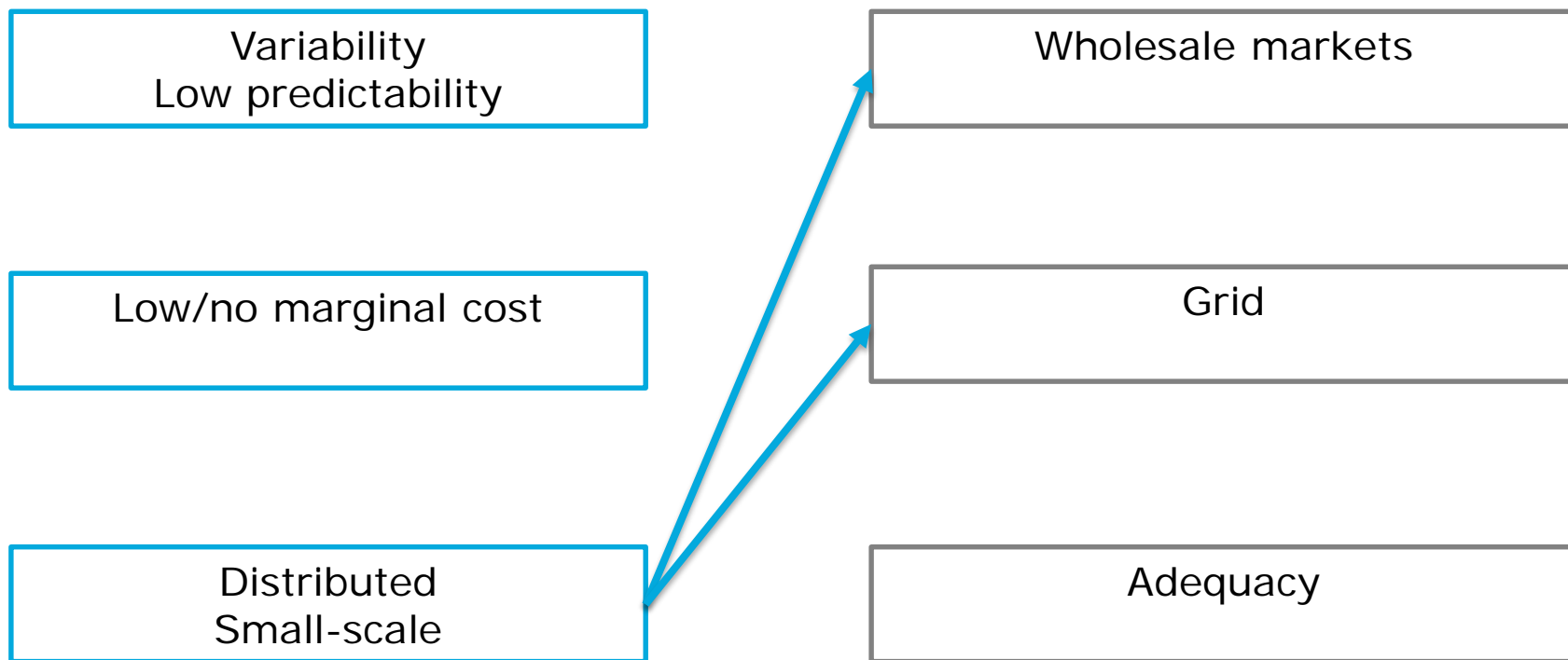
Challenges of variable RES-e



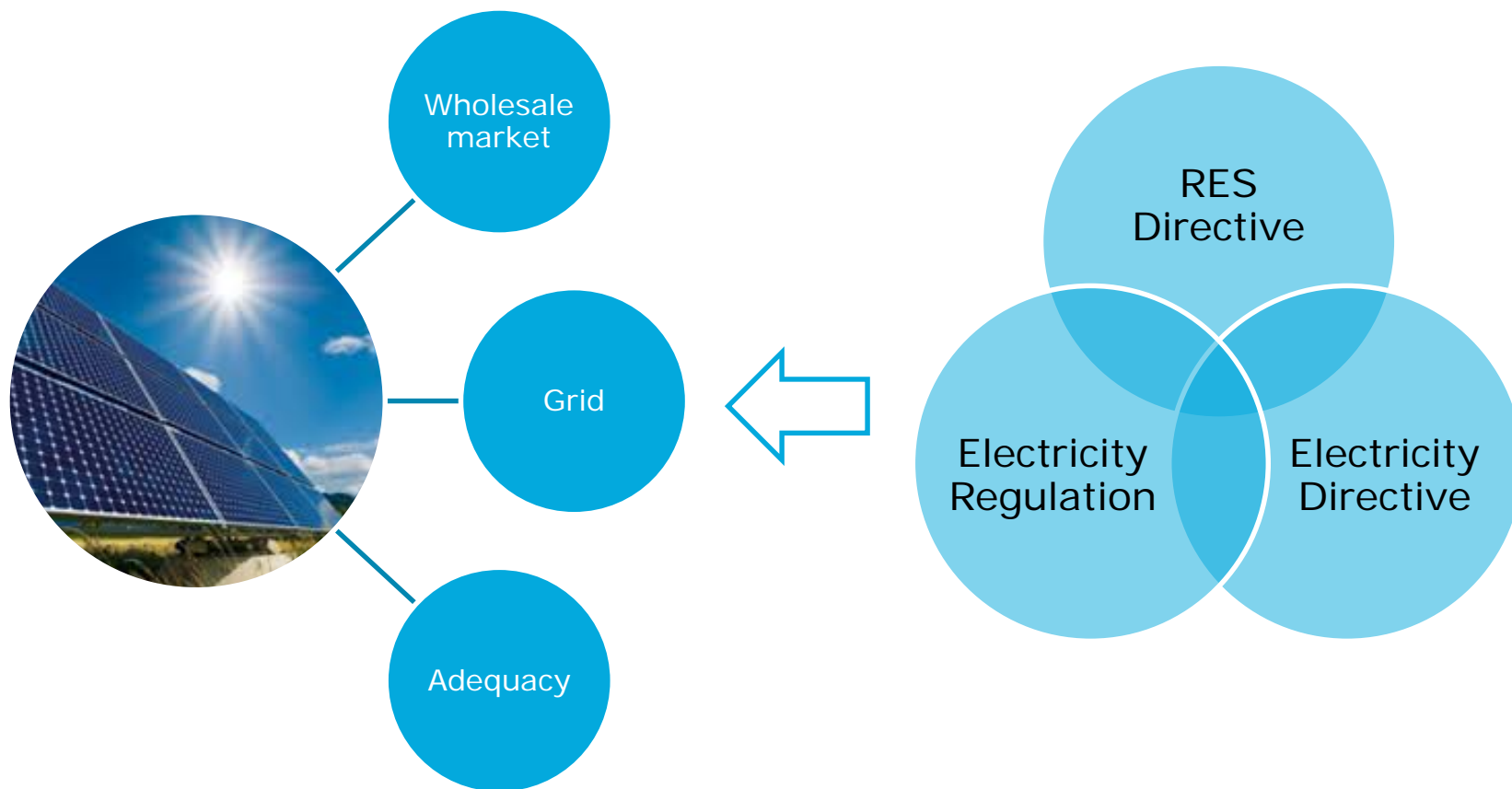
Challenges of variable RES-e



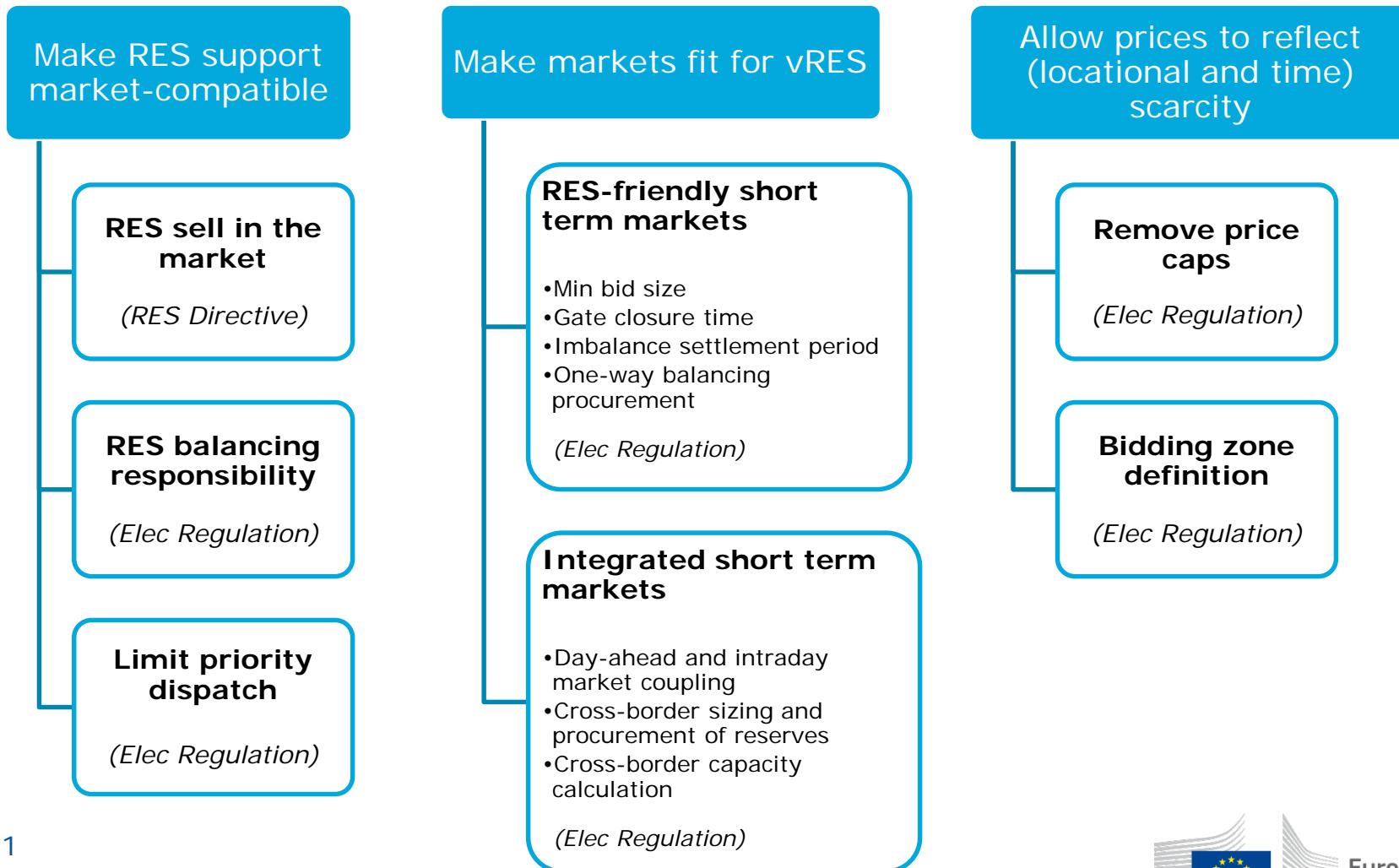
Challenges of variable RES-e



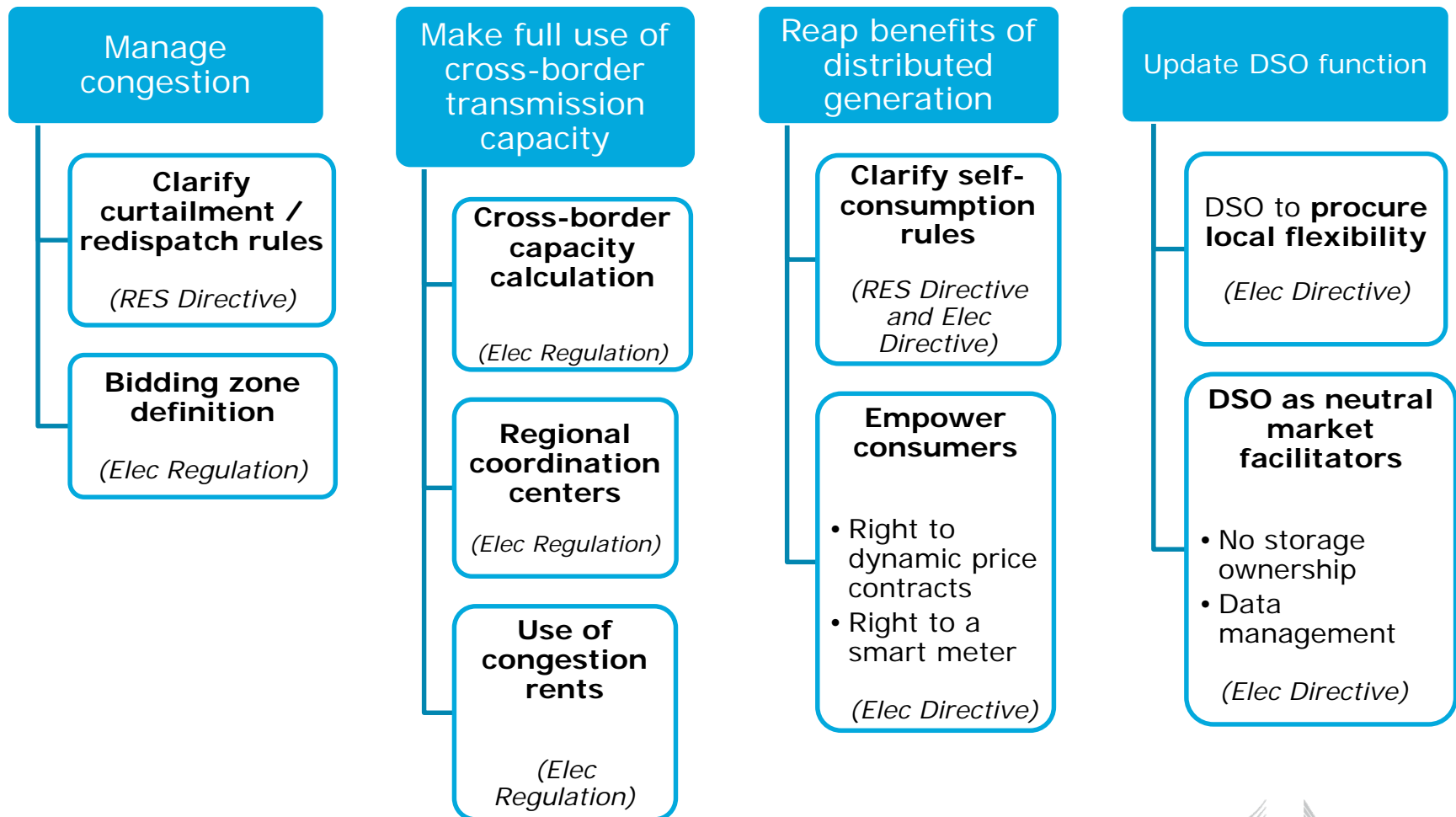
What does the Clean Energy package bring?



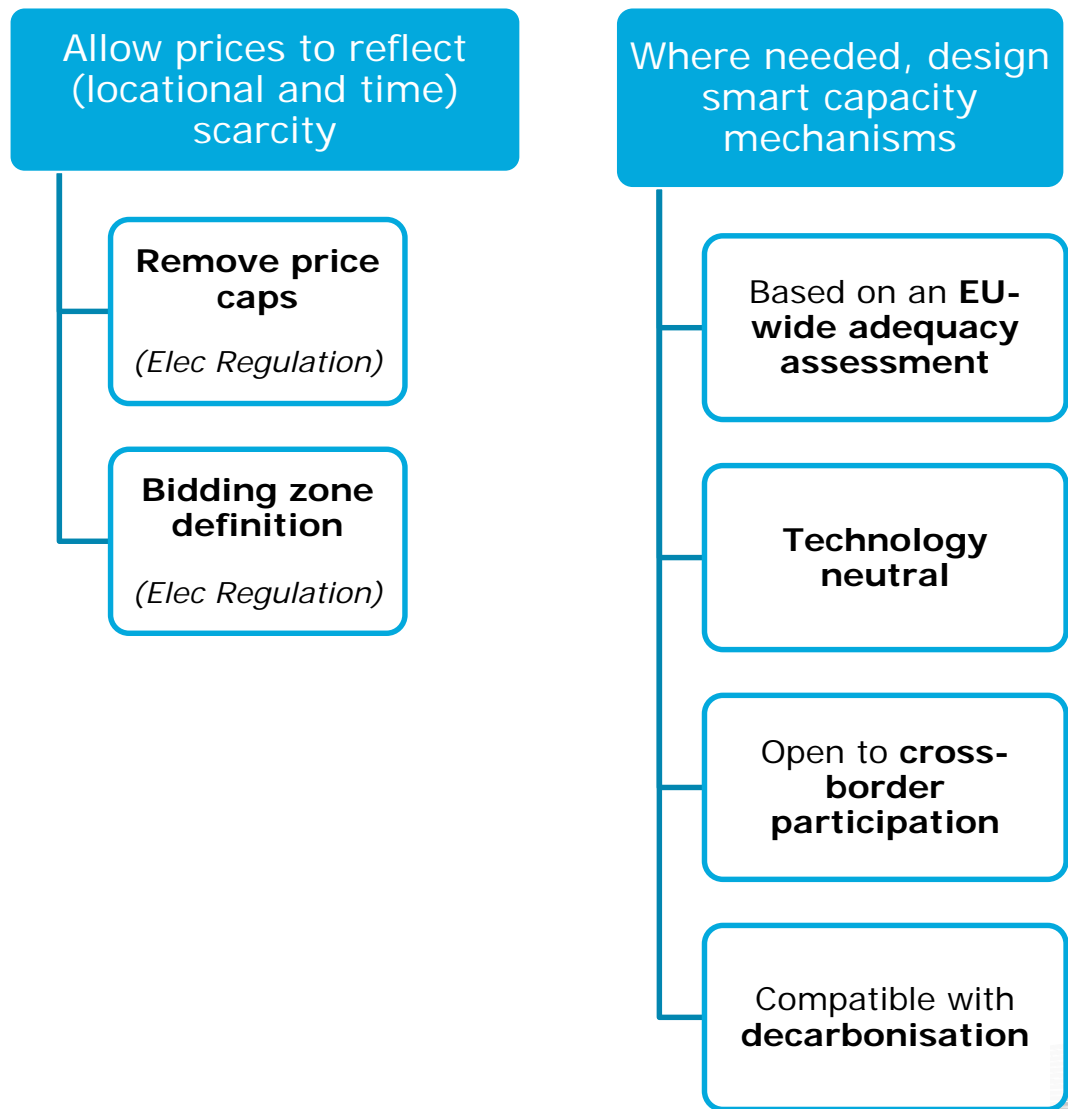
Wholesale markets



Grid management



Adequacy



**THANKS A LOT FOR YOUR
ATTENTION!**

