

REALISE-Forum Final Conference

Summary of the highlights and activities of
Realise Forum

*Maria Rosaria Di Nucci,
FFU- Freie Universität Berlin*

Berlin, November 2, 2006



REALISE Forum attempts to:

- **develop** a novel actor focused analysis;
- **investigate** the level of national cohesion on the prevailing support schemes;
- **identify** existing barriers for a a co-ordinated approach;
- **establish** a platform for stakeholders and decision makers to discuss in a balanced way specific support policy issues and promote the exchange of information and experience;
- **initiate** an organised dialogue to discuss steps on the way to future incentive schemes compatible with market criteria, sustainability and social acceptability;
- **Work out** guidelines and draw lessons for policy

REALISE FORUM brings together international members from public authorities, industry, electric utilities, financial institutions/brokers, consumers' associations, environmental NGOs and other stakeholders involved in policy making or research and dealing with renewable energy policy issues

The Work plan

- REALISE-Forum has been concerned with both setting and fine tuning an analytical framework as well as with operational tasks.
- REALISE counts on WPs with a strong analytical content and on others providing the “infrastructure” of the project.



Project's Phases

- **Phase 1:** Set-up and kick start of the project, establishment of the REALISE-Forum infrastructure (WP 2-3-7).
- **Phase 2:** Refinement of the analytical framework. The executed tasks have been at the same time conceptual and operational and have involved the general design of the project and a certain restructuring according to changed political and policy frameworks of the participating countries and stakeholder consultations. The national consultations and the analysis of the RES-support systems have been carried forward and the results have been integrated into country reports.
- **Phase 3:** Analysis, dissemination of preliminary results, preliminary lessons for policy. Preliminary results have been discussed in 2 international workshops and with the steering group.

Analytical framework

- The concept is based on criteria such as the typology of the electricity market (degree of liberalisation and “greening”), actor cohesion about the national support scheme as well as the interplay between actors. The consensus on national support schemes and/or willingness to change the schemes in use has been analysed against criteria such as the degree of competitiveness, of risk and of specification of the respective systems.
- This structure has been taken into account in the course of evaluation of the national surveys and by drafting the country reports.

Political Embedment of the project

- In the third project's phase additional working steps were taken up to consider the policy change at EU level and major documents such as for example the EC Communication of December 7, 2005 as well as political and policy changes of some of the participating countries.
- REALISE-FORUM has taken into account the changing specific legal, administrative and economic situation in the RF countries and other relevant countries as well as national objectives and activities planned or underway in the countries under scrutiny and elsewhere (as for example the so called feed-in co-operation between Germany and Spain).

Our “Infrastructure”

- WP2: Joint contact point
- The JCP has guaranteed a continuous, up-dated flow of technical information between partners and energy policy actors. To that extent a virtual library has been created in the intranet section of the web page and major official reference documents have been placed at the web page.
- The JCP has also ensured the interface with running, complementary EU-projects
- WP3: National Desks
- WP7: Web platform



The web platform

REALISE FORUM - - Microsoft Internet Explorer

Datei Bearbeiten Ansicht Favoriten Extras ?

Zurück Suchen Favoriten

Adresse http://www.realise-forum.net/front_content.php?idcat=1&PHPSESSID=e2f10645f8f65f221375f30b7591963 Wechseln zu Links

- Home
- Objectives
- Project Structure
- Partners
- Steering Group
- Joint Contact Point
- National desks
 - Germany
 - Netherlands
 - Scandinavia
 - Italy
 - Slovenia
- International Events
 - International Final Conference in Berlin, November 2-3, 2006
 - Salzburg 01.09.06
 - Maribor (Slovenia), 10.-11.05.06
 - Salzburg 26.-27.09.05
 - Milan, 16.-17.12.05
- Links
 - Actors
 - Projects and Campaigns
- Energy Policy Background
- Publications & Reports
- Newsletter
- Press Echo

Renewable Energy and Liberalisation in Selected Electricity markets–Forum (REALISE FORUM)

In energy policy, one of the biggest challenges for decision makers is to give life to energy market frameworks which allow free market forces to operate in such a way that supplies of reliable and affordable energy are ensured whilst at the same time all other social objectives are met in a sustainable manner.

In the case of renewable energy sources, a crucial question remains whether to meet this challenge the European Union would necessarily have to move from a technology-based approach (fixed tariffs) to a more market-based one (TGC), promoting international certificate trade, certification and labelling as well as internalising external costs for the prices of conventional power.

Against this background, **REALISE FORUM** attempts to establish a basis for coherence for national policies in the view of a possibly coordinated RES-policy at EU level. This will be done by investigating the experience gained with feed in tariffs (FIT) and tradable green certificates (TGCs) in countries that are in an advanced phase of liberalisation of their electricity markets.

Project duration: 01/2005-02/2007.

>>>

*** NEW *** NEW ***

[Final Conference "Renewable Energy and Liberalisation in Electricity Markets: Lessons and Recommendations for Policy" in Berlin, November 2-3, 2006](#)

[NEWSLETTER](#)

[Second Meeting with Steering Group in Salzburg on September 1, 2006](#)

Coordinated by

Supported by

Intelligent Energy Europe

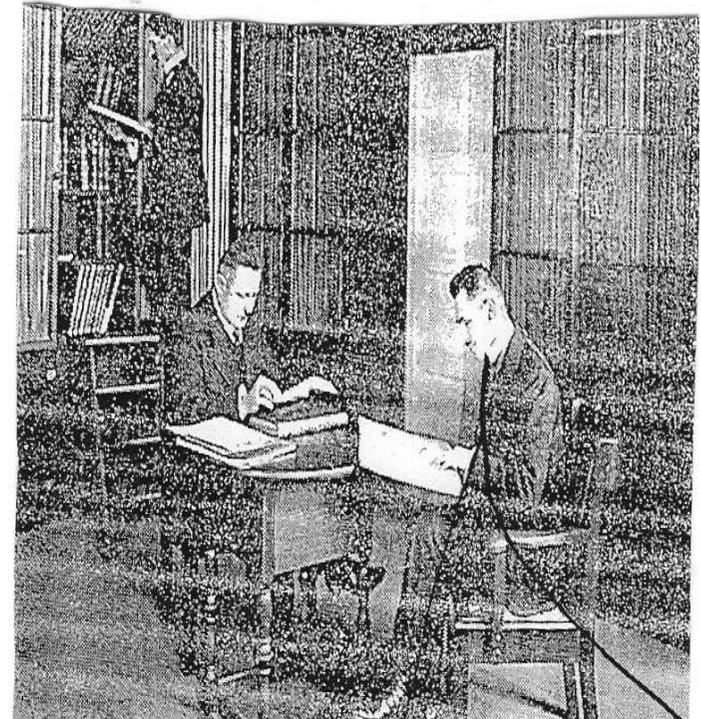
The sole responsibility for the content of this webpage lies with the authors. It does not represent the opinion of the European Community. The European Commission is not responsible for any use that may be made of the information contained therein.

Visitor No:
22913

Internet

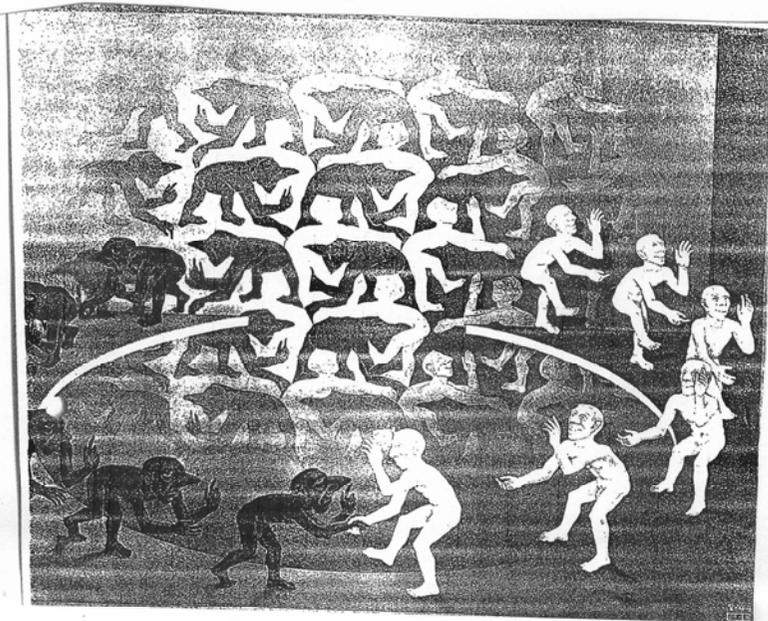
The National Desks

- On the *national level*, national desks have been established by the project partners in their respective countries (D, NL, I, SI, NO)
- They are managed either directly or together with other actors (NGOs, RES-producers, RES Associations, etc), according to the national peculiarities.
- These components of the project management have acted as national contact points with the following functions:
 - Networking;
 - Gathering of national data/ analyses for the country reports;
 - Initiation of a dialogue with major national stakeholders
 - Organisation of national/ international hearings and workshops.



National stakeholder consultations

- The stakeholder consultation in the participating countries has followed different paths concerning its timing and methodology.
- In spite of different characteristics of the countries involved, it was possible to draw a common structure for a stakeholders survey.
- Thus three counties (Germany, NL and Italy) opted for a questionnaire followed by national hearings (Germany: 19 October and Italy: 15 November), Slovenia 20 Sept 2006
- The Scandinavian consultation took another path, based on in depth interviews and workshops.
- Slovenia: 7 workshops in 2005-2006. Hearing in Sept. 2006
- The NL partner has carried out 2 surveys, one in 2005 and one in the Summer of 2006.

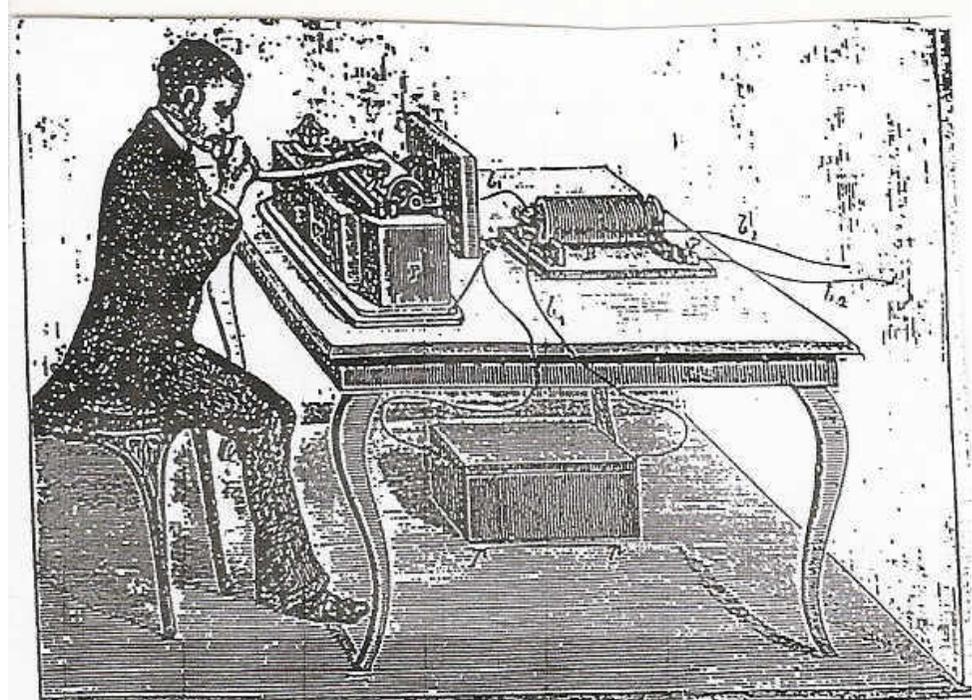


Surveys

- Surveys in 3 countries in 2005 : Italy, Netherlands (online) and Germany, followed by national hearings. In Slovenia in Summer 2006 only for selected stakeholders

Response:

- Italy N=82
- Netherlands (1) N=52
(2) N=62
- Germany N= 70



Critical questions addressed in the questionnaire and in depth interviews with national stakeholders

Which of the currently implemented support schemes are

- most effective (increase in the share of RES)
- most efficient (social and economic costs of the system)
- most compatible with the principles of the internal electricity market
- Stakeholders viewpoints on co-ordination of support systems
- Interactions between various RES-E schemes in different countries.
- Would co-ordination of RES-E support in Europe represent a better solution with respect to effectiveness and to efficiency of the system?



TTU

Consultations in the Netherlands

The Dutch partner decided to undertake a more pervasive sort of consultation based not only on a survey and a one-day hearing. It was considered more promising to follow a different path including:

- A first online survey.
- In-depth interviews with stakeholders.
- Additional analyses of documents of organisations expressing their view and position on topics relevant for RF.
- A second online survey in 2006. This collected evidence that the major actors have not changed position after one year and following the publication of the Commission's communication on RES-E support.

The Nordic desk activities

- The work at the Nordic desk consisted of reviewing the policies and stakeholder views of 4 countries: Denmark, Norway, Sweden and FL.
- Given budgetary constraints it was not possible to have permanent bases in all countries. The Norwegian partner had therefore developed an “ambulatory” desk which basically implied that the research team travelled around to the Nordic capitals and holds stakeholder meetings/interviews there.
- This approach also made it possible to contact higher level representatives, that are constrained from spending too much time for travelling to meetings.
- The Nordic desk communicated with Nordic stakeholders through its collaboration with Nord Pool, the Nordic power exchange, which helped arranging workshops with broader Nordic representation

Consultations in Slovenia

- The stakeholders participation approach was based on in depth interviews, workshops and consultation with homogeneous groups of stakeholders.
- Three workshops with the representatives of these different groups have been organised in 2005 and 2 in 2006, followed by a hearing.
- Compared with other energy policy matters, the choice of the support scheme is not perceived as a major issue. There is however a latent consensus about FIT Systems.
- The main obstacles for a balanced, consensus oriented dialogue on RES were identified and discussed. The majority of stakeholders is interested in EE.
- Especially problematic is the complex framework. The present feed in price/premium scheme is still under investigation of the EC and is alleged to be non-declared state aid.
- Most NGOs (Nature protection) are critical towards RES.
- The main barriers for a consensus oriented dialogue are un-coordinated and contradictory targets as well as insufficient engagement of the major energy actors

Italian consultation/Findings (1)

- The largest participating actors group included around 50% RES-E producers and their associations.
- Fairly good cohesion between stakeholder groups. Some discrepancy in fewer cases.
- The former CIP 6/92 feed-in system got better ratings than Quota/TGC as to capacity deployment, investors' risk, understanding, fair deal with sources, but its cost to the whole system was deemed higher.
- Quota/TGC system is considered more compatible with the liberalised electricity market.
- A mandatory RES-E quota is felt to be needed for maintaining RES-E plant deployment.

Italian consultation/Findings (2)

- A number of stakeholders felt that Italy is unlikely to achieve its 2010 RES-E target set by EU Directive (authorisation procedures, grid problems and public acceptance issues)
- Co-ordination of support systems in the EU was felt necessary, but mostly deemed feasible only after 2010
- Opposite views about changing the current Quota/TGC system in the next 5 years, with nearly the same trend in main stakeholder groups
- The preferred change would be to reduce investors' risk by extending TGC beyond 8 years.
- The main reason for change is financial (encourage investment), then (to a lesser extent) political and economic. Technical reasons come last
- The chance to sell energy on a liberalised electricity market is seen as a good opportunity for RES-E producers

German Consultation/Findings (1)

- Support for renewable energy cuts across traditional political fields.
- The majority of respondents ranked FIT systems better than Q&C with respect to all categories, except price competition.
- The level of remuneration in the RES Act (EEG) for the individual RES is considered to be adequate by the majority of stakeholders
- Only a small fraction of respondents advocated a change to a Q&C system.
- The main grounds adduced justifying a change were economic reasons (need to minimise the electricity price to end-users) and a perceived low compatibility of the German system with requirements of a liberalised EU internal market.
- The pre-eminence of the FIT system is also explained with the geographical spread of this instrument: 18 out of 25 MS opted for FIT.
- The Q&C opponent front was very wide and, though most of them recognised that it is inappropriate to generalise the performance of these systems before they have reached maturity. Their position ranged from sceptical to very critical.

German Consultations/Findings (2)

- Public opinion has shown a rather indifferent position on harmonisation issues.
- German stakeholders do not endorse harmonisation on account of preservation of established and favourable domestic support conditions.
- The consulted stakeholders saw no obvious contradiction between a liberalised European market and the support scheme in use.
- For a number of stakeholders, esp. the RES Associations, there is no level playing field so far in the electricity sector. RES needs support in order to counter the bias in favour of fossil and nuclear energy.
- As far as the degree of market conformity of the present support system is concerned, esp. the RES Associations remarked that market distortions associated with the traditional energy sector are still high and need to be removed before a support scheme based on tradable certificates can be introduced in an open electricity market.

Country Reports

- The 5 reports illustrate the situation as of late 2005 with regard to the national energy policy frameworks, production of RES-E and support schemes aimed at promoting an increase in their share. (General update by end of November).
- They also analyse the relationship between RES-E support policies and their interaction with the reform of the national electricity markets, especially from the angle of the impact of liberalisation on “greening” the power market.
- The reports were drawn up a.o. on the basis of the consultation carried out within the framework of the activities of the national desks.
- Parts of them have been devoted to the expectations and viewpoints of national stakeholders in the field of RES-E

Milan Workshop

- "Three Years of Green Certificates: Are They out of the Infancy Phase?" organised in Milan by CESI on Dec.15-16, 2005.
- Around 50 participants. Proceedings on the web site
- The event focused on TGC-schemes and also aimed at discussing the feasibility of co-ordinated approaches at regional level, as indicated in the communication of the EC of December 7, 2005 which was also briefly analysed and discussed.
- The workshop was organised in a country like Italy where, in the last decade, the electricity market has been evolving from the monopoly of a state utility towards full liberalisation. At the same time, the major RES-E support system has been shifting from FIT to a RES-E quota obligation and TGCs. It was felt that the Italian audience could benefit from a wider international exchange, and participants from other countries could, in turn, draw some interesting insights from the experience gained in Italy with the implementation of TGCs.



Milan: Lessons for policy

- As a very general outcome of the whole event, it could be stated that some TGC schemes have shown that this kind of instrument can work for the deployment of new RES-E capacity, but in a way and to an extent that vary from one country to another.
- Nevertheless, TGC schemes are more suitable for the RES technologies closer to maturity, whilst less competitive technologies need other instruments such as FIT-schemes.
- It can hence be inferred that TGC and FIT-schemes could be complementary rather than competing, and the optimum set-up of RES-E support instruments can therefore vary widely from one country to another, depending on its peculiar electricity market and economic and social conditions.
- Making an effort to achieve better co-ordination of national support schemes looks, at least for the time being, a more feasible path for the EU than implementing a fully harmonised support



Maribor workshop

- “Experiences with Feed-in Tariffs: Lessons from the German and the Spanish Model for the New Member States”, organised by SE-F in Slovenia on May 10 and 11, 2006. Participation of around 60.
- The workshop presented potential strategies of RES for the new EU members and accessions countries in transition from a centrally-planned monopoly to a more market oriented structure.
- The existing trans-national/regional co-operation schemes were presented and discussed as for example the feed in co-operation between Germany and Spain and the Scandinavian certificate market.
- Alternative models with GO as “currency” were also discussed
- The topics of the presentation ranged from a comparative analysis of the diffusion of support schemes for green electricity in the enlarged EU to the interaction of green certificates with green pricing and emission trading. Insights were also provided from ongoing projects and policy diffusion and replicability of national policy paths (comparative analysis of instruments in Spain and Czech Republic).

Preliminary general lessons for policy following the two workshops

- There is a scope for establishing a platform for stakeholders and decision makers to discuss specific support policy issues and promote the exchange of viewpoints and perceptions on possible coordination paths.
- The consensus on national support schemes and/or (un)willingness to change them is dependent on the degree of competitiveness, of risk and of specification of the respective systems.
- In spite of different positions, there is a certain acceptance (**though this does not necessarily mean satisfaction!**) within the various stakeholder groups (actor cohesion) on the effectiveness of national support schemes for RES-E with regard to a number of key market aspects.
- The optimum set-up of support instruments for RES-E can vary widely from one country to another depending on the peculiar electricity market and economic and social conditions. FIT represent the most widespread and successful instrument.
- There is a general consensus on the rejection of harmonisation of European support systems.

Comparative Survey

- Following the two workshops the results of previous WPs have been integrated and updated to provide a comparative analysis.
- The theoretical framework to draw policy recommendations has been defined.

The work carried out was aimed at:

- analysing, integrating and updating the results from previous work packages,
- mapping and weighing the barriers hampering a co-ordinated support system and assess criteria for success,
- formulate guidelines for a possibly co-ordinated approach,
- prepare theses to be discussed first with Steering Group and then in the final conference.

Some pressing questions to be answered

SOON...

- Are instruments and institutional frameworks of the analysed countries complementary or incompatible?
- Is there a common consensus (even if at a minimal level)?
- Are the national/European interest conflicts too high?
- Is there a supra-national alliance on common targets?
- The REALISE project has chosen dissimilar countries. Which of them show a convergence of policy system design and of (primary and secondary) objectives?



Thank you

for your
attention

www.realise-forum.net

contactpoint@realise-forum.net

