

Towards an increased EU RES ambition – leveraging the electric decade

Eurelectric amendments on the proposal amending the
Renewable Energy Directive, part of the *Fit for 55* package

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.

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WG RES & Storage (lead)
WG EE & Electrification
WG E-mobility
WG Regulation and Network Customers
WG Wholesale Market Design & Investment Frameworks
WG Power & Gas Interactions
Committee Generation & Environment

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KEY MESSAGES

- **Eurelectric supports the increased 2030 EU RES target of at least 40%.** The key role of renewable electricity is recognised through different amendments, for example, MSs setting up RES-E frameworks, the issuance of GOs for every MWh of renewable energy produced upon request from producer independently of benefitting or not from a support scheme, the enhanced requirement for promoting PPAs, better coordination in offshore planning, labelling of industrial products, the promotion of charging infrastructure able to interact with the grid.
- The amended REDII proposes a new architecture of sub-targets which poses the risk of transforming this directive into a very complex piece of legislation. Further **clarification is needed on the interactions between the different sub-targets**, and it should be ensured that renewable electricity can count for the Heating and Cooling (H&C), District Heating and Cooling (DHC) and industry targets.
- Regarding transport, the way renewable electricity is accounted for concerning battery electric mobility is welcomed and should be complemented where technically possible with additional flexibilities backed by robust verification/traceability to avoid double counting. **The shift to an emissions-based target coupled with the new obligation of implementing a fuel-neutral credit mechanism needs to be further clarified.** The credit mechanism should also cover, where possible, private and semi-public charging points, and it should be possible for it to be applied to other types of transport.
- **Getting the enabling framework right** is crucial to achieving the increased RES ambition: more needs to be done on **speeding up permitting procedures**, supporting RES-based electrification, including through making full use of article 15 in the existing Energy Taxation Directive, and cooperation on joint RES projects should be incentivised without adverse impacts on market-based investments and made available for projects developed under international consortia or joint ventures.
- Facilitating the system integration of renewable electricity is welcome but **disclosing the RES-E and GHG content of the electricity supply is a complex exercise and should be recognised as such**, through an optional rather than mandatory provision.
- **A stable rulebook for sustainability and GHG savings criteria for bioenergy** should be ensured. Priority should be given to the implementation of existing criteria in REDII and data gathering to gain further insights into biomass markets.

List of supported articles (without any addition by Eurelectric):

- Recital 33 – removal of requirement of additionality for renewable electricity supplied to EVs
- Art. 3.1 – new target of 40% RES at EU level
- Art. 18 (3) & (4) – information & training
- Art. 15a (2) – measures to increase the share of RES-E and RES H&C in the building stock
- Art. 19.2 (1) – issuance of GO upon request of the producer, independently of benefitting or not from a support scheme
- Art. 20a (2, 3, 4) – provisions related to the promotion of charging infrastructure able to interact with the grid
- Art. 22a (2) – labelling of industrial products produced using RES-E and RFNBOs

Amendment Proposals

Text proposed by Commission

Amendment proposal by Eurelectric

Amendment 1

Recital 2

Original text

(2) Renewable energy plays a fundamental role in delivering the European Green Deal and for achieving climate neutrality by 2050, given that the energy sector contributes over 75% of total greenhouse gas emissions in the Union. By reducing those greenhouse gas emissions, renewable energy also contributes to tackling environmental-related challenges such as biodiversity loss.

Original text + amendments

(2) Renewable energy plays a fundamental role in delivering the European Green Deal and for achieving climate neutrality by 2050, given that the energy sector contributes over 75% of total greenhouse gas emissions in the Union. By reducing those greenhouse gas emissions, renewable energy also contributes to tackling environmental-related challenges such as biodiversity loss. Recognizing that renewable energy deployment is a matter of public interest in the context of the energy transition, potential ways in which existing EU legislation can be rendered more supportive of energy and climate objectives should be explored by the European Commission. In addition, strategically important renewable energy projects should be given special focus and given access to fast-track procedures, especially for those located in a just transition region.

Justification

In the light of the higher RES ambition, the European Commission should take this opportunity to recognise that renewable energy expansion is a matter of public interest in the context of the energy transition and commit to evaluating potential ways in which existing nature protection and environmental EU-legislation could be rendered more supportive of energy and climate objectives and simplified for application in the context of permitting procedures. Special focus and fast-track procedures should be applied for strategically important RES projects defined in NECPs and long-term climate strategies by 2050, especially those located in a just transition region.

Amendment 2

Recital 4

Original text

(...) In line with the cascading principle, woody biomass should be used according to its highest economic and environmental added value in the following order of priorities: 1) wood-based products, 2) extending their service life, 3) re-use, 4) recycling, 5) bio-energy and 6) disposal. Where no other use for woody biomass is economically viable or environmentally appropriate, energy recovery helps to reduce energy generation from non-renewable sources. Member States' support schemes for bioenergy should therefore be directed to such feedstocks for which little market competition exists with the material sectors, and whose sourcing is considered positive for both climate and biodiversity, in order to avoid negative incentives for unsustainable bioenergy pathways, as identified in the JRC report 'The use of woody biomass for energy production in the EU'¹³. On the other hand, in defining the further implications of the cascading principle, it is necessary to recognise the national specificities which guide Member States in the design of their support schemes. Waste prevention, reuse and recycling of waste should be the priority option. Member States should avoid creating support schemes which would be counter to targets on treatment of waste and which would lead to the inefficient use of recyclable waste. Moreover, in order to ensure a more efficient use of bioenergy, from 2026 on Member States should not give support anymore to electricity-only plants, unless the installations are in regions with a specific use status as regards their transition away from fossil fuels or if the installations use carbon capture and storage.

Original text + amendments

(...) In line with the cascading principle, woody biomass should be used according to its highest economic and environmental added value in the following order of priorities: 1) wood-based products, 2) extending their service life, 3) re-use, 4) recycling, 5) bio-energy and 6) disposal. Where no other use for woody biomass is economically viable or environmentally appropriate, energy recovery helps to reduce energy generation from non-renewable sources. Member States' support schemes for bioenergy should therefore be directed to such feedstocks for which little market competition exists with the material sectors, and whose sourcing is considered positive for both climate and biodiversity, in order to avoid negative incentives for unsustainable bioenergy pathways, as identified in the JRC report 'The use of woody biomass for energy production in the EU'¹³. On the other hand, in defining the further implications of the cascading principle in the case of support schemes, it is necessary to recognise the national specificities which guide Member States in the design of their support schemes. Waste prevention, reuse and recycling of waste should be the priority option. Member States should avoid creating support schemes which would be counter to targets on treatment of waste and which would lead to the inefficient use of recyclable waste. Moreover, in order to ensure a more efficient use of bioenergy, from 2026 on Member States should not give support anymore to electricity-only plants, unless the installations are in regions with a specific use status as regards their transition away from fossil fuels or if the installations use carbon capture and storage.

Justification

Regarding the tightening of rules on support for energy from biomass, more precisely the provision on the drafting of a delegated act regarding the cascading principle for biomass with a focus on minimising the use of quality roundwood for energy production, its scope should be clearly limited to the application of this principle in the case of support schemes only, and not aim at a general definition of this principle, which could prevent proper functioning of the market.

Amendment 3

Recital 5

Original text

(5) (...) A framework for electrification needs to enable robust and efficient coordination and expand market mechanisms to match both supply and demand in space and time, stimulate investments in flexibility, and help integrate large shares of variable renewable generation. Member States should therefore ensure that the deployment of renewable electricity continues to increase at an adequate pace to meet growing demand. For this, Member States should establish a framework that includes market-compatible mechanisms to tackle remaining barriers to have secure and adequate electricity systems fit for a high level of renewable energy, as well as storage facilities, fully integrated into the electricity system. In particular, this framework shall tackle remaining barriers, including non-financial ones such as insufficient digital and human resources of authorities to process a growing number of permitting applications.

Original text + amendments

(5) (...) A framework for electrification needs to enable robust and efficient coordination and expand market mechanisms to match both supply and demand in space and time, stimulate investments in flexibility, and help integrate large shares of variable renewable generation. Member States should therefore ensure that the deployment of renewable electricity continues to increase at an adequate pace to meet growing demand. For this, Member States should establish a framework that includes market-compatible mechanisms to tackle remaining barriers to have secure and adequate electricity systems fit for a high level of renewable energy, as well as storage facilities, fully integrated into the electricity system. In particular, this framework shall tackle remaining barriers, including non-financial ones such as insufficient digital and human resources of authorities to process a growing number of permitting applications. Accompanying this Directive, the Commission shall publish guidelines on permitting to shorten and simplify the process, including recommendations on how to implement and apply the rules on administrative procedures set out in Articles 15, 16 and 17, together with a set of key performance indicators to enable a transparent assessment of both progress and effectiveness. To facilitate monitoring by the European Commission, the National Energy and Climate Plans should provide information on the implementation of permitting rules, including in light of the above-mentioned guidance, and describe the permitting process step-by-step. Regarding implementation of the plans, Member States shall report to the Commission based on a set of Key Performance Indicators to be also

defined in the guidelines. The Commission will publish the Key Performance Indicators, together with an assessment and recommendations. The Commission may put in place an incentivizing mechanism to reward Member States based on their performance. Next to its Guidance on permitting, the European Commission shall put in place an EU technical support instrument to address the lack of administrative capacity, technical expertise and human resources in Member States. Furthermore, as part of their electrification framework, Member States should make full use of article 15 of the Council Directive 2003/96/EC and avoid taxes and levies schemes that distort the economic efficiency of market mechanisms or the ETS purpose.

Justification

The European Commission should issue guidelines to help Member States overcome administrative and procedural difficulties tied to permitting, setting good practices and including KPIs to assess progress (e.g. average time for permitting procedures, number of resources allocated to permitting activities), and it should take a more active approach to monitoring the implementation of permitting rules, for example through an explicit consideration of the permitting process and their evolution at the relevant level in National Energy and Climate Plans (NECPs). Moreover, it should specify that Member States are obliged to define and describe what steps are part of the permitting procedure, this would help illustrate that it is not only permitting but the planning processes in general that negatively impact the deployment of renewable energy. A technical support instrument, financed by the EU budget and directed at addressing the lack of administrative capacity and human resources in the Member States, could be introduced as a complementary way to tackle the issue of the lack of human resources and technical expertise to conduct permitting processes.

As part of the proposed RES-electricity framework to be developed by Member States, it is necessary to address the taxation discrepancies between electricity and other energy carriers. Limiting the weight of taxes and levies on electricity will help make electricity more affordable for households and contribute to minimising social and distributional impacts, while providing the right signals to foster electrification as a key factor towards energy efficiency and decarbonisation and allowing for a truly internal market with a level playing field at European level. The RED should also incentivise Member States to support RES-based electrification, including through making full use of article 15 in the existing Energy Taxation Directive (article 16 under the Fit for 55 package proposal), and avoid taxes and levies schemes that distort the economic efficiency of market mechanisms or the ETS purpose.

Amendment 4

Recital 7

Original text

(7) Member States' cooperation to promote renewable energy can take the form of statistical transfers, support schemes or joint projects. It allows for a cost efficient deployment of renewable energy across Europe and contributes to market integration. Despite its potential, cooperation has been very limited, thus leading to suboptimal results in terms of efficiency in increasing renewable energy. Member States should therefore be obliged to test cooperation through implementing a pilot project. Projects financed by national contributions under the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294¹⁴ would meet this obligation for the Member States involved.

Original text + amendments

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Justification

Regarding the obligation for Member States to establish at least one joint project with one or more Member States for the production of renewable energy, Eurelectric supports an incentivising approach for MSs to establish increased cooperation on RES projects, especially due to the potential to strengthen the role of the EU RES Financing Mechanism, since the different MSs' legislation are still very different and consequently RES auctions are currently difficult to carry out. This cooperation, in the long term, could bring national regimes closer in this sense, opening the deployment of a unique "renewable market". Nevertheless, this should not be an obligation and, further explanations are needed with respect to how such joint projects could be carried out (ex. rules on distribution of costs/benefits) and how it would be ensured that they do not negatively impact market-based investments.

Amendment 5

Recital 8

Original text

(8) The Offshore Renewable Energy Strategy introduces an ambitious objective of 300 GW of offshore wind and 40 GW of ocean energy across all the Union's sea basins by 2050. To ensure this step change, Member States will need to work together across borders at sea-basin level. Member States should therefore jointly define the amount of offshore renewable generation to be deployed within each sea basin by 2050, with intermediate steps in 2030 and 2040. These objectives should be reflected in the updated national energy and climate plans that will be submitted in 2023 and 2024 pursuant to Regulation (EU) 2018/1999. In defining the amount, Member States should take into account the offshore renewable energy potential of each sea basin, environmental protection, climate adaptation and other uses of the sea, as well as the Union's decarbonisation targets.

Original text + amendments

(8) The Offshore Renewable Energy Strategy introduces an ambitious objective of 300 GW of offshore wind and 40 GW of ocean energy across all the Union's sea basins by 2050. To ensure this step change, Member States will need to work together across borders at sea-basin level. Member States should therefore jointly define the amount of offshore renewable generation to be deployed within each sea basin by 2050, with intermediate steps in 2030 and 2040, without prejudice to their role to define the specific national objectives and design their pathway to for developing offshore wind projects, for instance via radial connections. These objectives should be reflected in the updated national energy and climate plans that will be submitted in 2023 and 2024 pursuant to Regulation (EU) 2018/1999. In defining the amount, Member States should take into account the offshore renewable energy potential of each sea basin, environmental protection, climate adaptation and other uses of the sea, as well as the Union's decarbonisation targets.

Justification

The obligation for Member States who share a sea basin to cooperate on defining the amount of offshore RES energy they plan to produce by 2050 with intermediate targets for 2030 and 2040 will provide visibility to offshore developers. Indeed, better coordination in the maritime planning of Member States and adjacent third countries, possibly supported by specific governance, can help to provide additional areas for offshore wind. Detailed governance is required to ensure that such plans are truly effective, by establishing a framework in case of deviations. However, these commitments should not undermine the key role of individual Member States to define the specific national objectives and follow their own path to develop offshore wind projects for instance via radial connection to their national power grids

Amendment 6

Recital 26

Original text

(26) To reflect the increased importance of district heating and cooling and the need to steer the development of these networks towards the integration of more renewable energy, it is appropriate to set requirements to ensure the connection of third party suppliers of renewable energy and waste heat and cold with district heating or cooling networks systems above 25MW.

Original text + amendments

(26) To reflect the increased importance of district heating and cooling and the need to steer the development of these networks towards the integration of more renewable energy, it is appropriate to ~~set requirements to ensure~~ incentivize the connection of third party suppliers of renewable energy and waste heat and cold with district heating or cooling networks systems ~~above 25MW~~, in a cost-effective way.

Justification

Regulation should incentivise DHC companies to produce or purchase renewable heating in a way that minimises costs and increases the competitiveness of district heating, hence ensuring sustainable and cost-effective heat supply in DHC networks. As a matter of fact, the integration of third parties is already happening on the basis of voluntary bilateral contracts between DHC operators and third parties. This should remain the case, as questions of liability, technical requirements etc. must be agreed between the parties. The obligation for DHC network operators to connect RES and waste heat and cold from third-party suppliers would lead to higher system costs.

Amendment 7

Recital 30

Original text

(30) Electromobility will play an essential role in decarbonising the transport sector. To foster the further development of electromobility, Member States should establish a credit mechanism enabling operators of charging points accessible to the public to contribute, by supplying renewable electricity, towards the fulfilment of the obligation set up by Member States on fuel suppliers. While supporting electricity in transport through such a mechanism, it is important that Member States continue setting a high level of ambition for the decarbonisation of their liquid fuel mix in transport.

Original text + amendments

(30) Electromobility will play an essential role in decarbonising the transport sector. To foster the further development of electromobility in all transport modes, Member States should establish a credit mechanism enabling operators of all charging points, where technically possible, ~~accessible to the public~~ to contribute, by supplying renewable electricity, towards the fulfilment of the obligation set up by Member States on fuel suppliers. While supporting electricity in transport through such a mechanism, it is important that Member States continue setting a high level of ambition for the decarbonisation of their liquid fuel mix in transport.

Justification

Where technically possible, the credit mechanism should not be limited to public charging points, but also cover private and semi-public charging points, in order to ensure a level playing field in the charging services market. This will also enable the recognition of the importance of private and semi-public charging in buildings as an adequate EV charging infrastructure for Europeans. Furthermore, it should be possible for such a credit mechanism to be also applied to other types of transport like rail, aviation or shipping.

Amendment 8

Recital 32

Original text

(32) Expressing the transport target as a greenhouse gas intensity reduction target makes it unnecessary to use multipliers to promote certain renewable energy sources. This is because different renewable energy sources save different amounts of greenhouse gas emissions and, therefore, contribute differently to a target. Renewable electricity should be considered to have zero emissions, meaning it saves 100% emissions compared to electricity produced from fossil fuels. This will create an incentive for the use of renewable electricity since renewable fuels and recycled carbon fuels are unlikely to achieve such a high percentage of savings. Electrification relying on renewable energy sources would therefore become the most efficient way to decarbonise road transport. In addition, in order to promote the use of advanced biofuels and biogas and renewable fuels of non-biological origin in the aviation and maritime modes, which are difficult to electrify, it is appropriate to keep the multiplier for those fuels supplied in those modes when counted towards the specific targets set for those fuels.

Original text +amendments

(32) Expressing the transport target as a greenhouse gas intensity reduction target makes it unnecessary to use multipliers to promote certain renewable energy sources. This is because different renewable energy sources save different amounts of greenhouse gas emissions and, therefore, contribute differently to a target. Renewable electricity should be considered to have zero emissions, meaning it saves 100% emissions compared to electricity produced from fossil fuels. This will create an incentive for the use of renewable electricity since renewable fuels and recycled carbon fuels are unlikely to achieve such a high percentage of savings. Electrification relying in particular on renewable energy sources would therefore become one of the most efficient ways to decarbonise road transport. In addition, in order to promote the use of advanced biofuels and biogas and renewable fuels of non-biological origin in the aviation and maritime modes, which are difficult to electrify, it is appropriate to keep the multiplier for those fuels supplied in those modes when counted towards the specific targets set for those fuels.

Justification

Renewable energy sources play a key role in decarbonizing transport, in particular through electrification as the most cost-effective solution for most forms of road transport. According to Eurelectric's Power Barometer, to reach the EU's decarbonisation ambitions, the share of EVs in Europe must massively increase from 10% in 2020 to 60% in 2030.

Amendment 9

Recital 36

Original text

(36) Directive (EU) 2018/2001 strengthened the bioenergy sustainability and greenhouse gas savings framework by setting criteria for all end-use sectors. It set out specific rules for biofuels, bioliquids and biomass fuels produced from forest biomass, requiring the sustainability of harvesting operations and the accounting of land-use change emissions. To achieve an enhanced protection of especially biodiverse and carbon-rich habitats, such as primary forests, highly biodiverse forests, grasslands and peat lands, exclusions and limitations to source forest biomass from those areas should be introduced, in line with the approach for biofuels, bioliquids and biomass fuels produced from agricultural biomass. In addition, the greenhouse gas emission saving criteria should also apply to existing biomass-based installations to ensure that bioenergy production in all such installations leads to greenhouse gas emission reductions compared to energy produced from fossil fuels.

Original text + **amendments**

(37) Directive (EU) 2018/2001 strengthened the bioenergy sustainability and greenhouse gas savings framework by setting criteria for all end-use sectors. It set out specific rules for biofuels, bioliquids and biomass fuels produced from forest biomass, requiring the sustainability of harvesting operations and the accounting of land-use change emissions. To achieve an enhanced protection of especially biodiverse and carbon-rich habitats, such as primary forests, highly biodiverse forests, grasslands and peat lands, exclusions and limitations to source forest biomass from those areas should be introduced, in line with the approach for biofuels, bioliquids and biomass fuels produced from agricultural biomass. In addition, the greenhouse gas emission saving criteria should also apply to existing biomass-based installations to ensure that bioenergy production in all such installations leads to greenhouse gas emission reductions compared to energy produced from fossil fuels. **Transitional arrangements shall be designed for existing installations based on cost-effectiveness approach. The Commission shall consider the possibility of developing a public database providing information on biomass use at the installation level.**

Justification

The power sector is striving to achieve carbon-neutral electricity well before 2050 and we need more sustainably sourced energy to lead the fight against climate change and biodiversity loss. We acknowledge the concerns that increased EU biomass demand could also have a negative impact on carbon sink and biodiversity. Hence, while biomass should remain an option for fulfilling ambitious carbon reduction targets, robust and harmonised implementation of the sustainability criteria for biomass in REDII by Member States and economic operators is crucial. Generally, Eurelectric believes that a constant change in the sustainability criteria for biomass might have a negative effect on the market. Therefore, before further changes, priority should be given to the implementation of the current sustainability and GHG emissions criteria to gain experience and further insights into biomass markets.

According to our internal research, data open to public consultation does not allow us to evaluate whether the current criteria are stringent enough. This is both a problem of implementation, since only 18 of the Member States had transposed REDII as of the transposition deadline, and a problem of transparency in that there is no open-source database that allows one to effectively analyse biomass use below the gross national level. Hence, the development of a public database providing information on biomass use at the installation level could be envisaged in order to bridge this information and transparency gap.

While Eurelectric supports the need to strengthen the protection of biodiversity and forests in Europe, we think that any proposed reinforced provisions on this aspect should be carefully designed, with due regard to the risk-based approach introduced by REDII. Transitional arrangements must be secured for the existing biomass plants, with a distinction being made between old power plants and new ones, given the limited potential of existing plants to adapt to new requirements.

Amendment 10

Recital 37

Original text

(37) In order to reduce the administrative burden for producers of renewable fuels and recycled carbon fuels and for Member States, where voluntary or national schemes have been recognised by the Commission through an implementing act as giving evidence or providing accurate data regarding the compliance with sustainability and greenhouse gas emissions saving criteria as well as other requirements set in this Directive, Member States should accept the results of the certification issued by such schemes within the scope of the Commission's recognition. In order to reduce the burden on small installations, Member States should establish a simplified verification mechanism for installations of between 5 and 10MW.

Original text + amendments

(37) In order to reduce the administrative burden for producers of renewable fuels and recycled carbon fuels and for Member States, where voluntary or national schemes have been recognised by the Commission through an implementing act as giving evidence or providing accurate data regarding the compliance with sustainability and greenhouse gas emissions saving criteria as well as other requirements set in this Directive, Member States should accept the results of the certification issued by such schemes within the scope of the Commission's recognition. In order to reduce the burden on small installations, Member States should establish a simplified verification mechanism for installations of between 5 and ~~10~~20MW.

Justification

While lowering the threshold it must be kept clear that the implementation and the verification schemes will indeed stay simple for the smaller companies – the draft proposal should take this into account.

Amendment 11

Article 3 (3) (3)

Original text

Art. 3(3)(3) No later than one year after [the entry into force of this amending Directive], the Commission shall adopt a delegated act in accordance with Article 35 on how to apply the cascading principle for biomass, in particular on how to minimise the use of quality roundwood for energy production, with a focus on support schemes and with due regard to national specificities.

Original text + **amendments**

Art. 3(3)(3) No later than one year after [the entry into force of this amending Directive], the Commission shall adopt a delegated act in accordance with Article 35 on how to apply the cascading principle for biomass, in particular on how to minimise the use of quality roundwood for energy production, ~~with a focus on~~ **limited to** support schemes and with due regard to national specificities.

Justification

Regarding the tightening of rules on support for energy from biomass, more precisely the provision on the drafting of a delegated act regarding the cascading principle for biomass with a focus on minimising the use of quality roundwood for energy production, its scope should be clearly limited to the application of this principle in the case of support schemes only, and not aim at a general definition of this principle, which could prevent proper functioning of the market.

Amendment 12

Article 3.4a(new)

Original text

Art. 3.4a (new) Member States shall establish a framework, which may include support schemes and facilitating the uptake of renewable power purchase agreements, enabling the deployment of renewable electricity to a level that is consistent with the Member State's national contribution referred to in paragraph 2 and at a pace that is consistent with the indicative trajectories referred to in Article 4(a)(2) of Regulation (EU) 2018/1999. In particular, that framework shall tackle remaining barriers, including those related to permitting procedures, to a high level of renewable electricity supply. When designing that framework, Member States shall take into account the additional renewable electricity required to meet demand in the transport, industry, building and heating and cooling sectors and for the production of renewable fuels of nonbiological origin.

Original text + amendments

Art. 3.4a (new) Member States shall establish a framework, which may include support schemes and facilitating the uptake of renewable power purchase agreements, enabling the deployment of renewable electricity to a level that is consistent with the Member State's national contribution referred to in paragraph 2 and at a pace that is consistent with the indicative trajectories referred to in Article 4(a)(2) of Regulation (EU) 2018/1999. In particular, that framework shall tackle remaining barriers, including those related to permitting procedures, to achieve a high level of renewable electricity supply. Accompanying this Directive, the Commission shall publish guidelines on permitting to shorten and simplify the process, including recommendations on how to implement and apply the rules on administrative procedures set out in Articles 15, 16 and 17, together with a set of key performance indicators to enable a transparent assessment of both progress and effectiveness. To facilitate monitoring by the European Commission, the National Energy and Climate Plans should provide information on the implementation of permitting rules, including in light of the above-mentioned guidelines, and describe the permitting process step-by-step. Regarding implementation of the plans, Member States shall report to the Commission based on the set of Key Performance Indicators defined in the above-mentioned guidelines. The Commission may put in place an incentivizing mechanism to reward Member States based on their performance. When designing that framework, Member States shall take into

account the additional renewable electricity required to meet demand in the transport, industry, building and heating and cooling sectors and for the production of renewable fuels of nonbiological origin.

Justification

The European Commission should issue guidelines to help Member States overcome administrative and procedural difficulties tied to permitting, setting good practices and including KPIs to assess progress (e.g. average time for permitting procedures, number of resources allocated to permitting activities), and it should take a more active approach to monitoring the implementation of permitting rules, for example through an explicit consideration of the permitting process and their evolution at the relevant level in National Energy and Climate Plans (NECPs). Moreover, it should specify that Member States are obliged to define and describe what steps are part of the permitting procedure, this would help illustrate that it is not only permitting but the planning processes in general that negatively impact the deployment of renewable energy.

Amendment 13

Article 3.5

Original text

Art. 3.5: The Commission shall support the high ambition of Member States through an enabling framework comprising the enhanced use of Union funds, including additional funds to facilitate a just transition of carbon intensive regions towards increased shares of renewable energy, in particular financial instruments, especially for the following purposes:

(a) reducing the cost of capital for renewable energy projects;

(b) developing projects and programmes for integrating renewable sources into the energy system, for increasing flexibility of the energy system, for maintaining grid stability and for managing grid congestions;

(c) developing transmission and distribution grid infrastructure, intelligent networks, storage facilities and interconnections, with the objective of arriving at a 15 % electricity interconnection target by 2030, in order to increase the technically feasible and economically affordable level of renewable energy in the electricity system;

(d) enhancing regional cooperation between Member States and between Member States and third countries, through joint projects, joint support schemes and the opening of support schemes for renewable electricity to producers located in other Member States.

Original text + amendments

Art. 3.5: The Commission shall support the high ambition of Member States through an enabling framework comprising the enhanced use of Union funds, including additional funds to facilitate a just transition of carbon intensive regions towards increased shares of renewable energy, in particular financial instruments, especially for the following purposes:

(a) reducing the cost of capital for renewable energy projects;

(b) developing projects and programmes for integrating renewable sources into the energy system, for increasing flexibility of the energy system, for maintaining grid stability and for managing grid congestions;

(c) developing transmission and distribution grid infrastructure, intelligent networks, storage facilities and interconnections, with the objective of arriving at a 15 % electricity interconnection target by 2030, in order to increase the technically feasible and economically affordable level of renewable energy in the electricity system;

(d) enhancing regional cooperation between Member States and between Member States and third countries, through joint projects, joint support schemes and the opening of support schemes for renewable electricity to producers located in other Member States.

(e) The European Commission shall put in place a EU technical support instrument to address the lack of administrative capacity, technical expertise and human resources in Member States.

Justification

A technical support instrument, financed by the EU budget and directed at addressing the lack of administrative capacity and human resources in the Member States, could be introduced as a complementary way to tackle the issue of the lack of human resources and technical expertise to conduct permitting processes.

Amendment 14

Article 7 (1.2)

Original text

Art. 7(1.2) With regard to the first subparagraph, point (a), (b), or (c), gas and electricity from renewable sources shall be considered only once for the purposes of calculating the share of gross final consumption of energy from renewable sources. Energy produced from renewable fuels of non-biological origin shall be accounted in the sector – electricity, heating and cooling or transport – where it is consumed.

Original text + **amendments**

Art. 7(1.2) With regard to the first subparagraph, point (a), (b), or (c), gas and electricity from renewable sources shall be considered only once for the purposes of calculating the share of gross final consumption of energy from renewable sources. Energy produced from renewable fuels of non-biological origin shall be accounted in the sector – electricity, heating and cooling or transport – where it is consumed. Renewable electricity may count toward the renewable target in heating and cooling, district heating and cooling, and industry when a supplier or consumer may prove the renewable nature of this electricity, in which case it shall not be counted twice when calculating the renewable share in final energy consumption.

Justification

To successfully drive electrification in heating and cooling, district heating and cooling, and industry, and support these sectors towards meeting more ambitious renewable energy targets, the amended REDII should allow for electricity from renewable sources (for example, from the grid or produced on-site or via power purchase agreements) to be counted towards the renewable energy sub-targets in these sectors, when a supplier or consumer may prove the renewable nature of the electricity. These changes would fit for a wider promotion of electrification, especially in heating and district heating in large systems, where the potential of a direct connection of renewable heating sources is technically limited.

Amendment 15

Article 9 (1a)

Original text

Art. 9 (1a) By 31 December 2025, each Member State shall agree to establish at least one joint project with one or more other Member States for the production of renewable energy. The Commission shall be notified of such an agreement, including the date on which the project is expected to become operational. Projects financed by national contributions under the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294²⁵ shall be deemed to satisfy this obligation for the Member States involved.

Original text + amendments

Art. 9 (1a) By 31 December 2025, each Member State shall ~~agree~~ endeavour to establish at least one joint project with one or more other Member States for the production of renewable energy. The Commission shall be notified of such an agreement, including the date on which the project is expected to become operational. Projects financed by national contributions under the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294²⁵ shall be deemed to satisfy this obligation for the Member States involved.

Justification

Regarding the obligation for Member States to establish at least one joint project with one or more Member States for the production of renewable energy, Eurelectric supports an incentivising approach for MSs to establish increased cooperation on RES projects, especially due to the potential to strengthen the role of the EU RES Financing Mechanism, since the different MSs' legislation are still very different and consequently RES auctions are currently difficult to carry out. This cooperation, in the long term, could bring national regimes closer in this sense, opening the deployment of a unique "renewable market". Nevertheless, this should not be an obligation and, further explanations are needed with respect to how such joint projects could be carried out (ex. rules on distribution of costs/benefits) and how it would be ensured that they do not negatively impact market-based investments.

Amendment 16

Article 9 (1)

Original text

Art. 9 (1) Two or more Member States may cooperate on all types of joint projects with regard to the production of electricity, heating or cooling from renewable sources. Such cooperation may involve private operators.

Original text + **amendments**

Art. 9 (1) Two or more Member States may cooperate on all types of joint projects with regard to the production of electricity, heating or cooling from renewable sources. Such cooperation may involve private operators. **These joint projects may be also established under international consortia and joint ventures.**

Justification

Common renewable energy projects under the Renewable Energy Directive should be also made available for projects developed under international consortia or joint ventures. For example, right now, it is the most common way for developing offshore wind projects.

Amendment 17

Article 9 (7a)

Original text

Art. 9 (7a) Member States bordering a sea basin shall cooperate to jointly define the amount of offshore renewable energy they plan to produce in that sea basin by 2050, with intermediate steps in 2030 and 2040. They shall take into account the specificities and development in each region, the offshore renewable potential of the sea basin and the importance of ensuring the associated integrated grid planning. Member States shall notify that amount in the updated integrated national energy and climate plans submitted pursuant to Article 14 of Regulation (EU) 2018/1999.’;

Original text + amendments

Art. 9 (7a) Member States, and, where possible, adjacent third countries, bordering a sea basin shall cooperate to jointly define the amount of offshore renewable energy they plan to produce in that sea basin by 2050, with intermediate steps in 2030 and 2040, without prejudice to their ability to define specific national objectives and right to develop offshore wind projects for instance via radial connection. They shall take into account the specificities and development in each region, the offshore renewable potential of the sea basin and the importance of ensuring the associated integrated grid planning. Member States shall notify that amount in the updated integrated national energy and climate plans submitted pursuant to Article 14 of Regulation (EU) 2018/1999.’;

Justification

Eurelectric is favourable toward the obligation for Member States who share a sea basin to cooperate on defining the amount of offshore RES energy they plan to produce by 2050 with intermediate targets for 2030 and 2040. This will provide visibility to offshore developers. Indeed, better coordination in the maritime planning of Member States and adjacent third countries, possibly supported by specific governance, can help to provide additional areas for offshore wind. Detailed governance is required to ensure that such plans are truly effective, by establishing a framework in case of deviations. However, these commitments should not undermine the key role of individual Member States to define the specific national objectives and follow their own path to develop offshore wind projects for instance via radial connection to their national power grids. Additionally, Eurelectric has already stressed that support for adapting the energy grid and improving the refinancing of offshore projects are also essential and should be ensured by the EU.

Amendment 18

Article 15 (8)

Original text

Art. 15 (8) Member States shall assess the regulatory and administrative barriers to long-term renewables power purchase agreements, and shall remove unjustified barriers to, and promote the uptake of, such agreements, including by exploring how to reduce the financial risks associated with them, in particular by using credit guarantees. Member States shall ensure that those agreements are not subject to disproportionate or discriminatory procedures or charges, and that any associated guarantees of origin can be transferred to the buyer of the renewable energy under the renewable power purchase agreement. Member States shall describe their policies and measures promoting the uptake of renewables power purchase agreements in their integrated national energy and climate plans referred to in Articles 3 and 14 of Regulation (EU) 2018/1999 and progress reports submitted pursuant to Article 17 of that Regulation. They shall also provide, in those reports, an indication of the volume of renewable power generation supported by renewables power purchase agreements.

Original text +amendments

Art. 15 (8) Member States shall assess the regulatory and administrative barriers to long-term renewables power purchase agreements, including cross-border ones, and shall remove unjustified barriers to their development, such as permitting, and promote the uptake of, such agreements, including by exploring how to reduce the financial risks associated with them, in particular by using credit guarantees. Member States shall ensure that those agreements are not subject to disproportionate or discriminatory procedures or charges, including taxation-related aspects, and that any associated guarantees of origin can be transferred to the buyer of the renewable energy under the renewable power purchase agreement. Member States shall describe their policies and measures promoting the uptake of renewables power purchase agreements in their integrated national energy and climate plans referred to in Articles 3 and 14 of Regulation (EU) 2018/1999 and progress reports submitted pursuant to Article 17 of that Regulation. They shall also provide, in those reports, an indication of the volume of renewable power generation supported by renewables power purchase agreements. The European Commission should support businesses to set up such agreements through issuing guidance on best practices.

Justification

Eurelectric supports the requirement for Member States to promote the uptake of renewable PPAs and considers that Member States need to remove national and cross-border obstacles to such arrangements. Permitting remains a key barrier to the uptake of PPAs and renewables, hence Eurelectric stresses the need for the European Commission to issue guidelines to help Member States overcome administrative and procedural difficulties

tied to permitting and adopt a more active approach to monitoring the implementation of permitting rules as described in the recent “toolbox” of the European Commission on energy prices. In addition, the Commission could present best practices on PPAs, to support businesses that find it challenging to commence such cooperation. Taxation also plays an important role: reducing taxes and levies on electricity will incentivise electrification. Indeed, comparatively high taxes on electricity (compared to other forms of energy) are holding back many potential PPA buyers, thus constituting an important barrier for the market and for the electric decade itself. In case of cross-border PPAs, insufficient tools exist today to hedge the price differential between two countries over a longer-term (in some cases driven by different tax regimes). While it is understandable that MS need to provide an indication of the volume of RES power generation supported by PPAs, it should be ensured there is no increase in the administrative burden on companies.

Amendment 19

Article 20a (1)

Original text

Art. 20a(1) Member States shall require transmission system operators and distribution system operators in their territory to make available information on the share of renewable electricity and the greenhouse gas emissions content of the electricity supplied in each bidding zone, as accurately as possible and as close to real time as possible but in time intervals of no more than one hour, with forecasting where available. This information shall be made available digitally in a manner that ensures it can be used by electricity market participants, aggregators, consumers and end users, and that it can be read by electronic communication devices such as smart metering systems, electric vehicle recharging points, heating and cooling systems and building energy management systems.

Original text + amendments

Art. 20a(1) Member States shall may require the relevant ~~transmission system operators and distribution system operators~~ in their territory to make available information on the share of renewable electricity and the greenhouse gas emissions content of the electricity supplied in each bidding zone, as accurately as possible and as close to real time as possible but in time intervals of no more than one hour, with forecasting where available. This information shall be made available digitally in a manner that ensures it can be used by electricity market participants, aggregators, consumers and end users, and that it can be read by electronic communication devices such as smart metering systems, electric vehicle recharging points, heating and cooling systems and building energy management systems.

Justification

Overall, Eurelectric agrees with the principle in article 20.a-1 (new), as making the information on the share of RES in electricity grids available to all market participants may be an additional impulse to stimulate consumption not only when the price is low but also when the production of renewable energy is high. This will stimulate a better usage of the network infrastructure. However, the technical possibilities of RES-E data collection can differ in the different member states. Additional information may be required from the customers to make accurate predictions.

With respect to disclosing the GHG content, the calculation of the carbon content of electricity is complex and does not fall within the scope of DSOs who do not supply and do not always have insight into the composition of the suppliers. Second, this would entail a need to develop guidelines on accounting GHG allocated to electricity coming from storage technologies.

Given these challenges, Eurelectric believes that, with regards to this provision for network operators, it should be left to the Member States to decide to implement this. In addition, these rules should be aligned with other relevant legislation, such as the provisions in the System Operation Guidelines. From a broader perspective, further clarification could be useful on the exact aim of this – technically complex and possibly costly – disclosure requirement.

Amendment 20

Article 22a (1)

Original text

Art. 22a (1) Member States shall endeavour to increase the share of renewable sources in the amount of energy sources used for final energy and non-energy purposes in the industry sector by an indicative average minimum annual increase of 1.1 percentage points by 2030.

Member States shall include the measures planned and taken to achieve such indicative increase in their integrated national energy and climate plans and progress reports submitted pursuant to Articles 3, 14 and 17 of Regulation (EU) 2018/1999.

Member States shall ensure that the contribution of renewable fuels of non-biological origin used for final energy and non-energy purposes shall be 50 % of the hydrogen used for final energy and non-energy purposes in industry by 2030. For the calculation of that percentage, the following rules shall apply:

(...)

Original text +amendments

Art. 22a (1) Member States shall endeavour to increase the share of renewable sources in the amount of energy sources used for final energy and non-energy purposes in the industry sector, including through renewable electricity, by an indicative average minimum annual increase of 1.1 percentage points by 2030.

Member States shall include the measures planned and taken to achieve such indicative increase in their integrated national energy and climate plans and progress reports submitted pursuant to Articles 3, 14 and 17 of Regulation (EU) 2018/1999.

Member States shall ensure that the contribution of renewable fuels of non-biological origin used for final energy and non-energy purposes shall be 50 % of the hydrogen used for final energy and non-energy purposes in the hard-to-abate industry, where electrification is not a possible solution, by 2030. For the calculation of that percentage, the following rules shall apply:

(...)

Justification

Renewable and low-carbon hydrogen is a key element in the transition to a net-zero economy, needed to decarbonise “harder to abate” sectors, as a complement to direct electrification. To achieve ambitious CO2 reduction targets, the potential of renewable H2 production must be increasingly tapped. The use of hydrogen and e-fuels from hydrogen should be encouraged in hard to abate sectors, where direct electrification is not feasible.

Amendment 21

Article 23 (1)

Original text

Art. 23 (1) In order to promote the use of renewable energy in the heating and cooling sector, each Member State shall, increase the share of renewable energy in that sector by at least 1.1 percentage points as an annual average calculated for the periods 2021 to 2025 and 2026 to 2030, starting from the share of renewable energy in the heating and cooling sector in 2020, expressed in terms of national share of gross final energy consumption and calculated in accordance with the methodology set out in Article 7.

That increase shall be of 1.5 percentage points for Member States where waste heat and cold is used. In that case, Member States may count waste heat and cold up to 40 % of the average annual increase.

In addition to the minimum 1.1 percentage points annual increase referred to in the first subparagraph, each Member State shall endeavour to increase the share of renewable energy in their heating and cooling sector by the amount set out in Annex1a.

.....

(d) paragraph 4 is replaced by the following:

‘4. To achieve the average annual increase referred to in paragraph 1, first subparagraph, Member States may implement one or more of the following measures:

Original text + amendments

Art. 23 (1) In order to promote the use of renewable energy in the heating and cooling sector, each Member State shall, increase the share of renewable energy in that sector by at least 1.1 percentage points as an annual average calculated for the periods 2021 to 2025 and 2026 to 2030, starting from the share of renewable energy in the heating and cooling sector in 2020, expressed in terms of national share of gross final energy consumption and calculated in accordance with the methodology set out in Article 7, hence including the gross renewable electricity used for heating and cooling.

That increase shall be of 1.5 percentage points for Member States where waste heat and cold is used. In that case, Member States may count waste heat and cold up to 40 % of the average annual increase.

In addition to the minimum 1.1 percentage points annual increase referred to in the first subparagraph, each Member State shall endeavour to increase the share of renewable energy in their heating and cooling sector by the amount set out in Annex1a, provided retroactive application of this provision is avoided.

.....

(d) paragraph 4 is replaced by the following:

‘4. To achieve the average annual increase referred to in paragraph 1, first subparagraph, Member States may implement one or more of the following measures:

(a) physical incorporation of renewable energy or waste heat and cold in the energy sources and fuels supplied for heating and cooling;

(a) physical incorporation of renewable energy or waste heat and cold in the energy sources and fuels supplied for heating and cooling, including through renewable electricity;

Justification

Subject to further assessment, Eurelectric is cautiously open to the proposed binding target for RES in heating and cooling, aimed at tackling the limited progress in terms of RES deployment in this sector, provided that electricity from renewable sources (for example, from the grid or produced on-site or via power purchase agreement) can be counted towards the RES targets in H&C and in DHC, when a supplier or consumer may prove the renewable nature of the electricity. In addition, further clarifications must be provided on Annex 1A, to make explicit whether the national targets outlined there represent the final RES share in H&C (1.1 ppt + indicative top-up) or just the indicative top-up allocated to each MS. With respect to the indicative top-up at national level, we would like to underline that achieving an increase higher than the 1.1 ppt annually in the period 2021-2025 seems hardly possible to reach, given that by the implementation date of the amended REDII, this period would soon be over, hence leading to a retroactive application of the provision.

Amendment 22

Article 24 (1) (4)

Original text

Art. 24 (1) Member States shall ensure that information on the energy performance and the share of renewable energy, in their district heating and cooling systems is provided to final consumers in an easily accessible manner, such as on bills or on the suppliers' websites and on request. The information on the renewable energy share shall be expressed at least as a percentage of gross final consumption of heating and cooling assigned to the customers of a given district heating and cooling system, including information on how much energy was used to deliver one unit of heating to the customer or end-user.'

Art. 24(4) Member States shall endeavour to increase the share of energy from renewable sources and from waste heat and cold in district heating and cooling by at least 2.1 percentage points as an annual average calculated for the period 2021 to 2025 and for the period 2026 to 2030, starting from the share of energy from renewable sources and from waste heat and cold in district heating and cooling in 2020, and shall lay down the measures necessary to that end. The share of renewable energy shall be expressed in terms of share of gross final energy consumption in district heating and cooling adjusted to normal average climatic conditions.

Original text + amendments

Art. 24 (1) Member States shall ensure that information on the energy performance and the share of renewable energy, including renewable electricity, in their district heating and cooling systems is provided to final consumers in an easily accessible manner, such as on bills or on the suppliers' websites and on request. The information on the renewable energy share shall be expressed at least as a percentage of gross final consumption of heating and cooling assigned to the customers of a given district heating and cooling system, including information on how much energy was used to deliver one unit of heating to the customer or end-user.'

Art. 24(4) Member States shall endeavour to increase the share of energy from renewable sources and from waste heat and cold in district heating and cooling by at least 2.1 percentage points as an annual average calculated for the period 2021 to 2025, provided retroactive application of this provision is avoided, and for the period 2026 to 2030, starting from the share of energy from renewable sources and from waste heat and cold in district heating and cooling in 2020, and shall lay down the measures necessary to that end. The share of renewable energy shall be expressed in terms of share of gross final energy consumption in district heating and cooling adjusted to normal average climatic conditions and calculated in accordance with the methodology set out in Article 7, hence including the gross renewable electricity used for district heating and cooling.

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Justification

To successfully drive electrification in heating and cooling, district heating and cooling and industry sectors, and support these sectors towards meeting more ambitious renewable energy targets, the amended REDII should allow for electricity from renewable sources (for example, from the grid or produced on-site or via power purchase agreements) to be counted towards the renewable energy sub-targets in these sectors, when a supplier or consumer may prove the renewable nature of the electricity. These changes would fit for a wider promotion of electrification, especially in heating and district heating in large systems, where the potential of a direct connection of renewable heating sources is technically limited.

Eurelectric is cautiously open to an increased indicative RES target in DHC, provided that an enabling framework is ensured by the Member States in their integrated NECPs (including streamlined permitting procedures for RES projects) and that RES-E can account towards meeting this target in the DHC sector. Alike the new sub-target in H&C, an increased RES target in DHC for the period 2021-2025 seems hardly possible to reach, given that by the implementation date of the amended REDII, this period will soon be over, leading to a retroactive application of this provision.

Amendment 23

Article 24 (4a)

Original text

Art. 24 (4a) Member States shall ensure that operators of district heating or cooling systems above 25 MWth capacity are obliged to connect third party suppliers of energy from renewable sources and from waste heat and cold or are obliged to offer to connect and purchase heat or cold from renewable sources and from waste heat and cold from third-party suppliers based on non-discriminatory criteria set by the competent authority of the Member State concerned, where such operators need to do one or more of the following:

- (a) meet demand from new customers;
- (b) replace existing heat or cold generation capacity;
- (c) expand existing heat or cold generation capacity.’;

Original text + amendments

Art. 24 (4a) Member States shall ensure that operators of district heating or cooling systems above 25 MWth capacity are ~~obliged~~incentivized to connect third party suppliers of energy from renewable sources and from waste heat and cold or are ~~obliged~~ incentivized to offer to connect and purchase heat or cold from renewable sources and from waste heat and cold from third-party suppliers based on non-discriminatory criteria set by the competent authority of the Member State concerned, where such operators need to do one or more of the following:

- (a) meet demand from new customers;
- (b) replace existing heat or cold generation capacity;
- (c) expand existing heat or cold generation capacity.’;

Justification

Eurelectric does not support the obligation for DHC network operators to connect RES and waste heat and cold from third-party suppliers. We consider that regulation should incentivise DHC companies to produce or purchase renewable heating in a way that minimises costs and increases the competitiveness of district heating, hence ensuring sustainable and cost-effective heat supply in DHC networks. As a matter of fact, the integration of third parties is already happening on the basis of voluntary bilateral contracts between DHC operators and third parties. This should remain the case, as questions of liability, technical requirements etc. must be agreed between the parties. An obligation to integrate third parties would lead to higher system costs.

Amendment 24

Article 24 (6)

Original text

Art. 24 (6) Member States shall put in place a coordination framework between district heating and cooling system operators and the potential sources of waste heat and cold in the industrial and tertiary sectors to facilitate the use of waste heat and cold. That coordination framework shall ensure dialogue as regards the use of waste heat and cold involving at least:

(a) district heating and cooling system operators;

(b) industrial and tertiary sector enterprises generating waste heat and cold that can be economically recovered via district heating and cooling systems, such as data centres, industrial plants, large commercial buildings and public transport; and

(c) local authorities responsible for planning and approving energy infrastructures.’;

Original text + amendments

Art. 24 (6) Member States shall put in place a coordination framework between district heating and cooling system operators and the potential sources of waste heat and cold in the industrial and tertiary sectors to facilitate the use of waste heat and cold. That coordination framework shall ensure dialogue as regards the use of waste heat and cold involving at least:

(a) district heating and cooling system operators and relevant heat market stakeholders ;

(b) industrial and tertiary sector enterprises generating waste heat and cold that can be economically recovered via district heating and cooling systems, such as data centres, industrial plants, large commercial buildings and public transport; and

(c) local authorities responsible for planning and approving energy infrastructures.’;

Justification

The amendment aims at extending the scope of stakeholders invited to dialogue under to coordination framework, to include stakeholders in the heat sector.

Amendment 25

Article 25 (2)

Original text

Art. 25(2) Member States shall establish a mechanism allowing fuel suppliers in their territory to exchange credits for supplying renewable energy to the transport sector. Economic operators that supply renewable electricity to electric vehicles through public recharging stations shall receive credits, irrespective of whether the economic operators are subject to the obligation set by the Member State on fuel suppliers, and may sell those credits to fuel suppliers, which shall be allowed to use the credits to fulfil the obligation set out in paragraph 1, first subparagraph.

Original text + **amendments**

Art. 25(2) Member States shall establish a mechanism allowing fuel suppliers in their territory to exchange credits for supplying renewable energy to the transport sector. Economic operators that supply renewable electricity to electric vehicles, **including in rail, aviation and shipping sectors, and, where technically possible, through private and semi-public recharging stations,** shall receive credits, irrespective of whether the economic operators are subject to the obligation set by the Member State on fuel suppliers, and may sell those credits to fuel suppliers, which shall be allowed to use the credits to fulfil the obligation set out in paragraph 1, first subparagraph.

Justification

Eurelectric welcomes the introduction of an obligation for Member States to put in place a fuel-neutral credit mechanism while leaving them flexibility to set the concrete conditions of its national implementation, provided that it effectively supports EVs using RES-E as an efficient and sustainable way to increase the share of RES in transport. We support the recognition of the role of renewable energy sources to decarbonise road transport, and in particular through electrification as the most cost-effective solution for most forms of road transport. Where technically possible, the credit mechanism should not be limited to public charging points, but also cover private and semi-public charging points, in order to ensure a level playing field in the charging services market. This will also enable the recognition of the importance of private and semi-public charging in buildings as an adequate EV charging infrastructure for Europeans. Furthermore, it should be possible for such a credit mechanism to be also applied to other types of transport like rail, aviation or shipping. Finally, further clarifications are needed, namely defining the concept of “economic operator” (in order to clarify who will receive the credits, i.e. the operator, the owner of the charging station or the supplier of the renewable electricity) and how the system interacts with GOs and the Union database, if in any way.

Amendment 26

Article 27 (1)(c)(iii)

Original text

Article 27 (1)(c)(iii) the amount of renewable electricity supplied to the transport sector is determined by multiplying the amount of electricity supplied to that sector by the average share of renewable electricity supplied in the territory of the Member State in the two previous years. By way of exception, where electricity is obtained from a direct connection to an installation generating renewable electricity and supplied to the transport sector, that electricity shall be fully counted as renewable ;

Original text + **amendments**

Article 27 (1)(c)(iii) the amount of renewable electricity supplied to the transport sector is determined by multiplying the amount of electricity supplied to that sector by the average share of renewable electricity supplied in the territory of the Member State in the two previous years. By way of exception, where electricity is obtained from a direct connection to an installation generating renewable electricity and supplied to the transport sector, that electricity shall be fully counted as renewable. Where technically possible, electricity supplied to the transport sector shall be counted as fully renewable when suppliers can prove the renewable nature of the electricity supplied.

Justification

First, in order to ensure the consistency of the whole EU framework with the 55% GHG emissions reduction target by 2030, Eurelectric supported an increase in the RES sub-target for transport, acknowledging that the enabling framework will be crucial to achieving a strengthened objective. We would also like to underline that, as stated in Recital 33, direct electrification – including in the transport sector – contributes to both energy efficiency and penetration of RES. Hence, Eurelectric welcomes the removal of the requirement on additionality for electricity used in battery electric mobility in the revised RED II.

With regards to how the amount of RES-E supplied to the transport sector is determined, the options proposed (i.e. by multiplying the amount of electricity supplied to that sector by the average share of RES-E supplied in the territory of the Member State in the two previous years; and that RES-E from a direct connection is considered fully renewable), should be complemented wherever technically possible with additional flexibilities, provided these are backed by robust verification/traceability to avoid double counting. In this sense, similarly to the H&C sector, RED should allow for electricity supplied to the transport sector to be counted as fully renewable when suppliers can prove the renewable nature of this electricity. These provisions will drive the development of renewables in the power sector and effectively enable the decarbonisation of transport in the most efficient manner possible.

Amendment 27

Article 27 (3)(5)

Original text

Art. 27 (3) However, electricity obtained from direct connection to an installation generating renewable electricity may be fully counted as renewable electricity where it is used for the production of renewable fuels of nonbiological origin, provided that the installation:

(a) comes into operation after, or at the same time as, the installation producing the renewable liquid and gaseous transport fuels of non-biological origin; and

(b) is not connected to the grid or is connected to the grid but evidence can be provided that the electricity concerned has been supplied without taking electricity from the grid.

Electricity that has been taken from the grid may be counted as fully renewable provided that it is produced exclusively from renewable sources and the renewable properties and other appropriate criteria have been demonstrated, ensuring that the renewable properties of that electricity are claimed only once and only in one end-use sector.

By 31 December 2021, the Commission shall adopt a delegated act in accordance with Article 35 to supplement this Directive by establishing a Union methodology setting out detailed rules by which economic operators are to comply with the requirements laid down in the fifth and sixth subparagraphs of this paragraph.

Original text + **amendments**

Art. 27 (3) However, electricity obtained from direct connection to an installation generating renewable electricity may be fully counted as renewable electricity where it is used for the production of renewable fuels of nonbiological origin, provided that the installation is not connected to the grid or is connected to the grid but evidence can be provided that the electricity concerned has been supplied without taking electricity from the grid.

Electricity that has been taken from the grid may be counted as fully renewable provided that it is produced exclusively from renewable sources and the renewable properties and other appropriate criteria have been demonstrated, ensuring that the renewable properties of that electricity are claimed only once and only in one end-use sector.

Member States shall ensure that additional renewable electricity demand used for the production of RFNBOs is taken into account in the national renewable energy targets and included in the National Energy and Climate Plans, in line with article 3.4a..

By 31 December 2021, the Commission shall adopt a delegated act in accordance with Article 35 to supplement this Directive by establishing a Union methodology setting out detailed rules by which economic operators are to comply with the requirements laid down in the fifth and sixth subparagraphs of this paragraph.

Justification

To stay in line with the ambition of the European Green Deal and the European Hydrogen Strategy, the upcoming delegated act on RFNBOs foreseen in RED II, as well as the ongoing revision of REDII, should make sure that, while guaranteeing the renewable origin of RFNBOs in a clear and transparent manner, the scale up of renewable hydrogen production and E-fuels is enabled. We see that additionality can be a very concrete threat to the growth of H₂, so if it is confirmed and applied, we would like to propose the following modalities. Eurelectric recommends adopting a system-wide approach to additionality (as suggested in article 3.4a), rather than imposing a project-based approach which would be unnecessarily restrictive. Indeed, a strict application of the additionality principle can threaten the development of RES hydrogen production and e-fuels. In addition, for countries that have a high share of RES in their electricity mix, a threshold, above which the additionality principle should not be applied should be foreseen. If criteria defining additionality are put forward nonetheless, they must be carefully designed to allow to kickstart and scale up quickly the development of electrolyzers to bring down costs, to guarantee credibility, encourage investments, avoid distortions on the internal market of hydrogen and prioritise an optimised integration of renewable energy in the long run. Hence, until sufficient new renewable electricity capacity is installed thanks to streamlined permitting processes, Eurelectric proposes a transitory period to adapt the requirements for additionality, and geographic and temporal correlation and make them manageable from an operational point of view. The requirements after the transitory period should be re-evaluated, taking into account the experience and the feedback gathered on the existing RFNBO projects.

Amendment 28

Article 29 (10) (d)

Original text

Art. 29(10)(d) at least 70 % for electricity, heating and cooling production from biomass fuels used in installations until 31 December 2025, and at least 80 % from 1 January 2026

Original text + **amendments**

Art. 29(10)(d) at least 70 % for electricity, heating and cooling production from biomass fuels used in installations until 31 December 2025, and at least 80 % from 1 January 2026. **Transitional arrangements shall be designed for existing installations based on cost-effectiveness approach.**

Justification

The power sector is striving to achieve carbon-neutral electricity well before 2050 and we need more sustainably sourced energy to lead the fight against climate change and biodiversity loss. We acknowledge the concerns that increased EU biomass demand could also have a negative impact on carbon sink and biodiversity. Hence, while biomass should remain an option for fulfilling ambitious carbon reduction targets, robust and harmonised implementation of the sustainability criteria for biomass in REDII by Member States and economic operators is crucial. Generally, Eurelectric believes that a constant change in the sustainability criteria for biomass might have a negative effect on the market. Therefore, before further changes, priority should be given to the implementation of the current sustainability and GHG emissions criteria to gain experience and further insights into biomass markets.

According to our internal research, data open to public consultation does not allow us to evaluate whether the current criteria are stringent enough. This is both a problem of implementation, since only 18 of the Member States had transposed REDII as of the transposition deadline, and a problem of transparency in that there is no open-source database that allows one to effectively analyse biomass use below the gross national level. Hence, the development of a public database providing information on biomass use at the installation level could be envisaged in order to bridge this information and transparency gap.

While Eurelectric supports the need to strengthen the protection of biodiversity and forests in Europe, we think that any proposed reinforced provisions on this aspect should be carefully designed, with due regard to the risk-based approach introduced by REDII. Transitional arrangements must be secured for the existing biomass plants, with a distinction being made between old power plants and new ones, given the limited potential of existing plants to adapt to new requirements.

Amendment 29

Article 30 (3) (3)

Original text

Art. 30(3)(3) Member States shall submit to the Commission, in aggregated form, the information referred to in the first subparagraph of this paragraph. The Commission shall publish that information on the e-reporting platform referred to in Article 28 of Regulation (EU) 2018/1999 in summary form preserving the confidentiality of commercially sensitive information.

Original text + **amendments**

Art. 30(3)(3) Member States shall submit to the Commission, in aggregated form, the information referred to in the first subparagraph of this paragraph. The Commission shall publish that information on the e-reporting platform referred to in Article 28 of Regulation (EU) 2018/1999 in summary form preserving the confidentiality of commercially sensitive information. **Building on this data, the European Commission shall consider setting up a public database providing information on biomass use at installation level.**

Justification

According to our internal research, data open to public consultation does not allow us to evaluate whether the current criteria are stringent enough. This is both a problem of implementation, since only 18 of the Member States had transposed REDII as of the transposition deadline, and a problem of transparency in that there is no open-source database that allows one to effectively analyse biomass use below the gross national level. Hence, the development of a public database providing information on biomass use at the installation level could be envisaged in order to bridge this information and transparency gap.

Amendment 30

Article 30 (6) (4)

Original text

Art. 30(6)(4) For installations producing electricity heating and cooling with a total rated thermal input between 5 and 10 MW, Member States shall establish simplified national verification schemes to ensure the fulfillment of the sustainability and greenhouse gas emissions criteria set out in paragraphs (2) to (7) and (10) of Article 29.’;

Original text +amendments

Art. 30(6)(4) For installations producing electricity heating and cooling with a total rated thermal input between 5 and ~~10~~ 20 MW, Member States shall establish simplified national verification schemes to ensure the fulfillment of the sustainability and greenhouse gas emissions criteria set out in paragraphs (2) to (7) and (10) of Article 29.’

Justification

While lowering the threshold it must be kept clear that the implementation and the verification schemes will indeed stay simple for the smaller companies – the draft proposal should take this into account.

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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