

Consultation on Fitness Check of State Aid Rules & Targeted Consultation for the Evaluation of the Guidelines on State aid for Environmental protection & Energy 2014-2020 (EEAG)

A Eurelectric response paper

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.

Dépôt légal: D/2019/12.105/20

WG Wholesale Design & Investment Frameworks

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July 2019

KEY MESSAGES

Eurelectric welcomes the opportunity given by the European Commission to comment on the fitness check of EU State aid rules and on the targeted consultation on the Guidelines on State aid for environmental protection and energy (EEAG). Several key items should be taken into account:

- A meaningful carbon price signal: The achievement of a meaningful carbon price signal through the EU ETS which can drive cost-effective greenhouse gas emission reductions in the EU in line with its Paris Agreement commitments is crucial to enable a market-driven development of decarbonisation solutions. Highly CAPEX-intensive investment need long-term price signals as well as visibility on the long-term CO₂ price.
- Changing markets require attention: The energy market is changing rapidly. It is therefore vital that the EEAG is fit for purpose in relation to market developments and technological changes in the energy sector (e.g. storage, hydrogen, power-to-x and smart energy technologies). This should form a central part of the formal review and potential revisions as Member States develop their plans to ensure that they can deliver on their energy and climate ambitions.
- Coherence with the CEP: The guidelines in place should be in line with the recently adopted Clean Energy Package (CEP) provisions. The CEP marks a significant step towards decarbonisation by setting ambitious binding target of at least 32% for renewable energy and a non-binding target of at least 32.5% energy efficiency by 2030. The market design part of the package puts in place a more competitive and flexible electricity market adapted to the new realities, which will help integrate a greater share of renewable that should represent 80% of the electricity generation to achieve at least 90% decarbonisation by 2050. For instance, the CEP sets up more detailed rules for the allocation of financial support for RES, if needed, and a clearer framework for the implementation of capacity mechanisms.
- The current framework works well: In combination with the CEP, Eurelectric's view is that generally the EEAG work sufficiently well as a means of ensuring that national policies are proportionate, well-designed, facilitating common energy and climate goals, whilst avoiding distortion of the internal market. There are numerous schemes across Europe which have undergone rigorous scrutiny under the state aid review process and the guidelines have been helpful.
- Consider different starting points of European countries. In some regions affected by structural changes, Member States will need to put more effort for changing their generation mix to achieve the European decarbonisation goals. Thus, we will need to differentiate aid intensities and eligibility criteria for Member States in need for transition to low carbon generation.

Fitness check of State Aid Rules

Fields marked with * are mandatory.

Introduction

The modernisation of state aid rules launched by the Commission in 2012 had three main, closely linked objectives: 1) Foster growth in a strengthened, dynamic and competitive internal market; 2) Focus enforcement on cases with the biggest impact on the internal market; 3) Streamlined rules and faster decisions. In view of these objectives, since 2013 the Commission has revised a number of State aid rules. The aim of this Fitness check is to evaluate whether the State aid rules remain fit for purpose and whether they have contributed to achieving the EU 2020 policy objectives.

The Fitness check will cover the General Block Exemption Regulation, De Minimis Regulation, Regional Aid Guidelines, Research, Development and Innovation Framework, Important Projects of Common European Interest Communication, Risk Finance Guidelines, Airport and Aviation Guidelines, Energy and Environmental Aid Guidelines, Rescue and Restructuring Guidelines but also the Railways Guidelines as well as the Short Term Export Credit Communication (the two latter were not included in the 2012 State aid modernisation package).

The purpose of this consultation is to collect your views to assess the effectiveness, efficiency, coherence, relevance and EU added-value of the State aid rules subject to the current Fitness check.

A summary report of the public consultation will also be published in Q3 2019 on the European Commission's public consultations page of the (https://ec.europa.eu/info/law/better-regulation/have-your-say_en).

About you

Please provide your contact details below.

* Language of my contribution

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- Gaelic
- German
- Greek
- Hungarian

- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

* First name

Helene

* Surname

LAVRAY

* I am giving my contribution as

- Academic/research institution
- Business association
- Company/business organisation
- Consumer organisation
- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)
- Public authority
- Trade union
- Other

* Organisation name

255 character(s) maximum

Eurelectric

* Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

Transparency register number

255 character(s) maximum

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

4271427696-87

* Country of origin

Please add your country of origin, or that of your organisation.

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| <input type="radio"/> Andorra | <input type="radio"/> El Salvador | <input type="radio"/> Madagascar | <input type="radio"/> Saudi Arabia |
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- Bolivia
- Bonaire Saint Eustatius and Saba
- Bosnia and Herzegovina
- Botswana
- Bouvet Island
- Brazil
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Bulgaria

- Burkina Faso
- Burundi
- Cambodia

- Cameroon
- Canada
- Cape Verde
- Cayman Islands

- Central African Republic
- Chad
- Chile

- China

- Christmas Island
- Clipperton
- Cocos (Keeling) Islands

- Colombia
- Comoros

- Congo
- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba

- Grenada
- Guadeloupe

- Guam

- Guatemala
- Guernsey
- Guinea
- Guinea-Bissau

- Guyana

- Haiti
- Heard Island and McDonald Islands

- Honduras
- Hong Kong
- Hungary

- Iceland
- India
- Indonesia
- Iran

- Iraq

- Ireland
- Isle of Man

- Israel

- Italy

- Jamaica
- Japan

- Jersey
- Jordan

- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan

- Namibia
- Nauru

- Nepal

- Netherlands
- New Caledonia
- New Zealand
- Nicaragua

- Niger

- Nigeria
- Niue

- Norfolk Island
- North Korea
- Northern Mariana Islands
- Norway
- Oman
- Pakistan
- Palau

- Palestine

- Panama
- Papua New Guinea
- Paraguay

- Peru

- Philippines
- Pitcairn Islands

- Poland
- Portugal

- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda

- Sweden
- Switzerland

- Syria

- Taiwan
- Tajikistan
- Tanzania
- Thailand

- The Gambia

- Timor-Leste
- Togo

- Tokelau
- Tonga
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan
- Turks and Caicos Islands
- Tuvalu

- Uganda
- Ukraine

- United Arab Emirates
- United Kingdom
- United States
- United States Minor Outlying Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
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| <input type="radio"/> Cyprus | <input type="radio"/> Latvia | <input type="radio"/> Saint Helena Ascension and Tristan da Cunha | <input type="radio"/> Western Sahara |
| <input type="radio"/> Czechia | <input type="radio"/> Lebanon | <input type="radio"/> Saint Kitts and Nevis | <input type="radio"/> Yemen |
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| <input type="radio"/> Denmark | <input type="radio"/> Liberia | <input type="radio"/> Saint Martin | <input type="radio"/> Zimbabwe |

* Email (this won't be published)

hlavray@eurelectric.org

Please describe the main activities of your company/organisation/association, if applicable.

The mission of Eurelectric, the European electricity industry association, is to contribute to the development and competitiveness of the electricity industry and to promote the role of electricity in the advancement of society.

As a centre of strategic expertise, Eurelectric undertakes in-depth and specialised research into the market place, technologies and legislation to assist its Members in formulating common solutions and in conducting the necessary actions.

* Please describe the relevance of State aid rules for you:

The vision of the European power sector is to enable and sustain a vibrant competitive European economy, reliably powered by clean, carbon-neutral energy as well as a smart, energy efficient and truly sustainable society for all citizens of Europe. Moving rapidly towards a fully competitive and integrated wholesale market is of paramount importance to reach our sector's commitment to become carbon-neutral well before 2050 and attain the objectives of the Paris agreement. Many crucial decisions for the electricity sector have been adopted, most notably on the basis of the EEAG 2014 (capacity mechanisms, renewables, cross-border capacity, regulated prices). The recently adopted Clean Energy Package provides a clear regulatory framework until 2030 and it is important that the state aid framework is aligned to ensure clear investment signals.

* How would you best describe the nature of your understanding and involvement in matters related to State aid rules?

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector and relies on a structure of expertise bringing together experts from national electricity trade associations and companies across Europe. It ensures that Eurelectric is in a position to provide expert input into the crucial developments impacting the power sector on the basis of state aid rules, most notably the EEAG 2014 (capacity mechanisms, renewables, cross-border capacity, regulated prices), as we have done over the years.

* Publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

Anonymous

Only your type, country of origin and contribution will be published. All other personal details (name, organisation name and size, transparency register number) will not be published.

Public

Your personal details (name, organisation name and size, transparency register number, country of origin) will be published with your contribution.

I agree with the [personal data protection provisions](#)

Effectiveness

Have the objectives been met?

In this section, we would like to have your opinion on the extent to which the State aid rules subject to the current Fitness check met their objectives.

1. Based on your experience, has the State aid modernisation package led to clearer rules?

	Yes	Partially	No	I do not know	These rules are not relevant for me
* General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* De Minimis Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Regional Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Research Development Innovation Framework	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Important Projects of Common European Interest Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Risk Finance Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Airport and Aviation Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Energy and Environmental Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rescue and Restructuring Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Railways Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Short Term Export Credit Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

1.1. Please explain especially where you answered no or partially and please reference the rules in question:

5000 character(s) maximum

Guidelines under consultation have been in place for a number of years and may not be fully aligned with recent developments in the energy field.

EEAG:

- The energy market is changing rapidly and it is therefore vital that the EEAG is fit for purpose in relation to market developments and or technological changes in the energy sector (e.g. storage, hydrogen, power-to-x and smart energy technologies). This should form a central part of the formal review and potential revisions when it will be clearer what Member States plan to do to ensure that they can deliver on their 2030 and 2050 energy and climate ambitions.
- There is no information about the implementation of Art. 10c derogation and the Modernisation Fund (Art. 10d) introduced in EU ETS Directive.
- The eligible costs calculation methodology is still too complicated and does not cover all technologies.

GBER:

Generally when a project qualifies to several State aid measures, for which the European Commission has defined the eligibility criteria, the beneficiary may choose the most advantageous one. This is not applicable in case of heat networks that may be supported only under art. 46 but not under art. 38, which gives the beneficiary more flexibility.

De minimis Regulation:

The maximum threshold is too low taking into account the pace of market development. Moreover, the threshold is applicable to all undertakings being part of a group. In conjunction with limiting the accumulation of de minimis aid only to that granted in particular Member States (de minimis registers in Member States are not interconnected with each other and it is not possible to verify the value of de minimis aid already paid to particular beneficiary in another Member State), capital groups with several units in one Member State are treated in a more restrictive way than worldwide capital groups with units in several Member States (several de minimis thresholds to benefit from).

RAG:

The ineligibility of the energy sector is understood as having a general character and affecting all assets of energy undertakings, including those of a general-purpose application, e.g. IT resources or waste management that can provide services also outside of the energy sector.

1.2. Which specific areas still remain unclear / could be clarified to improve the implementation?

3000 character(s) maximum

EEAG: see answer to the dedicated EEAG consultation.

2. Based on your experience, did the factors below facilitate the compliance with the State aid rules by the Member States?

	Yes	Partially	No			These rules are not

				I do not know	relevant for me
* Clear definition of the scope of the rules by excluding sectors or types of aid and clear definitions of those sectors and types of aid that are excluded	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Clear definition of the scope of the rules by explaining the overlaps between the different rules	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Common principles to assess the compatibility of the State aid measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Clear rules to identify the need for State intervention	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Clear rules to identify the incentive effect of the aid measure	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Clear rules to ensure that the aid is limited to the minimum necessary	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Clear rules to identify the distortive effects of the aid measure	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Publication of aid awards above EUR 500,000 on a public webpage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Evaluation of novel or large schemes with budgets above EUR 150 million	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Clear and simplified definition of a company in difficulty	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Simplified rules for projects that are financed with EU funds (including structural funds)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Simplified rules for SMEs	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2.1. Please explain especially where you answered no or partially and please reference the rules in question

5000 character(s) maximum

Overlaps between different rules – regulations on structural funds require the selection of the contractors in tenders according to public procurement rules which incentivize the tenderers to raise their prices. Moreover there is a difference between the definition of start of works for the purpose of public procurement needs and State aid compatibility.

2.2. Please mention any other factors that led EU Member States to being more compliant with the State aid rules:

3000 character(s) maximum

* 3. Based on your experience, since 2014 has the Commission focused its scrutiny on cases having a significant impact on the internal market?

3.1. For the State aid modernisation as a whole

- Yes
- Partially
- No
- I do not know

3.1.1. Please explain:

3000 character(s) maximum

More efforts need to be concentrated on the energy transition, especially in the case of coal-dependent Member States: in some regions affected by structural changes, Member States will need to put more effort for changing their generation mix to achieve the European decarbonisation goals.

3.2. Have the scope and notification thresholds for the following types of aids allowed the Commission to focus its scrutiny on cases with a significant impact on the internal market?

	Yes	Partially	No	I do not know	These rules are not relevant for me
* Scope and amounts under the De minimis Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Scope and notification thresholds under the General Block Exemption Regulation (in general)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Scope and notification triggers for aid for regional development in assisted areas	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Scope and notification thresholds for aid for research, development, innovation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Scope and notification thresholds for aid for SME access to finance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Scope and notification thresholds for aid for airports and aviation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Scope and notification thresholds for aid for energy and environmental protection	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Scope for aid for Important projects of common European interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Scope for aid for rescue and restructuring firms in difficulty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Scope for aid for railways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>



3.2.1. Please explain especially where you answered no or partially and please reference the rules in question:

5000 character(s) maximum

De minimis threshold should be augmented at least by 50% due to the pace of market development, including inflation rates.

4. Based on your experience, have the State aid rules reduced the risk of subsidy races in the EU? For example, by setting maximum ceilings for public support, by laying down the conditions at EU level to grant public support, or by increasing the transparency of public support.

	Yes	Partially	No	I do not know	These rules are not relevant for me
Rules for the categories of aid covered by the General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rules for De minimis aid	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rules for aid for development in assisted areas	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rules for aid for research, development, innovation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rules for aid for important projects of common European interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Rules for aid for access to finance for SMEs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Rules for aid for airports and aviation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Rules for aid for energy and environmental protection	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rules for rescue and restructuring aid	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Rules for aid for railway and coordination of transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Rules for aid for short term export credit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

4.1. Please explain especially where you answered no or partially and please reference the rules in question

5000 character(s) maximum

In general, each of the aspects mentioned (thresholds, general provisions, transparency) contributes to the effectiveness of EU state aid law and reduces the risk of a subsidy race.

It is crucial for the new guidelines to provide new technological developments and energy markets with a clear but sufficiently flexible framework.

See dedicated answer to EEAG consultation.

5. Based on your experience, to what extent have the State aid rules achieved the objectives listed below while maintaining a competitive internal market?

5.1 Rules for lower amounts of aid under GBER

5.1.1 Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Simplification of rules	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.1.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.2. Rules for De minimis aid

5.2.1 Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Simplification	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.2.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.3. Development of disadvantaged areas in the EU

5.3.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allow for the development of disadvantaged areas in the EU	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.3.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.4. Research, development and innovation

5.4.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allow for more research, development and innovation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.4.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.5. Important Projects of Common European Interest

5.5.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Facilitate important projects of common European interest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.5.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.6. Access to finance for SMEs

5.6.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Facilitate the access to finance for SMEs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.6.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.7. Connectivity between regions by using air transport

5.7.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allowing connectivity between regions by using air transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.7.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.8. Clean and secure supply of energy and increased environmental protection

5.8.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allow for clean and secure supply of energy	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

* Allow for increased environmental protection	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.8.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

The EEAG have given Member States sufficient flexibility to implement the national structured support mechanisms for promotion of renewable energies but at the same time have led to a certain degree of convergence of national schemes which is welcomed. They have thus made a contribution to improving the climate balance of the energy supply. See answer to dedicated EEAG consultation.

5.9. Rescue and restructure ailing companies under specific conditions

5.9.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allow to rescue and restructure ailing companies under specific conditions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.9.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.10. Companies in difficulty by setting correct definition criteria

5.10.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Identify companies in difficulty by setting correct definition criteria	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.10.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

Assessment of difficulty parameters should relate to the data of a particular company and not the economic unit (such as capital group) as a whole.

5.11. Railways sector

5.11.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Stimulate the railways sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.11.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.12. Short term export credit insurances in non- marketable countries

5.12.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Allow for short term export credit insurances in non- marketable countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

5.12.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

5.13. Simplify State aid rules for projects funded from EU funds (structural funds)

5.13.1. Objectives

	To a large extent	To some extent only	Not at all	I do not know
* Simplification	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Maintaining a competitive internal market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.13.2. What are the obstacles to achieving the objectives?

3000 character(s) maximum

We found no simplification of rules in comparison to previous financial perspectives.
Several structural funds obligations make it more difficult to apply for support constituting State aid.

6. Based on your experience, have the State aid modernisation or the State aid rules under evaluation had any positive or negative impacts that were not expected or not intended? Please explain and reference the rules in question.

5000 character(s) maximum

Negative:
Excluding heating networks not meeting the efficient system criterion from eligibility for aid for district heating and energy efficiency makes it almost impossible to upgrade the heating networks which in the short-term cannot meet the efficient system criterion, mostly in less developed regions. There are no other measures to support investments in limiting the primary fuel consumption.

7. Since mid-2016, the details of all individual State aid awards above EUR 500,000 are published on a public website.

7.1. Did the publication of individual awards above EUR 500,000 contribute to reaching the following objectives?

	To a large extent	To some extent only	Not at all	I do not know
* To promote accountability and enable citizens to be better informed about public policies and spending	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* To enable companies to check whether legal aid was granted to competitors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* To reduce the administrative burden of Member States as regards reporting to the Commission State aid expenditure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

7.1.1. Please explain:

3000 character(s) maximum

* 7.2. Is the EUR 500,000 threshold appropriate to achieve the desired objectives listed above?

- Yes
- No, it is too high
- No, it is too low
- I do not know / no opinion

7.2.1. Please explain:

3000 character(s) maximum

* 8. Since mid-2014, the largest (annual average budget above EUR 150 million) State aid schemes are subject to ex-post evaluation studies to assess their effectiveness. Do you think that this threshold is appropriate?

- Yes
- No, it is too high
- No, it is too low
- I do not know / no opinion

8.1. Please explain:

3000 character(s) maximum

It should be precisely defined whether the threshold is applicable to the value of aid to be granted in the particular year or to be paid.

Efficiency

Were the costs involved proportionate to the benefits?

In this section, we would like to have your view concerning the efficiency of the State aid rules analysed under the Fitness check. Were the costs involved in complying with the State aid rules proportionate to the benefits of having such rules?

9. Based on your experience, to what extent have the following State aid rules ensured efficient State expenditure?

	To a large extent	To some extent only	Not at all	I do not know	These rules are not relevant for me
* General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* De Minimis Regulation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Regional Aid Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Research Development Innovation Framework	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Important Projects of Common European Interest Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Risk Finance Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Airport and Aviation Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

* Energy and Environmental Aid Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Rescue and Restructuring Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Railways Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Short Term Export Credit Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

9.1. Please explain especially where you answered not at all or to some extent and reference the respective rules:

5000 character(s) maximum

As regards the admissibility test for energy efficiency aid, the GBER has not led to effective State expenditure. The considerable bureaucratic burden of the obligation to provide evidence for measures that go beyond what is required by law, as well as the proportion to be replaced, means that the application for subsidies is largely impracticable.

10. Based on your experience, have the State aid rules subject to the current Fitness check reduced the administrative burden compared to the State aid rules in force before the State aid modernisation?

	Yes	Partially	No	I do not know	This question is not relevant for me
* For the public authorities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* For the beneficiaries	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

10.1. Please explain especially where you answered not at all or to some extent and reference the respective rules:

5000 character(s) maximum

Partial reduction in the administrative burden caused by EEAG can be observed, even if the State aid rules have tended to complicate national legislation. Indeed, the main burden is placed on companies subject to those standards (for instance see answer to Q9.1).

Please refer also to Q1, Q 3.2.1 and Q6.

Relevance

Is EU action still necessary?

In this section, we would like to understand if the State aid rules analysed under the Fitness check are still relevant considering the changes in EU priorities and/or new market and technological developments

*

11. Based on your experience, how well do the objectives of State aid modernisation and of individual State aid rules still correspond to the current EU priorities?

11.1. On the State aid modernisation as a whole

- Fully
- Partially
- Not at all
- I do not know

11.1.1. Please explain:

3000 character(s) maximum

Please refer to Q1, Q3.2.1 and Q6.

11.2. On the individual rules

	Fully	Partially	Not at all	I do not know	These rules are not relevant for me
* General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* De Minimis Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Regional Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Research Development Innovation Framework	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Important Projects of Common European Interest Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Risk Finance Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Airport and Aviation Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Energy and Environmental Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rescue and Restructuring Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Railways Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Short Term Export Credit Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

11.2.1. Please explain especially where you answered no or partially and specify which rules you refer to:

5000 character(s) maximum

EEAG/RAG: State aid rules should be better aligned with the EU climate and energy priorities, beginning by aligning them with the new CEP legislation. Measures for transition to low carbon energy systems in coal dependent Member States and for circular economy goals should be better included in the EEAG. The

measures dedicated to improving environmental protection in relation to energy assets are also not sufficient.

12. Based on your experience, how well adapted are the following State aid rules to recent developments in markets and technology?

	Fully	Partially	Not at all	I do not know	These rules are not relevant for me
* General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* De Minimis Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Regional Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Research Development Innovation Framework	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Important Projects of Common European Interest Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Risk Finance Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Airport and Aviation Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Energy and Environmental Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Rescue and Restructuring Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Railways Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Short Term Export Credit Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

12.1. Please explain especially where you answered no or partially and please reference the rules in question:

5000 character(s) maximum

EEAG

The EEAG do not take into account new developments like technologies supporting sector coupling (e.g. power-to-X). In addition, issues like storage, renewable self-consumers and renewable energy communities are not sufficiently represented in the EEAG, especially taking into account the revised Renewables Directive. As mentioned above in Q1.1, it is therefore vital that the EEAG is fit for purpose in relation to market developments and or technological changes in the energy sector. This should form a central part of the formal review and potential revisions when it will be clearer what Member States plan to do to ensure that they can deliver on their 2030 and 2050 energy and climate ambitions.

Coherence

Does the policy complement other actions or are there contradictions?

In this section, we would like to understand the extent to which the State aid rules subject to the current Fitness check are coherent with each other and with other EU rules

* 13. Based on your experience, are the State aid rules subject to the current Fitness check coherent with each other?

- Fully
- Partially
- Not at all
- I do not know

13.1. Please explain especially where you answered no or partially and please reference the rules in question:

5000 character(s) maximum

Energy objectives include next to the fight against climate change also the objectives of security of supply and competitiveness/affordability. While the EEAG have put strong focus on cost-efficiency of renewables development, security of supply has been addressed to a lesser extent. Although EEAG have taken a pragmatic approach towards capacity mechanisms, this still only allows for patches to an electricity market design that is structurally flawed. Excluding heating networks not meeting the efficient system criterion from eligibility for aid for district heating and energy efficiency makes it almost impossible to upgrade the heating networks which in the short-term cannot meet the efficient system criterion, mostly in less developed regions.

14. Based on your experience, to what extent are the State aid rules subject to the current Fitness check coherent with changes in EU legislation which have occurred since the State aid rules were adopted (such as for instance in the Cohesion and Regional policy, Research and Innovation, Energy Union and Climate, Environmental protection and Circular Economy, Entrepreneurship and SMEs, Capital Markets Union, Investment Plan for Europe)?

	Fully	Partially	Not at all	I do not know	These rules are not relevant for me
* General Block Exemption Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* De Minimis Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Regional Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Research Development Innovation Framework	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Important Projects of Common European Interest Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Risk Finance Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Airport and Aviation Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Energy and Environmental Aid Guidelines	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

* Rescue and Restructuring Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Railways Guidelines	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* Short Term Export Credit Communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

14.1. Please explain especially where you answered no or partially and please reference the rules in question:

5000 character(s) maximum

Some EEAG regulations have been impacted by secondary legislation, such as the recently revised Renewables Directive (calls for tenders) and the electricity market directive (capacity mechanisms). The EEAG should be updated to ensure its consistency with the new regulatory framework and ensure investor certainty until 2030.

EU added value

Did EU action provide clear added value?

In this section, we would like to have your view concerning the EU added value of the State aid rules subject to the current Fitness check.

* 15. Based on your experience, have the State aid rules subject to the current Fitness check helped to deliver EU policies more efficiently?

- Yes
- Partially
- No
- I do not know

15.1. Please explain especially where you answered no or partially and please reference the rules in question:

3000 character(s) maximum

The European Commission can pursue more far-reaching political goals with the EEAG and the state aid rules did help to deliver EU policies more efficiently. Nevertheless, the fundamental objective and task of state aid law are to protect competition in the internal market and not to make EU policy measures more efficient.

Putting the EEAG in line with the recently adopted Clean Energy Package should lead to greater flexibility in the application of the EEAG and therefore it should help deliver EU policies more efficiently.

Final Comments and Document Upload

Is there anything else that you would like to add?

5000 character(s) maximum

It should be noted that the Guidelines under consultation have been in place for a number of years and may not be fully aligned with recent developments in the energy field. Indeed, because the context has changed significantly, the past experience concerning the guidelines implementation may not be indicative of future

needs.

The energy market is changing rapidly and it is therefore vital that the EEAG is fit for purpose in relation to market developments and or technological changes in the energy sector (e.g. storage, hydrogen, power-to-x and smart energy technologies). This should form a central part of the formal review and potential revisions when it will be clearer what Member States plan to do to ensure that they can deliver on their energy and climate ambitions.

Key needs:

1. Define guiding principles for:
 - wider range of investments in heating systems, transport/electro-mobility and other measures to ensure decarbonised solutions, as well as limiting the use of primary fuels
 - fuel switch for coal plants and other measures simplifying the decrease of impact of such assets on environment
 - ESCO services for commercial customers
 - storage (of all kinds of energy)
 - smart grids (especially smart metering development and roll-out) and replacing the overhead cables with underground ones due to the sharp increase in violent weather conditions
 - management of own waste in the context of circular economy
2. Differentiate aid intensities and eligibility criteria for Member States in need for transition to low carbon generation

You may attach relevant supporting documents to this questionnaire.

The maximum file size is 10 MB

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

* Please indicate whether the Commission services may contact you for further details on the information submitted, if required.

- Yes
 No

THANK YOU FOR RESPONDING TO THIS QUESTIONNAIRE.

Useful links

[EU 2020 Policy Objectives \(https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/framework/europe-2020-strategy_en\)](https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/framework/europe-2020-strategy_en)

[General Block Exemption Regulation \(https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32014R0651\)](https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32014R0651)

[De Minimis Regulation \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.352.01.0001.01.ENG&toc=OJ:L:2013:352:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.352.01.0001.01.ENG&toc=OJ:L:2013:352:TOC)

[Regional Aid Guidelines \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.198.01.0001.0.ENG&toc=OJ:C:2014:198:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.198.01.0001.0.ENG&toc=OJ:C:2014:198:TOC)

[Research, Development and Innovation Framework \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.198.01.0001.01.ENG&toc=OJ:C:2014:198:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.198.01.0001.01.ENG&toc=OJ:C:2014:198:TOC)

[Important Projects of Common European Interest Communication \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.188.01.0004.01.ENG&toc=OJ:C:2014:188:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.188.01.0004.01.ENG&toc=OJ:C:2014:188:TOC)

[Risk Finance Guidelines \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52014XC0122%2804%29\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52014XC0122%2804%29)

[Airport and Aviation Guidelines \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.099.01.0003.01.ENG&toc=OJ:C:2014:099:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.099.01.0003.01.ENG&toc=OJ:C:2014:099:TOC)

[Energy and Environmental Aid Guidelines \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.200.01.0001.01.ENG&toc=OJ:C:2014:200:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.200.01.0001.01.ENG&toc=OJ:C:2014:200:TOC)

[Rescue and Restructuring Guidelines \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.249.01.0001.01.ENG&toc=OJ:C:2014:249:TOC\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.249.01.0001.01.ENG&toc=OJ:C:2014:249:TOC)

[Short Term Export Credit Communication \(https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A52012XC1219%2801%29\)](https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A52012XC1219%2801%29)

[Communication on the State aid Modernisation \(https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52012DC0209\)](https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52012DC0209)

[Better Regulation Toolbox \(https://ec.europa.eu/info/sites/info/files/better-regulation-toolbox_2.pdf\)](https://ec.europa.eu/info/sites/info/files/better-regulation-toolbox_2.pdf)

[Fitness check of State aid rules \(https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-6623981_en\)](https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-6623981_en)

Contact

COMP-SA-FITNESSCHECK@ec.europa.eu

Targeted Consultation for the Evaluation of the Guidelines on State aid for Environmental protection and Energy 2014-2020 (EEAG)

Fields marked with * are mandatory.

Introduction

In 2012, the Commission launched the State aid modernisation with the objectives to: 1) foster sustainable, smart and inclusive growth in a competitive internal market; 2) focus Commission's *ex ante* scrutiny on cases with the biggest impact on the internal market; and 3) streamline the rules and provide for faster decisions. In view of these objectives, the Commission has since 2013 revised a number of State aid rules, including the State aid Guidelines for environmental protection and energy (EEAG).

In January 2019, the European Commission announced its intention to prolong seven sets of State aid rules for a period of two years^[1] and launched a [comprehensive policy evaluation in the area of State aid \("Fitness Check"\)](#). Part of this exercise is the evaluation of the State aid Guidelines for environmental protection and energy to reflect if the current rules are still fit for purpose.

Besides the general public consultation on the fitness check of EU State aid rules, this targeted consultation aims to ask supplementary questions in order to gather stakeholders' views on the implementation of the State aid Guidelines for environmental protection and energy and the provisions applicable to aid for environmental protection (and energy) (Section 7) of the General Block Exemption Regulation (GBER) and to receive insights about potential gaps, overlaps or excessive regulatory burden.

You are kindly invited to reply to a set of 19 Questions. Please make sure you use the save button as you proceed with the questionnaire to avoid losing information that was already inserted - especially in the case of questions with open replies. At the end of the survey you will have an opportunity to provide broader, more general comments and to upload documents, which you consider as relevant.

The Commission will publish an analysis of the results of the Fitness Check and examine possible follow up actions at the beginning of 2020.

[1] For details and state-of-play see the relevant initiatives on the Better Regulation Portal: [State aid – 2-year extension for general block exemption regulation](#); [State aid – 2-year extension for de minimis regulation](#); [Prolongation of state aid rules reformed under the state aid modernisation package expiring end of 2020](#).

About you

For the rules on personal data protection on the EUROPA website, please see http://ec.europa.eu/geninfo/legal_notices_en.htm#personaldata

* **Publication privacy settings**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

Anonymous

Only your type of respondent, country of origin and contribution will be published. All other personal details (name, organisation name and size, transparency register number) will not be published.

Public

Your personal details (name, organisation name and size, transparency register number, country of origin) will be published with your contribution.

Please provide your contact details below.

* **Language of my contribution**

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- Gaelic
- German
- Greek
- Hungarian
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

* **First name**

Helene

* **Surname**

Lavray

* I am giving my contribution as

- Academic/research institution
- Business association
- Company/business organisation
- Consumer organisation
- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)
- Public authority
- Trade union
- Other

* Organisation name

255 character(s) maximum

Eurelectric

* Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

Transparency register number

255 character(s) maximum

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

4271427696-87

* Please describe the main activities of your company/organisation/association, if applicable.

1000 character(s) maximum

The mission of Eurelectric, the European electricity industry association, is to contribute to the development and competitiveness of the electricity industry and to promote the role of electricity in the advancement of society.

As a centre of strategic expertise, Eurelectric undertakes in-depth and specialised research into the market place, technologies and legislation to assist its Members in formulating common solutions and in conducting the necessary actions.

* Please describe the relevance of State aid rules for you.

1000 character(s) maximum

The vision of the European power sector is to enable and sustain a vibrant competitive European economy, reliably powered by clean, carbon-neutral energy as well as a smart, energy efficient and truly sustainable society for all citizens of Europe. Moving rapidly towards a fully competitive and integrated wholesale market is of paramount importance to reach our sector's commitment to become carbon-neutral well before 2050 and attain the objectives of the Paris agreement. Many crucial decisions for the electricity sector have been adopted, most notably on the basis of the EEAG 2014 (capacity mechanisms, renewables, cross-border capacity, regulated prices). The recently adopted Clean Energy Package provides a clear regulatory framework until 2030 and it is important that the state aid framework is aligned to ensure clear investment signals.

How would you best describe the nature of your understanding and involvement in matters related to State aid rules?

1000 character(s) maximum

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector and relies on a structure of expertise bringing together experts from national electricity trade associations and companies across Europe. It ensures that Eurelectric is in a position to provide expert input into the crucial developments impacting the power sector on the basis of state aid rules, most notably the EEAG 2014 (capacity mechanisms, renewables, cross-border capacity, regulated prices), as we have done over the years.

* Country of origin

Please add your country of origin, or that of your organisation

- Afghanistan
- Åland Islands
- Albania
- Algeria
- Andorra
- Angola
- Antigua and Barbuda
- Argentina
- Armenia
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh
- Barbados
- Belarus
- Belgium
- Belize
- Benin
- Bhutan
- Bolivia
- Bosnia and Herzegovina
- Botswana

- Brazil
- Brunei Darussalam
- Bulgaria
- Burkina Faso
- Burundi
- Cabo Verde
- Cambodia
- Cameroon
- Canada
- Central African Republic
- Chad
- Chile
- China
- Colombia
- Comoros
- Congo
- Costa Rica
- Côte D'Ivoire
- Croatia
- Cuba
- Cyprus
- Czechia
- Democratic Republic of the Congo
- Denmark
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Egypt
- El Salvador
- Equatorial Guinea
- Eritrea
- Estonia
- Ethiopia
- Fiji
- Finland
- France
- Gabon
- Gambia
- Georgia
- Germany
- Ghana
- Greece
- Grenada
- Guatemala
- Guinea

- Guinea Bissau
- Guyana
- Haiti
- Honduras
- Hungary
- Iceland
- India
- Indonesia
- Iran
- Iraq
- Ireland
- Israel
- Italy
- Jamaica
- Japan
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kuwait
- Kyrgyzstan
- Laos
- Latvia
- Lebanon
- Lesotho
- Liberia
- Libya
- Liechtenstein
- Lithuania
- Luxembourg
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Marshall Islands
- Mauritania
- Mauritius
- Mexico
- Micronesia
- Monaco
- Mongolia
- Montenegro
- Morocco
- Mozambique

- Myanmar
- Namibia
- Nauru
- Nepal
- Netherlands
- New Zealand
- Nicaragua
- Niger
- Nigeria
- North Korea
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
- Panama
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Poland
- Portugal
- Qatar
- Republic of Moldova
- Romania
- Russian Federation
- Rwanda
- Saint Kitts and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- Sao Tome and Principe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Korea
- South Sudan

- Spain
- Sri Lanka
- Sudan
- Suriname
- Swaziland
- Sweden
- Switzerland
- Syrian Arab Republic
- Tajikistan
- Tanzania
- Thailand
- Timor-Leste
- Togo
- Tonga
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan
- Tuvalu
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States of America
- Uruguay
- Uzbekistan
- Vanuatu
- Venezuela
- Viet Nam
- Yemen
- Zambia
- Zimbabwe

* Email (this won't be published)

hlavray@eurelectric.org

I agree with the personal data protection provisions (see document in link below)

[Protection of your personal data.pdf](#)

EEAG Targeted Questionnaire

Effectiveness:

In this section, we would like your opinion on the extent to which the State aid Guidelines for environmental protection and energy (EEAG) and the provisions applicable to aid for environmental protection (which include provisions on energy) (Section 7) of the General Block Exemption Regulation (related GBER provisions) have achieved their objectives and delivered results.

1. Based on your experience, to what extent have the EEAG and the corresponding GBER provisions (e.g. tendering, technological neutrality, market integration) been effective in:

	To a large extent	To some extent	Not at all	I don't know
- enabling the deployment of renewables while lowering societal costs and reducing the amount of aid needed?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- facilitating the integration of renewable energy into the electricity market?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
- ensuring financing of support schemes to renewable energy sources, while limiting negative impacts on the competitiveness of EU firms?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
- ensuring that capacity mechanisms were necessary and cost-effective in providing security of supply and least-distortive to competition and intra-EU trade?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
- ensuring that capacity mechanisms did not negatively impact the objective of phasing out environmentally harmful subsidies including for fossil fuels?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
- ensuring that in cogeneration and district heating the most cost-efficient projects could be realised?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please explain:

5000 character(s) maximum

Renewables - The drivers for lower RES costs have been larger market volume, which has allowed for economies of scale, growing competition (where certainly the EEAG has helped), investment into new technologies and technological improvements. This was further strengthened by a continuous maturation of the supply chain, creating a positive feed-back loop between government policy, industry maturation and cost reduction. Transition from feed in tariffs, where state aid level was decided by administrative decision to tendering and competitions between investors have definitely enabled lower state aid levels and reduced the amount of aid needed. The achievement of a meaningful carbon price signal through ETS is crucial to drive cost-effective greenhouse gas emission reductions in the EU in line with its Paris Agreement commitments through market-based price signals. It should be noted though that the highly CAPEX-intensive investment in RES capacities needs long-term price signals and visibility on the long-term CO2 price.

Capacity mechanisms - if well designed (open to all technologies, cross-border participation and market-based) are characterized by a high degree of complexity. This complexity is not reflected in the EEAG. By

contrast, the "Final Report of the Sector Inquiry on Capacity Mechanisms" {SWD (2016) 385 final} does justice to this claim. Furthermore, a revision of the EEAG should be in line with Articles 20-26 of the recast Regulation (EU) on the internal electricity market. Well-designed competitive market-wide capacity markets should not be considered as "subsidies", but as an instrument to ensure system adequacy to the reliability level decided by the authorities. The new provisions in the Electricity Regulation (i.e. CO2 emission performance standards) also tackle the need to favour firm flexible capacity providers in line with the long term decarbonization targets. All types of capacity mechanisms should be subject to the same standards in terms of compatibility with the internal market, notably in terms of cross-border participation. Regarding cross-border participation in capacity mechanism, this could include well-interconnected third countries provided that they have concluded agreements with the EU whereby they are applying at least the main rules and obligations of the internal electricity market, rules on energy state aid control and relevant rules for the power sector on environment and climate.

CHP & heat – excluding heating networks not meeting the efficient system criterion from eligibility for aid for district heating and energy efficiency makes it almost impossible to upgrade heating networks which in the short-term cannot meet the efficient system criterion, mostly in less developed regions.

Please continue if necessary:

5000 character(s) maximum

2. Based on your experience, have Member States created a level playing field for imported and domestically produced biofuels and/or biomass energy when providing support (for instance by supporting a specific type of domestically produced biofuels and/or biomass energy, but not other types of biofuels and/or biomass energy with similar costs or greenhouse gases emissions)?

- Yes
- No
- Partially
- I don't know

Please explain:

1000 character(s) maximum

Biomass will play an important role as a transition technology in the transformation of electricity systems due to its potential for cost-effective utilisation of existing assets and/or as back-up capacity delivering essential system services and flexibility to complement variable RES. Introduction of other criteria than those in the RES Directive within support schemes shall be non-discriminatory, proportionate and always duly justified. It shall not lead to increase of costs of support systems, which are borne by final consumers. There can be market and competition distortions due to the fact that the revised RES Directive opens the possibility for Member States to introduce different and more stringent sustainability criteria compared to the requirements of the directive. Biomass is a limited resource and there should be a level-playing field and harmonised subsidy rules in which the market would define where biomass is used to ensure it has the highest added value.

3. Based on your experience, to what extent has the GBER ensured public support for waste recycling while limiting the amount of aid to the minimum and limiting

distortions of competition to the minimum?

- To a large extent
- To some extent
- Not at all
- I don't know

Please explain:

1000 character(s) maximum

4. Based on your experience, to what extent has Article 39 GBER allowed aid through financial instruments for energy efficiency measures in buildings while limiting distortions of competition at the level of the financial intermediary and the funds involved?

- To a large extent
- To some extent
- Not at all
- I don't know

Please explain:

1000 character(s) maximum

5. Based on your experience, has State aid granted under the EEAG or the GBER generally achieved the relevant climate and environmental protection objectives while maintaining a competitive internal market?

- Yes
- No
- Partially
- I don't know

Please explain:

1000 character(s) maximum

Transition to tendering has led to lower support levels and reduced the amount of subsidies needed. New RES started operation without substantially distorting efficient operation of available assets. However, state aid is just one tool to achieve climate targets. A meaningful carbon price signal which can drive cost-effective greenhouse gas emission reductions in the EU is crucial to achieve the transition to market-based price signals. Moreover investment in RES is taking place more and more outside state aid schemes through customer driven developments (e.g. PPAs, self-consumption) and this needs a favourable framework. Decarbonisation goes together with higher electrification. However, the levies/surcharges often put on electricity bills make electricity more expensive and reduce the incentives for electrification, including in transport and heating. Updated guidelines should tackle this distortive effect: levies/surcharges should be borne by the energy sector as a whole.

6. Based on your experience, has State aid granted under the EEAG or the GBER generally achieved the relevant energy objectives while maintaining a competitive internal market?

- Yes
- No
- Partially
- I don't know

Please explain:

1000 character(s) maximum

EEAG have given Member States sufficient flexibility to implement national schemes for the promotion of RES and have led to a welcome degree of convergence. They have contributed to improving the climate balance of the energy supply. The priority should be to reduce emissions and the tool to drive these emissions should be the ETS. Overlapping policies should be avoided. Energy objectives also include security of supply and competitiveness/affordability. While EEAG have put a strong focus on cost-efficiency of RES development, security of supply has been addressed to a lesser extent. Although EEAG have taken a pragmatic approach towards CRM, this still only allows for patches to an electricity market design that is structurally flawed. CRM can be complex. The updated guidelines must ensure that they fully respect the new rules in the CEP. If implemented they should be open to all technologies and all subject to the same requirements, including regarding cross-border participation.

7. Based on your experience, have there been any unexpected or unintended results from the implementation of the EEAG and the corresponding GBER provisions?

- Yes
- No
- Partially
- I don't know

Please specify:

1000 character(s) maximum

The EEAG should provide for a clearer and broader set of rules – probably considered within GBER – to allow for a quicker implementation of policies and reduce the uncertainty about the outcome of European Commission notification of instruments to promote renewables and energy efficiency.

8. Are there sectors (at NACE 4 level^[2]) and products (at Prodcom 8 level^[3]) which, were included in the list of eligible sectors and products for reductions under section 3.7.2. of the EEAG (c.f. Annex 3 and Annex 5 of the EEAG), but which, according to your experience, were not particularly affected by the financing costs of renewable energy support and therefore were not put at a significant competitive disadvantage?

- Yes
- No
- I don't know

[2] NACE is derived from the French "Nomenclature statistique des Activités économiques dans la Communauté Européenne" (Statistical classification of economic activities in the European Community). It designates the various statistical classifications of economic activities developed since 1970 by the European Union. According to NACE rev.1.1: http://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_CLS_DLD&StrNom=NACE_1_1&StrLanguageCode=EN&StrLayoutCode=HIERARCHIC

[3] Production Communautaire list, available at: https://ec.europa.eu/eurostat/statistics-explained/index.php/Industrial_production_statistics_introduced_-_PRODCOM PRODCOM is a survey, with an at-least-annual frequency, for the collection and dissemination of statistics on the production of industrial (mainly manufactured) goods, both in value and quantity terms, in the European Union. The PRODCOM survey is based on a list of products called the PRODCOM list which currently comprises about 4000 headings relating to industrial products and some industrial services. These products are detailed at an eight-digit level.

9. Are there sectors (at NACE 4 level^[4]) or products (at Prodcom 8 level^[5]) which, according to your experience, were particularly affected by the financing costs of renewable energy support and therefore were put at a significant competitive disadvantage, but were not included in the list of eligible sectors for reductions under section 3.7.2. of the EEAG (c.f. Annex 3 and Annex 5 of the EEAG)?

- Yes
- No
- I don't know

[4] According to NACE rev.1.1: http://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_CLS_DLD&StrNom=NACE_1_1&StrLanguageCode=EN&StrLayoutCode=HIERARCHIC

[5] Production Communautaire list, available at: https://ec.europa.eu/eurostat/statistics-explained/index.php/Industrial_production_statistics_introduced_-_PRODCOM

10. Based on your experience, have the minimum own contributions of the full electricity surcharges of 15 % of the full renewable surcharge, and 4 % and 0.5 % of the Gross Value Added of the undertaking concerned (see points 188 and 189 of the EEAG) been adequately set to ensure a sufficient financing basis for the underlying energy policy?

	Too high	Too low	Adequate	I don't know
15% of the full renewable surcharge	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
4% of the Gross Value Added	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
0.5% of the Gross Value Added	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please substantiate your answer:

1000 character(s) maximum

11. Based on your experience, have the reductions in electricity surcharges given to energy-intensive users (EIUs) created market distortions?

- Yes
- No

- I don't know

Please substantiate your answer:

3000 character(s) maximum

There is a need to strike the right balance between fair sharing of the cost of the energy transition between different societal groups on the one hand and preserving the competitiveness of Europe's energy-intensive industry on the other hand (and in particular preventing a relocation outside Europe). Finding a proper equilibrium is a delicate task but very important to ensure affordability and acceptance of the energy transition and avoid carbon leakage.

The entirety of exemptions/reductions for energy-intensive industries from renewable support cost, system integration cost of renewable (e.g. partly included in network tariffs), compensation of the impact of EU ETS (even though part of different guidelines), etc. must be evaluated on a regular basis taking into account all relevant effects.

Well-balanced and "smart" exemptions/reductions for industry will continue to be needed. In exchange, beneficiaries should make a commitment to improve the carbon footprint of their activities (energy consumption, manufacturing processes, buildings, fleets, etc.) They can comply with this obligation for instance via energy efficiency improvements or clean energy procurement notably via corporate renewable PPAs, switching their fleets to electric vehicles, etc. This way, financial means from public budgets or from non-exempted consumers, who have to finance the exemptions/reductions for industry, can directly trigger additional environmental and climate action while at the same time protecting industry against loss of competitiveness.

12. Based on your experience, what impact have reductions granted to energy intensive users had on renewable energy charges and other relevant charges paid by non-energy intensive industrial consumers and households?

- Excessive
 Adequate
 I don't know

Please substantiate your answer:

3000 character(s) maximum

13. Based on your experience, has the higher aid intensity allowed under point 78 of the EEAG been adequate to address the double market failure linked to the higher risks of innovation and the environmental aspects of the project without creating unnecessary distortions of competition?

- Yes
 Not adequate (too low aid intensity)
 Not adequate (too high aid intensity)
 I don't know

Please explain:

1000 character(s) maximum

Member States more dependent on high carbon fuels such as coal require much higher expenditures to deliver the transformation of their energy system. Their support should therefore be increased. In terms of intensity, small enterprises have been disproportionately supported compared to large enterprises (up to +20%- see Annex 1 of the EEAG). There is no objective justification for such a difference.

Efficiency:

In this section, we would like to know your opinion about the efficiency of the EEAG and the related GBER provisions.

14. Based on your experience, to what extent are the different compatibility conditions and methodologies included in the EEAG and the GBER related provisions sufficiently clear and easy to apply:

	Yes	No	I don't know
- in general terms?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the methodology for calculating eligible costs for investment aid to go beyond standards, in the absence of standards and early adaptation to standards under Article 36 of the GBER and points 73 to 75 of the EEAG?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the criteria for limiting bidding processes for renewables to specific technologies (see EEAG point 126 and GBER Article 42.3)?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the methodology for calculating eligible costs for investment aid to renewables and co-generation (CHP) projects?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the methodology to assess proportionality of aid based on levelised cost of energy (see point 131 of the EEAG and Article 43, paragraphs 5 and 6 of the GBER)?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the provisions for demonstration projects (as defined in point 19 paragraph 45 of the EEAG) and for the new and innovative renewable energy technologies (see Article 42.4 of the GBER)?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
- as regards the methodology to assess eligible costs for energy-efficiency investment aid under Article 38 of the GBER?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the compatibility conditions (in particular the full passing on, the leverage condition, the conditions imposed on the financial intermediaries) for energy efficiency projects in buildings (see paragraphs 4 to 10 in Article 39 of the GBER)?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
- as regards the compatibility conditions for aid for Resource Efficiency (section 3.5.1 of the EEAG read in combination with section 3.2 of the EEAG)?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the compatibility conditions (in particular the "state of the art" requirement, the "polluter pays principle" and the "treatment of the waste of			

others”) for waste management projects under 47 of the GBER and section 3.5.2 of the EEAG?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
- as regards the methodology for calculating eligible costs for waste management projects under Article 47 of the GBER and section 3.5.2. of the EEAG?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
- Other (please specify)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain:

5000 character(s) maximum

Standards and energy & resource efficiency – the eligible costs calculation methodology is too complicated. The beneficiaries have problems with proper application of the methodology and the granting authorities have problems with verification of the results provided by the beneficiaries.

15. Based on your experience, how do administrative costs incurred by the aid application under the EEAG and GBER related provisions compare with the actual amount of compensation received?

Please rate from very low (administrative costs representing less than 1% of the actual amount of compensation received) to very high (administrative costs representing more than 20% of the actual amount of compensation received):

	Very low (less than 1%)	Low (between 1% and 5%)	Intermediate (between 5% and 10%)	High (between 10% and 20%)	Very high (more than 20%)	I don't know
Proportion of administrative costs in total actual amount of compensation received	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please explain:

1000 character(s) maximum

The administrative burden is big and administrative costs are relatively high because of the complicated methodologies of cost calculations, irrespective of the measure and the scope of investment and aid value applied for.

Relevance:

16. Based on your experience, have the EEAG and GBER adequately addressed recent market developments or technological changes such as:

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	Yes	No	Partially	I don't know
Storage	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Zero subsidy bids	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Repowering	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Renewable energy power purchase agreements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Renewable self consumption and/or active consumers	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Citizens energy communities and/or renewable energy communities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Hydrogen, synthetic fuels and low carbon gas	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Alternative fuel infrastructure (publicly accessible or dedicated infrastructure)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Low or zero emission vehicles	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Carbon Capture, Storage and/or Utilisation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nearly-zero-energy buildings	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Smart energy technologies (e.g. in buildings)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Energy services (e.g. energy performance contracting)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Advanced technology for water reuse (e.g. membranes and UV)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other (please specify)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain:

5000 character(s) maximum

The energy market is changing rapidly and it is therefore vital that the EEAG are fit for purpose in relation to market developments and or technological changes in the energy sector (e.g. storage, hydrogen, power-to-x and smart energy technologies). This should form a central part of the formal review and potential revisions when it will be clearer what Member States plan to do to ensure that they can deliver on their energy and climate ambitions.

Storage - storage is covered under chapter 3.8 (Aid to energy infrastructure). However the definition is too narrow and excludes certain types of storage such as smaller batteries or power-to-gas. The definition needs to be aligned with the one in the new Electricity Directive. Moreover, covering storage under the "infrastructure" definition seems to contradict the unbundling principle that has just been upheld in the Clean Energy Package: see article 36 of the Electricity Directive.

Renewables – costs of technology are dependent on the level of the market maturity, as well as the geographical and weather conditions in particular MS (different profitability in different Member States), they are not of universal character.

Repowering – problems with "new installation" condition. A significant share of the wind capacity will come to the end of its operational lifetime within the next 10 years. These wind turbines are usually located at the best sites and their repowering with the latest technologies would ensure more renewables generation. They will therefore be crucial for the achievement of the EU Renewables target. Repowered projects must be able to compete with new installations when financial support is available e.g. tenders.

Renewable self-consumption and/or active consumers and Citizens energy communities and/or renewable

energy communities - They should be treated in a level playing field in the EEAG and GBER – i.e., no negative or positive discrimination.

Other (Demand side response) - If support is needed, Eurelectric is in favour of efficient and competitive support schemes for renewables and demand-side response (the latter should be an integral part of capacity mechanisms in a non-discriminatory manner) should be competitive and efficient. Eurelectric notes that the EEAG are less detailed regarding the latter compared to the former: demand response should be mainly driven by CRM (where applicable) and other market signals (spreads on energy markets, revenues from balancing markets/congestion management mechanisms, etc). Dedicated support mechanisms, if any, should be a measure of last resort. Eurelectric would support making more explicit that support for demand-side response should be granted following a competitive process, avoiding market price distortion. It should not be possible to grant support in other ways: in particular aggregators (or participating final customers) should be required to pay the balance responsible parties for the related demand response activations.

Other (grids) - The move to auctioning has been successful in reducing costs of renewable energy driven electricity generators. However, the same cost reductions have not been observed for grid connections and transmission lines, where more competitive pressure could reduce costs.

17. To what extent do recent economic developments – such as the falling renewable energy costs and possible changes to trade intensity and electro intensity of the sectors concerned – impact the relevance of the rules which apply to reductions for energy-intensive users (EIUs)?

	To a large extent	To some extent	Not at all	I don't know
Falling costs of renewable energy producers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Changes to the trade intensity of the sectors listed in Annex 3 and 5 of the EEAG	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Changes to the electro intensity of the sectors listed in Annex 3 of the EEAG	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other (please specify)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain:

3000 character(s) maximum

Coherence:

In this section, we would like to know your opinion on the extent to which the EEAG and the related GBER provisions are coherent with other EU policies and legislations.

18. Based on your experience, to what extent are the EEAG and the related GBER provisions coherent with relevant EU policies and legislation such as:

	Yes	No	Partially	I don't know
Renewable Energy Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Electricity Directive [6]	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Electricity Market Regulation [7]	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Risk-preparedness Regulation [8]	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
EU ETS Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Industrial Emissions Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Alternative Fuels Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Energy Efficiency Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Energy Performance of Buildings Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
EU Waste legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Water Framework Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Air Quality Directive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Birds Directive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Habitats Directive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
ERDF Regulation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other (please specify)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please explain:

5000 character(s) maximum

The EEAG should be aligned with the recently adopted CEP.

A reform of the EEAG should take into account the rules set out in the revised Renewables Directive, especially concerning Art. 21 and 22.

The new Electricity market Regulation has defined criteria to assess capacity mechanisms and clarified that they should be differentiated from congestion management schemes. However, the Regulation does not define criteria to assess the latter. In the EEAG the framework for the assessment of capacity mechanisms on the one hand, and congestion management schemes on the other hand should thus be clarified. A de facto capacity mechanism should not be disguised as a congestion management scheme, and that the criteria to assess the compatibility with the internal market should be applied consistently across cases. It should be also clarified what would be the relation of the new EEAG to the Modernisation Fund under the EU ETS directive. The key Modernisation Fund principles (i.e. in terms of the eligible costs) should be reflected by the new EEAG or the new EU ETS-oriented guidelines.

[6] This directive is under review. The latest text can be consulted on: [https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2016/0380\(COD\)&l=en](https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2016/0380(COD)&l=en)

[7] This regulation is under review. The latest text can be consulted on: <https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?>

19. Have the EEAG and GBER rules on exemptions or reductions from energy taxation produced inconsistencies with other EU rules?

	Yes	No	Partially	I don't know
Energy Taxation Directive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other (please specify)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain:

1000 character(s) maximum

Final Comments and Document Upload

If there is anything else you would like to say which may be relevant for the evaluation of the EEAG and the related GBER provisions, please feel free to do so:

1000 character(s) maximum

If you wish to attach relevant supporting documents for any of your replies to the questions above, please feel free to do so:

Please upload your file

The maximum file size is 1 MB

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

75d554af-96cf-4106-8102-478c10e27b18/Eurelectric-key_messages-Fitness_Check_state_aid_consultations-July_2019.pdf

Please indicate whether the Commission services may contact you for further details on the information submitted, if required.

- Yes
- No

THANK YOU FOR RESPONDING TO THIS QUESTIONNAIRE

Useful links

[Fitness Check \(http://ec.europa.eu/competition/state_aid/modernisation/fitness_check_en.html\)](http://ec.europa.eu/competition/state_aid/modernisation/fitness_check_en.html)

[Guidelines on State aid for environmental protection and energy 2014-2020 \(https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52014XC0628%2801%29\)](https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52014XC0628%2801%29)

[General Block Exemption Regulation \(GBER\) \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710)

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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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