


Procedure file

Basic information		
INL - Legislative initiative procedure	1998/2101(INL)	Procedure completed
Electricity network access for renewable energies		
Subject 3.60.05 Alternative and renewable energies		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ENER Research, Technological Development and Energy	PSE LINKOHR Rolf	07/10/1997
	Committee for opinion	Rapporteur for opinion	Appointed
	ENVI Environment, Public Health and Consumer Protection	NI KRONBERGER Hans	21/01/1998

Key events			
15/05/1998	Committee referral announced in Parliament		
20/05/1998	Vote in committee		Summary
20/05/1998	Committee report tabled for plenary	A4-0199/1998	
16/06/1998	Debate in Parliament		
17/06/1998	Decision by Parliament	T4-0358/1998	Summary
17/06/1998	End of procedure in Parliament		
06/07/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1998/2101(INL)
Procedure type	INL - Legislative initiative procedure
Procedure subtype	Request for legislative proposal
Legal basis	Rules of Procedure EP 47
Stage reached in procedure	Procedure completed
Committee dossier	ENER/4/10056

Documentation gateway					
Committee report tabled for plenary, single reading		A4-0199/1998 OJ C 210 06.07.1998, p. 0006	20/05/1998	EP	
Text adopted by Parliament, single reading		T4-0358/1998 OJ C 210 06.07.1998, p. 0104-0143	17/06/1998	EP	Summary

Electricity network access for renewable energies

The rapporteur Rolf LINKOHR (PES, D) points out that, while the EU is committed to reducing CO2 emissions to 15% below 1990 levels by the year 2010, energy consumption in the EU is constantly. The European Parliament and the Council regularly stress the importance of protecting the atmosphere against CO2 and other greenhouses emissions, but underestimate the importance of renewable energy sources. These sources produce energy without emitting greenhouse gases, but the proportion of electricity generated using renewable sources of energy is so far disappointingly small. In the EU, renewable energy sources other than hydroelectric power accounted for only 1,3% of gross electricity generated. There is little scope for any increase in hydroelectric power, which accounts for 13,8% of electricity generation in the member states. Mr LINKOHR concludes that we shall have to look to wind, solar and geothermal power and biomass for any substantial increase in the proportion of power produced by these renewable sources. If at the same time EU energy consumption is rising, the exploitation of these sources will have to be multiplied if they are intended to help meet atmospheric pollution targets. The EU and the member states' present efforts show little sign of meeting these goals. Moreover, renewable sources of energy are finding it hard to survive in a market determined by price. The rapporteur has therefore come forward with a proposal for a draft directive, which establishes the rules for the feeding in of electricity from renewable energy sources in the EU. It also regulates the organization and operation of national feeding in and tendering systems for renewable energy power generation plant, equity funds operating on an EU-wide basis and the associated creation of various organisational and financing instruments. Any promotion of renewable energy sources has to fit into the legal framework established in 1997 with the internal market in electricity. Article 8(3) of the directive establishing an internal market in electricity says that the member states may adopt rules for the access of renewable energy sources to the grid. In promoting the generation of renewable sources of energy by private producers the member states have opted for different systems. The feed-in model is one in which any operator may feed in power produced from renewable sources of energy into the grid against payment. Austria, Belgium, Germany, Denmark, Spain, the Netherlands, Luxemburg, Portugal, Finland and Sweden have opted for this system. Ireland, Greece, Italy and the UK have opted for the tendering procedure under which tenders are submitted for plant sites. Only operators of such plants are entitled to feed the electricity they generate into the grid. The basic principle in Mr LINKOHR's draft is that any operator of a small-scale generating plant such as a wind farm will be entitled to feed electricity into the grid in his member state. The two existing systems mentioned above, the feed-in model and the tendering model, must be linked at European level. Under both systems, the member states have to set a contribution for autoproducers generating their electricity from non-renewable sources of energy themselves or having it generated by a third party and not receiving it via a network within the meaning of this directive. This contribution will be required to avoid distortions of competition and, as the proceeds cannot be allotted to any specific project, be paid into special funds to promote particularly innovative renewable sources of energy. Mr LINKOHR proposes that each member state be allowed to set the price for the electricity purchased. If prices are set too low, that state will be unattractive to the funds, i.e. the investors. He therefore assumes that each state will have an interest in making that price so attractive that investors put up the money. This model will therefore encourage competition. In the end, however, the consumer who foots the bill. The draft directive will ensure that costs are spread fairly. The rapporteur notes that the EU is a long way from an overall approach to promoting renewable sources of energy. In some member states a good start has been made but there is no overarching philosophy of establishing a European market in plant for generating electricity from renewable energy sources. This lack of a European market has gone so far as to put existing industries such as the wind-power generator industry in Germany into difficulties. This is a bad thing not only in terms of energy policy. In industrial and employment terms it would be disastrous if the EU did not manage to increase demand for plant and make better use of the know-how in existing companies by means of a European-wide network access system complying with competition rules.?

Electricity network access for renewable energies

The European Parliament adopted the proposal for a resolution in the report by Mr Rolf LINKOHR (PSE, D) by 431 votes to 20 with 27 abstentions. In doing so, Parliament called on the Commission to submit to it a legislative proposal which conforms with the policy pursued in the Member States on the supply to the network of electricity from renewable sources and takes account of the diversity of their approaches. Similarly, the proposed should be based on the rules of the internal market, especially the rules on state aid. Finally, the proposal should conform with the commitments entered into by the EU that it will reduce its total CO2 emissions to 8% less than their 1990 level by 2012. The European Parliament then rejected the annex to the proposal for a resolution making provision for a European Parliament and Council directive on "renewable energy at the service of the European Union".?