



Perspectives of renewable Energy Policies in the European Union

João Herédia

Policy officer at Unit Renewables and CCS Policy

Directorate General for Energy

Renewable Energy Coordination Group

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Energy megatrends

Paris climate agreement is an historic milestone

- *Pledges of 180+ countries account for 95% of energy-related emissions*
- *Record renewables capacity additions in 2014 and 2015*

2015 has also seen lower prices for all fossil fuels

- *Oil & gas could face second year of falling upstream investment in 2016*
- *Coal prices remain at rock-bottom as demand slows in China*

Significant cost reductions in renewable energy

A) Novelties from the Energy Union



The Energy Union

Where we want to go:

Secure, sustainable, competitive, affordable energy for every European

What this means:

Energy security, solidarity and trust

A fully integrated internal EU-wide energy market

Energy efficiency as an energy source in its own right

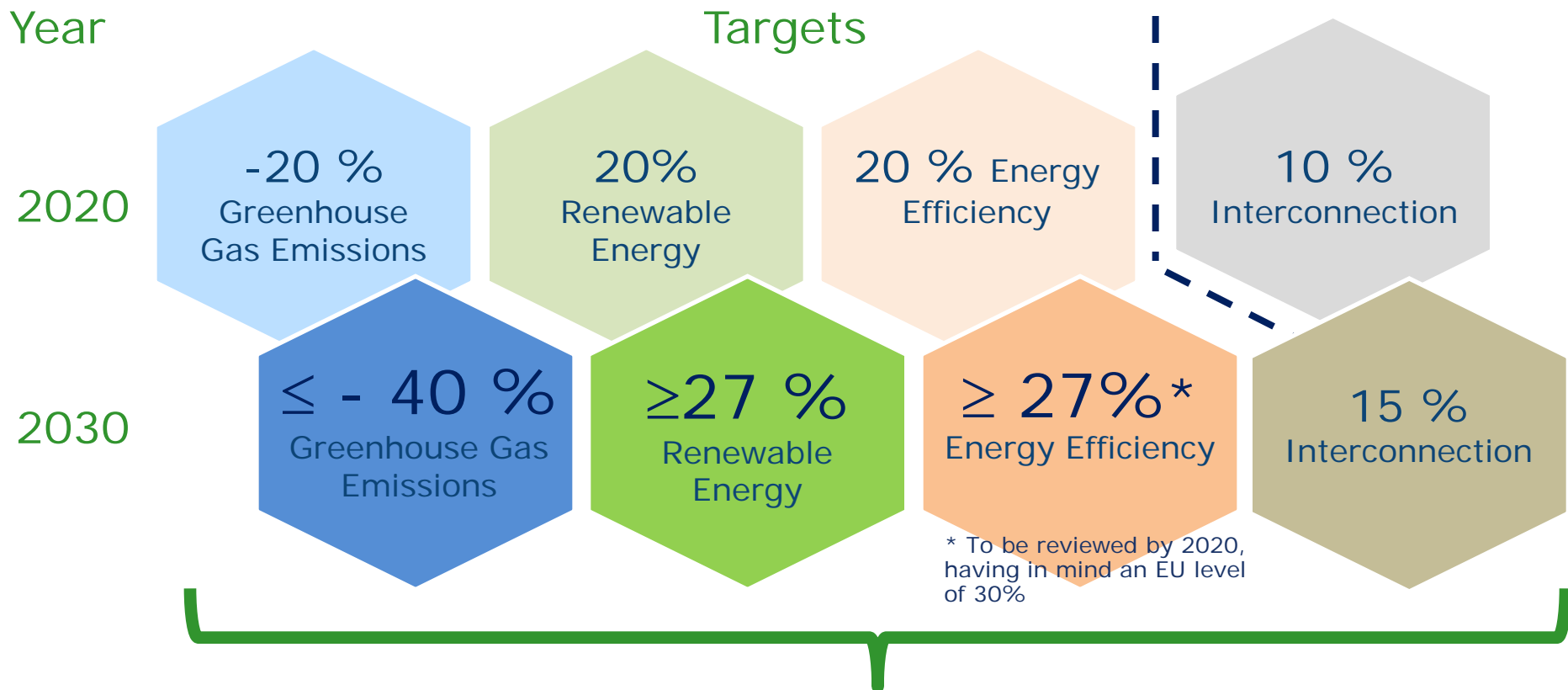
Transition to a low-carbon society

Research, innovation and competitiveness

How we want to reach it:



EU climate and energy framework



New governance system + indicators



Energy Union

Energy Work Programme 2016

- 1) Winter Package (Q1 2016)
- 2) Energy Efficiency Package (Q3 2016)
- 3) State of the Energy Union (Q4 2016)
- 4) Market Design / Renewables / Governance Package (Q4 2016)



Energy Union

Energy Work Programme 2016

1) Winter Package (Q1 2016)

- Revision of Regulation on security of gas supply
- Review of Decision on intergovernmental agreements
- LNG and storage strategy
- **Strategy for heating and cooling**

Energy Union

Energy Work Programme 2016

2) Energy Efficiency Package (Q3 2016)

- Review of Directive on energy efficiency
- Review of Directive on energy performance of buildings





Energy Union

Energy Work Programme 2016

3) Second State of the Energy Union (Q4 2016)

- To present how far we have come in 2016 and how far we have yet to go to achieve our targets
- To be accompanied by
 - ✓ An update of the 28 country factsheets on Energy Union implementation
 - ✓ Reports/guidance, such as on regional cooperation



Energy Union

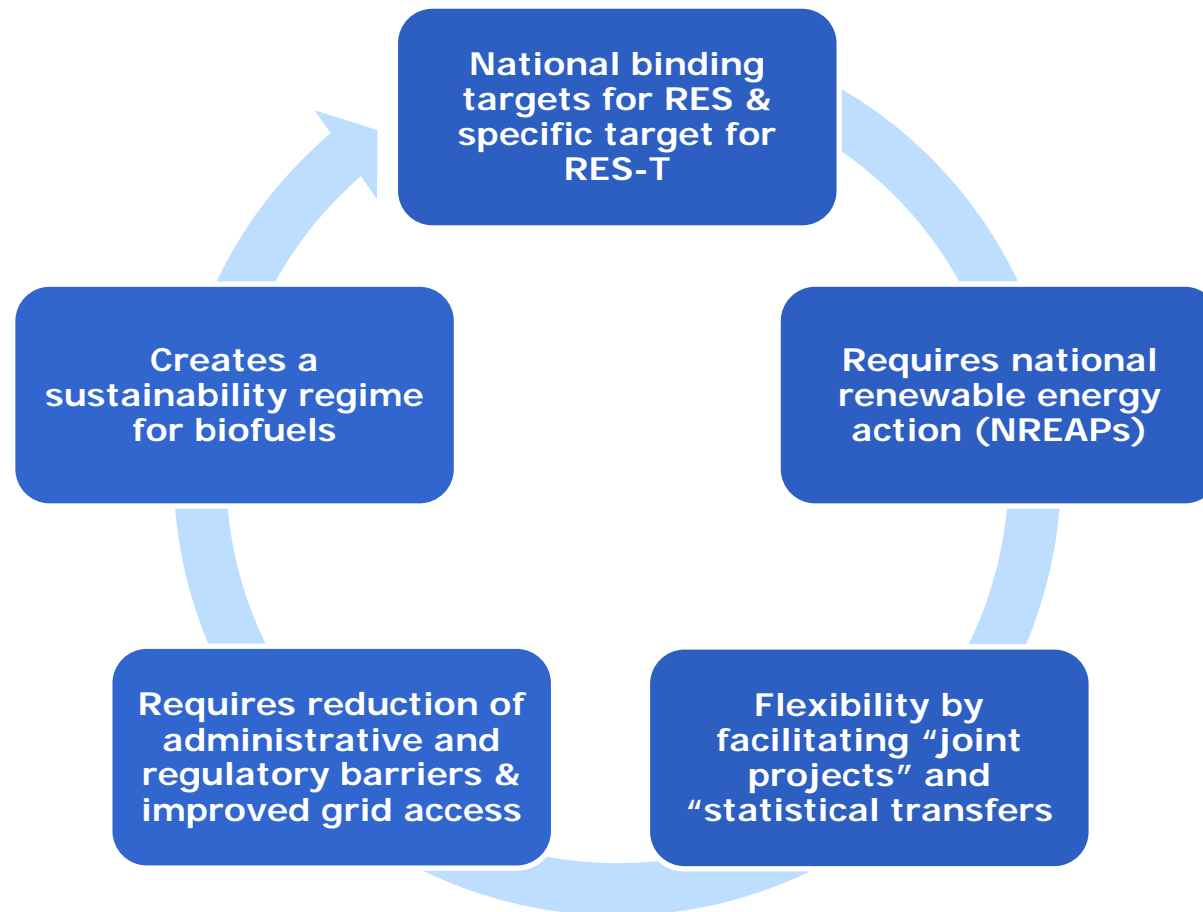
Energy Work Programme 2016

4) Market Design/Renewables/Governance Package (Q4 2016)

- **Legislative initiative on market design and regional electricity markets, including Review of ACER**
- **RES Package: new RES Directive and bioenergy sustainability policy for 2030**
- **Energy Union Governance – planning, reporting and monitoring obligations**

B) Renewables roll-out: RES development in the EU to date

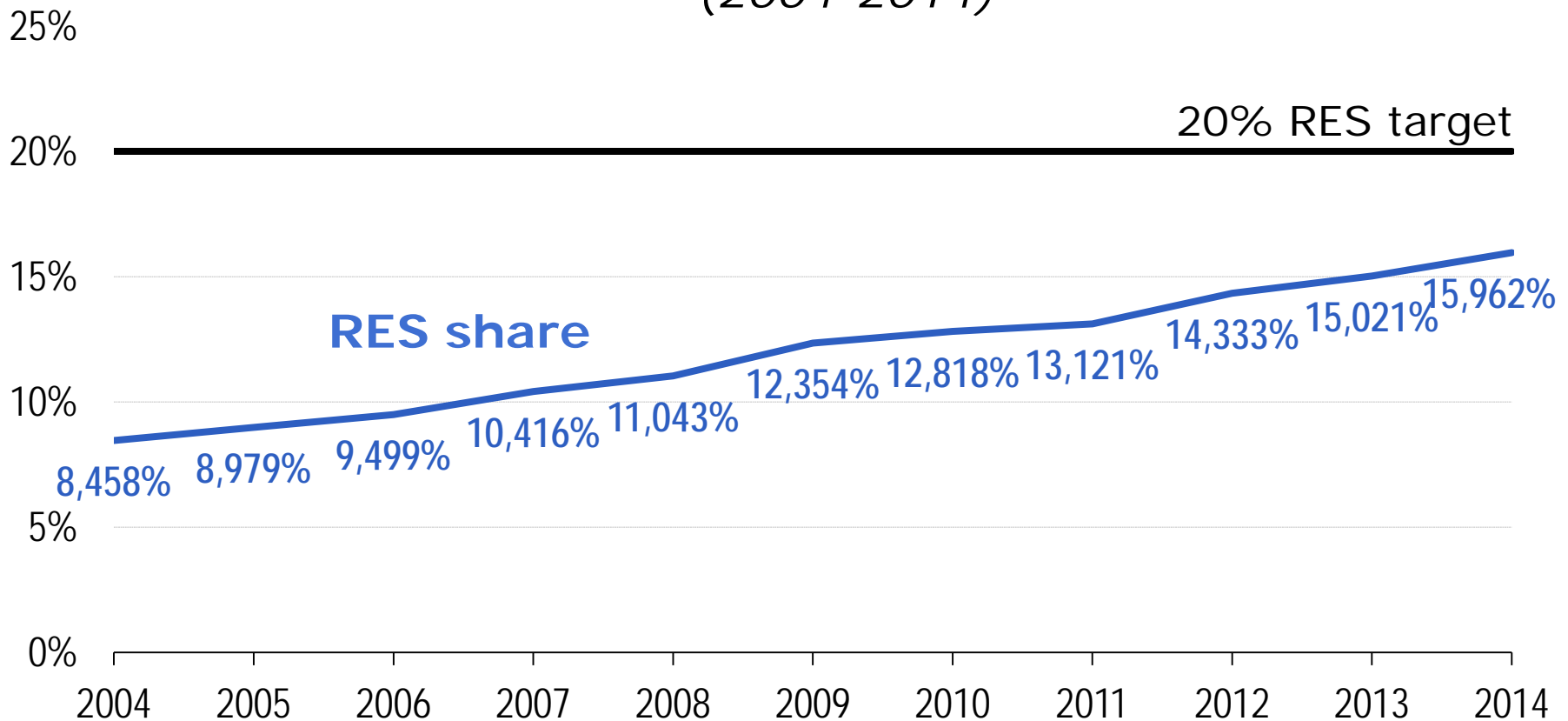
The 2009 Renewable Energy Directive





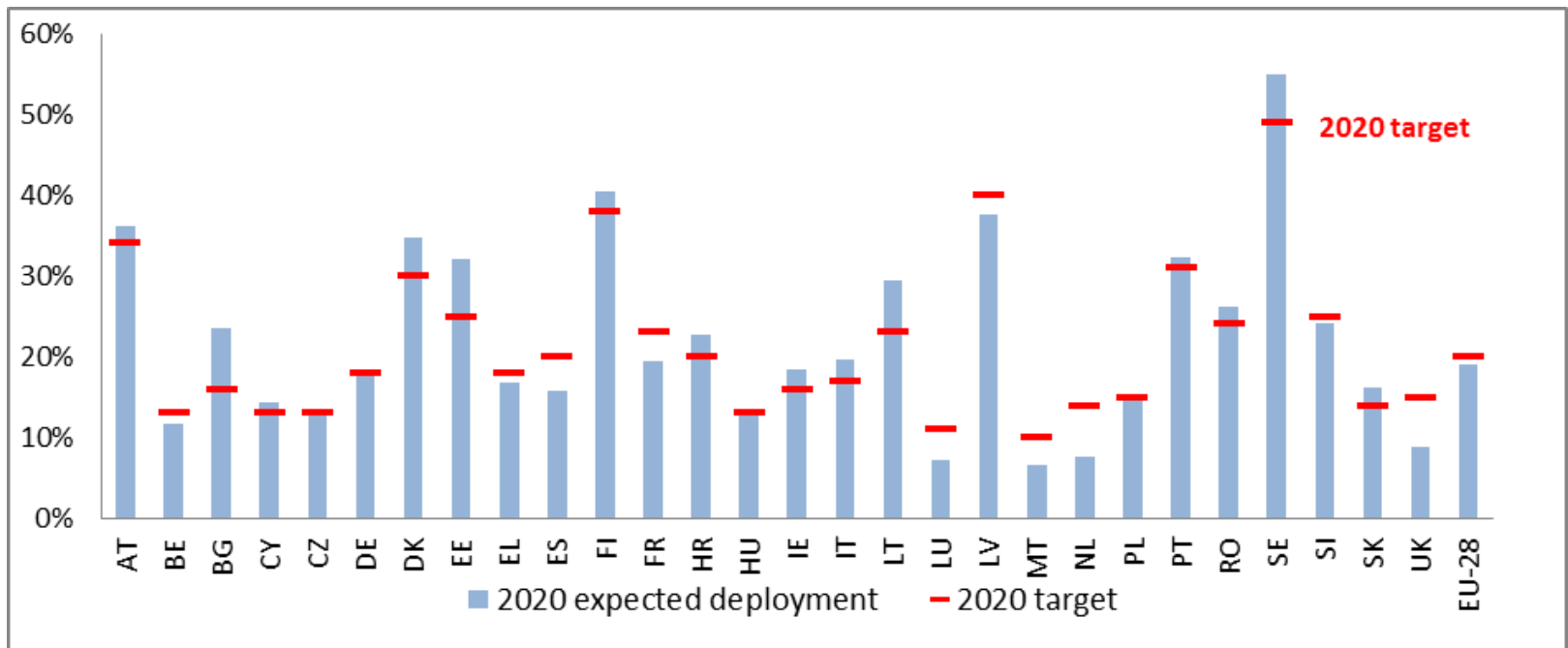
Progress towards the EU 20% RES target

*Renewables share in the EU final energy consumption
(2004-2014)*



Progress towards the 20% renewables target

Expected RES deployment in Member States and 2020 RES targets



Source: European Commission, based on TU Wien (Green-X) projections (2014)

3. Renewable energy policy framework for 2030

« *I want to reform and reorganise
Europe's energy policy
in a new European Energy Union.* »

Jean-Claude Juncker

Our ambition: five key areas for making the EU world number one in renewable energy



The new Renewables Directive post-2020 (I)

Create a market-based environment in which renewables can attract the required investments cost-efficiently

Foster regional cooperation and regional projects

Empower consumers to deploy cost-optimal renewable energy solutions

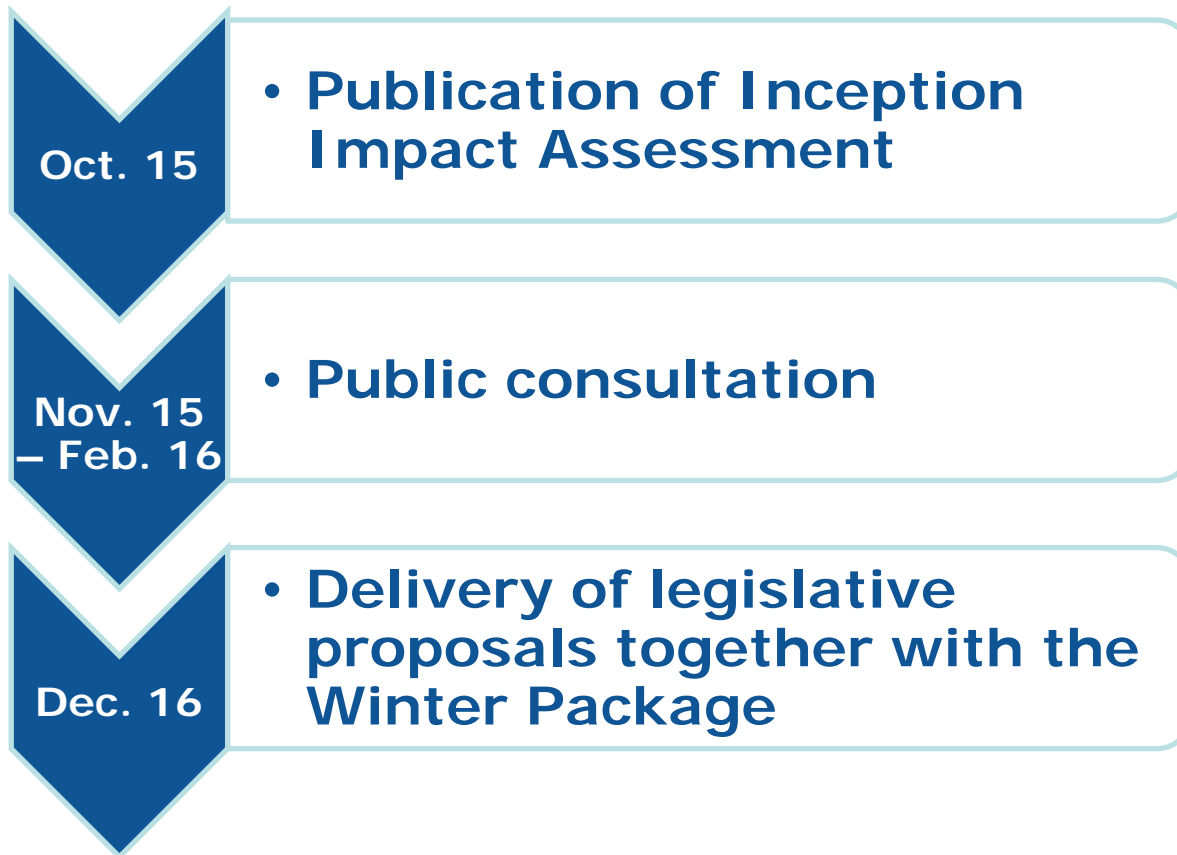
Incentivise the roll-out of new and innovative technologies

Make sure that the EU can collectively reach the 27% renewable energy target even in case MS commitments do not add up

Further promote the decarbonisation of the transport and heating & cooling sectors

Ensuring a timely and cost effective achievement of the at least 27 % EU-level binding RES target

The new Renewables Directive post-2020 (II)



Consumer Empowerment: consumers at the core of the Energy Union



EU guidance on RES self-consumption (SWD)

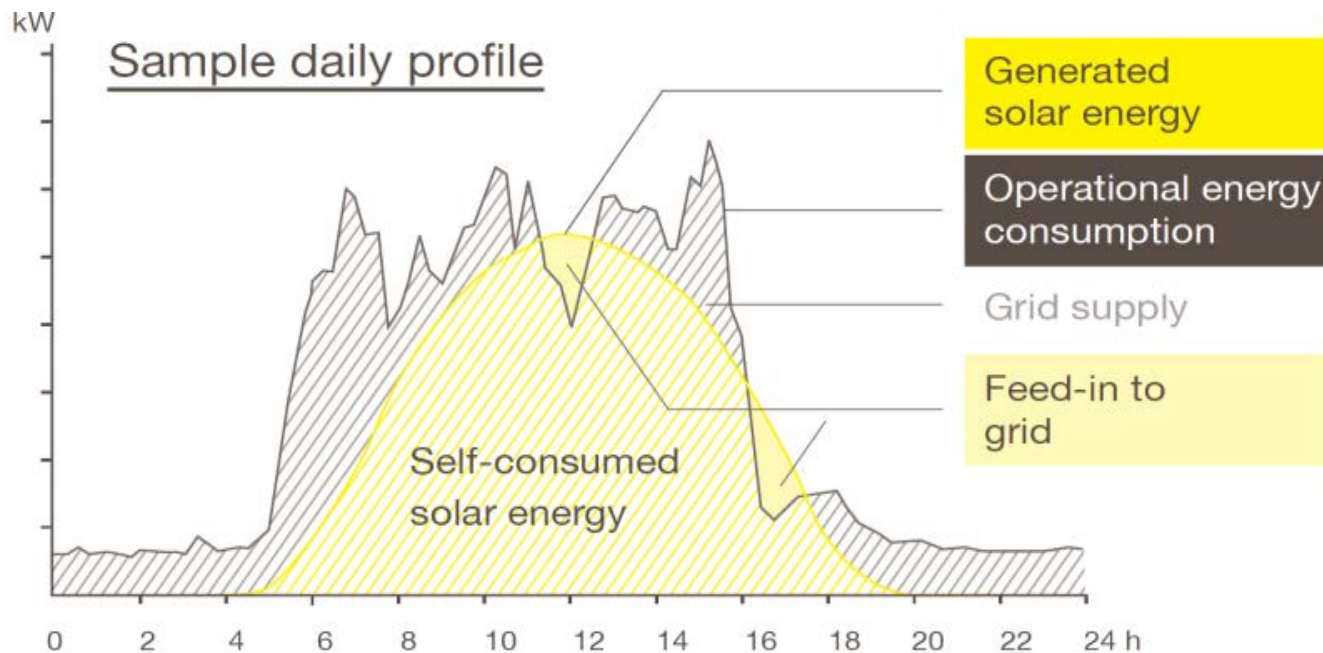
Objective: identify best practice for promoting cost-effective self-consumption

Scope: micro and small-scale renewable energy systems (below 500 kW), current experience mainly solar PV-focused

EU guidance on self-consumption – why?

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Selected best practices on self-consumption

Consumers right to renewable energy self-consumption and distributed storage

Preference to be given to direct self-consumption over injection into the grid of non-consumed renewable electricity

Limiting net-metering schemes to phase-in periods and regular review in a transparent and predictably way

Avoidance of retroactive changes to existing self-consumption projects to guarantee investment security.

Giving the right market signals through time-of-use tariffs

Tariff frameworks may be adjusted: result is higher fixed charge but variable charge for fixed cost recovery retained for efficiency reasons

Ensuring predictable conditions by announcing caps of installed capacities after which grid cost exemption are revised.

Thank you for your attention!

http://ec.europa.eu/energy/renewables/index_en.htm

