



Final Highlights

1st CA-RES3 Plenary Meeting

22nd-23rd March 2017, Bratislava



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Core Theme 1: RES Electricity

Headline 1: Exchange Platform on the EEAG Implementation

Core Theme 1 on RES Electricity, which now combines the topics of support schemes for RES electricity, cooperation mechanisms and electricity networks, focused on one of these topics in each of its sessions at the first plenary meeting.

CT1 participants discussed their experiences and key issues with the implementation of the Guidelines on State Aid for Environmental Protection and Energy 2014-2020 (EEAG). With the aim to create a transparency platform on EEAG implementation, several participants presented the new or adapted support scheme design, which showed a gradual move towards more market-responsive and market-based support. Based on these presentations and vivid discussions, a matrix of issues and questions for further discussions was identified, including whether and when to provide technology-neutral or technology specific support, or situations where an exemption from tendering seems appropriate.

Headline 2: Legal Conditions for Cross-Border Opening of Support Schemes

The second session of CT1 focused on legal conditions for a cross-border opening of support schemes that have recently been created in different Member States. Since 2014, several Member States have opened their support scheme, or are in the process of doing so. One of the drivers behind this development is in the context of state aid notifications and the question of compatibility of national support schemes with Art. 30, 110 TFEU, which the Commission examines in the context of state aid notifications. Several presentations highlighted the necessary changes in the national legal frameworks, and participants discussed the similarities and differences between the solutions, as well as the lessons learned from the implementation of the first cross-border auctions. Participants concluded that the legal conditions for opening of support schemes included the signing of a cooperation agreement in all discussed cases, and a limited opening of the support scheme, the principle of reciprocity and physical import in most cases. Public acceptance was highlighted as a key factor for a cross-border opening. The German-Danish pilot auctions for PV show that both natural and regulatory conditions in cooperating states can influence the results.

Headline 3: Redispatch Systems and Their Mechanisms

During the third session of CT1 on different redispatch systems in the participating countries, it became apparent that Member States' starting points differed substantially with regard to general design (central dispatch vs. self-dispatch), the size of the system and its role within the internal market, the shares of RES and other resources (incl. e.g. for pumped hydro), and the overall volume of redispatch needed. One observed consequence seemed to be that the distinction between balancing and redispatch (managing network constraints) is drawn differently and with varying degrees of clarity. In particular in cases of small redispatch volumes, the existing pricing mechanism for balancing reserves can be used, whereas large redispatch volumes require a separate regime to limit distortions of lead markets and to keep market abuse in check. The TSO has an important role to play, as it will eventually have to decide on optimizing effectiveness and efficiency based on the location price per kWh of individual installations. Overall, participants agreed that - while some redispatch will always remain in any zonal market - in case of structural constraints redispatch can only be considered a temporary measure, whereas grid expansion would be an appropriate long-term solution.



Core Theme 2: RES Heat

Headline 1: Information, Awareness Raising and Advice to Consumers

During the 1st Plenary Meeting of CA-RES3, all three sessions of the Core Theme on RES Heat (CT2) were dedicated to sharing experiences on information, awareness raising and advice campaigns for consumers. The discussions focussed on programme design and evaluation as well as on case studies and good practices from Member States. Examples for particularly effective policy mix and longer term planning were presented.

CT2 participants discussed the current state of play in terms of MS implementation of Article 14 and tried to answer questions, such as “What information and awareness measures do MS have in place?”, “How successful have they been?” and “What gaps remain?”. Additionally, the importance of conducting evaluations to measure the impact of soft measures, such as information and awareness-raising campaigns, was highlighted. The discussion also identified a mix of qualitative and quantitative indicators as necessary for evaluation of soft measures.

A representative from the CA EED presented insights and experiences related to the design and evaluation of measures for behavioural change in the energy efficiency area. The need for integrating evaluation already at the design stage was stressed.

In addition, examples from several Member States on RES heat campaigns were presented. These examples showed the advantages of combining information about energy efficiency and RES in the messages and providing independent information and guidance to consumers in the choice of suitable measures and technologies, equipment suppliers and qualified installers.

Participants came to the conclusion that there is no “one-size-fits-all” programme, but that integrated messages targeting the increased use of renewable energy sources and energy savings can result in multiple benefits for consumers.



Core Theme 3: Guarantees of Origin & Disclosure

Headline 1: Distribution and Grid Losses in Connection to the Issuance of GOs

CT3 participants looked at current approaches regarding line and grid losses in Europe in connection to the issuance and the usage of GOs (i.e. disclosure). After looking at the different models currently used throughout Europe, participants discussed, in break-out groups, the various pros and cons of each approach. Additionally, participants explored possible consequences, if these approaches would not be aligned or harmonized.

At the moment, line and grid losses are not completely accounted for in all Member States. These issues will become increasingly important as the share of RES-E increases. Loss rates differ quite significantly from country to country as a result of local conditions. Participants discussed possible solutions, including the option to deduct losses from issues GOs, the increase of grid fees or the increase of electricity prices by the suppliers.

Headline 2: Non-Electricity GO

During the second CT3 session, an in-depth look at the current approach on H/C, CHP and biomethane was provided. Regarding biomethane, the possibility of having national biomethane registries as issuing bodies for GOs and participating in a mutual recognition system for exports of biomethane was discussed.

Participants then went on to discuss currently operating different GOs systems, like the GOs for heating and cooling, CHP and other types of energy. Participants emphasized that it is important to look into the consequences of introducing other types of GOs and whether they should interact with the available GO systems. Concerns related, among others, to their inclusion in statistics also need to be resolved.

Headline 3: RES GO and CHP GO

During the 3rd session, CT3 participants looked at potential issues related to the issuance of GO for CHP. Among other points, participants discussed which elements should be considered or which attributes should be registered when issuing a GO for biomass CHP.



Core Theme 4: Biomass Mobilisation and Sustainability

Headline 1: Competitiveness of Bioenergy Systems

Biomass mobilisation requires favourable and facilitating environments and conditions along the whole value chains. It is becoming increasingly clear that administrative costs, burdens, evidence, detailed regulations, barriers that (if any) ought to be placed on the fossil fuels instead are being increasingly placed on bioenergy routes. During the first CT4 session, participants discussed methods to improve competitiveness of their priority bioenergy sectors. Current sustainability criteria are already influencing the effectiveness of biomass mobilisation and biomass trade. Criteria for the assessment of alternative bioenergy pathways regarding efficient resource use, ecosystem impacts, business case and markets and socio-economic aspects were presented and discussed. Participants explored the issue of how to increase the use of domestic biomass, while still staying within competition rules.

Headline 2: Biomass Waste Mobilisation and Circular Economy

During this session, the EC communication on waste to energy and the circular economy was discussed. There appears to be potential to increase the energy efficiency of waste-to-energy processes. However, in the long run, increased waste prevention and waste separation may reduce the share of waste-to-energy in favour of recycling. Initiatives and measures taken or envisaged to implement the principles of circular economy and fostering biomass waste mobilisation were discussed. CT4 participants came to the conclusion that circular economy and waste management policies will lead to a significant increase in biogas potential.

Headline 3: Economic Sustainability of Existing Bioenergy Installations

Different renewable energy policies in Member States have contributed to significant investments in new and diversified bioenergy systems. Most systems have received subsidies (investment or production aid) ensuring a sufficient profitability, at least during first production years. Nevertheless, the profitability of OPEX-driven technologies, such as bioenergy systems, remains uncertain and very sensitive to market prices evolution (energy and feedstock) and sectorial or environmental policies evolution (including biomass sustainability criteria). Consequently, in contrast to wind or solar systems (CAPEX-driven technologies), energy production from these existing installations is not guaranteed until the end of their initially scheduled technical or economic lifetime. During the 3rd CT4 session, participants discussed methods to mitigate the risk of unexpected or untimely dismantling of existing bioenergy installations. Participants came to the conclusion that potential shutdown of bioenergy systems is very country-specific and that multiple risk factors, including market prices, sustainability criteria and heat demand for CHP, play a role. CT4 participants also discussed, if the potential contribution of biomass-fired power plants to the flexibility on the electricity market is sufficiently taken into account.



Core Theme 5: RES in Transport

Headline 1: RES-T 2020 Target

CT5 participants discussed the progress Member States have made in reaching the 2020 target for 10% RES in transport as well as feedstocks and renewable fuels currently in use in the Member States and main policies. Following a Commission update, Member States also discussed impacts of the recent Commission proposals for a revised Renewable Energy Directive on the current implementation of the ILUC Directive. In addition, lessons learned during the introduction of E10 in one Member State were presented.

Headline 2: Implementation of the ILUC Directive

CT5 participants looked in more detail at progress with the implementation of the ILUC Directive in Member States. Case studies from two Member States were presented to discuss the specific challenges Member States encountered and which solutions were developed to implement the ILUC Directive. In the following discussion, Member States shared their experiences and challenges, and the Commission representative and other Member State representatives were able to provide clarification on legislative requirements and options for implementation to consider.

Headline 3: Interpretation and Accounting Challenges

In the third session, CT5 participants focussed on the specific challenges encountered in the implementation and application of EU legislation and guidance, in particular the challenges encountered with the interpretation of Annex IX part A of the Renewable Energy Directive and differences in accounting for fossil fuel methanol in biodiesel. The two issues were discussed with representatives from the Commission and a voluntary scheme. In regards to the latter issue the need for a formal Commission clarification, and for all voluntary schemes and suppliers to follow Commission guidance on GHG calculations, was emphasised in order to ensure harmonised approach. As part of the discussion, further issues and challenges were raised in regards to key definitions, process and GHG accounting.

