

BEE President Dr .Ing. E.h. Fritz Brickwedde sent a letter to EU Commissioners for Energy Union and Climate Action & Energy, as well as to members of the European Commission to express concerns with regard to the Impact Assessment and revised Renewable Energy Directive.

Berlin, 18th of July 2016

Impact Assessment and revised Renewable Energy Directive need to ensure investment certainty

It is with great apprehension that we follow the discussions relating to the Impact Assessment for the revised Renewable Energy Directive. As this assessment is key to the development of the directive within the subsequent political process, we wish to express our concern that current considerations are insufficient for transforming our energy system, steering away from conventional fuels and towards high shares of renewable energy and more energy efficiency.

As the revision of the Renewable Energy Directive marks a cornerstone in our efforts towards a decarbonized and fair society, we kindly ask you for your continuous support of the key instruments on this path – the national remuneration mechanisms. We therefore appeal to you to define common principles that would be anchored in the Impact Assessment and, later, in the revised directive. These principles can serve as a strong foundation for private investment and ensure national mechanisms' innovative adaptation to changing circumstances. Common principles would also address the substantial uncertainties investors face today, as case-by-case decisions apply to different parts of the energy market at different times. Such an approach endangers public support for the energy transformation and should be avoided.

Well-designed and adaptive national remuneration mechanisms have proven invaluable in driving down costs and driving forward investment. As foreseen by the European Council's decisions on the 2030 climate and energy framework, national remuneration mechanisms need to secure Member States' contributions towards the binding EU target. In addition, and in view of our increased ambitions in Paris, they will need to continue playing a vital role and should therefore remain a substantial part of the revised Renewable Energy Directive.

If the EU takes its 2030 targets and the ambition to create a European Energy Union seriously, it will need to provide a reliable framework with clear common principles. Only this can ensure investor certainty, which is the precondition for a cost-efficient system transformation.

The Renewable Energy Directive has encouraged Member States to design their allocation instruments and remuneration mechanisms in a flexible way, heeding to their energy policy choices. The revised directive should continue to allow for



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differences, in regards of the choice of the renewable energy mix and the geographical diversification of deployment, amongst other things. Therefore, national remuneration mechanisms should continue to allow for technology-specific approaches, as the concept of technology neutrality ignores the need for replacing conventional power plants with a broad array of renewable energy technologies and can lead to significant cost increases during the long-term transition of the energy system. Furthermore, flexibility will play a significant role in a system featuring high shares of renewable energy. The design of national remuneration mechanisms should reflect this need and offer incentives for developing innovative solutions on the demand and the generation side, as well as storage and sectoral coupling solutions.

Last but not least, we call on you to ensure that clarity and transparency are the foundations of the Impact Assessment and the revised Renewable Energy Directive. As the binding European goal of at least 27% renewable energy in gross final energy consumption needs to be achieved by Member States collectively, a clear outline of the consequences, and of the measures to be taken by the European Commission in case of non-achievement (the so-called “gap filler”), should lie at the foundation of first the assessment and later the directive.

For more detailed information on these issues, please also consider the letter from EREF, the European Renewable Energy Federation, of which we are members and which represents our views and position in Brussels.

Best regards,



Dr. Ing. E.h. Brickwedde
BEE President