

To: the European Commission
Commissioner Connie Hedegaard,
Commissioner Guenter Oettinger

Cc: the European Commission
Directorate-General Climate Action
Unit A.4 – Strategy and Economic Assessment
Avenue de Beaulieu, 24
B-1049 Bruxelles
Belgium

Cc: the European Commission
Directorate General Energy
Unit A1 – Energy Policy
Rue De Mot 24
B-1049 Bruxelles
Belgium

CONSULTATION PAPER

Subject: Public consultation on Green Paper on a 2030 framework for climate and energy policies by renewable energy associations from the SEE region

Dear Mrs. Hedegaard,
Dear Mr. Oettinger,

We highly appreciate the efforts of the European Commission to define a framework for the development in the field of renewable energy and energy efficiency in medium and long-term perspective. We believe that the common European policies in these sectors are the most important in order the European Union to achieve energy independence, environmental protection and long-term competitiveness. We hope that the proposed key measures could overcome the current challenges in realization of the Europe 20/20/20 and to deepen the implementation of RE&EE in a low-cost-efficient way.

We would like to address you on behalf of the most active organizations in the field of renewable energy sources in the Balkan/SEE region, regarding the **Green Paper 'A 2030 framework for climate and energy policies'** published by the European Commission on March 27th 2013 for public consultation. Please, take into account our effort to contribute to the preparation of the framework, considering the regional conditions in SEE region.

We believe that the implementation of the Third Energy Liberalization Package in the field of RE&EE has a very positive effect in the region. The support schemes for building renewable energy plants revitalize the local business in many underdeveloped areas, creating tens of thousands of high qualified jobs, contributing for prevention of the emigration to more developed countries, accumulating regional know-how and highly prepared local professionals in the field, who are able to support foreign RE&EE markets, which are in an early phase of development. We consider that the 2020 framework has been key success-factor of the EU's energy policy in the field of RE&EE, and this should continue post-2020.

Renewable energy targets should be set at EU level and be made binding upon Member States under an effort sharing calculation which takes into account economic conditions and renewable energy penetration levels.

Member States would continue to be given the flexibility to meet their targets with the renewable energy technologies they prefer. However, this time resources and renewable energy potentials should be given more importance than in 2008 in the effort sharing calculation.

Additional cooperation mechanisms between Member States should also be envisaged. The cooperation mechanisms in the 2009 Renewable Energy Directive which have facilitated the Swedish-Norwegian joint support mechanism as well as the Memorandum of Understanding between the UK and Ireland allowing for the export of Irish wind power to the UK market, should be the basis of this effort.

Despite the above mentioned encouraging examples, cooperation mechanisms are currently under-used. The Commission should strive to foster their greater use for the post-2020 period as the cooperation mechanisms between the Member States can be considered as a tool to enhance the cost-effectiveness of meeting the climate and energy objectives of the Union.

The SEE region has great potential to further develop RE&EE, based on advantageous geographical and resource conditions. The region can produce electrical energy from renewable sources more cost effectively than nuclear, gas or coal power plants. If level playing field is ensured, RES will be able to compete with new conventional energy plants, much before 2030. The Commission should explore possibilities for increasing regional cooperation in the SEE in terms of renewable energy deployment and grid infrastructure improvement to allow for physical flow of green power from SEE in the Internal Energy Market.

In this way the development of climate and energy objectives can be coupled with the integration of energy markets of Member States.

The development of the electricity infrastructure should be set as a priority in the EU regulations for 2030 and beyond, given the rich solar, wind, hydro, geothermal and biomass resources in the SEE region, not only to prioritize the gas corridors in the region.

The implementation of the electricity infrastructure development and grid connections as a priority to EU long-term targets in SEE region will increase the energy independence, stimulate growth and generate jobs in Member States and candidate countries, realizing the potential for building power storage capacity, which could be integrated into the European energy supply, thereby enhancing security of supply and the achievement of decarbonisation targets.

The objective of the renewable energy industry is to be competitive in a fully liberalised electricity market. Post-2020 an increasing number of renewable energy technologies will be able to move away from support mechanisms into a properly functioning electricity market adapted to their intrinsic characteristics. While penetration levels increase, support mechanisms should encourage greater market responsiveness.

Progress on the Internal Energy Market and infrastructure will also enable a much more efficient operation of the power system and cost-effective integration of renewable power (thereby reducing the need for back-up, storage etc.) and decreasing overall energy system costs.

RES technologies will benefit from continued regulatory support for priority access to the grid and priority of dispatch.

Provoked by the negative national regulatory measures from the last months, we would like also to draw your attention to the thousands of companies from the region, investors in RES initiatives, suffering enormous losses and directly facing bankruptcies. The retroactive administrative regulations, moratoria, cancelation of support and unexpected support reduction, and in general the administrative iniquities were in direct contradiction to Directives 2009/28/EC, 2009/72/EC and the common principles of the Third Energy Liberalization Package. Unfortunately, the administrative procedures did not allow timely improvements of the national frameworks and led to a loss of tens of thousands jobs and redirection of billions of investments from our region. That is why the paper should include measures to ensure security of the already made investments in RE&EE, as well as to define principles for future development.

Some crucial points for effective realization of the RES potential in SEE region:

- ☀ Removing bureaucratic barriers and reducing unnecessary administrative procedures
- ☀ Regulatory support to regional connectivity at transmission grid level, e.g. interconnection of the national markets in the region
- ☀ Support SE RES power pool Greece-Bulgaria-Romania from where power can be transported to Central Europe. In this direction should be provided priority projects for the regional electricity infrastructure within the Connecting-Europe-Facility Framework, part of the EU Infrastructure Package
- ☀ Elaboration of more affordable measures to support the European citizens in building small-scale residential RE generators
- ☀ Ensure security of investments in RES to attract more interest in the region
- ☀ Ensuring non-discriminatory regulations for RE&EE, compared to the conventional energy
- ☀ Prohibition on implementation of retroactive measurements
- ☀ More effective control on the implementation of the European policies in the national frameworks

July 2nd 2013

Sincerely yours:

Alliance of the Producers of Ecological Energy - BG
Alexander Balakchiev, Chairman of the Board
<http://www.eco-energy-bg.eu/>

Bulgarian Wind Energy Association
Mariyana Yaneva, Executive Director
<http://www.bgwea.org/>

Bulgarian Photovoltaic Association
Nikola Gazdov, Chairman of the Board
<http://www.bpva.org/>

Romanian Photovoltaic Industry Association
Ciprian Glodeanu - President
<http://www.rpia.ro/>