

Electricity, internal market: production from renewable energy sources, RES-E

2000/0116(COD) - 10/05/2000 - Legislative proposal

PURPOSE : to present a proposal for a Directive on the promotion of electricity from renewable energy sources in the internal electricity market. **CONTENT :** the basic objective underlying this draft Directive is to create a framework which will facilitate the medium-term significant increase in renewable generated electricity ("RES-E") within the EU. It is an important part of measures aimed at meeting the obligation to reduce the emission of greenhouse gases accepted by the EU at Kyoto and must be seen in the light of the indicative objective of doubling the share of renewable energy from at present 6% to 12% of the gross inland energy consumption as set out in the White Paper on renewable energy sources and endorsed by the Energy Council in May 1998. In order to achieve its objective, the Directive proposes that Member States are required to take the necessary measures to ensure that the level of RES-E develops in conformity with the energy and environmental objectives undertaken at national, as well as Community, level. Member States will, therefore, have to set and meet national targets for the domestic future consumption of RES-E which are consistent with the White Paper on renewables and national commitments to reduce greenhouse gas emissions in the light of the Kyoto obligations. These targets and the measures taken to reach them shall be set out in an annual report published by all Member States. The Commission will then assess and publish a report on the Member States policies in light of the White Paper and the Kyoto obligations. With regard to the support schemes for RES-E currently operated in Member States, the Commission has concluded that insufficient evidence exists to provide, at this stage, for the introduction of a harmonised Community wide support scheme setting the price for RES-E through Community-wide competition between generators, in particular with regard to direct price support being the most important form of support in practice. Nevertheless, the Commission believes that this should remain the objective since its achievement is likely, in the medium term, to reduce prices of RES-E and increase the penetration of RES-E in the internal market. Furthermore, in view of creating a proper level playing field within the international electricity market, it is necessary for the Commission to monitor the application of support schemes in favour of generators of electricity from renewable, as well as conventional, energy sources in Member States and, no later than five years after the entry into force of this Directive, to present a report on the experience gained in this respect. If necessary, in the light of the conclusions of this report, the Commission will make a proposal for a Community framework with regard to support schemes for electricity from renewable energy sources based on principles defined already in this Directive. In order to ensure that trade in RES-E becomes both reliable and practically possible, the draft Directive requires the Member States to introduce a system for the certification of origin of RES-E. Finally, the Directive foresees a number of accompanying measures intended to create a level playing field and facilitate the penetration of RES-E in the internal electricity market, notably regarding administrative procedures and grid system issues.