

# CEER's Review of Renewable Support Schemes

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# EU Wide Context

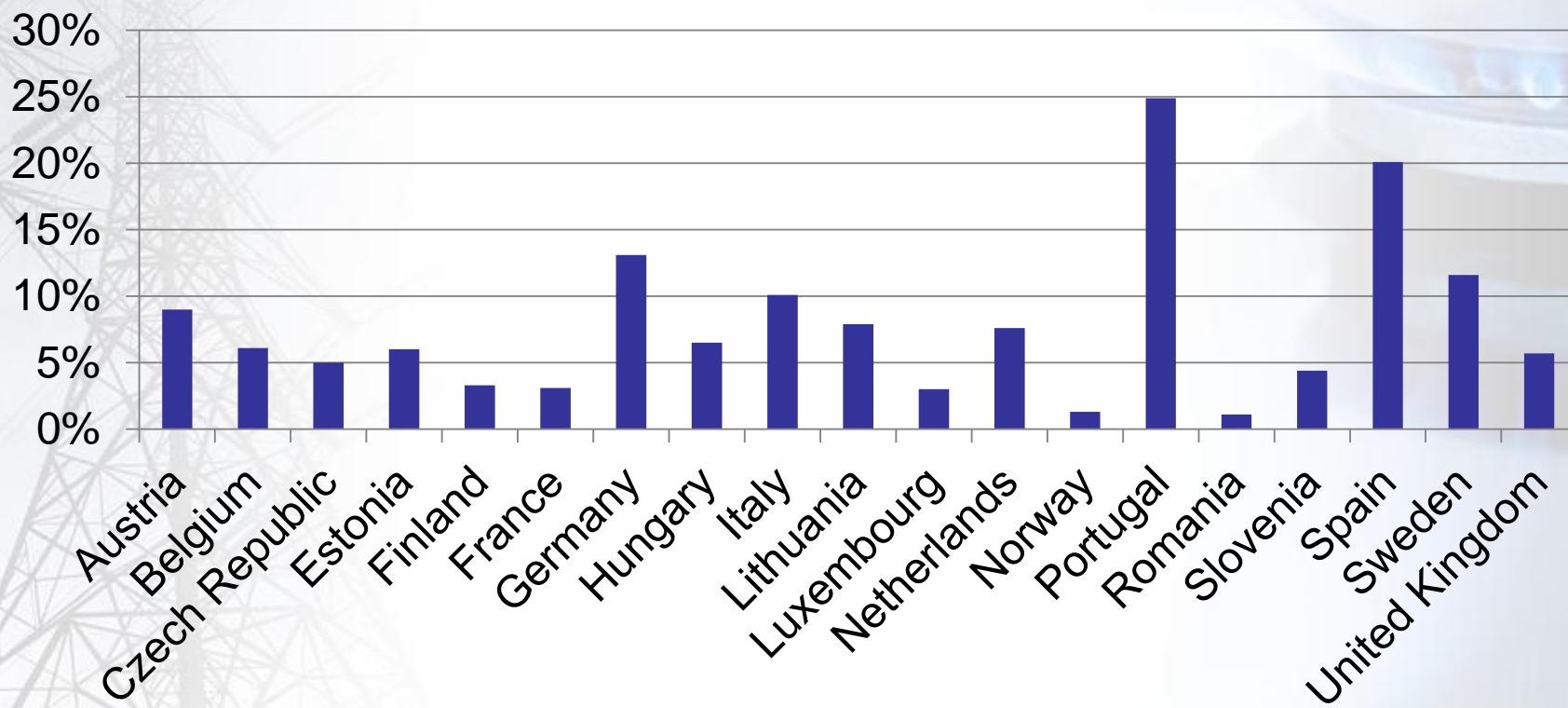
- Renewables support needed to deliver 2020 targets  
Should be:
  - Effective – driving deployment and technology development
  - Efficient – costs to consumers no higher than needed
  - Non-distortionary – support not hinder market functioning, cross-border trade and security of supply.
  
- EC to review RES support schemes and develop non-binding guidance on support schemes reform.

# CEER Review on Support Schemes

- Objective - collect comparable data on support schemes for electricity from renewable energy sources, by technology and type of instrument. This is the second edition (first published in 2011 with 2009 data).
- Provides data on:
  - Financing of support schemes (Feed In Tariffs, certificates, etc)
  - RES volumes receiving support
  - Total costs of RES support schemes
  - Support level per technology (€/MWh)
  - Type of connection charges and regimes in place
- Methodology: support = amount above wholesale price

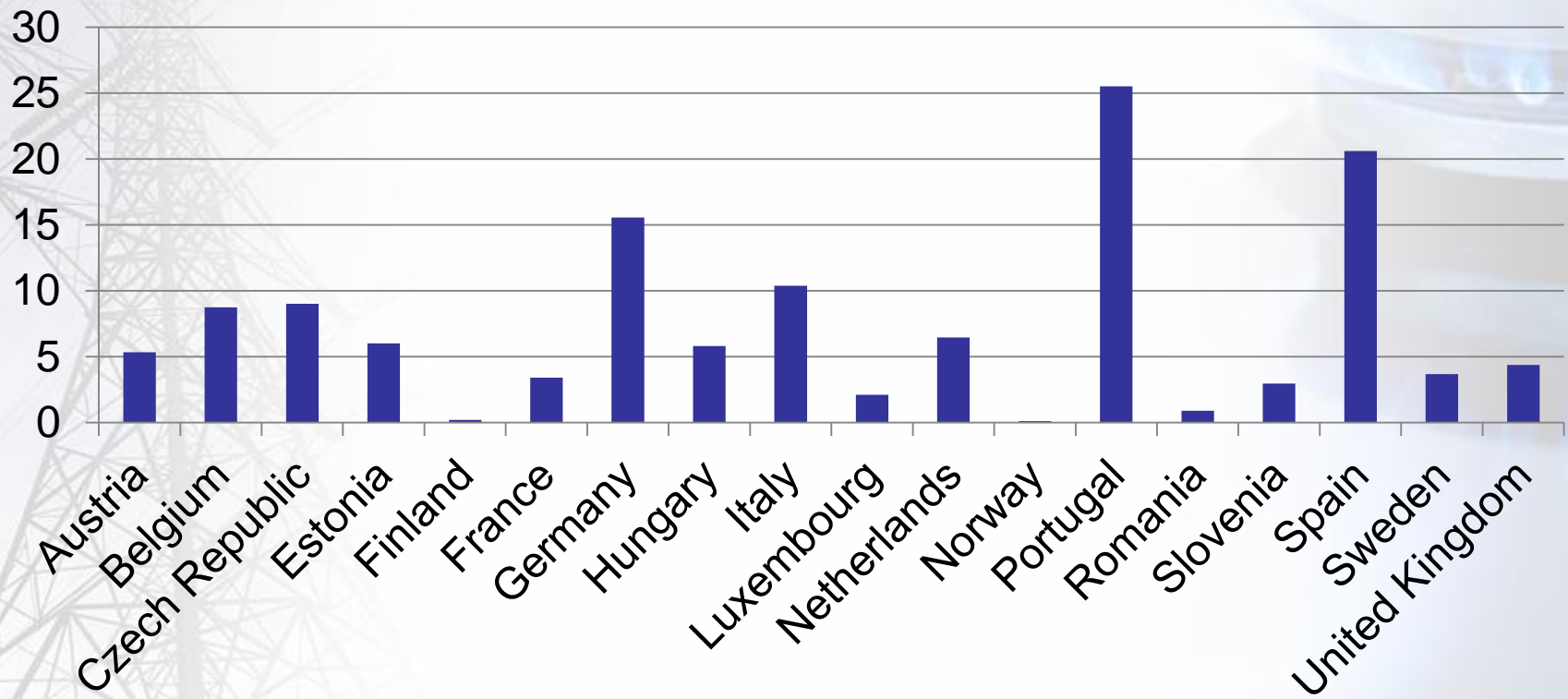
# Volumes supported

## Share of electricity production receiving support (2010)



# Costs to consumers

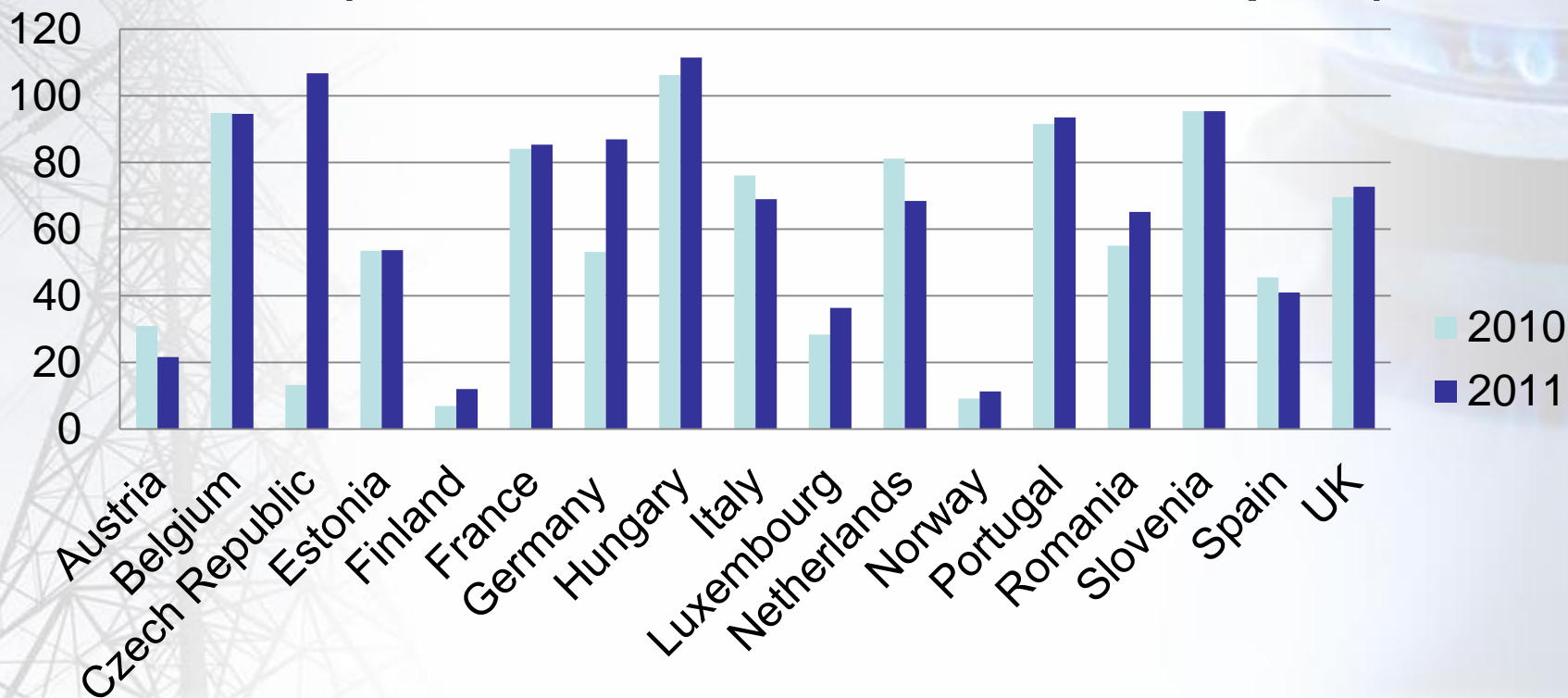
**Cost of support per unit consumed  
(euros/MWh, 2010)**



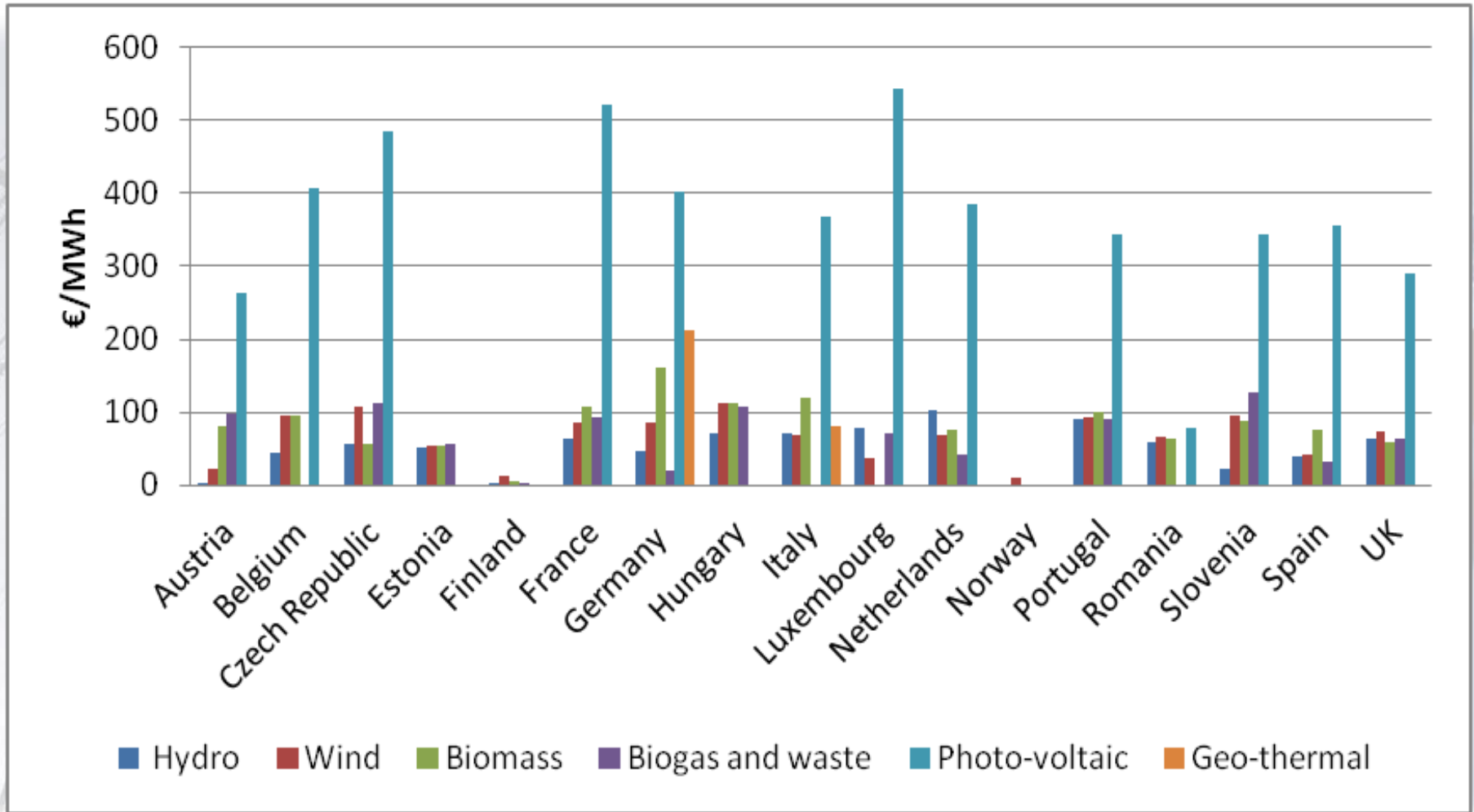


# Comparing support levels - an example

**Average support for wind generation  
(euros/MWh in excess of wholesale price)**



# Support Levels by Technology (2011)



# Some Facts and Figures

- Of the 17 countries who provided data, support costs – if shared evenly across all consumption - vary from 0.1 to 25 €/MWh, averaging around 7 €/MWh (2010).
- For the 19 countries that provided detailed data on the MWh receiving support, on average 9% of total electricity production receives RES support.



# Policy implications

- Support schemes vary across Member States
  - But so do other parameters such as connection fees
- Volumes of RES increasing – renewables are increasingly mainstream

(see ACER – CEER Market Monitoring Report, Nov 2012, and CEER conclusions on non-harmonisation impacts, June 2012)

  - RES can have important impacts on market prices
  - RES should be in the market – need to move in this direction
  - Stability and level of support matters more than type of support for investment
  - Raises questions for market design, including capacity mechanisms, which European energy regulators are addressing

Thank you for your attention!

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