



Implementing the cooperation mechanisms of the RES directive

Current status and open questions

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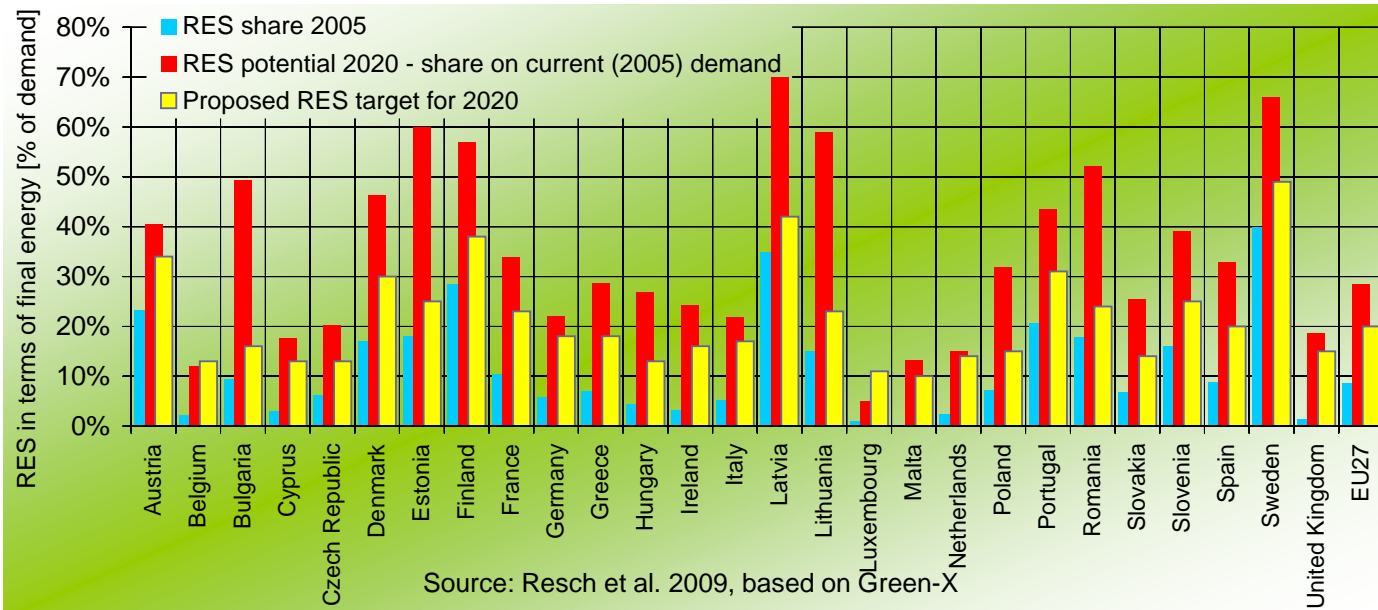
RE-Shaping work on Cooperation Mechanisms (CoopMechs)

- Expert talks with Member State (MS) representatives and RES stakeholders
- Analysis of critical issues for implementation
- Suggestion for counter-balancing drawbacks of each mechanism

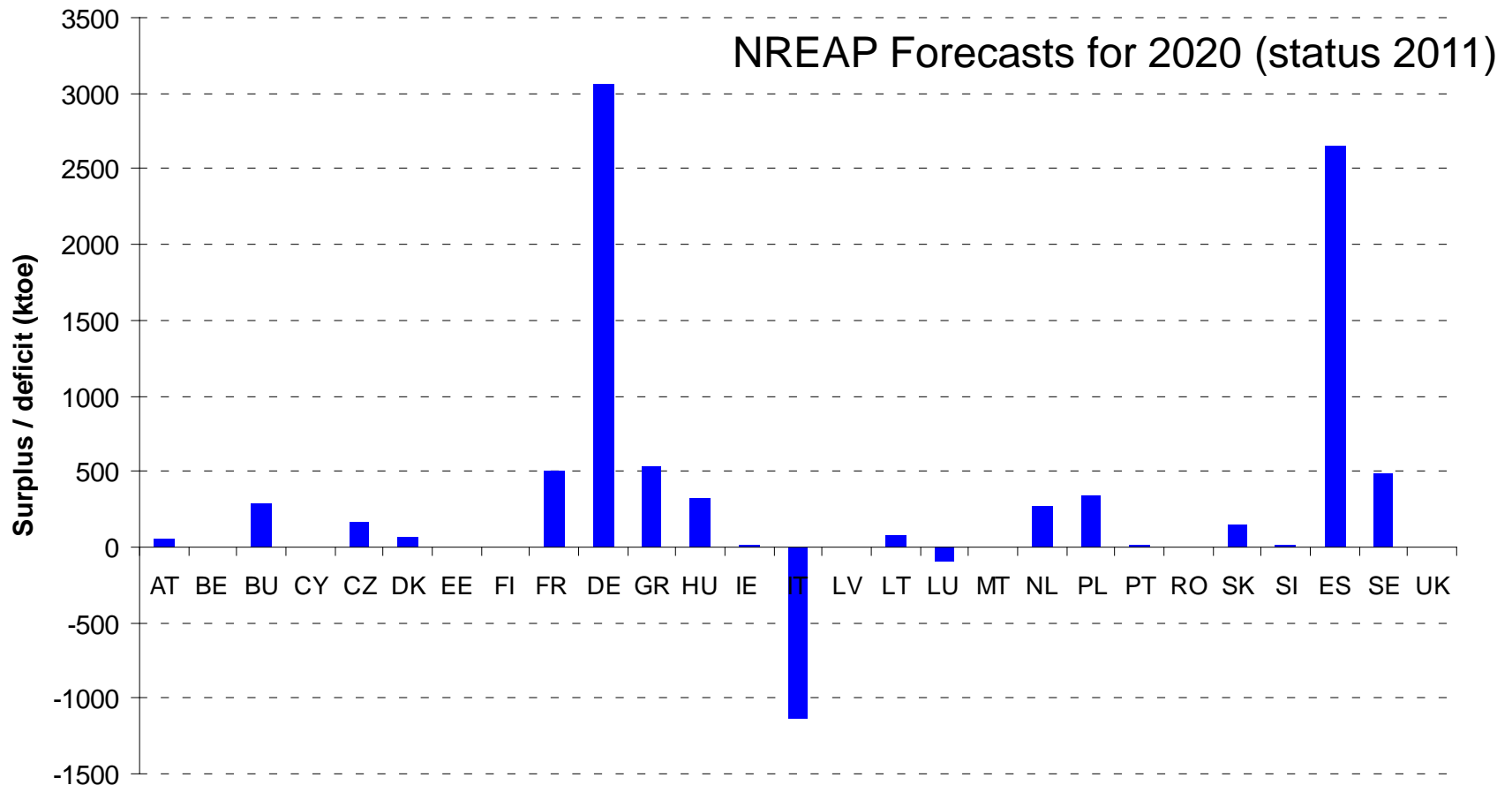
Introduction to CoopMechs

Motivation of the CoopMechs

- Directive 2009/28/EC sets binding national RES targets that do not correlate with the domestic RES potential in the Member States (MS)
- Target flexibility: allow MS with low and/or expensive RES potential to partly fulfil their RES target in other countries
- Cost savings: reduce overall costs for achieving EU 2020 RES target



National RES Action Plans (NREAPs): Only few MS forecast to have a deficit and use the CoopMechs...



...but many want to explore them as fall-back or export option

Current plans of the Member States

- Most MS plan to fulfil their RES targets domestically, but recognise the uncertainty of their projections
- Italy and Luxembourg announced to use statistical transfers and/or joint projects for target achievement (NREAPs)
- Sweden announced joint support scheme with Norway
- Also other MS show interest in the CoopMechs; ongoing discussions

Focus of the discussion between Member States

- High interest in technologies and regions that are already in the focus of international cooperation:
 - Solar power imports from North Africa
 - International cooperation on wind offshore in the North Sea
- Focus on statistical transfers and joint projects, rather than joint support schemes (exception: SWE-NOR)
- Focus on RES electricity, despite some low cost RES heat potentials

Critical issues for implementing the CoopMechs

Distinguish two tracks in the coordination/cooperation discussion

Track 1: Coordination of support systems

- Bottom-up by MS or top-down by EC
- E.g. support level coordination, best-practice design standards, etc.

Requires only
implicit cost-benefit sharing

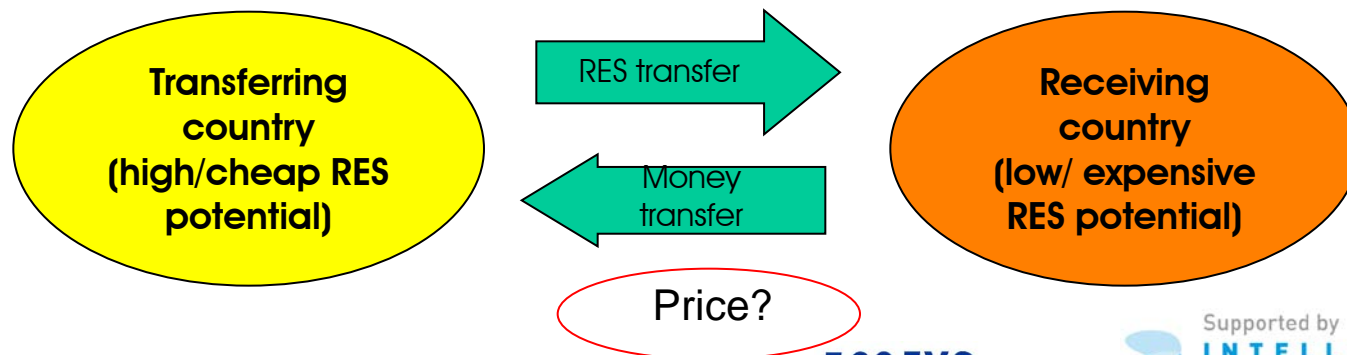
Track 2: Cooperation mechanisms

- Statistical transfer
- Joint projects with MS / with 3rd countries
- Joint support schemes

Requires
active/explicit cost-benefit sharing

Major issues for implementing statistical transfers

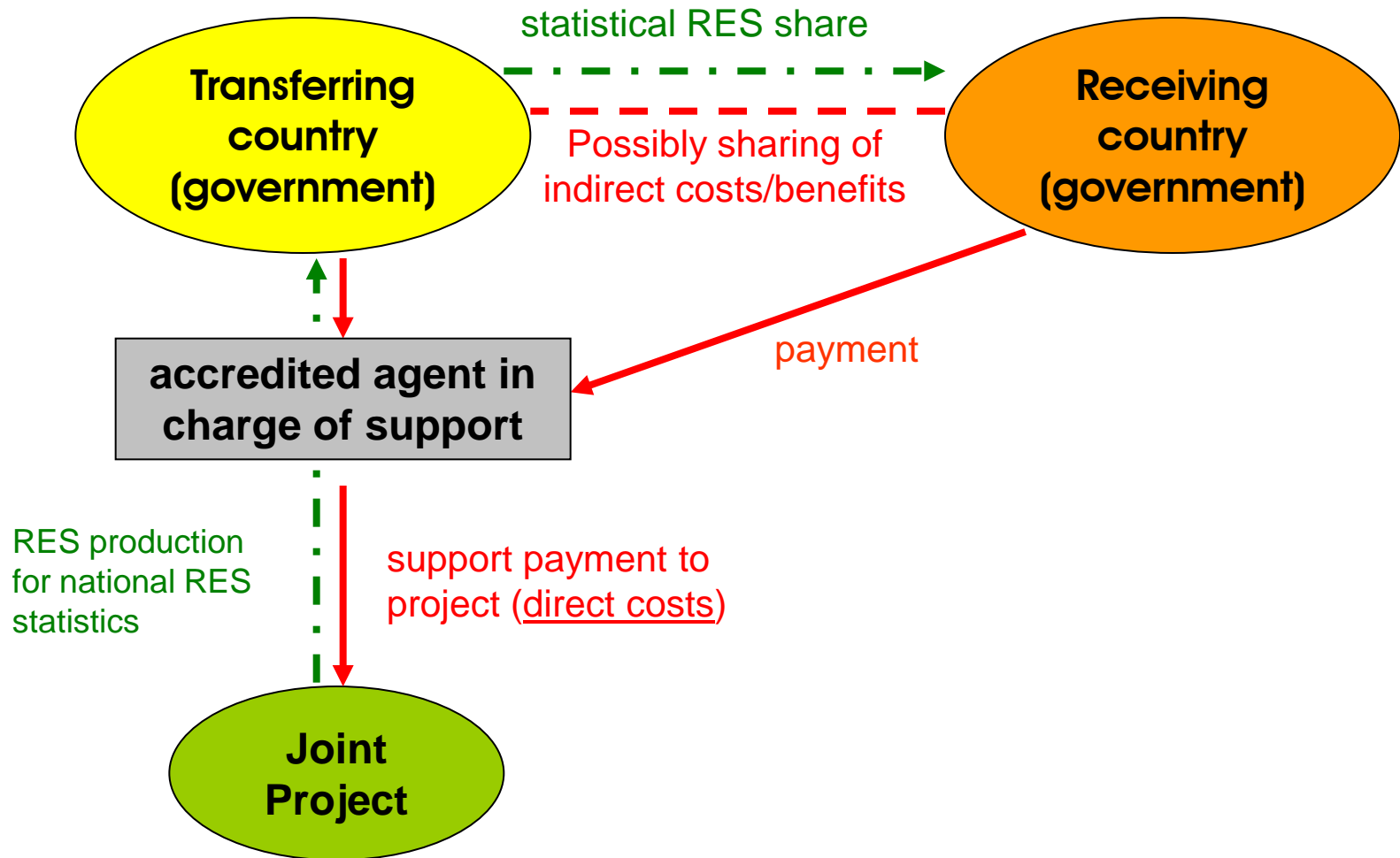
- Dealing with the uncertainty of 2020 forecasts
 - → e.g. commitment through long-term contracts, clauses for adjustment to progress
- Determining the price of transfer
 - → based on actual support costs, combined with consideration domestic costs and benefits
 - → transparent pricing rule increases public acceptance
- Public acceptance remains major issue



Major issues for implementing joint projects

- Interactions with domestic support scheme
 - → Opening of domestic support scheme is risky (legal and economic reasons)
 - → MS should define a dedicated support framework separate from domestic support (e.g. tender procedure)
- Institutional set-up / public procurement
 - → Transparent procedure for the selection of projects
- Local costs and benefits
 - → Define approach for sharing / compensating costs and benefits

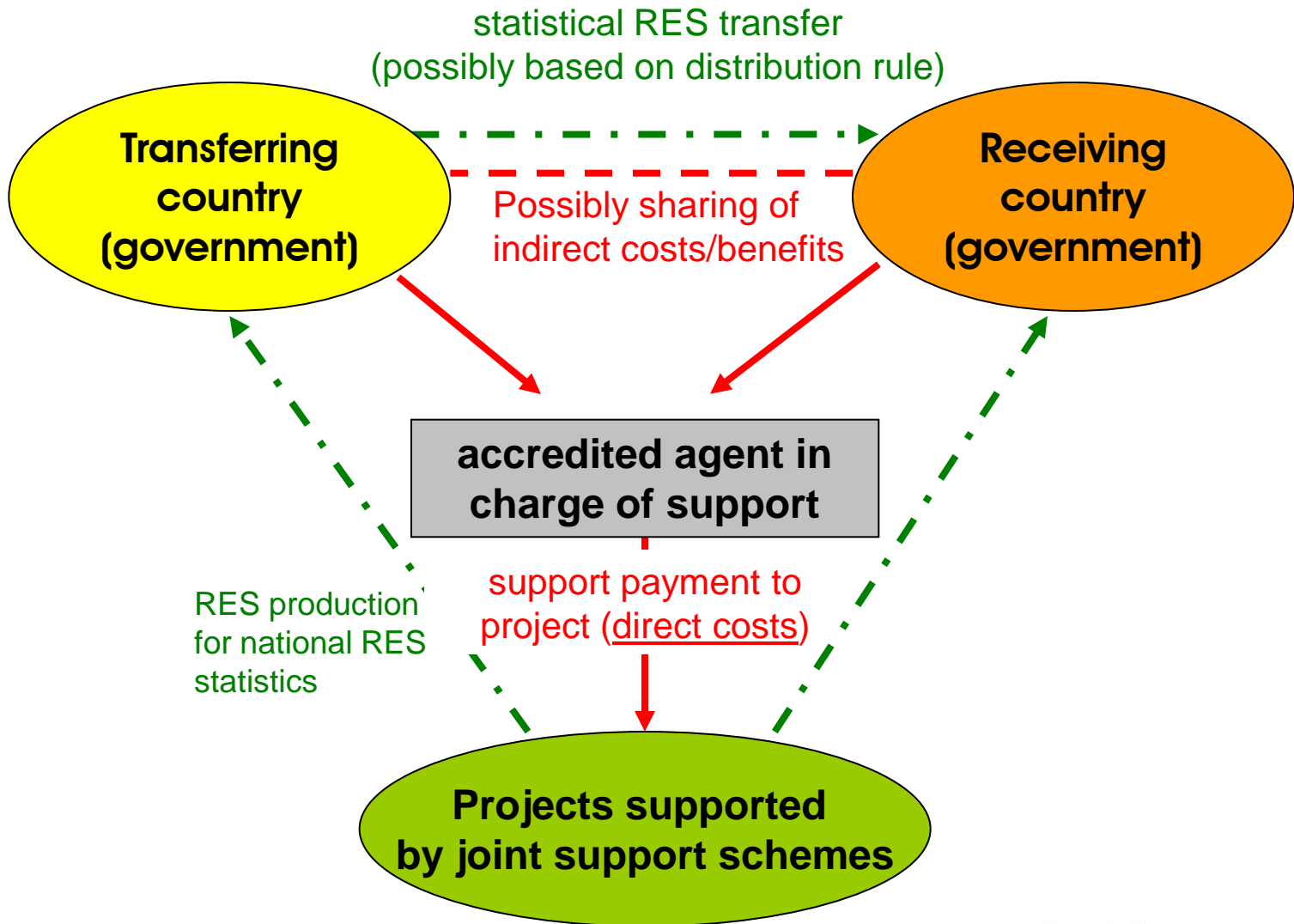
Transfers and payments under joint projects



Major issues for implementing joint support schemes

- Requires intense coordination between MS (and their parliaments)
 - → Consider measures to speed up implementation, e.g. limit joint system to certain technologies as a start
- Sharing of costs and benefits
 - → If implicit cost-benefit sharing does not find political acceptance, define explicit cost sharing approach (e.g. distribution rule for consumer costs and RES statistics)

Transfers and payments under joint support schemes



Conclusions

- The three CoopMechs can be seen as hierarchy from short term to long term commitment. The institutional complexity rises in the same order.
- Price determination and the sharing of costs and benefits is a major issues under all mechanisms.
- The implementation of the CoopMechs is still at an early stage
 - → Take the time to gain experience and learn from first practical examples
 - → Do not change the framework of the RES Directive at this point of time

Thank you for your attention!

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