



- **“Climate & Energy and 3rd IEM Packages: Provisions regarding renewables and Commission views”**

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- Outline

- Key new provisions on renewables in
 - » 3rd IEM package
 - » Energy-climate package
- Feedback on CEER paper
- Examples of relevant EU activities, useful resources



● 3rd package

- 3rd IEM package elements:
 - » Directive 2009/72/EC concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC
 - » Regulation (EC) No 714/2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003
 - » "ACER Regulation" + gas Directive and Regulation
- Main focus: Governance
 - » Institutions
 - » Procedures
 - » Powers/competences/roles (UNBUNDLING!)



● Electricity Directive (2009/72/EC) (1/3)

● Objectives of national regulatory authorities (Art.36):

» *In carrying out the regulatory tasks specified in this Directive, the regulatory authority shall take all reasonable measures in pursuit of the following objectives within the framework of their duties and powers....: ...*

- *D) ...promoting...the integration of large and small-scale production of electricity from renewable energy sources and distributed generation in both transmission and distribution networks;*
- *E) facilitating access to the network for new generation capacity, in particular removing barriers that could prevent access for new market entrants and of electricity from renewable energy sources;*
- ...



● Electricity Directive (2009/72/EC) (2/3)

● Duties and powers of the regulatory authority (Art.37):

- » *8. In fixing or approving the tariffs or methodologies and the balancing services, the regulatory authorities shall ensure that transmission and distribution system operators are granted appropriate incentive, over both the short and long term, to increase efficiencies, foster market integration and security of supply and support the related research activities.*



● Electricity Directive (2009/72/EC) (3/3)

● Other provisions with (smaller) changes

- » Renewable energy expressly included in
 - Scope of Public Service Obligations (PSOs) (Art.3)
 - Criteria list for authorisation of new capacity (Art. 7)

- » Dispatching and balancing by TSOs:
 - Cross ref. to Renewable Energy Directive (Art.15)



● Energy-climate package

● Elements:

- » Directive 2009/28/EC on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC
- » Revised EU Emissions Trading System (EU ETS)
- » Decision on GHG reduction in non-ETS sectors
- » Legal framework for carbon capture and storage
- » Revised EU environmental state aid guidelines
- » Various communications..

● Main focus: GHG and renewable energy targets, but also

- » Strengthened tools and obligations
- » CCS framework
- » More flexible state aid approach



● Renewables Directive (2009/28/EC) (1/2)

- Member States shall take the appropriate steps to
 - » develop the infrastructure to ensure its secure operation as it accommodates more electricity from renewable energy sources
 - (T & D grid infrastructure, intelligent networks, storage facilities, interconnections)
 - » accelerate authorisation procedures and co-ordinate with administrative and planning procedures
- Subject to maintaining grid reliability and safety, Member States shall
 - » guarantee transmission and distribution of renewable electricity
 - » provide priority or guaranteed grid access
 - » ensure priority dispatching (where dispatching occurs)
 - » grid and market-related operational measures to minimise curtailment of electricity from renewable energy sources



● Renewables Directive (2009/28/EC) (2/2)

- Member States shall require TSOs and DSOs to
 - » set up and make public rules of cost bearing and sharing (connection, reinforcement, improved operation, grid code implementation costs) based on objective, transparent non discriminatory criteria
 - » provide new producers with the comprehensive and necessary information for connection (connection cost estimates, reasonable timetables for processing applications *and* for connection)
- Member States shall review and improve these rules by 30 June 2011 and every two years thereafter
- Member States *may* require TSOs and DSOs to bear costs



● Feedback on CEER paper

- Many pertinent and important points raised
 - » Importance of well-functioning intraday markets (also cross-border), shorter & more harmonised GCTs, cross-border balancing, balancing responsibility also for wind where possible, ...
 - » Strategic approach to authorisations, clearer criteria & deadlines for connection, common technical criteria (cf ENTSO-E pilot), encourage anticipatory costs, ownership of (offshore transmission) assets, etc. etc.



● Examples of relevant EU activities:

- Project '*Twenties*' (2009)
 - Budget 70 M€:32 M€ EC contribution
 - Wind energy intermittency and the GRID
 - Real scale demos to test concepts and provide real solutions
 - TSOs, utilities and equipment manufacturers, universities
- European Industrial Initiatives (EII)
 - Wind EII (e.g. “virtual power plants” concept)
 - Electricity Grids EII (e.g. “elaborating and testing innovative market designs”)



- Thank you for your attention!
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More examples of projects of relevance for integration of wind :

- www.respond-project.eu
- www.trade-wind.eu
- www.wind-integration.eu
- www.offshoregrid.eu
- www.reshaping-res-policy.eu
- www.storiesproject.eu
- www.irene-40.eu
- www.windspeed.eu
- www.windplatform.eu
- www.iee-massig.eu
- RealiseGrid
- www.susplan.eu

