

DAILY NEWS to Members: 30/01/2007 by Sam Cross

**RENEWABLE ENERGY ROADMAP: COMMISSION PUTS FINGER IN WIND FOR
20% TARGET**

Part of the Energy Package released on 10 January, a *Renewable Energy Roadmap* proposes an ambitious mandatory target of 20% of total energy from renewable sources by 2020. The paper represents a strong push for renewables – in all three sectors of electricity, heating and cooling, and biofuels. The ambitious target is more than double the existing percentage of energy from renewables – which is foreseen not to exceed 10% even by 2010.

The Roadmap does not propose mandatory sectoral targets, except for biofuels, for which a binding target is set to provide 10% of all transport petrol and diesel by 2010. The paper does however strongly suggest that sectoral changes are needed to meet the overall target, foreseeing a rise in electricity generation from renewables from the current EU-25 level of 15% to 34% by 2020. In addition the paper suggests renewables from heating and cooling might be doubled, from 9% to 18%. The paper therefore appears to put most of the burden for reaching the target upon the electricity industry, without considering in detail whether this might be the most cost-efficient approach.

The paper promotes renewables based on the potential carbon savings and benefits in terms of security of supply, and claims “*longer term ...economic benefits*”. Under the 20% by 2020 target, carbon savings are predicted to be about 700Mt of CO₂ beyond the CO₂ reductions resulting from the *business-as-usual* deployment of renewables. The paper also asserts that the target will produce a 0.5% rise in GDP in 2020. The costs of reaching the target are predicted to be € 10.6-18 billion per annum by 2020 over the *business-as-usual* scenario – this implies that the total additional costs of all renewables in 2020 are € 24-31 billion.

Less concrete proposals in the Roadmap include removing barriers to renewable electricity's access to the grid and improving grid integration of renewables by better co-operation between grid authorities, electricity regulators and the renewable energy industry. The paper also claims that pushing the liberalisation of the internal electricity market will enhance prospects for renewables, even though it is widely understood that feed-in tariffs, the most common support mechanism for renewable electricity, are not in line with market principles. The paper suggests that biofuels need to be pushed as they are the only method to reduce oil dependence – the future potential role of electricity in transport is apparently not acknowledged.

The proposals will be debated at the Spring European Council, and the European Commission intends to initiate legislative proposals later this year. EURELECTRIC will actively assert our position throughout the process.

See also DNs 24-29/01/06 et al

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