

# *Development of Renewable Energy Sources in the Energy Community*

Gabriela Cretu

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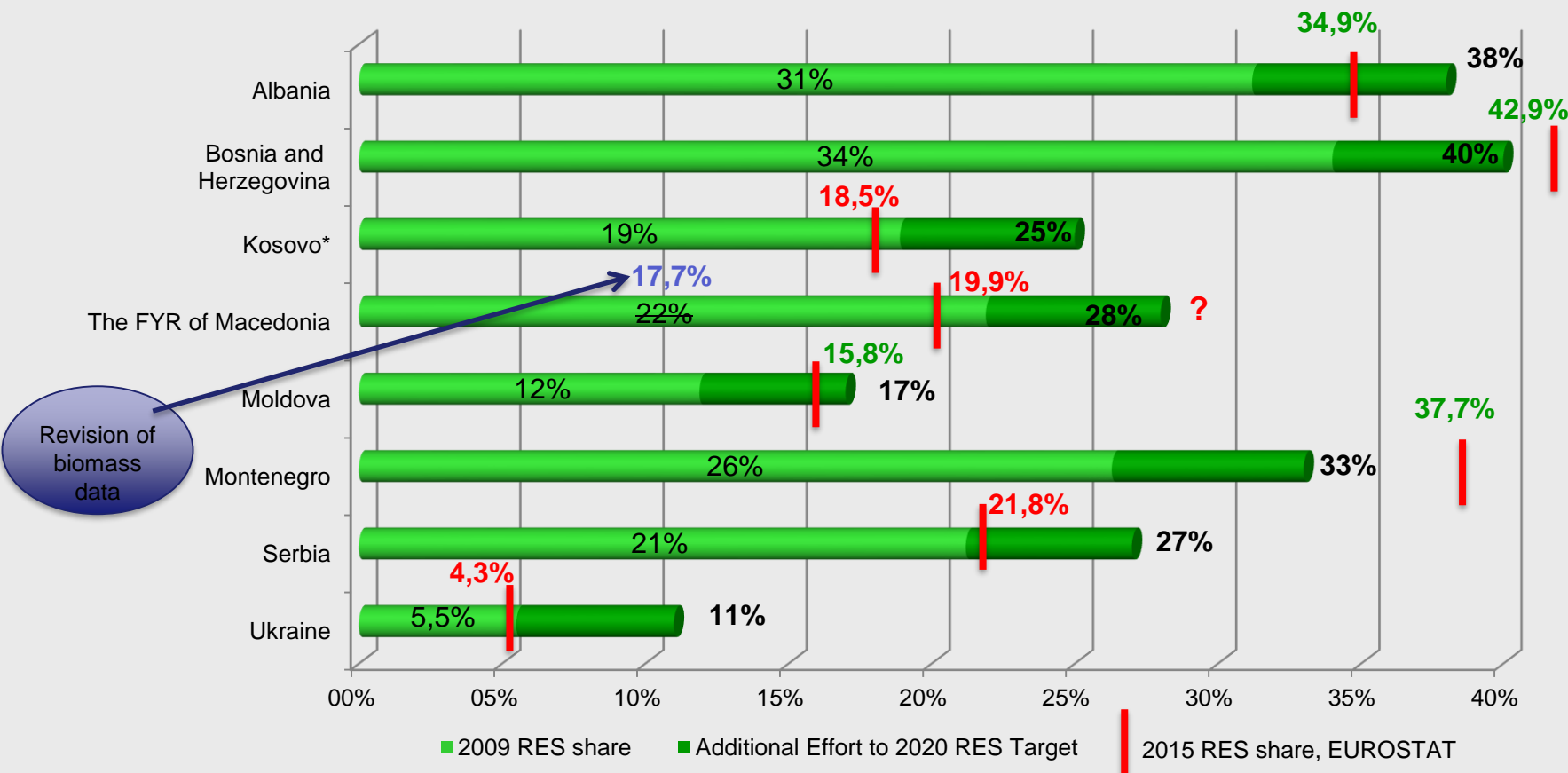


- ***Implementation Status***
- ***Moving towards competitive selection process***

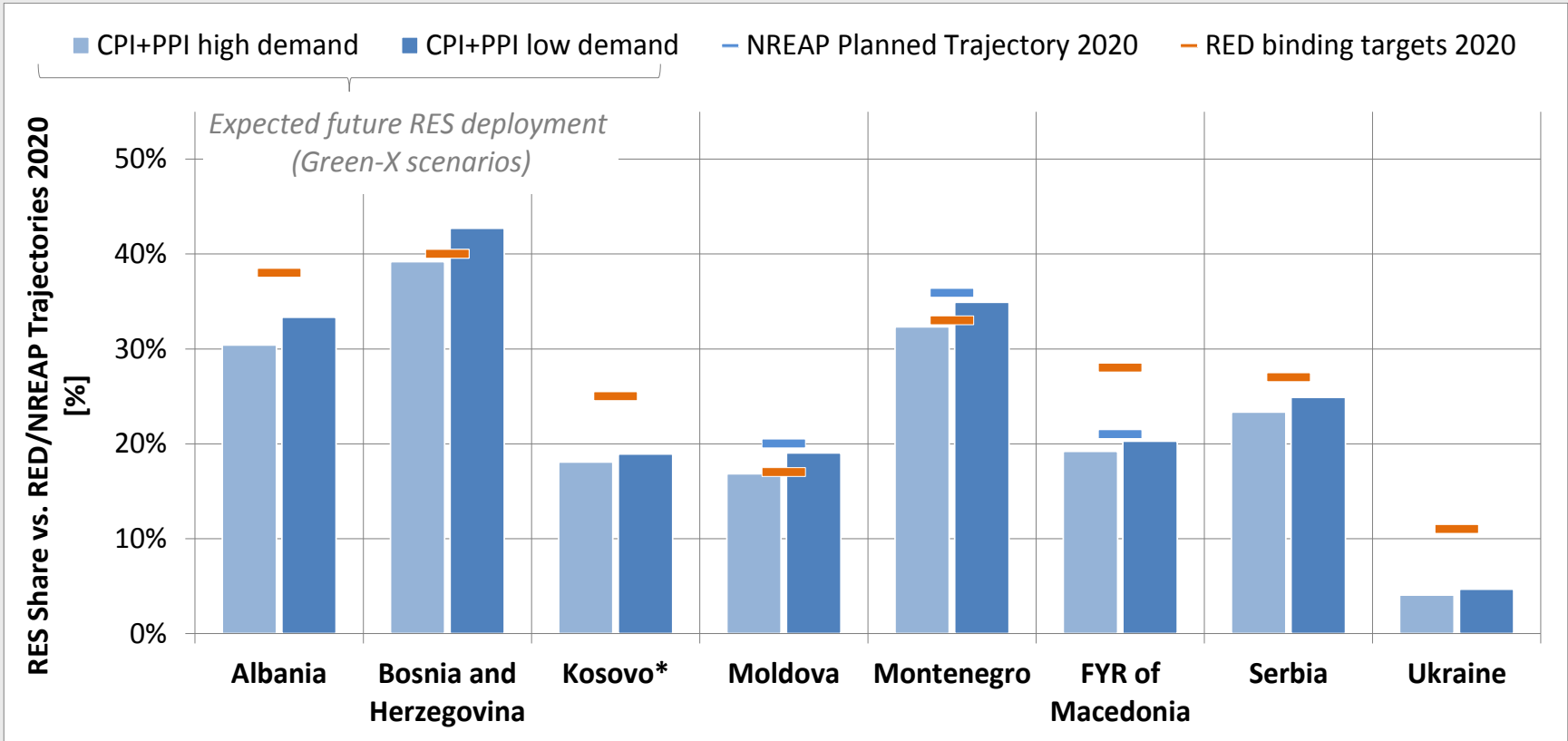


- *Adapted and adopted by Ministerial Council in October 2012 – Decision 2012/04/MC-EnC*
  - *Implementation deadline - 1 January 2014*
  - *Adoption of NREAP by 30 June 2013*
  - *Submission of Progress Report by Contracting Parties by 31 December 2014 and every two years thereafter*
  - *Secretariat monitor, review and submit an overall report to the Ministerial Council for the first time by 30 June 2015 and thereafter every two years*
- Second Progress Report to MC in 2017*

# Monitoring the progress in the promotion of the use of energy from renewable sources – Second Progress Report



# Expected RES share in 2020



Current Policy Initiatives (CPI)  
Planned Policy Initiatives (PPI)

Source: kmoud



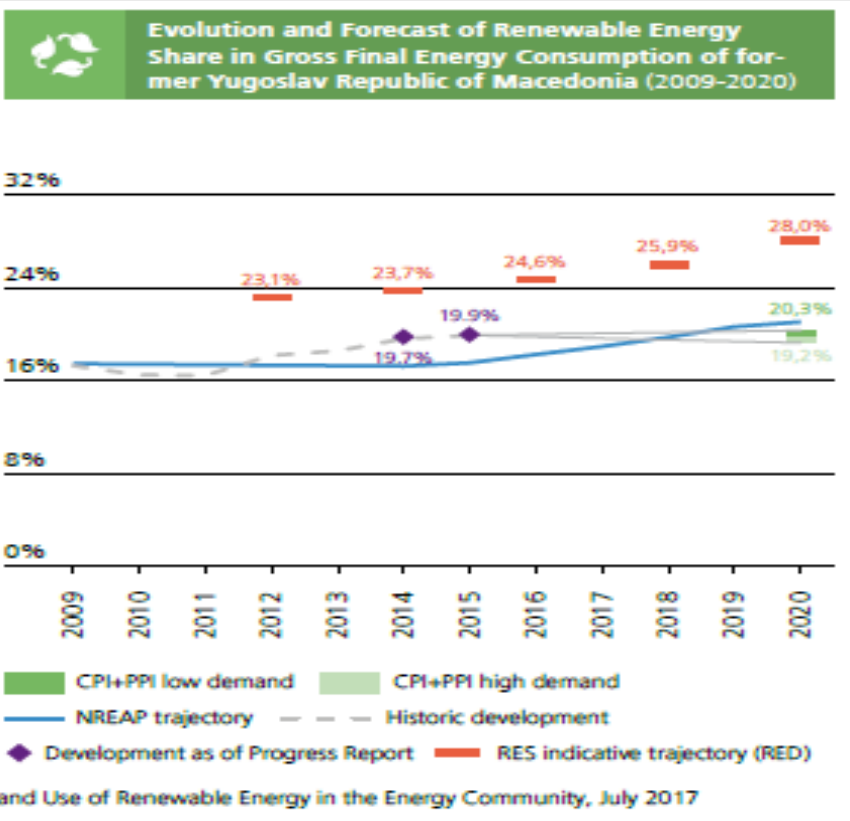
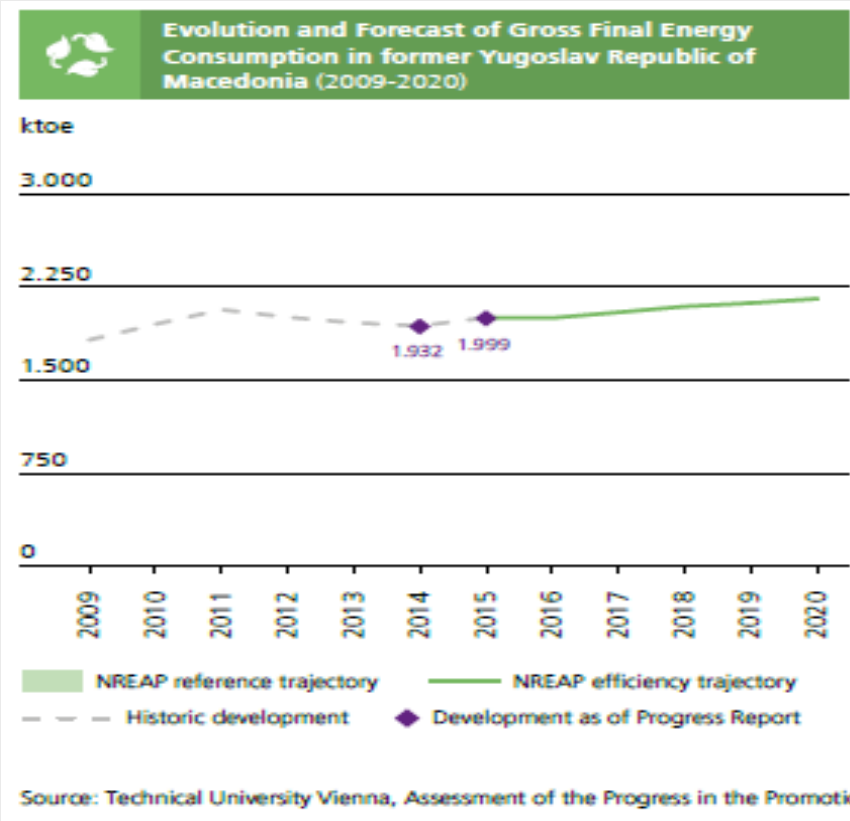
# Key Findings:



*Bosnia and Herzegovina, Moldova and Montenegro are expected to reach the binding 2020 target with currently implemented and planned policy measures*

- *Albania, Kosovo\*, FYR of Macedonia, Serbia and Ukraine would fail to achieve their 2020 RES targets*
- *revised NREAPs would be required to be submitted by Kosovo\*, Serbia, and Ukraine*
- *a decision on triggering Article 16 of Decision 2012/04/MC-EnC should be made by the Ministerial Council in case of former Yugoslav Republic of Macedonia.*

# FYR of Macedonia – Forecast of 2020 target achievement



- **to ensure cost-effective development of RES for the benefit of end-customers**
  - **support granted based on competitive process - clear, transparent, non-discriminatory criteria;**  
(exceptions: small scale < 1 MW and wind <6 MW or 6 generation units)
  
- **to integrate renewable energy into the market**
  - **feed-in premium (FIP) instead of feed-in tariff (FIT)**  
(sliding) premium paid on top of electricity price (contract for difference)  
(exceptions: small scale <500 kW and wind <3 MW or 3 generating units)
  - **standard balance responsibility unless no liquid intra-day market exists**



# Moving towards competitive selection process



## ***Policy Guidelines for the Reform of Support schemes for promotion of energy from renewable sources*** (ECS, 2015)

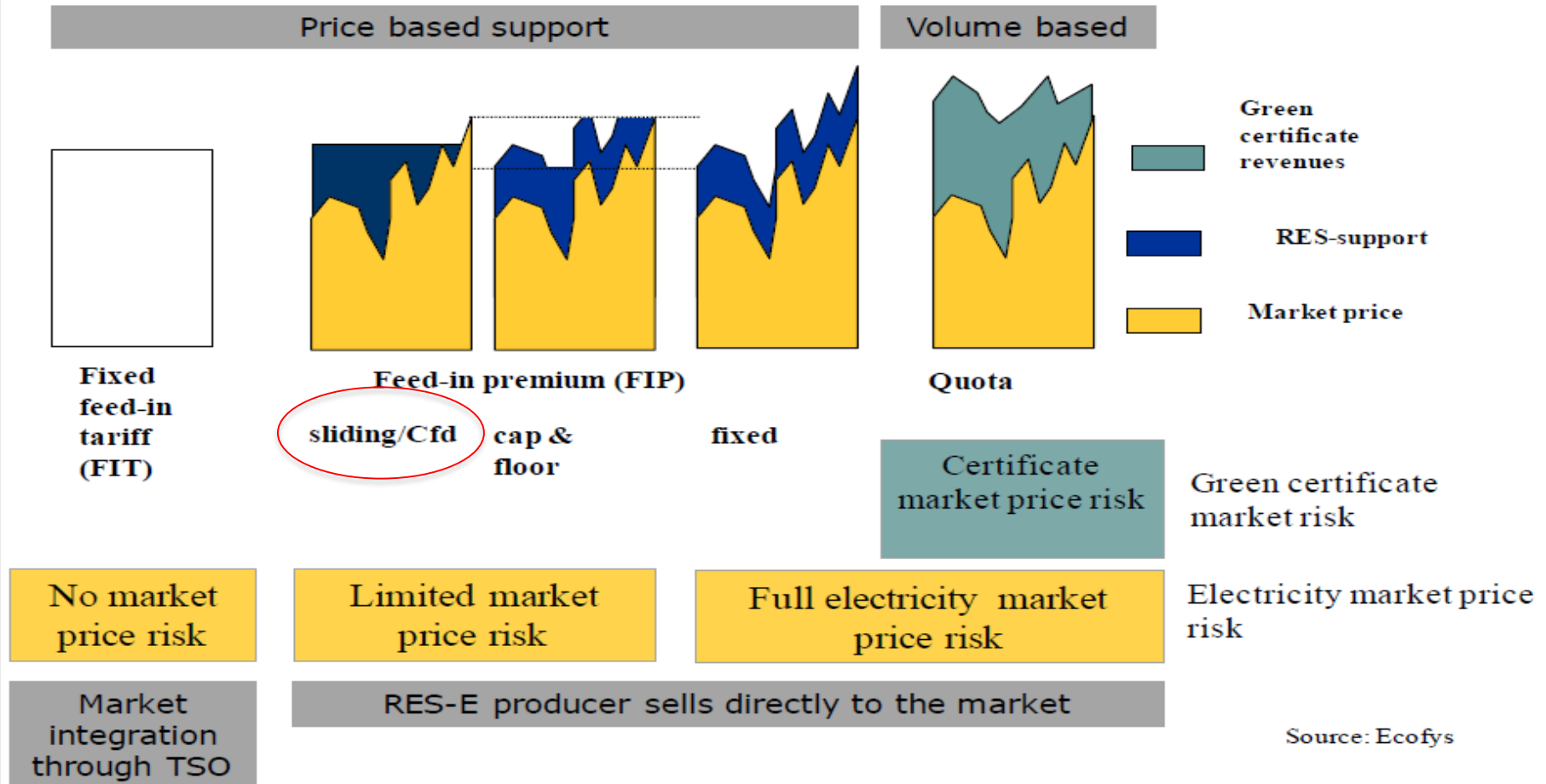
- *Beyond applying the EEAG;*
- *EC Communication “Delivering the internal market in electricity and making the most of public interventions”*
  - *Renewables fit for the market and*
  - *Market fit for renewables*
- *Recommendations based on best practices tested in the implementation of the support schemes by EU Member States.*

# *Introduce competitive bidding process for granting the support*



- *Administratively set support tariffs unable to capture the technology cost-reduction and built-in adjustments are needed in the schemes;*
- *Expose RES producers to competition to enable efficient investment decision and cost-effectively deployment;*
- *Technology neutral tenders unless diversification is needed , networks constraints or stability of the grids are affected;*
- *Simplified tenders for small projects – lower the administrative burden for small producers;*
- *Introduce penalties for non-delivery ;*
- *Results of the tenders made publicly available.*

# Introduce support scheme based on feed-in premium



# *Establish a renewable energy operator to manage the support scheme*



*The counterparty role assigned to a renewable energy operator:*

- to legally unbundle it from any other activity performed in the electricity market, or*
- to enforce the ring-fencing of the financial management of the support scheme;*
- the cost of capital for renewable energy projects – influenced by the shareholder structure and the credit rating of the operator;*
- to introduce of an incentive mechanism to keep the variable balancing costs under control, where appropriate.*



# The way forward



## • **2018 Policy Guidelines on Competitive Selection and Support for Renewable Energy in the Energy Community – EBRD – EnCS – IRENA**

- *Assist the Contracting Parties with tailor-made auctions documents;*
- *Assist with the selection of winning bids and publish the results, if required;*
- *Analyse the auction process and lessons learnt;*
- *Identify the RES demand and publish an auction calendar for the next 2-3 years;*

# The Policy Guidelines on Competitive Selection and Support for Renewable Energy (2018)

## Content:

- 1. the overall framework for the competitive process;**
- 2. choices relating to what is being procured;**
- 3. choices relating to the selection process; and**
- 4. the mechanism for the delivery of RE support**

<https://www.energy-community.org/dam/jcr:4ab03f8c-de3d-4783-931d-4766f643fe7b/EBRD-EnCS-IRENA%20RE%20Auction%20Guidelines%202018%20-%20FINAL.PDF>



# Empowered consumers drive the energy transition



## 2018 - Policy Guidelines on Grid Integration of Prosumers

[https://www.energy-community.org/dam/jcr:5e6fd995-f753-4fe2-b180-95df8a1bf19d/PG\\_01\\_2018\\_ECS\\_RE\\_grid.pdf](https://www.energy-community.org/dam/jcr:5e6fd995-f753-4fe2-b180-95df8a1bf19d/PG_01_2018_ECS_RE_grid.pdf)

EnC Study: **“Distributed Generation for self-consumption, key aspects and Recommendations Of Good Practice”** – activity within ECDSO-E

- focus on recommended practice for small installation of “prosumers” connected to distribution network.

[https://www.energy-community.org/dam/jcr:78a1b5d0-9df7-41f4-9691-553d2c813437/WSEL052017\\_Muratovi%C4%87\\_Key\\_aspects.pdf](https://www.energy-community.org/dam/jcr:78a1b5d0-9df7-41f4-9691-553d2c813437/WSEL052017_Muratovi%C4%87_Key_aspects.pdf)

2015 **“Best Practices on Renewable Energy Self-consumption”** working document of European Commission

[https://ec.europa.eu/energy/sites/ener/files/documents/1\\_EN\\_autre\\_document\\_t\\_ravail\\_service\\_part1\\_v6.pdf](https://ec.europa.eu/energy/sites/ener/files/documents/1_EN_autre_document_t_ravail_service_part1_v6.pdf)

2016 **“Position Paper on Renewable Energy Self-generation”**, CEER

<https://www.ceer.eu/documents/104400/-/-/3f246c2a-d417-2a29-d8eb-765bd6579581>

The background is a dark blue image of the European continent at night, with city lights visible. Overlaid on the map are numerous glowing blue lines that represent energy transmission networks, connecting various points across the continent and extending outwards.

*Thank you!*

[gabriela.cretu@energy-community.org](mailto:gabriela.cretu@energy-community.org)

[www.energy-community.org](http://www.energy-community.org)