

***Harmonisation or Co-ordination  
Feed in vs Certificates markets  
Perspective of the German Stakeholders  
Results of the survey***

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# Critical questions addressed in the questionnaire

- The German country desk developed a questionnaire on current RES-support systems, liberalisation and perceived need for a coordinated EU-approach. The critical questions addressed in the questionnaire were:
  - 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
  - Would harmonisation of RES-E support in Europe after 2012 represent a better solution with respect to effectiveness and to efficiency of the system?

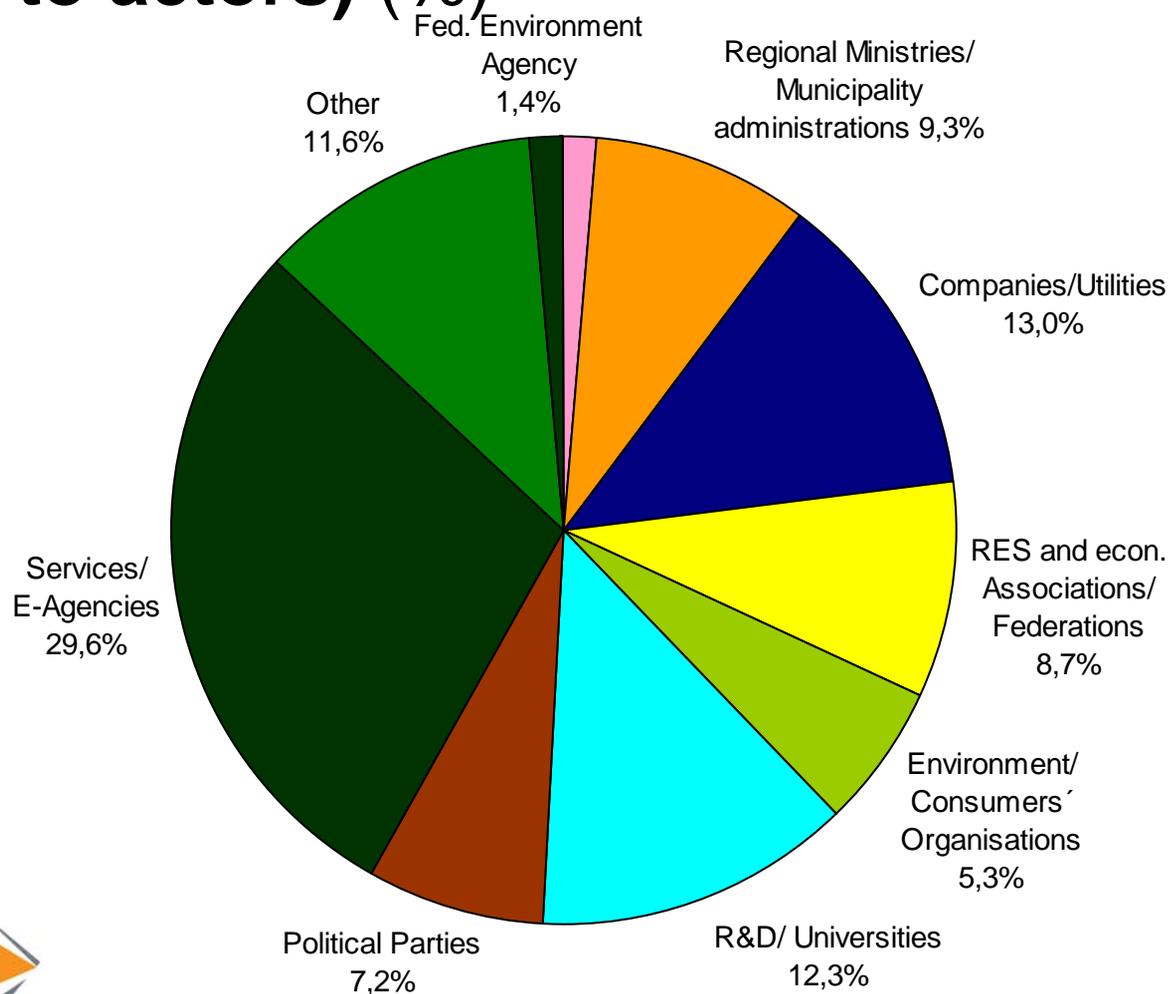


# Analysis of the response

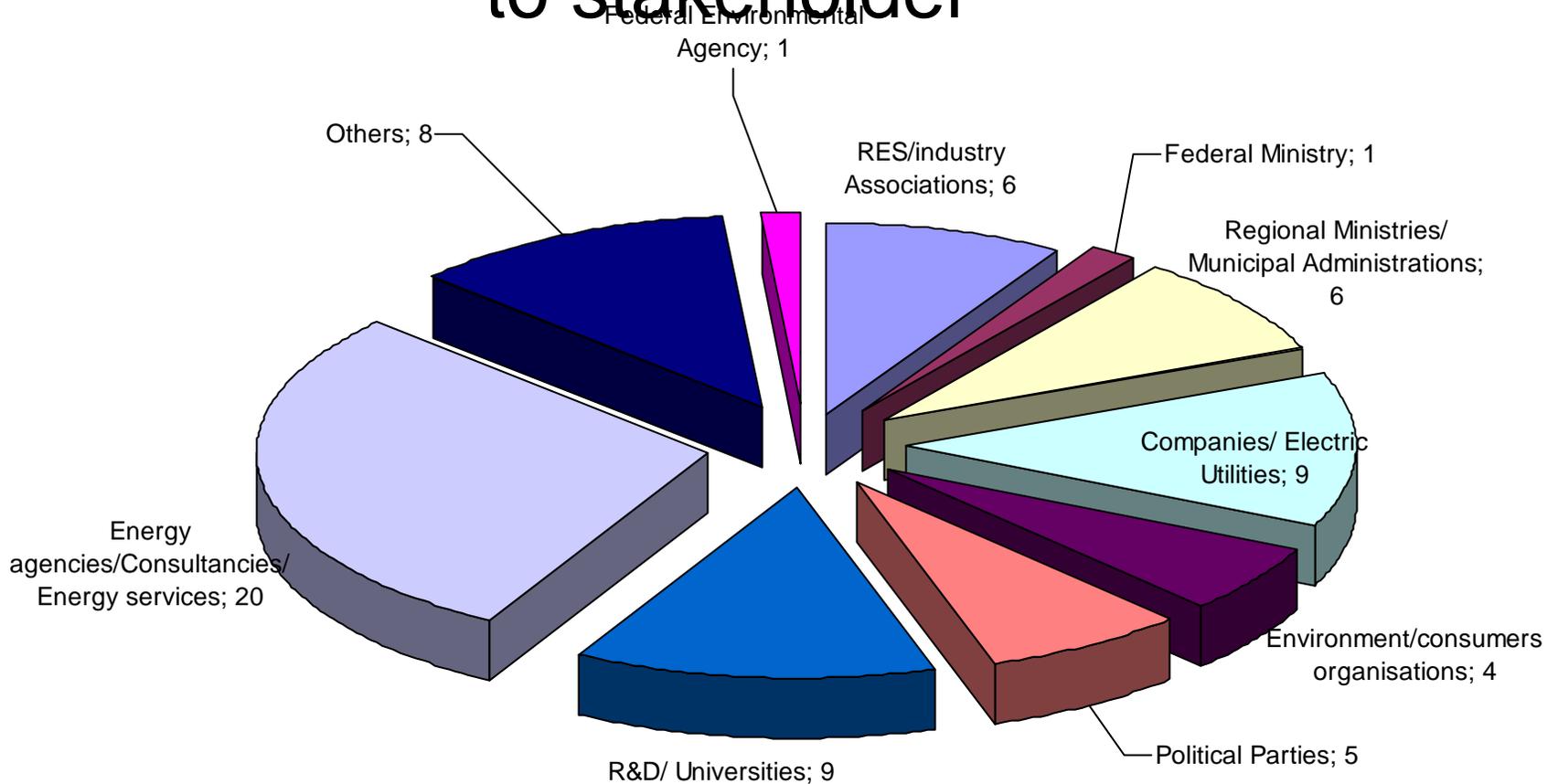
- 70 actors responded to the survey. The largest participating actors group was the one comprising energy agencies, consultants and energy services (29%), followed by companies and utilities (13 %), research institutes and universities (13 %) and RES and industry associations (8.7 %). Institutional actors were also well represented and comprised federal and regional ministries as well as municipal administrations (11.5 %).
- The breakdown of the responding 28 companies and services according to the RES branches (multiple answers were allowed) shows that all RES sources were well represented. The majority of respondents were active in the biomass/biogas sector.



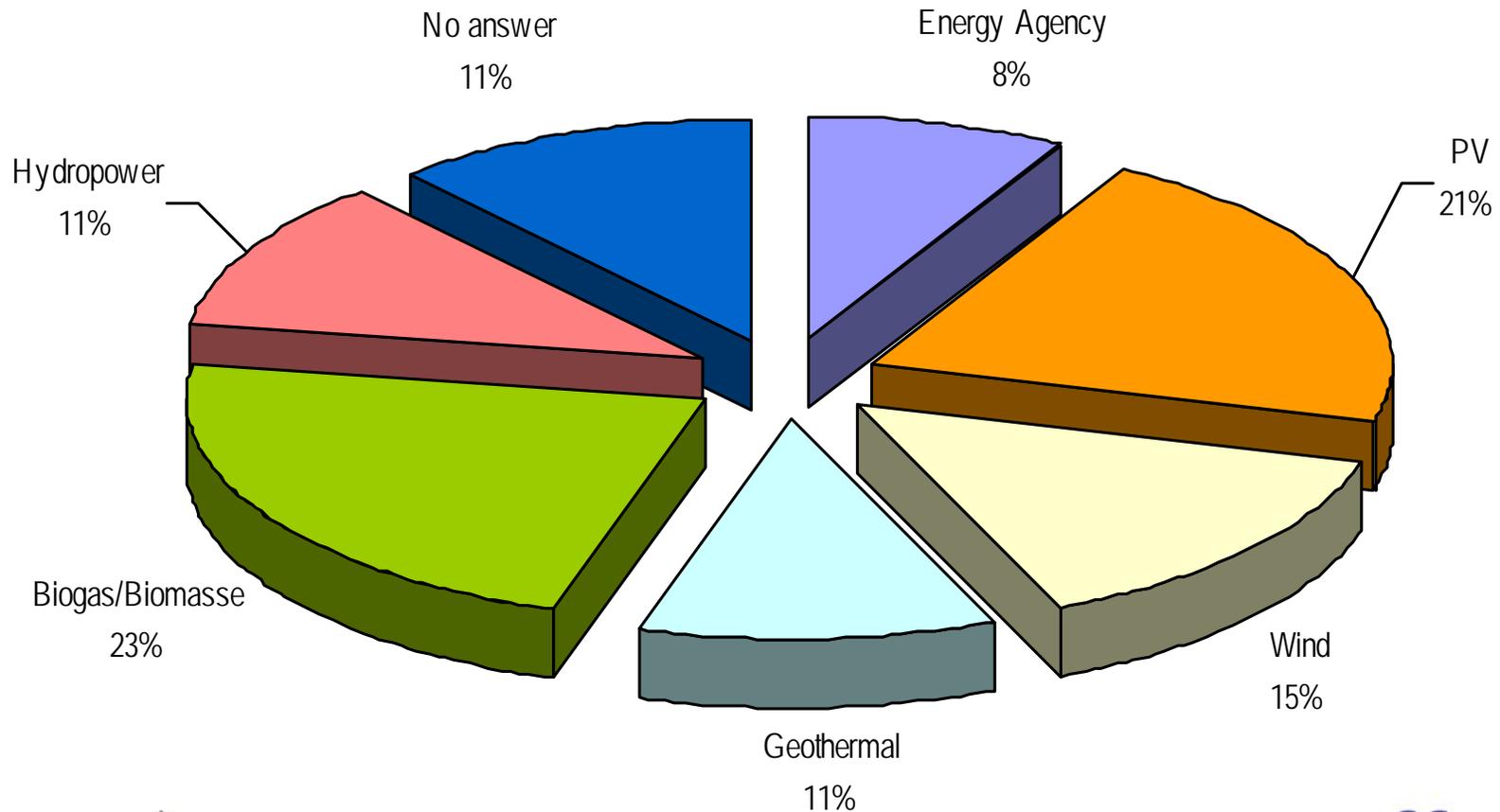
# Question 1.1: Response (broken down acc. to actors) (%)



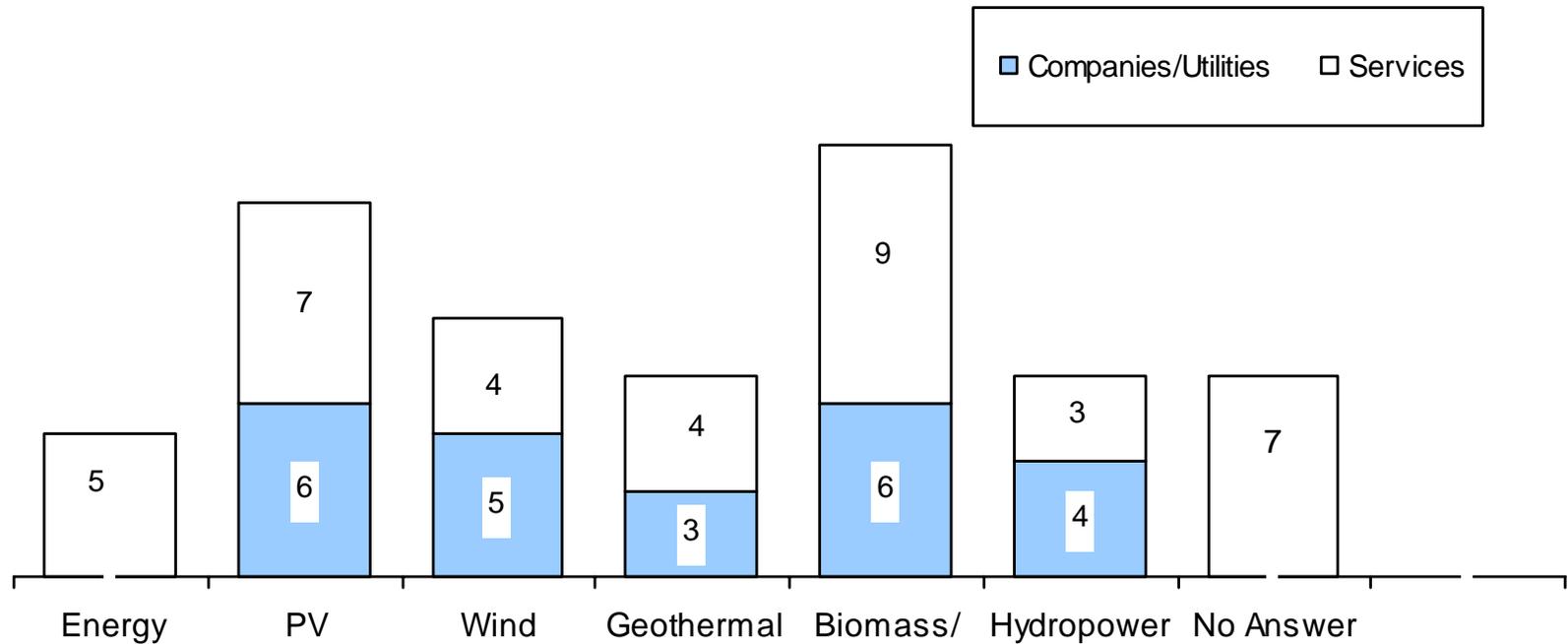
# Response N=70 broken down according to stakeholder



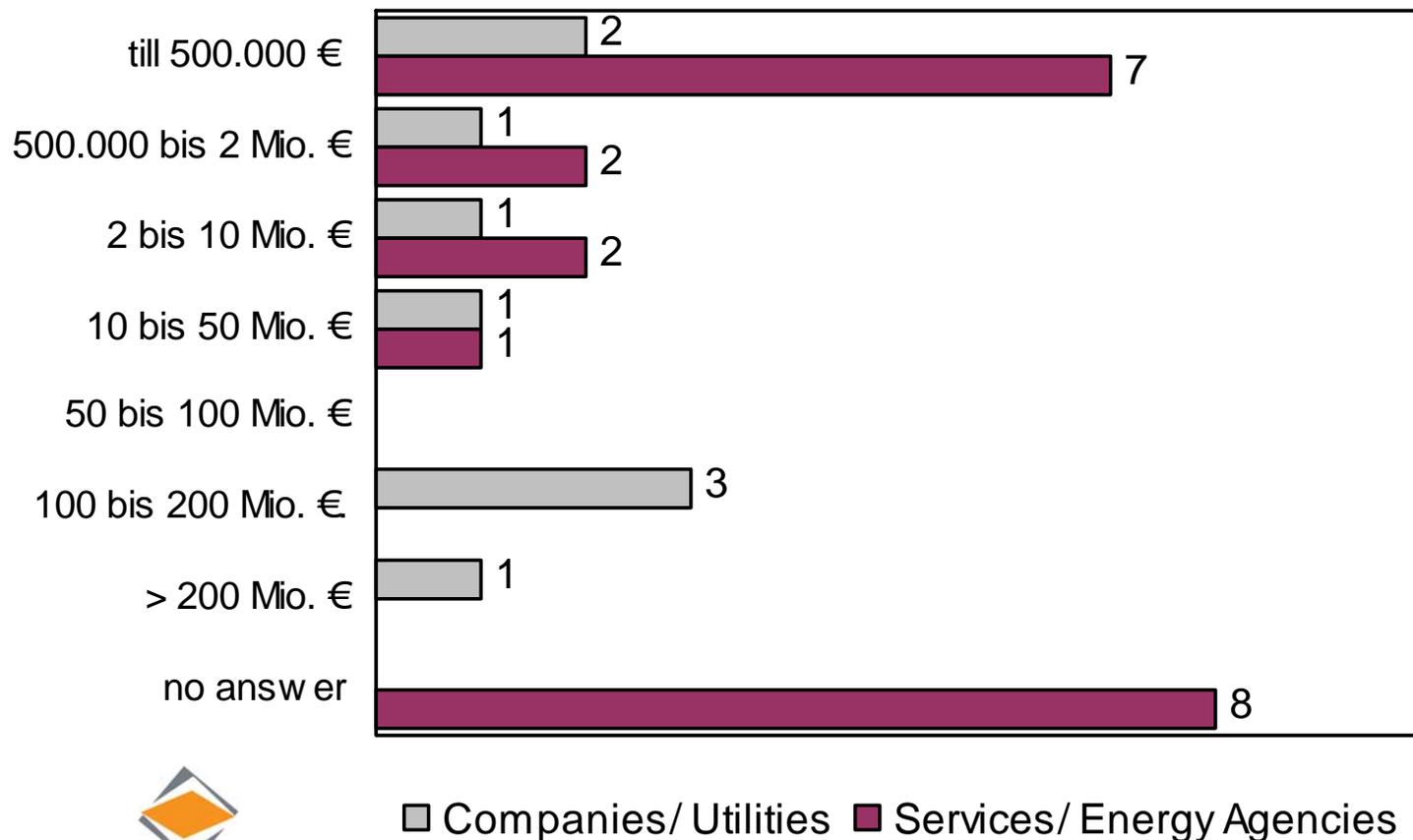
# Breakdown of the responding 28 companies and services according to the RES branches (by multiple answers )



# Question 1.2: Response of the 28 companies and services according to the RES branch (by multiple answer)



# Question 1.3 : Turnover of the companies/ services in the RES field

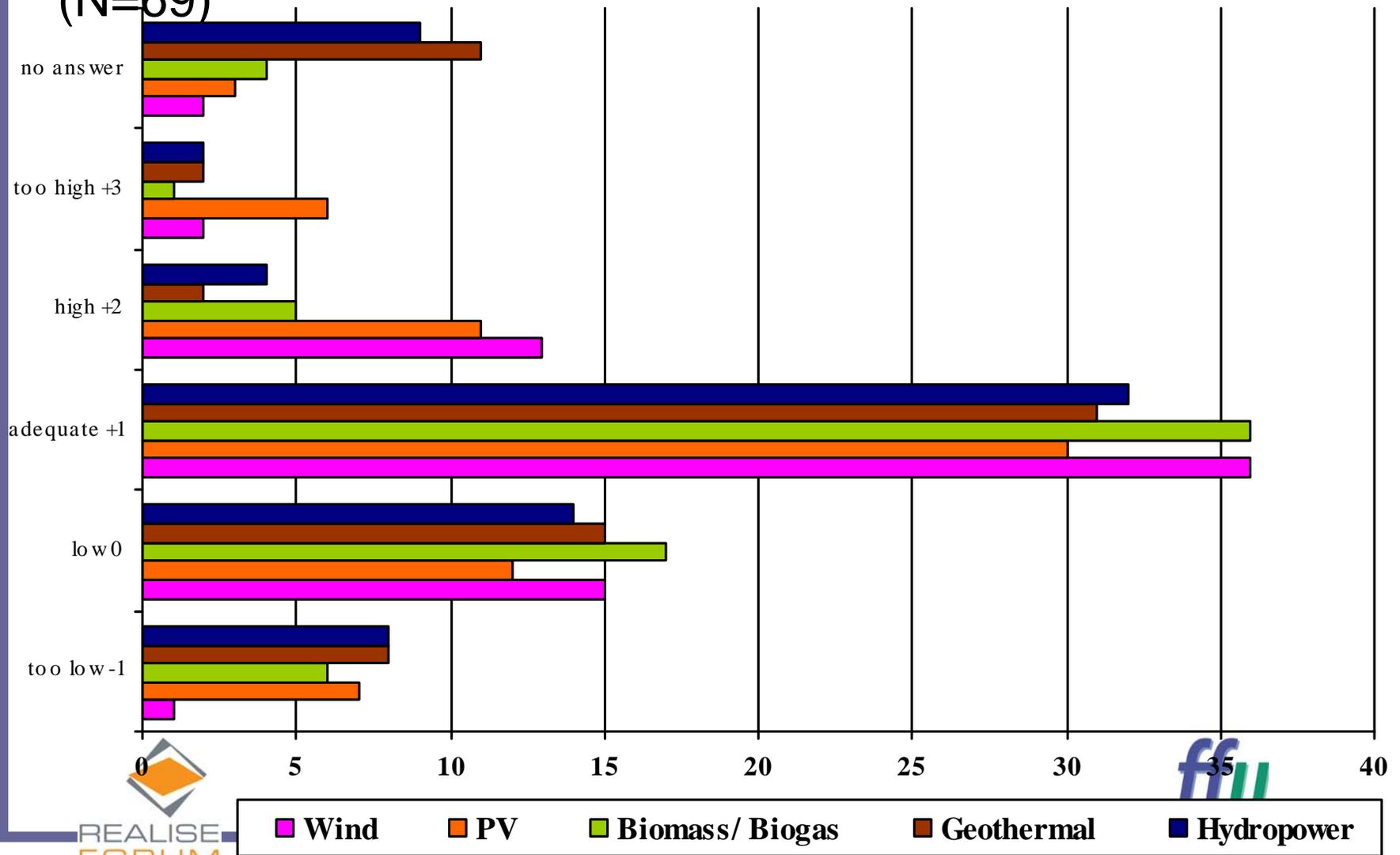


# Adequacy of the present support scheme

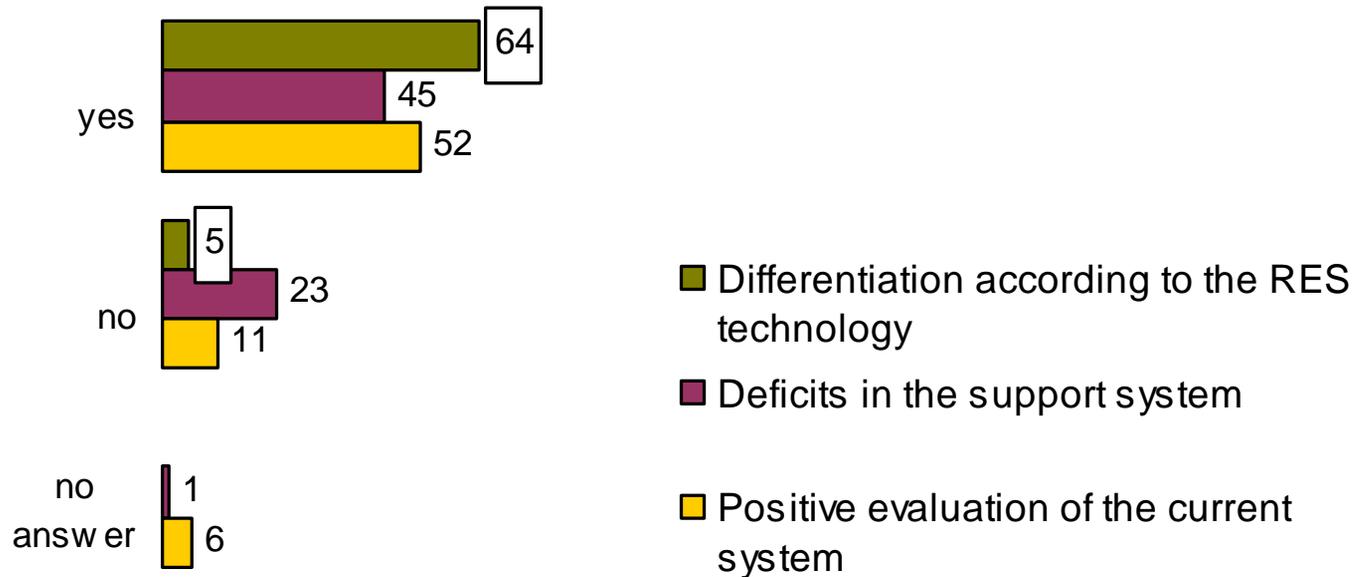
- The answers to the question concerning the level of remuneration in the RES Law (EEG) for the individual RES technologies stressed the adequacy of the present level of support.
- The present remuneration rates were believed to be appropriate by a large majority.
- Around 11 % of the respondents considered the support for PV excessive. By contrast the support for biomass and biogas was considered by approximately 24 % of the respondents as low.



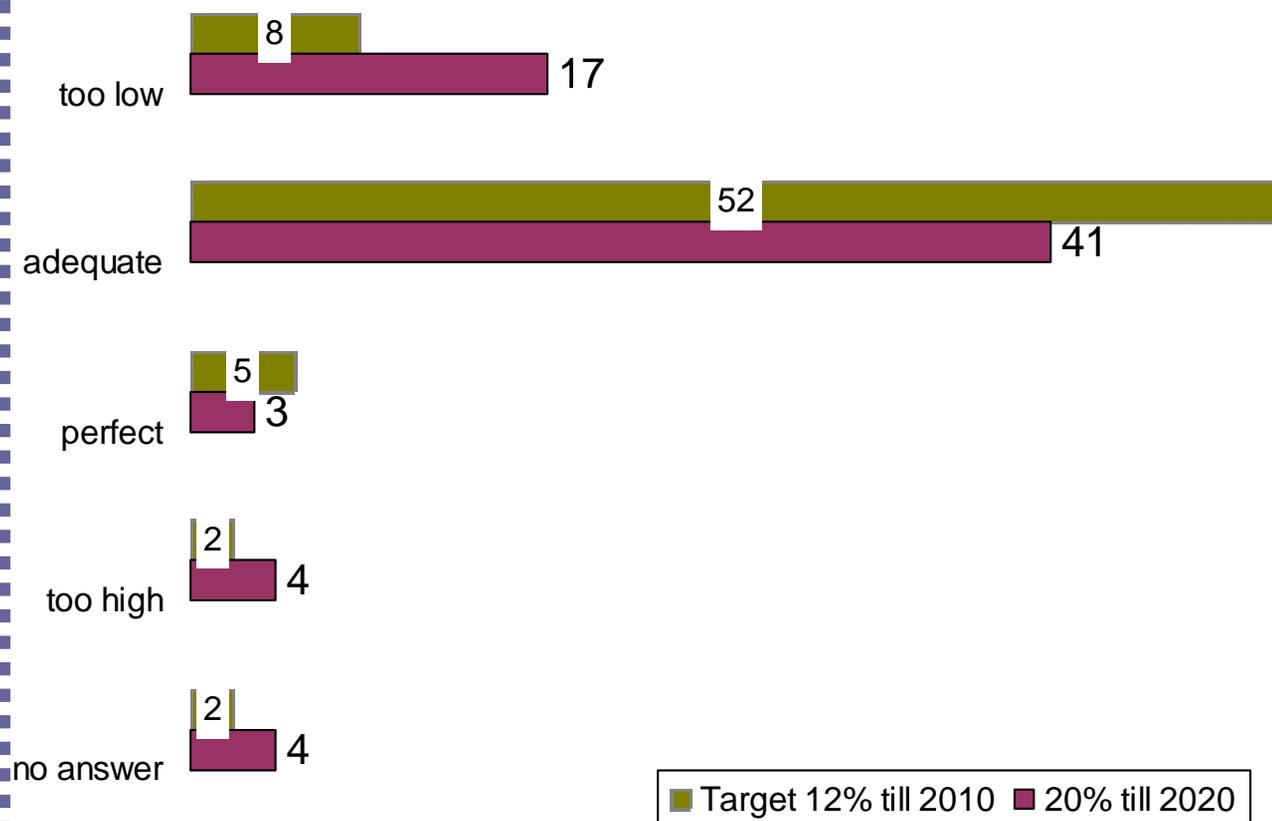
# Question 2.2: Evaluation of the remuneration in the RES Law (EEG) for the individual RES technologies (N=69)



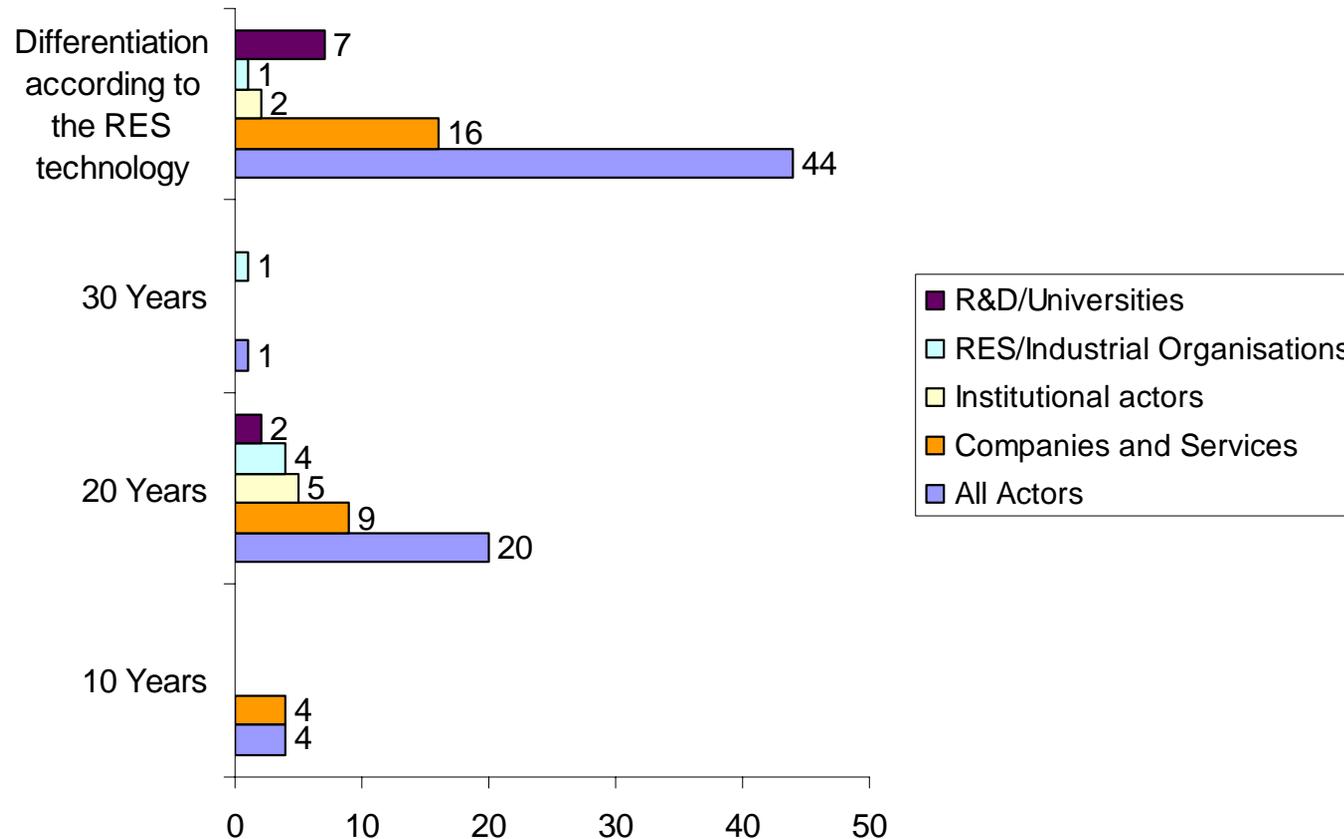
# Questions 2.1- 2.4: Evaluation of the German Support System



## Question 2.7: Evaluation of the RES targets (as set in the RES-Law) for 2010 and 2020



## Question 2.6: Evaluation of the length of the support period (broken down according to actor groups)

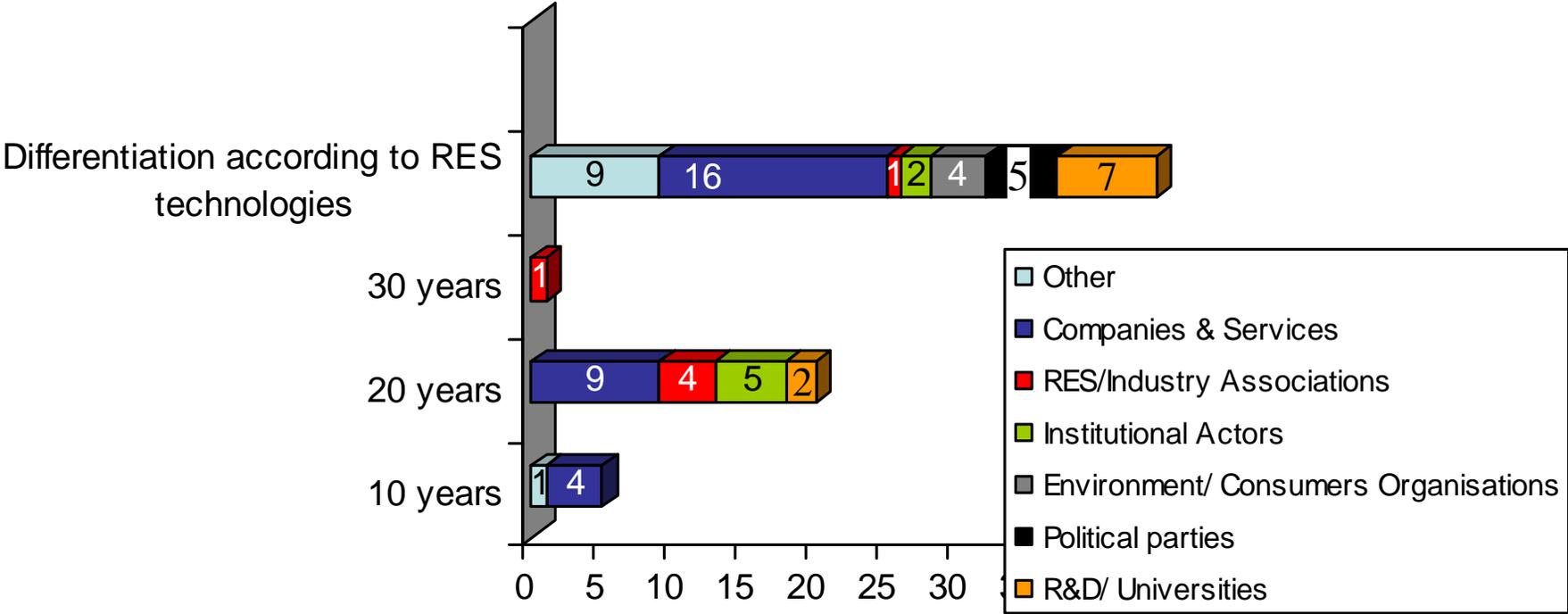


# Duration of support period

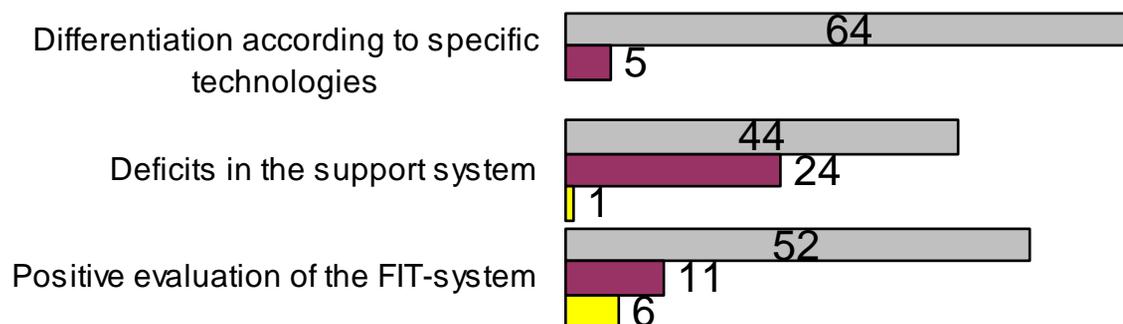
- The assessment of the appropriateness of the support period confirmed the opinion of the German Desk that it is difficult to give broad-spectrum answers and that it is necessary to differentiate according to the different technologies.
- Various respondents regarded a 20 years support for wind power as excessive.
- On the contrary, hydropower and PV were assumed to necessitate longer support time.



# Question 2.6: Evaluation of the support period



## Questions 2.3 - 2.5: General evaluation of the RES-Law (EEG) and support system



□ yes

■ no

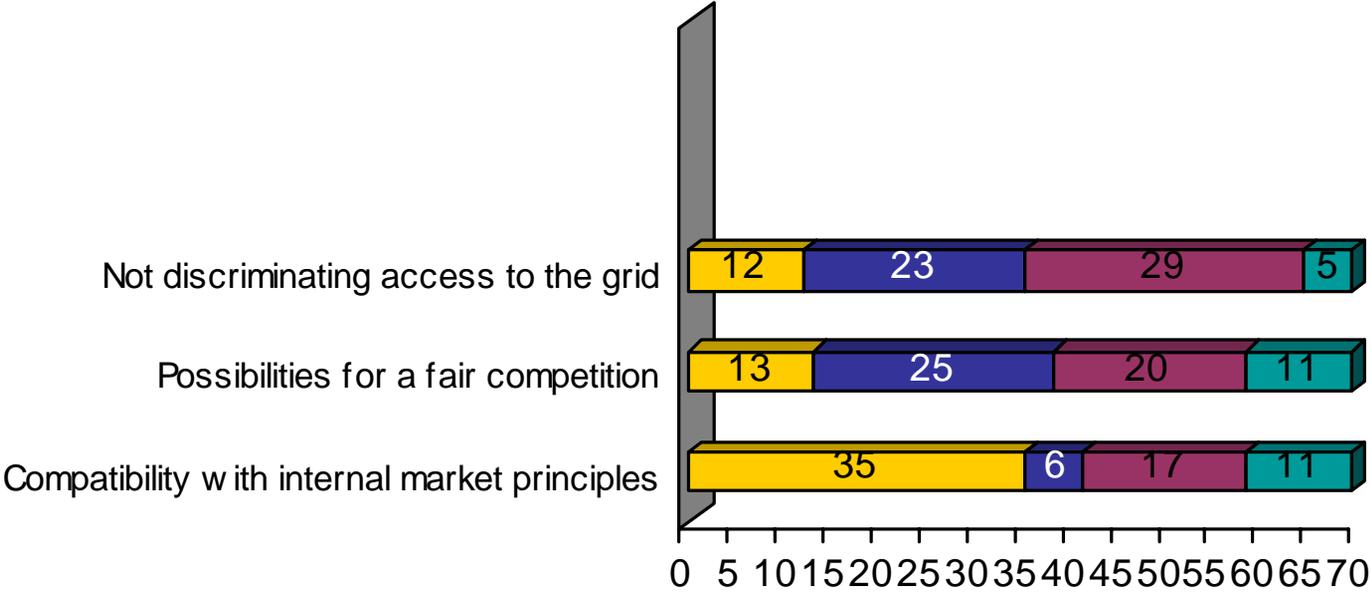
■ no answer



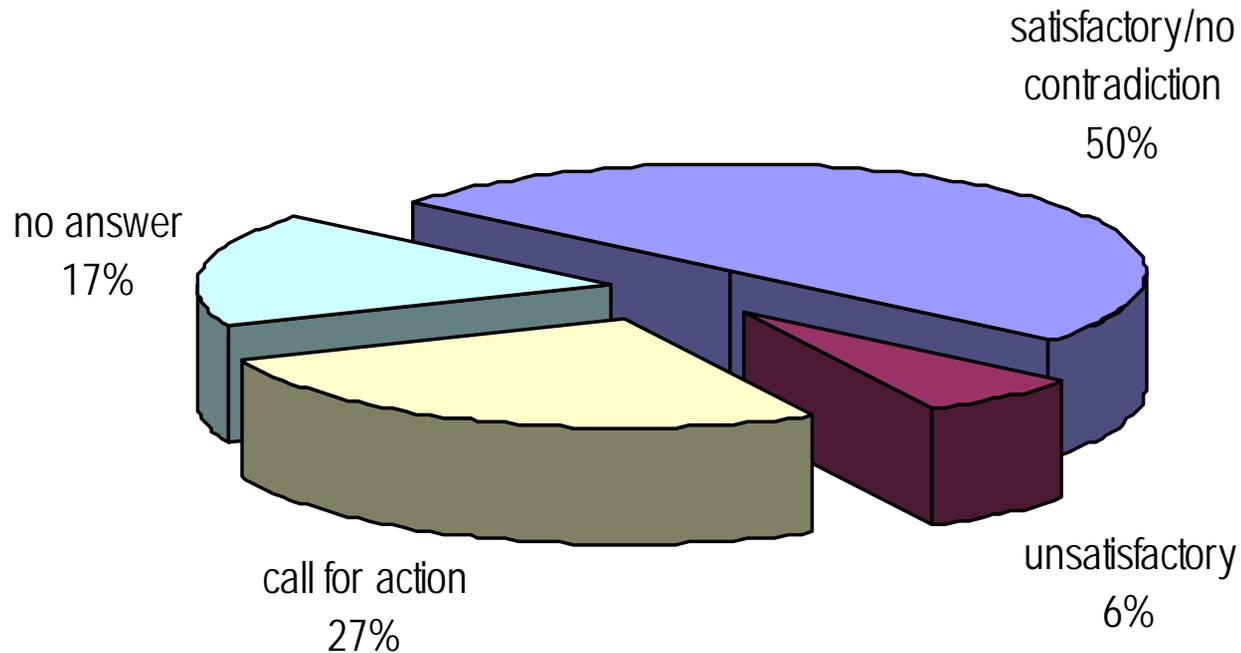
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# Questions 3.1- 3.3: The European Dimension



# Question 3.1: Die European Dimension. Conformity of the German support system with the liberalised electricity internal market (%)

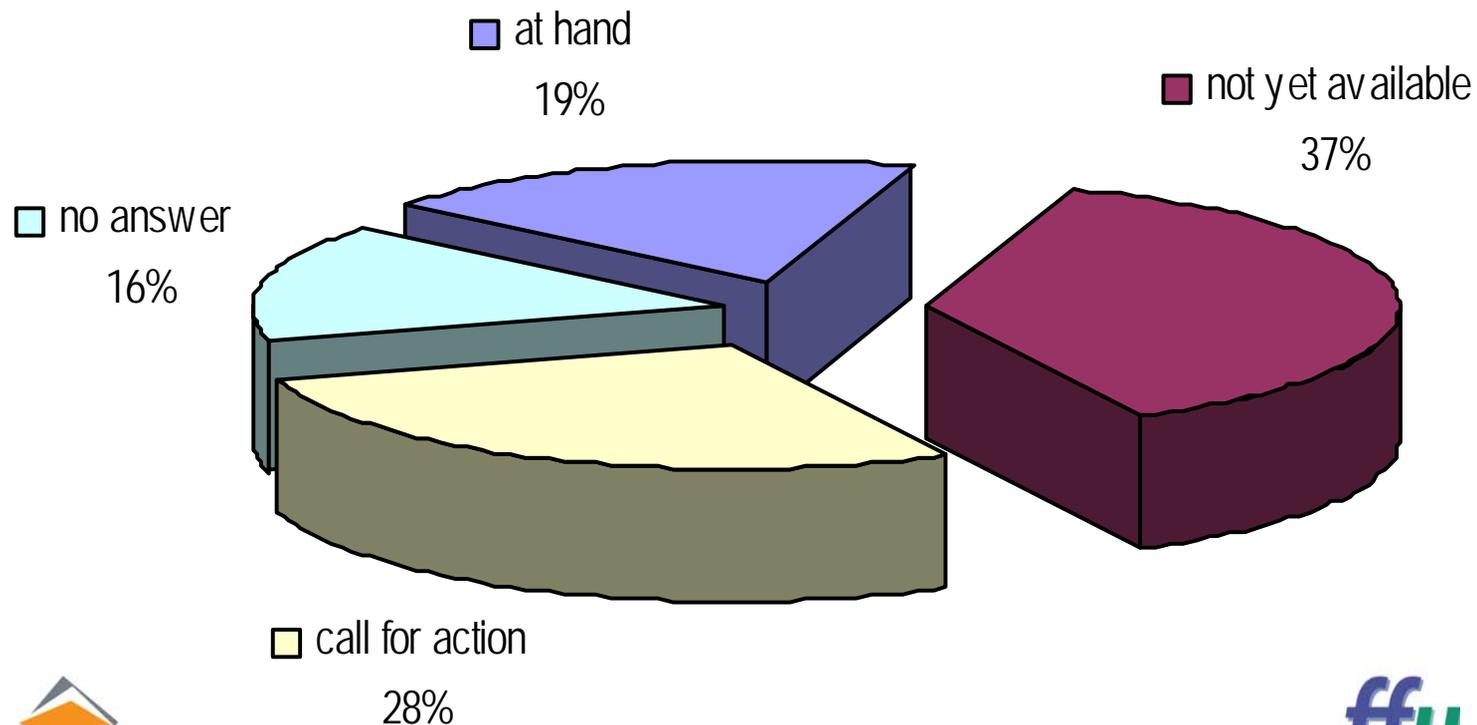


# Liberalisation and RES

- By the evaluation of the compatibility of the support system around 50% of the responses considered the German scheme in line with liberalisation principles.
- RES organisations stressed the position purported by their European umbrella organisations considering effective competition in the conventional power market as a precondition for creating an undistorted and well-functioning market for RES-E.
- It was remarked that unless the current distortions in the internal electricity market are overcome, there can be no effective internal RES-E market.



## Question 3.2: Evaluation of the possibilities for a fair competition in the internal electricity market

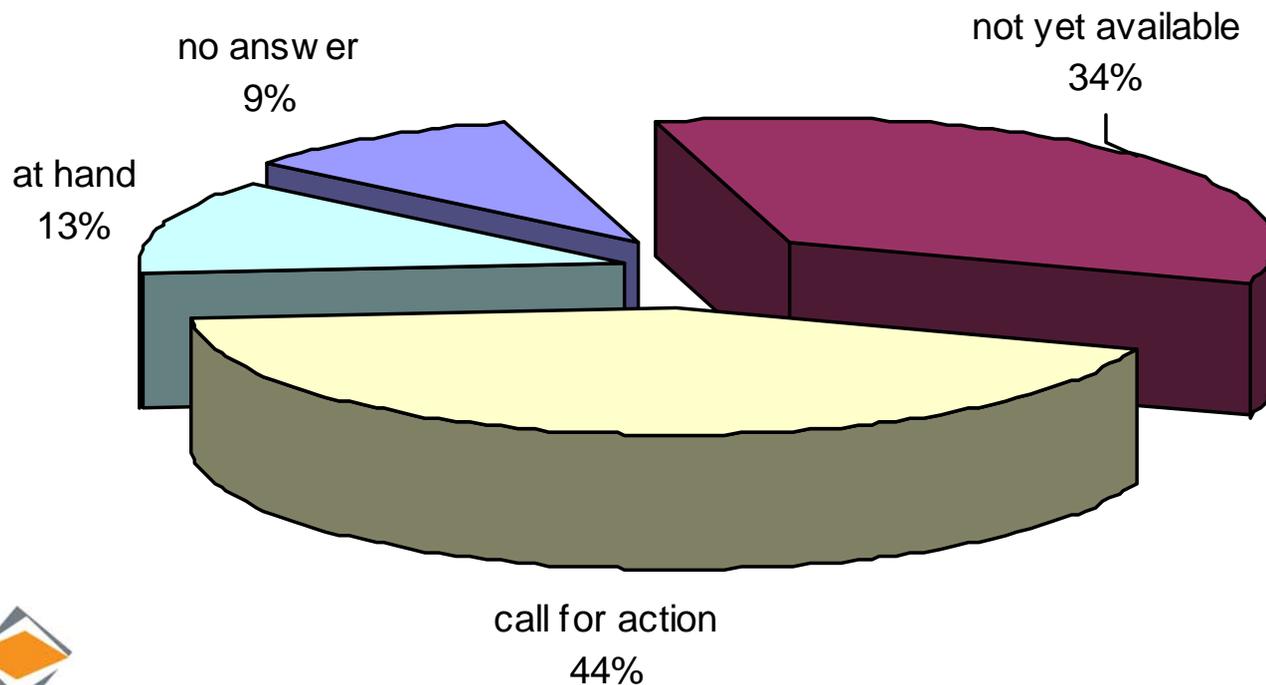


# Assessment of the possibilities for a fair competition in the internal electricity market

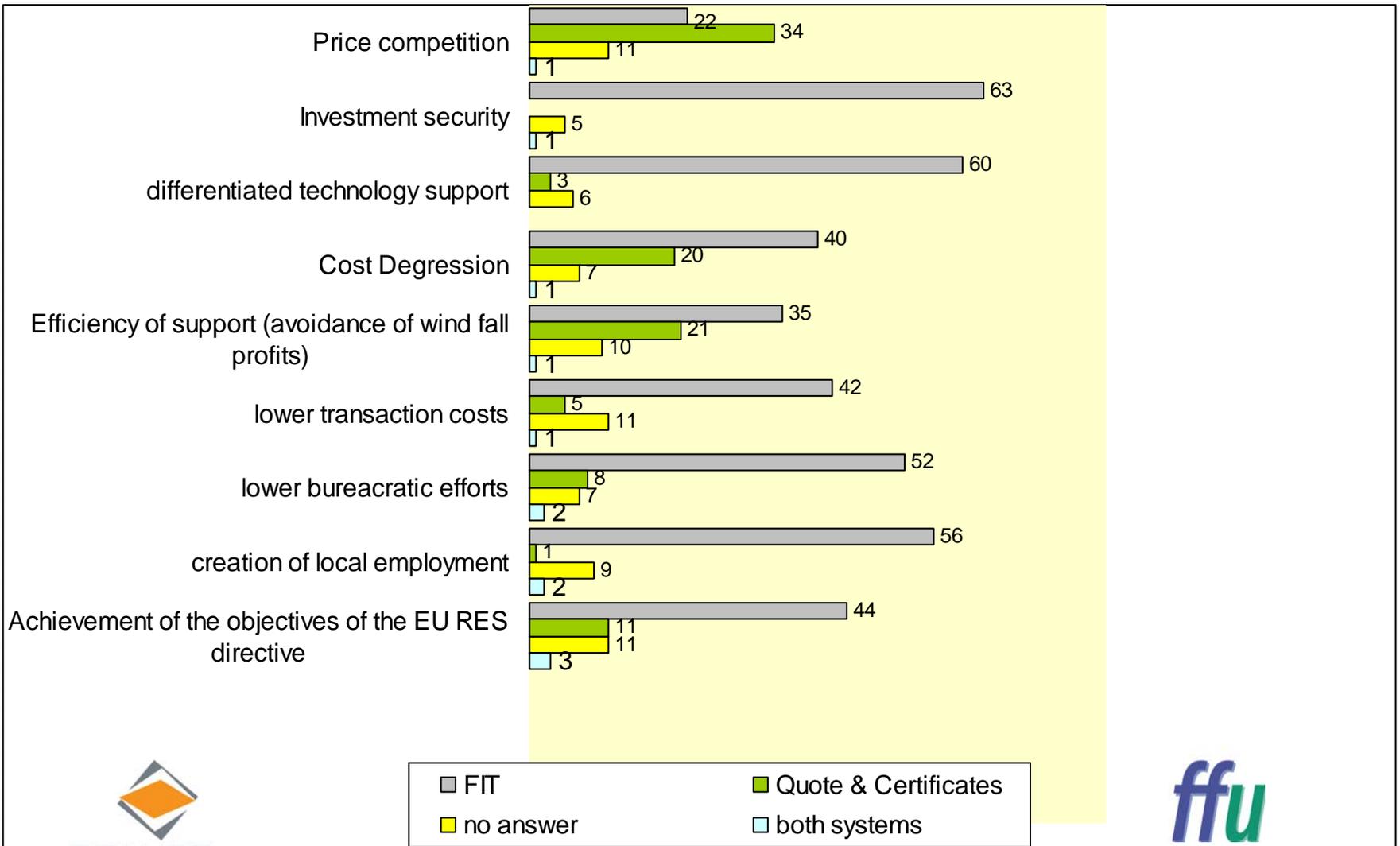
- By the evaluation of the possibilities for a fair competition in the internal electricity market, the majority of respondents saw large deficits and a need for corrective action.
- Some actors from the conventional power sector and research institutes called for more competition in the European market for renewable electricity.
- It was remarked that unless the current distortions in the internal electricity market are overcome, there can be no effective internal RES-E market.
- There has been a general call for action especially in unbundling the major utilities.
- Investments need to be carried out in order to guarantee grids enforcement, interconnection and an adequate level of capacity and infrastructure



### Question 3.3: Evaluation of the possibilities for a not discriminating access to the grid (%)



# Question 3.5: Evaluation of the competitiveness of the FIT-scheme vs quotas and certificates



# Evaluation of the competitiveness of the FIT-model vs. quotas and certificates (Q&C)

- A small fraction of respondents advocated a change to a novel system based on Q&C.
- The main grounds 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 for electricity.
- The majority of respondents ranked FIT systems better than Q&C with respect to all categories, except price competition.
- The pre-eminence of the FIT system is also explained with the geographical spread of this instrument: 16 out of 25 Member States have opted for FIT systems.
- The Q&C opponent front was very wide and, though most of them recognised that is inappropriate to generalise the performance of quota systems before they have reached maturity, their position ranges from sceptical to very critical.



# Perceived need for a harmonised RES- support scheme

- German stakeholders did not endorse harmonisation on account of preservation of established and favourable domestic support conditions.
- Yet approximately 29 % of the interviewed stakeholders stressed the importance for a harmonised support system across the EU and favoured the convergence of the national systems to promote RES.
- This was a somehow composite front comprising almost all stakeholder groups. The majority of respondents of the survey agreed that harmonisation of policies across the EU is not yet necessary.
- They endorsed the position of Commissioner Piebalgs that it is premature to propose a harmonised European support scheme.
- Approximately 14 % of the respondents gave two answers, thus conceding that whilst competing national schemes could be seen as the best solution, on the short and medium term a coordination of the existing systems is necessary.

# Question 3.6: Harmonisation vs. Coordination (%)

