



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from: General Secretariat of the Council
to: Delegations

No. Cion prop.: 11052/12 ENER 276 ENV 499 POLGEN 107 + ADD 1-3

Subject: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions
- Renewable Energy : a major player in the European energy market
= *Draft Council conclusions: preparatory steps and tentative timetable*

I. Introduction

On 6 June 2012, the Commission presented the above Communication, together with an accompanying Staff Working Document and an Impact Assessment. The Communication explains how renewable energy is being integrated into the single market, and aims to give some guidance on the current framework until 2020 and to outline possible policy options for beyond 2020, in order to ensure continuity and stability and thus to enable Europe's renewable energy production to continue to grow to 2030 and beyond.

With a view to the preparation of draft Council conclusions, the Presidency suggests a series of possible topics, based on the Commission's Communication and with the objective to facilitate future comments by Member States on the Communication. This tentative list of topics does not prejudice the issues which will ultimately be retained for draft conclusions, nor the direction of any such elements. Therefore, before circulating a first outline for draft conclusions in advance of the Informal Meeting of Energy Ministers in September, delegations' comments on the Communication (11052/12) are sought (**20 July 2012**).

Without limiting the scope of these comments, it is suggested that among the topics outlined in the Commission's Communication, at least the aspects/questions listed in section II could deserve comments.

The timetable in Annex tentatively sets out the main steps in the run up to the December TTE Council.

II. Renewable Energy: possible topics for Council conclusions

1. Introduction:

- horizon 2020: RES objective as part of the headline targets under the Europe 2020 Strategy
- EU on track to achieve its RES target for 2020, but longer-term perspective is necessary for investors
- Contribution of RES to the various EU energy policy goals as suggested in the Commission's Energy Roadmap 2050

2. Better market integration of RES:

- different stages of "maturity" of technologies and how these can be taken into account to ensure they become competitive
- addressing subsidies that are detrimental to RES market integration; role of a functioning carbon market and of energy taxation
- improving support schemes: (gradual integration into the market to encourage technology competitiveness, gradual phasing out of support, but continued need for cost-effective and well-targeted support post 2020; How to achieve simpler administrative regimes, stable and reliable support schemes, and provide easier access to capital? How to best address transparency, predictability and the need to stimulate innovation?
- Are there innovative forms of financing for renewables worth considering?
- enhanced cooperation and trade: How to facilitate the use of cooperation mechanisms, remove barriers and improve the attractiveness of such mechanisms? Develop new approaches/partners to international cooperation at bilateral and multilateral level?

3. Internal electricity market opening:
 - achievement of internal energy market in electricity by 2014 to facilitate market participation of new players, including producers of RES (often small and medium-sized enterprises)
 - how to facilitate integration of multiple power producers, including more variable power from wind and solar energy, so that they can participate more effectively in balancing?
 - how can market arrangements, including prices, encourage flexibility to bring in many more market players, new products and technologies and allow for broadening of balancing markets, while being consistent with the single market?

4. Infrastructure and consumers:
 - role of the energy infrastructure package
 - how to strengthen the capacity to develop RES in an integrated way, grid infrastructure, back-up and better operational solutions in a single market?
 - development of smart grids, transmission and distribution grids to handle generation from multiple small producers and widespread distributed generation from "consumer-producers"
 - Addressing the combined role of "smart metering" and micro generation;
 - improving planning and permitting processes: Are there permitting issues (e.g. larger number of permits than other energy sources) specific to renewables which need to be addressed?
 - Awareness-raising and public acceptance issues

5. Technology innovation and Sustainability:
 - enhancing well-targeted R&D through existing instruments and further developing the SET plan
 - the challenge in developing RES is not only about making the corresponding technologies more attractive but also in making sure that the production and use of the various renewable energies remain sustainable: are we on track in this respect and is the impact of new technologies well understood?

6. Next steps:
 - with a view to preparing the basis for discussions for a post-2020 perspective, how to maintain and foster a policy framework supportive of RES and addressing remaining market or infrastructure inadequacies?
 - Are there options that can be considered already at this stage, in particular to capture the potential for growth and employment from strong RES use?

DRAFT TIMETABLE

6 June	Commission Communication RES: a major player in the European energy market
9 July	WPENER: presentation of Communication and Impact Assessment/ examination
20 July	deadline for comments on the Communication
27 July	circulation of conclusions outline
11 September	deadline for comments on outline
17 September	<i>Informal Energy Ministerial</i>
21 September	circulation of 1st draft conclusions
25 September	WPENER: presentation of draft conclusions
1 October	deadline for comments on 1st draft
4 October	circulation of 2nd draft conclusions
9 October	WPENER: examination of conclusions
15 October	deadline for comments on 2nd draft
18 October	circulation of 3rd draft conclusions
23 October	WPENER: examination of conclusions
29 October	deadline for comments on 3rd draft
1 November	circulation of 4th draft conclusions
6 November	WPENER: examination of conclusions
21 November	Coreper
3 December	TTE