

Renewable energy projects – permit-granting processes & power purchase agreements – public consultation

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/2022/12.105/11

Renewable energy projects - permit-granting processes & power purchase agreements

Fields marked with * are mandatory.

Introduction

BACKGROUND FOR THIS CONSULTATION

An overhaul of the energy system, which accounts for more than 75% of the EU's greenhouse gas emissions and is still dominated by fossil fuels, will be needed to achieve the ambition of the [European Green Deal](#). In particular, such overhaul will be needed to reach the EU's increased climate target for 2030 and the objective of climate-neutrality by 2050, while tackling biodiversity loss, pollution and resources depletion. An integrated energy system largely based on renewable energy plays a central role in the successful implementation of this EU flagship initiative.

With the [proposal for a revision of the Renewables Directive](#), the Commission sets out its aim of doubling the share of renewables in the energy mix compared to 2020, so as to reach at least 40% in 2030. The current pace of project deployment will need to accelerate significantly to meet the needed capacity increase on time.

However, permit-related and other administrative barriers constitute a major bottleneck for the deployment of renewable energy due to regulatory complexity, uncertainty and lengthy procedures, which discourage investors, delay projects and make them more expensive. Barriers also hamper the development of renewable Power Purchase Agreements (PPAs), which should become a major driver for increased market-based renewables deployment in the coming years.

What is the purpose of the guidance?

[The 2018 Renewable Energy Directive \(RED\)](#), with a transposition deadline of 30 June 2021, already introduced new requirements on permit application and granting procedures for all renewable projects, and required the Member States to identify and remove unjustified barriers to long-term renewable PPAs. However, the transposition and implementation of the relevant articles may present a challenge for the relevant authorities. Furthermore, industry stakeholders have identified additional permit-related barriers outside the scope of the RED and have requested clarification of the regulatory provisions concerning administrative procedures relating to project preparation and sharing of best practice, which could guide the permitting authorities in applying the procedures.

While the majority of renewables deployed are still driven by publicly-funded support schemes, the number of renewable PPAs with corporates is increasing significantly and should become a major driver for more

market-based renewables deployment in the coming years. A more complex set of long-term contracting options will be used by renewable projects, based on public support, on PPAs taking a variety of forms, or on a combination of both. Although Member States were required to report and remove any barriers to these renewable PPAs in their national energy and climate plans, only eight Member States have done so.

The planned guidance will highlight the most pervasive permit-related and administrative barriers to renewable energy projects as well as general challenges in the transposition of the relevant articles of the Renewable Energy Directive, and showcase corresponding good practice examples. It will also highlight the remaining bottlenecks preventing PPAs from achieving their full potential to deliver additional renewables generation capacity; and to provide good-practice examples/solutions in this regard.

What is the purpose of this consultation?

This questionnaire aims to collect views on permitting and Power Purchase Agreements from renewable energy producing companies, energy communities, and branch organizations, as well as public authorities, citizens and companies (including SMEs), as well as other relevant energy stakeholders. The questionnaire is divided into the following three sections:

- Accelerating permit procedures for renewable energy projects – questions to public authorities
- Accelerating permit procedures for renewable energy projects – questions to project promoters and associations
- Facilitating Power Purchase Agreements

You may choose to respond to either of these sections, or to all.

How can I participate?

You can complete this questionnaire on the Commission website up to 12 April 2022. Please use the buttons at the bottom of each part of the questionnaire (on permits and on PPAs) to upload feedback in other document formats.

A synopsis report of this public consultation and a summary of all consultation activity results will be published on this page at the end of the consultation period.

RESPONDING TO THIS CONSULTATION AND FOLLOW-UP

In line with 'better regulation' principles, the Commission is launching this public consultation designed to gather stakeholder views on good practices designed to accelerate permit-related procedures for renewable energy projects and to facilitate Power Purchase Agreements.

This public consultation is part of a planned larger stakeholder consultation which will feed into the Commission's work on the guidance. Views are welcome from all stakeholders.

Please note: To ensure a fair and transparent consultation process only responses received through our online questionnaire will be taken into account and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact ENER-C1-SECRETARIAT-1@ec.europa.eu.

About you

* Language of my contribution

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

* 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

* First name

Diana-Paula

* Surname

Gherasim

* Email (this won't be published)

dpgherasim@eurelectric.org

* 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.

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* Country of origin

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

- Afghanistan
- Djibouti
- Libya
- Saint Martin
- Åland Islands
- Dominica
- Liechtenstein
- Saint Pierre and Miquelon

- Albania
- Algeria
- American Samoa
- Andorra
- Angola
- Anguilla
- Antarctica
- Antigua and Barbuda
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh
- Barbados
- Belarus
- Belgium
- Belize
- Benin
- Bermuda
- Bhutan
- Bolivia
- Dominican Republic
- Ecuador
- Egypt
- El Salvador
- Equatorial Guinea
- Eritrea
- Estonia
- Eswatini
- Ethiopia
- Falkland Islands
- Faroe Islands
- Fiji
- Finland
- France
- French Guiana
- French Polynesia
- French Southern and Antarctic Lands
- Gabon
- Georgia
- Germany
- Ghana
- Gibraltar
- Greece
- Greenland
- Grenada
- Lithuania
- Luxembourg
- Macau
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Marshall Islands
- Martinique
- Mauritania
- Mauritius
- Mayotte
- Mexico
- Micronesia
- Moldova
- Monaco
- Mongolia
- Montenegro
- Montserrat
- Morocco
- Mozambique
- Myanmar/Burma
- Namibia
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- São Tomé and Príncipe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Sint Maarten
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain
- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden

- 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
- 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
- Nauru
- Nepal
- Netherlands
- New Caledonia
- New Zealand
- Nicaragua
- Niger
- Nigeria
- Niue
- Norfolk Island
- Northern Mariana Islands
- North Korea
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
- Palestine
- Panama
- Papua New Guinea
- Paraguay
- Peru
- 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

- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo
- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba
- Curaçao
- Cyprus
- Czechia
- Democratic Republic of the Congo
- Denmark
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan
- Laos
- Latvia
- Lebanon
- Lesotho
- Liberia
- Philippines
- Pitcairn Islands
- Poland
- Portugal
- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda
- Saint Barthélemy
- Saint Helena
Ascension and
Tristan da Cunha
- Saint Kitts and
Nevis
- Saint Lucia
- United States
Minor Outlying
Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
- Wallis and
Futuna
- Western Sahara
- Yemen
- Zambia
- Zimbabwe

The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association', 'consumer association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

* Contribution 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 organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

Public

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

* Which renewable energy technology do you work with/represent? (multiple choice)

- Wind onshore
- Wind offshore
- Ground-mounted PV
- PV rooftop
- Ocean energy
- Biomass
- Hydropower
- Geothermal
- Ambient heat
- Other

* In which markets are you active (for companies/legal persons)/where are you from (for physical persons)?

- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czechia
- Denmark
- Estonia

- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- Countries outside of the EU

* Please specify (countries outside of the EU)

300 character(s) maximum

UK, Norway, Iceland, Switzerland, Turkey, Ukraine

* Do you represent:

- A renewable energy community within the meaning of the [Renewable Energy Directive](#) (Art. 2(16) and Art. 22)?
- A citizen energy community within the meaning of the [Electricity Directive](#) (Art. 2 (11) and Art. 16)?
- Another type of energy community – please specify
- An individual or collective self-consumer of renewable energy
- None of these

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

* Which part(s) of the questionnaire do you want to fill in?

- Permitting - questions to public authorities
- Permitting - questions to project promoters and associations
- Questions on Power Purchase Agreements

Permits for renewable energy projects

To project promoters and associations

6. What are the key barriers that have prevented your project(s) from materialising in the last 5 years, if any? (Please rank their importance, 1 being the most important)

| | 1 | 2 | 3 | 4 | 5 | no opinion |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------|-----------------------|
| Length of administrative procedures | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Complexity of the applicable requirements or procedures | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of clarity on the applicable authority(-ies) with whom to coordinate each required permit | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Regulatory changes impacting the business case | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of access to capital/finance due to uncertainty | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Target conflicts with environmental regulations | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Land or sea conflicts with aviation or defence-related activities | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Land or sea conflicts with other users (e.g. farmers, fishermen) | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of public acceptance / conflict between public goods | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Court proceedings | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of political support | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Grid connection issues linked to lack of available grid capacity | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Grid connection issues linked to reserved but unused capacities | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Other grid connection issues (e.g. cost, unclear rules, technical issues) – please specify | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Other | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

* Please specify (Grid Connection Issues)

500 character(s) maximum

Constraints related to the lack of transmission capacity in the power network are a growing problem in the field of PPA development. For instance, in Poland, DSOs refuse to connect new RES more often. Over 2019-2020, there were 1,209 notifications of refusal to connect facilities to the power grid with a total capacity of almost 5,668 MW. vs. 260 applications for projects with a total capacity of 735 MW over the period 2017-2018. System solutions and supporting grid development are needed.

* Please specify (Other)

500 character(s) maximum

The increase in freight costs of components (given reliance on the supply chain in Asia) and the difficulties in maintaining a predictable supply chain, guaranteeing the availability of goods, have been key barriers preventing projects from materializing. Regarding conflicts with environmental regulations, some hydropower projects (e.g. in Austria) were temporarily blocked in water bodies with very good status due to regional policy direction decisions.

8. What good practices (if any) have you encountered in the areas of simplified permit-related and administrative procedures? (can be EU/national or international)

500 character(s) maximum

Implementation of REDII (one stop shop; binding timeframes)
Pre-approved zones for RES
Digitalization, standardization
IT: Reassigning permitting competences among authorities; special national commission dealing with EIA for projects under PNRR and NECPs; definition of "insubstantial" repowering interventions
FR: 10 measures for deployment of wind energy
PL: Lack of concession obligation (<1MW)
AT: Procedural simplifications for PV
SI: Exemption from paying utility charge for land use

9. Has any of your renewable or electricity infrastructure projects been classified as being of "overriding public interest" as defined in Article 6(4) of the [Habitats Directive](#)?

- Yes
 No

* 10. Are you planning lifetime extension, repowering (as defined in Art 2(10) of the [Renewable Energy Directive](#)) or decommissioning of your installations in the next 5 years?

- Lifetime extension
 Repowering
 Decommissioning
 None of these

11. If applicable: what is the main driver behind your decision to repower? (select top 3)

at most 3 choice(s)

- End of public support
- Site/resource-related considerations
- Lower cost/improved efficiency of technology
- Potential for projects involving e.g. renewable hydrogen production or storage
- End of building permit
- End or change in land/sea lease permit or ownership contract
- End of operation/maintenance contract
- End of lifetime of the asset
- Familiarity of the local community with the project
- Simplified permit procedure taking into account only the additional elements of the repowered installation
- Lower cost than dismantling
- Other

* Please specify (Other)

500 character(s) maximum

The lower cost / improved efficiency of the technology can drive repowering. Also, repowering leads to minimal environmental interventions as most of the needed infrastructure exists, avoiding the need to occupy large areas of land. In case of installing additional capacity and integrating BESS, the RES plant can consequently provide ancillary services to the system operator. Finally, existing RES plants already enjoy public acceptance.

12. What do you see as the main constraint or barrier to repowering? (select top 3)

at most 3 choice(s)

- Lack of a suitable regulatory framework to simplify permit for repowering
- Lack of a business case
- Restrictions related to grid capacity
- Lack of social acceptance / conflict between public goods
- (Additional) construction or spatial planning procedures
- (Additional) environmental assessment needs
- Other
- No opinion

* Please specify (Other)

500 character(s) maximum

The regulatory framework needs to be adapted to allow RES installations repowering before the end of their lifetime, including for increase in capacity. Repowering projects should receive priority in securing additional grid capacity. TSOs should prioritize the needed grid updates / expansion to support repowering. Permitting duration for repowering should be limited to 1y, with adequate environmental assessment needs, as additional requirements on spatial planning and/or EIA can be a barrier.

13. What bad practices (if any) have you encountered in the areas of permit application/granting and administrative procedures specifically for repowering?

500 character(s) maximum

- Lack of clear regulatory framework (e.g. AT fast-track permit renewal procedure for hydropower does not define clear duration/scope/roles)
- No dedicated (simplified) procedures
- Legal uncertainty entailed by regulations applied retroactively
- Lack of clear provisions regarding the possibility of continuing / extending the support system after repowering.
- Inconsistent approaches by bodies issuing environmental decisions.
- Unclear status of the land leading to changes in the plan / study

14. What good practices have you encountered in the areas of permit application /granting and administrative procedures specifically for repowering, if any? (can be EU/national or international)

500 character(s) maximum

- Possibility to book +20% connection capacity and be exempted from EIA
- Defining when repowering interventions are "insubstantial" and may follow simplified procedure
- Exemption from prior administrative authorization & authorization for execution if increased installed capacity below a certain threshold (eg. 10%, respectively 5%)
- Certain projects considered of special interest
- Recognizing that repowering can lead to improving area used for electricity generation
- Higher public acceptance

15. What regulatory changes at EU or national level, if any, would be beneficial to create a more supportive framework for combined technology power plants (e.g. wind combined with solar), or renewable energy power plants combined with an electrolyser for renewable hydrogen production or a storage facility?

500 character(s) maximum

Define combined assets (clear features and technical conditions), simplify permitting (possible priority when combined with storage). Upon switching from a simple to a combined RES installation, if no change in connection capacity, the connection agreement should only be updated.

Establish rules for cable pooling

Investment incentives, simplified environmental procedures for projects in industrial / degraded areas.

BESS addition should be an option for repowering.

16. What bad practices (if any) have you encountered in the area of early public involvement and public participation (including financial participation) in renewable energy projects?

500 character(s) maximum

- Insufficiently framed procedures for appealing against decisions
- Disproportional media focus on obstruction actions directed towards RES projects, without an equivalent level of attention to experts' opinion.
- Arbitrary support based on political considerations
- New RES projects being challenged by the public in the end stages of permitting, usually long after the public consultation period.
- Public financial participation in projects hindered by legislative / administrative constraints

17. What good practices, if any, have you encountered in the area of early public involvement and public participation (including financial participation) in renewable energy projects?

500 character(s) maximum

- PL: introducing a framework favoring the involvement of local communities
- ES: possibility to substitute awarded RES projects with equivalent ones
- DE: operators can involve municipalities financially (e.g. pay up to 0,2ct / kWh)
- AT: identify local needs that can be combined with RES project development, increase early adaptation, gauge public interest.
- “Creating Shared Value” model for companies- creating opportunities for growth at local level
- Site visits, informative events

18. What bad practices of public authorities, if any, have you encountered in spatial planning, helping developers in identifying suitable sites?

500 character(s) maximum

- Lack of clarity on where (and which) RES assets can be built.
- Complex spatial planning rules with many constraints and differences among administrative levels. This is an issue especially for large RES projects that need to undergo spatial planning at multiple levels, entailing overlapping studies, decisions and increased possibility for court procedures.
- Unclear allocation of permitting competences
- Lack of transparency over criteria used for designating RES suitable areas.

19. What good practices of public authorities, if any, have you encountered in spatial planning, helping developers in identifying suitable sites?

500 character(s) maximum

- A commitment from national governments to dedicated a % of territory to RES deployment (e.g. Germany).
- Encouraging dialogue with other authorities involved: e.g. Estonia streamlined military restrictions impacting wind power expansion, resulting in a vast part of the territory being now potentially usable for RES projects.
- EIA and spatial planning procedures could be run simultaneously in order to increase decision-making efficiency.
- Establishing RES to-go areas.

20. What good practices, if any, have you encountered in the area of multiple use of space for renewable energy projects?

500 character(s) maximum

- Installing PV panels on industrial sites/agricultural areas /degraded land
- Cooperation with landowners and increasing synergies between PVs deployment and agricultural activities.
- Dedicated auctions for rooftop PVs
- Simultaneous use of marine areas for different activities, e.g. for research projects and operation of offshore wind turbines
- Joint feed-in points for PV and wind power plants
- Joint grid usage

21. In the countries where you operate, has (maritime) spatial planning helped developers in identifying and securing suitable sites?

- Yes
- No

How?

500 character(s) maximum

Spatial planning allowed for a separation of applications based on the areas covered by the plan. In addition, it helped with the acceleration of grid expansion and the streamlining of EU environmental law.

22. Do you/your company/your organisation have further comments on accelerating permitting of renewable energy projects?

1000 character(s) maximum

Eurelectric supports the publication of guidelines to accelerate permitting for RES projects. Our organization has already provided recommendations on this matter in our position papers (attached). We would like to add that:

- Rules in REDII must be implemented (eg. one stop shop, binding timeframes). The guidelines should be a living document and its implementation followed via KPIs. At national level, implementation plans should be developed. EU funding could help tackle lack of resources at MS level
- Permitting procedures could be simplified, e.g. by enabling several decisions to be processed simultaneously
- Digitalization of permitting should be incentivized
- Ensure continuous engagement with DSOs and TSOs for further investment in grid infrastructure
- The potential for RES deployment in degraded areas and for multi-use of land must be explored
- Explore prioritization of RES projects: eg. in advanced stage, located in just transition regions, providing multiple benefits

Please upload your file(s)

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

3978b8f1-ebc2-486d-8a89-f8dec6837832/Eurelectric_REDIII_FINAL.docx

0a2a8560-cca5-4e41-b000-daec9d8d408b/eurelectric_statement_res_permitting-2020-030-0594-01-e-h-0C9C81A1.pdf

a763b9f9-e0ec-40f0-b1a0-5f9c996d67d8/Q7_-_Complement_to_Questionnaire.pdf

Facilitating Power Purchase Agreements

* 23. Which of the below best describes your situation:

- I am involved in PPAs as a seller of electricity
- I am involved in PPAs as a purchaser / off-taker of electricity
- I am involved in PPAs as an intermediary or facilitator (e.g. utility, trader, network operator)
- I am involved in several of these activities
- I am not involved yet but I am planning to do
- I am not involved and I am not planning to be (anymore).

24. What is/was the main driver behind your willingness to engage in PPAs?

at most 3 choice(s)

- Hedging electricity price over the mid to long term
- Secure power over the mid to long term
- Demonstrating the purchase of renewable energy for disclosure purposes
- Need to find new forms of revenue stabilisation as public support decreases
- Other

Please specify (Other)

500 character(s) maximum

Risk mitigation considerations, as well as the contribution towards obtaining a positive investment decision for new solar and wind assets to be built.

25. What is the main barrier you have encountered when entering into PPAs?

at most 3 choice(s)

- Market prices volatility or market price uncertainty in general
- Lack of transparency and information on PPA prices
- Restrictions from publicly-funded support schemes preventing sellers from offering attractive PPAs terms
- Length of preparing ad hoc documentation and contracts and lack of template / standard agreements
- Administrative or regulatory barriers specific to PPAs
- Lack of possibility to combine the PPA with a Guarantee of Origin or other certificates
- Lack of possibility to book capacity (physical or financial) across bidding zones
- Variable generation profile of renewable energy sources
- Lack of facilitative platforms supporting the matching of sellers with interested off-takers; lack of aggregation options
- Difficulty finding off-take volumes beyond the largest corporates
- Low credit worthiness of off-takers
- Duration of the PPA typically not matching the tenor of the debt required for project financing
- Other

Please specify (Other)

Options 4, 7, 9, 10 are also key barriers for entering PPAs.

26. Have you encountered any **good practices** in relation to solving the barriers listed in question [21] above?

500 character(s) maximum

- Standardized contracts
- Electro-intensive consumers

27. What **regulatory changes** (in current EU legislation or national-level legislation) , if any, would you consider most important to foster the deployment of corporate PPAs in Europe in the next few years?

500 character(s) maximum

- Increase visibility over permitting
- A framework treating financial PPAs as hedging solutions
- Measures to increase liquidity of the PPA markets and facilitate cross-border PPAs. Longer term FTR must be available to allow hedging cross-border exposure beyond 1y, TSOs should investigate the selling of multi annual FTR.
- Public guarantees to support offtake by SMEs
- Raise awareness around benefits and set up an EU platform to match sellers and buyers
- Efforts to harmonize the GOs markets

28. Which form of **financial support** (including debt or guarantee instruments) would you consider most effective in fostering the deployment of corporate PPAs in Europe in the next few years?

500 character(s) maximum

The main limitation for PPAs uptake is the lack of credit-worthiness of offtakers, who need to be considered bankable in order for the project to obtain financing. Financial support should focus on providing guarantees for SMEs. Such support should be tailored to the length of the PPA's period. Granting long-term financial guarantees (10-20 years) for potential medium- and small- sized off-takers of PPAs could be considered in order to improve their overall access to PPAs.

29. Do you/your company/your organisation have any further comments on facilitating Power Purchase Agreements?

1000 character(s) maximum

Eurelectric supports the requirement for MSs to promote the uptake of RES PPAs, enshrined in the Commission's proposal amending REDII. MSs need to remove national and cross-border obstacles to such arrangements. Permitting remains a key barrier to the uptake of PPAs. The Commission could present best practices on PPAs, to support businesses that find it challenging to start such cooperation. Taxation also plays a key role: reducing taxes and levies on electricity will incentivise electrification. Comparatively high taxes on electricity are holding back many potential PPA buyers, being an important barrier for the market. In case of cross-border PPAs, insufficient tools exist to hedge the price differential between two countries over a longer-term (in some cases driven by different tax regimes). PPAs for RES H2 could be facilitated for hard-to-electrify sectors, while ensuring an efficient infrastructure development.

Please upload your file(s)

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

Contact

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Complement to questionnaire on the OPC

Eurelectric would like to add the reply to Q7 which does not appear on the platform but was included in the PDF version.

7. What are the key barriers that have delayed your project(s) in the last 5 years, if any? (Please rank their importance, 1 being the most important)

| | 1 | 2 | 3 | 4 | 5 | no opinion |
|--|-----------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------|-----------------------|
| Length of administrative procedures | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Complexity of the applicable requirements or procedures | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of clarity on the applicable authority(-ies) with whom to coordinate each required permit | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Regulatory changes impacting the business case | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of access to capital/finance due to uncertainty | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Target conflicts with environmental regulations | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Land or sea conflicts with aviation or defence-related activities | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Land or sea conflicts with other users (e.g. farmers, fishermen) | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of public acceptance / target conflicts | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Court proceedings | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Lack of political support | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Grid connection issues linked to lack of available grid capacity | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Grid connection issues linked to reserved but unused capacities | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Other grid connection issues (e.g. cost, unclear rules, technical issues) –please specify | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Other | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

* Please specify (Grid connection issues): Building the power connection up to the place in the network indicated by the DSO (investor's duty) impacts the investment due to the high number of approvals needed, which makes the process difficult and lengthy. Possibility to connect to the grid is increasingly scarce - in some MS, obtaining a grid connection is a precondition to trigger the permitting process. Grid reinforcements take longer than what is needed to achieve 2030 targets. Hybrid solutions and repowering should be promoted.

* Please specify (Other):

- Lack of one-stop-shop for the entire permitting process;
- Lengthy procedures resulting from claims, potentially entailing disruptions in project development
- Lack of centralized digital platforms for tracking progress and avoiding communication delays
- Delays in deliveries and project implementation due to high demand for RES installations coupled with increase in prices and limitations due to Covid19 crisis
- Absence of national-level guidelines on local investment costs / requirements

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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