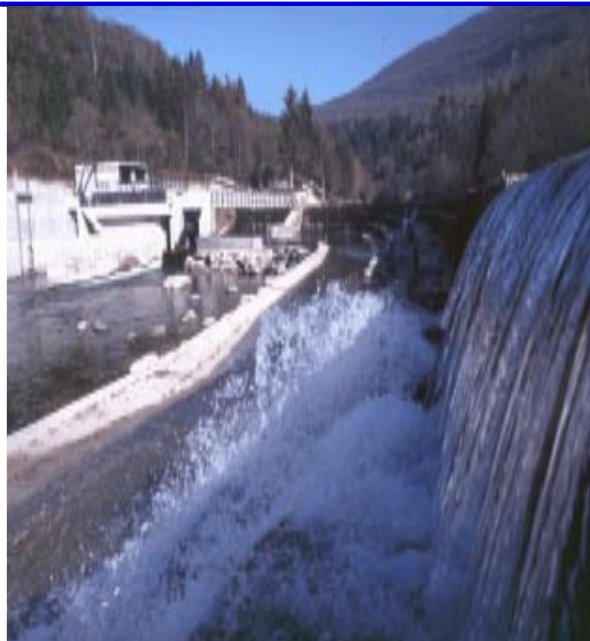




European Commission



Promotion of green electricity

(from renewable
energy sources)

*Presentation of the new
Directive*

July 2001





Targets

- **To establish** a framework to **increase the share of green electricity from 14% to 22%** of gross electricity consumption **by 2010**
- **To help to double** the share of renewable energy **from 6% to 12%** of gross energy consumption in Europe **by 2010**
- **To further** compliance with the commitments made by the EU under the 1997 Kyoto Protocol on **reducing greenhouse gas emissions**





Why a Directive?

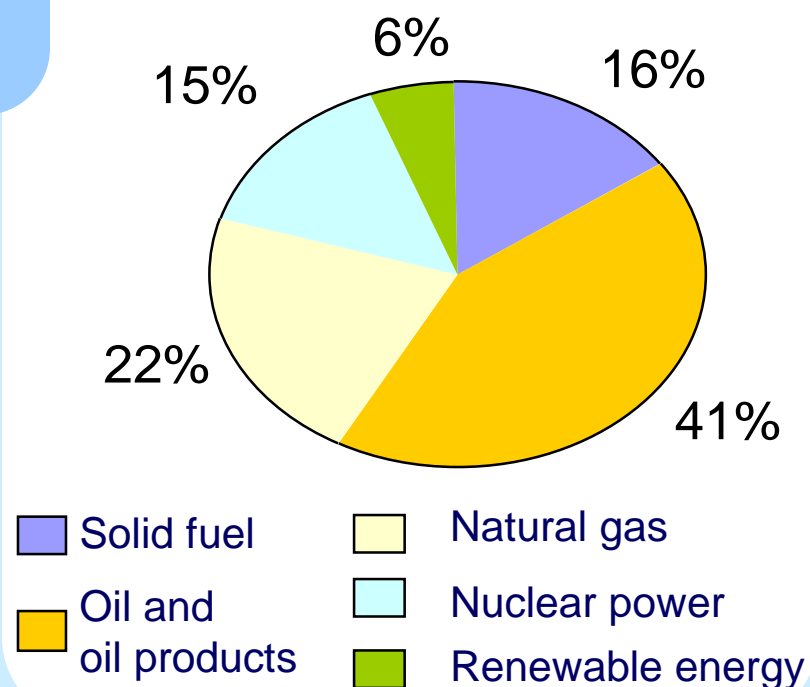
Renewable energy still accounts for only a small fraction of the Community energy mix

However, thanks to technical progress and legislative measures between 1989 and 1998, the wind power sector experienced more than 2000% growth in ten years:

Nonetheless, over the same period, the production of renewable energy increased by only:

- 32% for primary energy
- 29% for electricity

European Union energy mix 1998





Benefits of renewable energy

Environment

Reducing emissions of CO² and other pollutants (acid rain, etc.)



Local and regional development

Economic and social cohesion



Local job creation



Security of supply

Reducing imports





What are renewables?

Renewable energy sources are

renewable non-fossil
sources, such as:

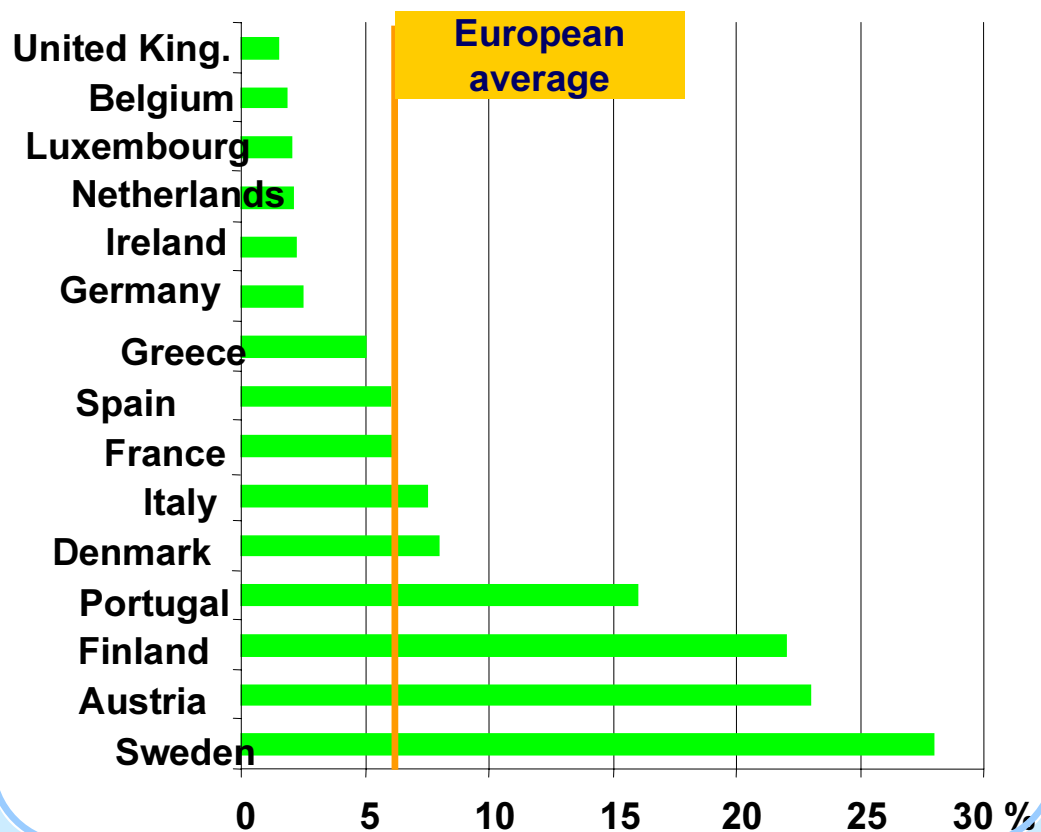
- wind energy
- solar energy
- hydroelectric power
- biomass energy
- landfill gas energy
- biogas and sewage treatment gas energy
- geothermal energy
- wave energy
- tidal energy





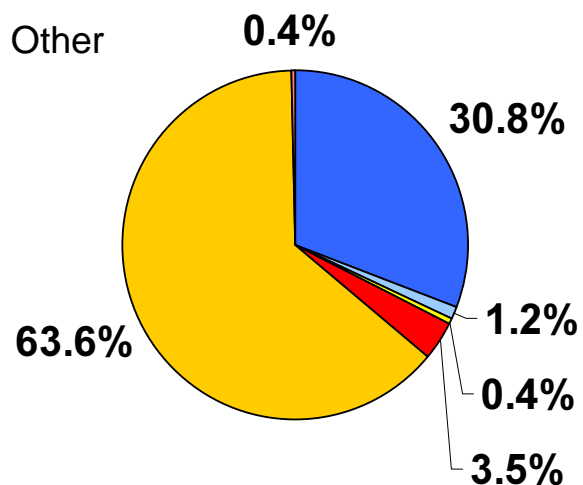
Renewable energy in figures (1/2)

Share of renewable energy in total consumption: 1998



Per type

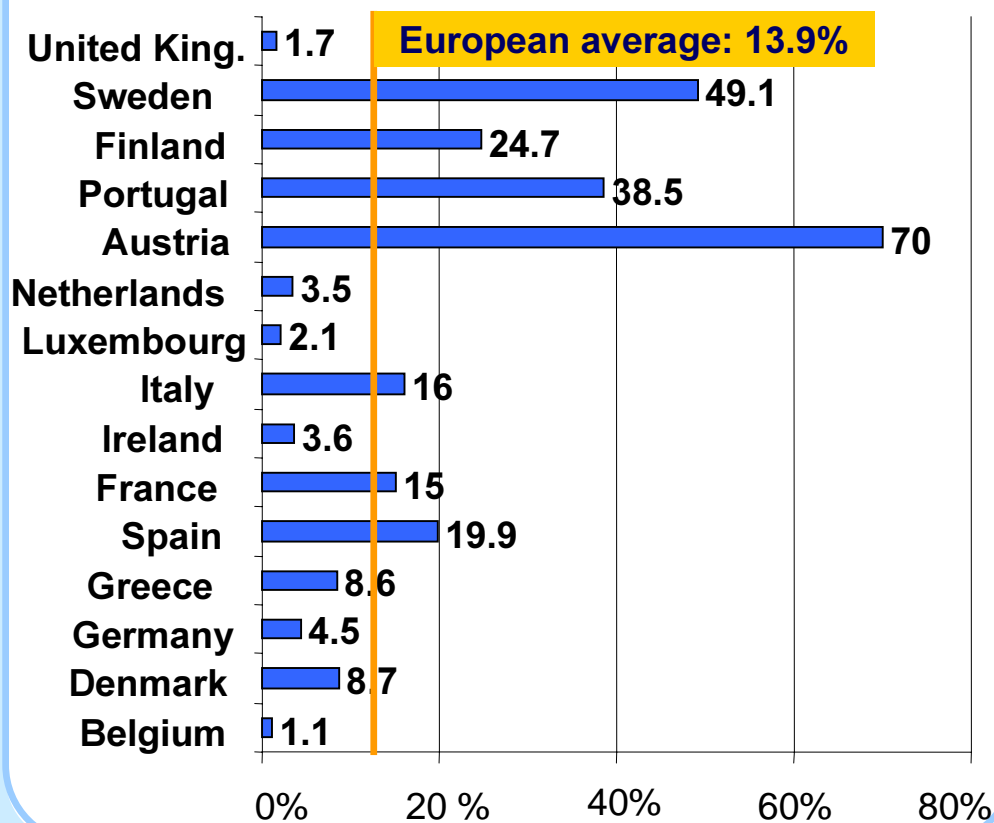
- hydroelectric
- Wind
- Solar
- Geothermal
- Biomass
- Other



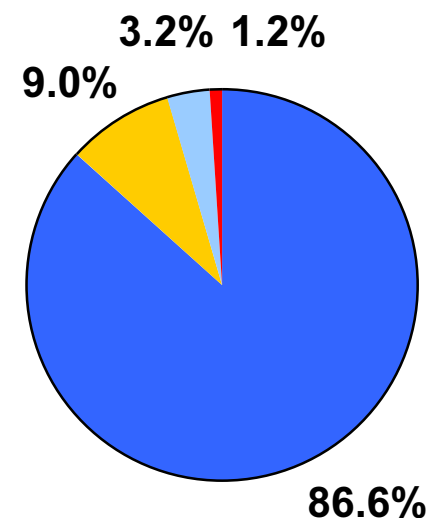


Renewable energy in figures (2/2)

Share of renewables in electricity production: 1997



Per type





Principles of the directive

Promotion of electricity from renewable energy sources through:

- Quantified national targets for consumption of electricity from renewable sources of energy
- National support schemes plus, if necessary, a harmonised support system
- Simplification of national administrative procedures for authorisation
- Guaranteed access to transmission and distribution of electricity from renewable energy sources





Quantified targets

Setting of targets

Member States must set **indicative targets** for the consumption of electricity from renewable sources pour 2010. The Annex to the Directive provides some guidance on setting targets.

If these targets are met, the consumption of electricity from renewable sources will rise to 22% by 2010.

Monitoring of results

The Commission will monitor the progress made by the Member States in pursuing national targets and will, if necessary, propose mandatory targets for States failing to achieve their targets.





Support schemes

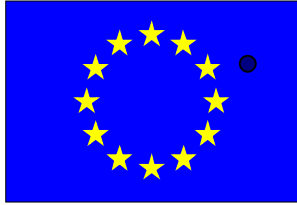


- The directive does **not** propose a harmonised Community support system for green electricity.
- The Commission **must assess** the support measures taken by Member States and present a report on these measures after 4 years.
- At this stage the Commission may, **if necessary**, propose a Community support framework.

This framework should take the following into account:

- the extent to which national indicative targets have been achieved
- compatibility with the principles of the internal electricity market
- technical and geographical features of renewable energy sources
- the simple and efficient promotion of renewable energy sources
- investors' confidence: a transition period of at least 7 years





Reducing administrative obstacles

Guarantee of origin

Member States must guarantee the origin of green electricity and guarantee certificates must be reciprocally recognised. The Commission will, if necessary, propose standard rules.

Production of green electricity

The Member States will review their existing legislative and regulatory frameworks concerning authorisation procedures for installations producing green electricity

Objectives:

- to reduce the obstacles to increasing production
- to rationalise and speed up administrative procedures
- to ensure objective, transparent and non-discriminatory rules
- to take account of the characteristics of renewable technologies





Facilitated grid connection



Guaranteed access to transmission and distribution

Member States will require operators to **guarantee** access to transmission and distribution for green electricity. If the electricity system permits, they will provide priority access.



Connection costs

Member States will ensure that operators:

- **Publish** objective, transparent and non-discriminatory rules on costs for connection and for strengthening of the grid
- **Provide** producers with complete and detailed estimates of costs





Final assessment

On the basis of the reports submitted by the Member States, the Commission will present a **final report** on the implementation of the Directive to the European Parliament and the Council by **31 December 2005** at the latest

If required, the Commission will accompany its report with **supplementary proposals.**





Conclusions

This is the first time that the European Union has adopted a legislative text aimed at promoting the production of energy from renewable sources.

The success of the European Directive is a first step on the road to achieving a sustainable energy system.

