

Commission's call for feedback on the Renewable Energy Directive - RED

Eurelectric feedback

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

Dépôt légal:

Feedback to the roadmap in the form of an inception impact assessment of the Renewable Energy Directive

EC website reference: <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12553-Revision-of-the-Renewable-Energy-Directive-EU-2018-2001>

Electricity has been decarbonising fast: 59% of the electricity mix was decarbonised in 2019, and this is expected to grow up to 81% in 2030¹. While further decarbonisation of the current power mix is expected in the coming years, deployment of direct electrification should be pursued faster, further and stronger. In order to be on track with EU decarbonisation goals the level of direct electrification should be between 33 and 38% by 2030², compared to 23% in 2020. However, the current trends in RES capacity investments (in wind and solar) are not enough in a business as usual scenario. Wind capacity needs to double vis-à-vis 2019 levels, from 192 GW to 381 GW, while solar capacity needs to triple from 132 GW to 385 GW.

The recently published Energy System Integration Strategy sets the basis to create stronger links between energy carriers, infrastructures and the consumption sectors to deliver on a low-carbon European economy. The use of clean electricity into more areas such as heating and cooling, buildings, industry and transport will play a central role, coupled with the energy efficiency benefits that electrification entails as well as the use of clean gases for ‘harder-to-abate’ sectors. Eurelectric would like to draw attention to the necessity to adopt a coherent policy approach between the EU ETS and 2030 targets to ensure consistency between different policies and measures. In this context, the priority should be to leverage the revision of the Renewable Energy Directive (RED II) to support direct electrification in end-use sectors where fossil fuels remain the main fuel (transport, buildings and industry). Clean hydrogen – produced through decarbonised electricity - and other renewables gases will have a key role to play in decarbonising sectors where direct electrification is not possible, helping with bridging the gap towards EU climate neutrality and zero pollution goal.

Stimulate the use of renewable electricity in transport and buildings

RED II allows Member States to meet their renewable transport targets through a combination of more electric vehicles, more renewable electricity and the agreed multiplier of 4 for road transport rather than using biofuels. The Commission could go further by proposing rules incentivising the use of electricity, including renewable electricity. Regarding buildings, the review of RED II and the Energy Efficiency Directive should be consistent to avoid conflicts between RES measures and energy efficiency measures and ensure an integrated approach.

Contribute to a market-based and competitive development of sustainable gases

Until power-to-gas reaches maturity, sustainable gases will be used primarily when no competitive electric alternative to fossil fuels exists for some industrial processes and shipping. Therefore, Eurelectric does not support the introduction of sub-targets for renewable gas penetration. However, the penetration of renewable sources should be comprehensively lifted across all sectors with specific incentives. In this context the implementation of a trading system for renewable guarantee of origin can be a pivotal instrument. The classification of decarbonised and renewables gases (electrolytic hydrogen, synthetic methane, biogas biomethane) should be clarified with

¹ [Eurelectric, Power Barometer 2020.](#)

² [Eurelectric, Power Barometer 2020.](#)

relevant and simple definitions and established by the European Commission in a clear and consistent manner. The main criteria of this classification should be the emissions of the gaseous products over its whole lifecycle - i.e. starting with the production processes and until the delivery of the gas to the end- consumer's entry point.

A carbon-neutral economy does not mean switching blindly to full electrification – decarbonised molecules would be needed where they are essential. To this end, the complementary role of sustainable gases should be determined by considering (a) the expected future cost of decarbonised & renewable gases vis-à-vis electricity and (b) their expected availability.

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



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