



Council of the
European Union

121575/EU XXVII. GP
Eingelangt am 24/11/22

Brussels, 24 November 2022
(OR. en)

15176/22

Interinstitutional File:
2022/0367(NLE)

ENER 626
CLIMA 626
CONSOM 307
TRANS 736
AGRI 670
IND 503
ENV 1198
COMPET 945
FORETS 128

OUTCOME OF PROCEEDINGS

| | |
|-----------------|--|
| From: | General Secretariat of the Council |
| To: | Delegations |
| No. prev. doc.: | 14964/22 |
| No. Cion doc.: | 14349/22 |
| Subject: | Proposal for a Council Regulation laying down a framework to accelerate the deployment of renewable energy - Agreement on the content |

Delegations will find in the Annex the text of the proposal for a Council Regulation laying down a framework to accelerate the deployment of renewable energy following the agreement on the content of the text at the Extraordinary Energy Council on 24 November 2022.

The text in the Annex is subject to lawyer-linguist revision.

2022/0367 (NLE)

Proposal for a

COUNCIL REGULATION**laying down a framework to accelerate the deployment of renewable energy**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 122(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Russian Federation's military aggression against Ukraine and the unprecedented reduction of natural gas supplies from the Russian Federation to Member States threaten the security of supply of the Union and its Member States. At the same time, the weaponisation of gas supply and the Russian Federation's manipulation of the markets through intentional disruptions of gas flows have led to skyrocketing energy prices in the Union, endangering not only the economy in the Union, but also seriously threatening security of supply. A fast deployment of renewable energy sources can help to mitigate the effects of the current energy crisis, by forming a defence against Russia's actions. Renewable energy can significantly contribute to counter Russia's weaponising of energy by strengthening the Union's security of supply, reducing volatility in the market and lowering energy prices.

- (3) In the recent months, Russia's actions have further aggravated the situation in the market, in particular by increasing the risk of a complete halt of Russian gas supplies to the Union in the near future which has affected the Union's security of supply. This sharply increased the volatility of energy prices in the Union, sent gas and electricity prices to all-time highs during the summer. This led to growing electricity retail prices, which are expected to continue gradually trickling down to most consumer contracts, increasingly burdening households and businesses. The aggravated situation in the energy markets substantially contributed to the general inflation in the euro area and slowing down economic growth across the Union. This risk will persist regardless of any temporary reduction of wholesale prices and will be even more pertinent next year, as recognised in the latest emergency proposal by the Commission.¹ European energy companies could face severe difficulties in filling gas storage next year, as it is highly probable that less or even no pipeline gas will arrive in the Union from Russia given the current political situation. In addition, the target for 2023, set out in the Gas Storage Regulation (EU) 2022/1032, is to fill 90% of Union's gas storage capacities as opposed to 80% for this winter. Also, unpredictable events such as sabotage of pipelines and other risks of disruption to security of supply could create additional tensions on gas markets. Additionally, the competitiveness outlook of European renewable energy technology industries has been weakened by recent policies in other world regions aimed at providing support and speeding up the scale up of entire renewable energy technology value chains.
- (4) In this context and in order to tackle the exposure of European consumers and businesses to high and volatile prices causing economic and social hardship, to ease the required reduction in energy demand by replacing natural gas supplies with energy from renewable sources and to increase security of supply, the Union needs to take further immediate and temporary action to accelerate the deployment of renewable energy sources, in particular by targeted measures which are capable of achieving a short term acceleration of the pace of deployment of renewables in the Union.

¹ COM(2022) 553 final.

- (5) The urgent measures are selected because of their nature and potential to contribute to the solutions of the energy emergency in the short term. More particularly, several measures can be implemented by Member States in a rapid manner to streamline the permit-granting process applicable to renewable energy projects, without requiring burdensome changes to their national procedures and legal systems and ensuring a positive acceleration of renewables deployment in the short term. Some of these measures are of general scope, such as the introduction of a rebuttable presumption that renewable energy projects are of overriding public interest for the purposes of the relevant environmental legislation, or the introduction of clarifications regarding the scope of certain environmental Directives as well as the simplification of the permitting framework for the repowering of renewable energy plants by focusing on the impacts stemming from the changes or extensions compared to the original project. Other measures target specific technologies, such as the significantly shorter and faster permit-granting for solar equipment on existing structures. It is appropriate to implement these emergency measures as quickly as possible, and to adapt them as necessary to accurately address the current challenges.

- (6) It is necessary to introduce additional urgent and targeted measures addressed to specific technologies and types of projects which have the highest potential for quick deployment and immediate effect on the objectives of reducing the price volatility and reducing the natural gas demand without constraining overall energy demand. In addition to the acceleration of the permit-granting procedures, for solar energy equipment on artificial structures, it is appropriate to promote and accelerate the deployment of small-scale solar installations, including for renewables self-consumers and collective self-consumers, such as local energy communities, since these are the cheapest and most accessible options with least environmental or other type of impacts for a fast roll-out of new renewable installations. In addition, these projects directly support households and companies that face high energy prices and shield consumers from price volatility. Repowering of renewable energy power plants is an option for rapidly increasing renewable energy production with the least impact on the grid infrastructure and the environment, including in the case of those renewable energy production technologies, such as wind power, for which permitting procedures are typically longer. Lastly, heat pumps are a direct renewable alternative for natural gas boilers and have the potential to significantly reduce the natural gas demand during the heating season.
- (6a) This regulation should apply to permit-granting processes that have a starting date during its application period. In view of the objective of this regulation, and the emergency situation and exceptional context of its adoption, in particular having regard to the fact that a short term acceleration of the pace of deployment of renewables in the Union justifies the application of the provisions of this regulation to pending permit-granting processes, Member States should be allowed to apply this regulation, or certain of its provisions, to ongoing permit-granting processes for which a final decision of the relevant authority has not been taken, provided that the application of those rules duly respects the pre-existing rights of third parties and their legitimate expectations. When deciding to apply this regulation, in part or in full, to ongoing permit-granting processes, Member States should therefore ensure that the application of this regulation to pending permitting procedures is proportionate and appropriately protects the rights and legitimate expectations of all interested parties.

- (7) One of the temporary measures consists of the introduction of a rebuttable presumption that renewable energy projects are of overriding public interest and serving public health and safety, for the purposes of the relevant Union environmental legislation, except where there is clear evidence that these projects have major adverse effects on the environment which cannot be mitigated or compensated for. Renewable energy plants, including heat pumps or wind energy, are crucial to fight climate change and pollution, reduce energy prices, decrease the Union's dependence on fossil fuels and ensure the Union's security of supply. Presuming renewable energy plants, including heat pumps, as being of overriding public interest and serving public health and safety would allow such projects to benefit, where necessary, from a simplified assessment for specific derogations foreseen in the relevant Union environmental legislation with immediate effect. Taking into consideration their national specificities, Member States should be allowed to restrict the application of this presumption to certain parts of their territories or certain technologies or projects. It is possible for Member States to consider applying this presumption in their relevant national legislation on landscaping.
- (8) This reflects the important role that renewable energy can play in the decarbonisation of the Union's energy system, in offering immediate solutions to replace fossil-fuel based energy and in addressing the aggravated situation in the market.
- (9) In order to eliminate bottlenecks in the permit-granting process and operation of renewable energy plants, in the planning and permit-granting process, the construction and operation of energy plants from renewable sources and the related grid infrastructure development should be given priority when balancing legal interests in the individual case, at least for projects which are recognised as being of public interest. Concerning species protection, the preceding sentence should only apply if and to the extent that appropriate species conservation measures contributing to the maintenance or restoration of the populations of the species at a favourable conservation status are undertaken and sufficient financial resources as well as areas are made available for this purpose.

- (10) Solar energy is a key source of renewable energy to put an end to the Union's dependency on Russian fossil fuels while achieving the transition towards a climate-neutral economy. Solar photovoltaics, which is one of the cheapest sources of electricity available, and solar thermal technologies which provides renewable heating at low costs per unit of heat, can be rolled out rapidly, and directly benefit citizens and businesses. In this context, in line with the EU Solar Energy Strategy², the development of a resilient industrial solar value chain in the Union will be supported, including through the Solar PV Industry Alliance that will be launched at the end of 2022. Accelerating and improving permit granting for renewable energy projects will help underpinning an expansion of the Union's clean energy technology manufacturing capacity. The current circumstances and, in particular the very high volatility of energy prices, calls for immediate action to ensure significantly faster permit-granting procedures in order to significantly accelerate the pace of the installation of solar equipment on artificial structures, which are generally less complex than installations on the ground and which can rapidly contribute to mitigate the effects of the current energy crisis, provided that grid stability, grid reliability and grid safety are maintained. These installations should therefore benefit from shorter permit-granting procedures compared to other renewable energy projects.
- (11) This proposal therefore introduces a maximum deadline of three months for the permit-granting process for the installation of solar energy equipment and its related co-located storage and grid connections in existing or future artificial structures created for purposes different than solar energy production. It also introduces a specific derogation for these installations from the need to carry out environmental assessments under Directive 2011/92/EU given that they are not likely to raise concerns related to competing uses of space or environmental impact. Investing in small decentralised solar energy installations to become renewable self-consumers is one of the most efficient means for energy consumers to reduce their energy bills and their exposure to price volatility. Member States should be allowed to exclude certain areas or structures from the scope of this shorter deadline and this derogation for certain justified reasons.

² COM/2022/221 final

- (12a) Self-consumption installations including for collective self-consumers, such as local energy communities, also contribute to reducing overall natural gas demand, to increasing resilience of the system and to the achievement of the Union's renewable energy targets. The installation of solar energy equipment with a capacity below 50 kW, including installations of renewables self-consumers, are not likely to have major adverse effects on the environment or the grid and do not raise safety concerns. In addition, small installations do not generally require capacity expansion at the grid connection point. In view of the immediate positive effects of this type of installation for consumers and the limited environmental impacts they may give rise to, it is appropriate to further streamline the permit-granting process applicable to them provided that they do not exceed existing capacity of the connection to the distribution grid by introducing the concept of administrative positive silence in the relevant permit-granting procedures in order to promote and accelerate the deployment of these installations and to reap their benefits in the short term. Member States should be allowed to apply a lower threshold than 50 kW due to their internal constraints, provided that the threshold remains higher than 10,8 kW. The relevant entities may, during the permit-granting process of one month, reject the applications received for such installations for reasons related to grid safety, stability and reliability on the basis of a duly motivated response.
- (12) Repowering existing renewable energy plants has a significant potential to rapidly increase renewable power generation, thus allowing to reduce gas consumption. Repowering enables the continued use of sites with significant renewable energy potential, which reduces the need to designate new sites for renewable energy projects. Repowering a wind energy power plant with more efficient turbines allows the existing capacity to be maintained but with fewer, bigger and more efficient turbines or increasing the capacity. Repowering also benefits from the existing grid connection, a likely higher degree of public acceptance and knowledge of environmental impacts.

- (13) It is estimated that onshore wind capacity of 38 GW is reaching the end of its normal operational life of 20 years between 2021 and 2025. Decommissioning these capacities instead of repowering would lead to a substantial reduction of the currently installed renewable energy capacity, further complicating the situation in the energy market. Immediate simplification and accelerated permitting for repowering are crucial for maintaining and increasing the renewable energy capacity in the Union. To this end, the proposed Regulation introduces additional measures.
- (14) It is therefore appropriate to introduce measures to further streamline the permit-granting process applicable to the repowering of renewable energy projects. In particular, the maximum deadline of six months applicable to the permit-granting process for the repowering of renewable energy projects should include all relevant environmental assessments. Moreover, whenever the repowering of a renewable energy plant or of a related grid infrastructure which is necessary to integrate renewable energy into the electricity system is subject to a screening or environmental assessment, these should be limited to assessing the potential significant impacts resulting from the change or extension compared to the original project.
- (15) In order to promote and accelerate the repowering of existing renewable energy plants, a simplified procedure for grid connections should be immediately established where the repowering results in a limited increase in total capacity compared to the original project.
- (16) When repowering a solar installation, increases in efficiency and capacity can be achieved without increasing the space occupied. The repowered installation thus does not have a different impact on the environment than the original installation as long as the space used is not increased in the process, and the originally required environmental mitigation measures continue to be complied with.

- (17) Heat pumps are a key technology to produce renewable heating and cooling from ambient energy, including from wastewater treatment plants, and geothermal energy. They also allow the use of waste heat and cold. The rapid deployment of heat pumps which mobilises underused renewable energy sources such as ambient energy, geothermal energy and waste heat from industrial and tertiary sectors, including data centres, makes it possible to replace natural gas and other fossil fuel-based boilers with a renewable heating solution, while increasing energy efficiency. This will accelerate the reduction in the use of gas for the supply of heating, both in buildings as well as in industry. In order to accelerate the installation and use of heat pumps, it is appropriate to introduce targeted shorter permit-granting procedures for such installations, including a simplified procedure for connection to the electricity grid of smaller heat pumps where there are no safety concerns, no further works are needed for grid connections and there is no technical incompatibility of the system components and unless no such procedure is required by national law. Thanks to a quicker and easier installation of heat pumps, the increased use of renewables in the heating sector, which accounts for almost half of the Union's energy consumption will contribute to security of supply and help tackling a more difficult market situation.
- (17a) When applying the deadlines for the installation of solar energy equipment, the repowering of renewable energy power plants and for the deployment of heat pumps, the time during which the plants, their grid connections and the related necessary grid infrastructure are being built or repowered should not be counted within these deadlines except when it coincides with an administrative stage of the permit-granting process. In addition, the period for the administrative stages necessary for significant upgrades of the grid required to ensuring grid stability, grid reliability and grid safety should also not be counted within the deadlines.
- (17b) In order to further facilitate the deployment of renewable energy, Member States should be allowed to retain the possibility to further shorten the deadlines of the permit-granting process.

- (18) The provisions of the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters ('the Aarhus Convention') regarding access to information, public participation in decision-making, and access to justice in environmental matters, and in particular, the obligations of Member States relating to public participation and to access to justice, remain applicable.
- (19) The principle of energy solidarity is a general principle under Union law³ and applies to all Member States. In implementing the principle of energy solidarity, the proposed measures allow for cross-border distribution of the effects of faster deployment of renewable energy projects. They are addressed to renewable energy installations in all Member States and capture a wide scope of projects, including on existing structures, new installations of solar energy equipment of renewables self-consumers and repowering of existing installations. Given the degree of integration of Union energy markets, any increase in renewable energy deployment in a Member State should be beneficial also for other Member States in terms of security of supply and lower prices. It should help renewable electricity flow across the borders to where it is most needed and ensure that cheaply produced renewable electricity is exported to Member States where the electricity production is more expensive. In addition, the newly installed renewable energy capacities in the Member States will have an impact on the overall gas demand reduction across the Union.
- (20) Article 122(1) of the Treaty on the Functioning of the European Union allows the Council to decide, on a proposal from the Commission and in a spirit of solidarity between the Member States, upon the measures appropriate to the economic situation, in particular if severe difficulties arise in the supply of certain products, notably in the area of energy. In the light of recent events and Russia's recent actions, the high risk of a complete halt of Russian gas supplies, combined with the uncertain outlook for alternatives, pose a significant threat of disruption of the energy supplies, further increase of the energy prices and consequential pressure on the Union's economy. Therefore, additional urgent action is necessary.

³ Judgment of the Court of Justice of 15 July 2021, Germany v Poland, C-848/19 P, ECLI:EU:C:2021:598.

- (21) Considering the scale of the energy crisis, the level of its social, economic and financial impact and the need to act as soon as possible, this Regulation should enter into force as a matter of urgency on the day following that of its publication in the Official Journal of the European Union. Its validity is limited to 18 months, with a review clause in order for the Commission to propose extending its validity, if necessary.
- (22) Since the objectives of this Regulation cannot be sufficiently achieved by the Member States, but can rather be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve that objective.

HAS ADOPTED THIS REGULATION:

Article 1a

Subject matter and scope

This Regulation establishes temporary rules of an emergency nature to accelerate the permit-granting process applicable to the production of energy from renewable energy sources, with a particular focus on specific renewable energy technologies or types of projects which are capable of achieving a short term acceleration of the pace of deployment of renewables in the Union.

This Regulation applies to all permitting procedures that have a starting date within the duration of its application and is without prejudice to national provisions establishing shorter deadlines than those laid down in articles 3, 4 and 5.

Member States may also apply this Regulation to ongoing permit granting processes which have not resulted in a final decision before [starting date of application of this Regulation], provided that this shortens the permit granting process and that pre-existing third party legal rights are preserved.

Article 1

Definitions

For the purpose of this Regulation, the definitions set out in Article 2 of Directive 2018/2001 apply. In addition, the following definitions apply:

- (1) 'permit-granting process means the process:
 - (a) comprising all relevant administrative permits issued to build, repower and operate plants for the production of energy from renewable sources including heat pumps, co-located energy storage facilities, and assets necessary for their connection to the grid, including grid connection permits and environmental assessments where these are required; and
 - (b) comprising all administrative stages starting from the acknowledgment of the reception of the complete application by the relevant authority and ending with the notification of the final decision on the outcome of the procedure by the relevant authority;
- (2) 'solar energy equipment' means equipment that converts energy from the sun into thermal or electrical energy, in particular solar thermal and solar photovoltaic equipment.

Article 2

Overriding public interest

- (1) The planning, construction and operation of plants and installations for the production of energy from renewable sources, and their connection to the grid and the related grid itself and storage assets shall be presumed as being in the overriding public interest and serving public health and safety when balancing legal interests in the individual cases for the purposes of Articles 6(4) and 16(1)(c) of Directive 92/43/EEC, Article 4(7) of Directive 2000/60/EC and Article 9(1)(a) of Directive 2009/147/EC. Member States may restrict the application of these provisions to certain parts of their territory as well as to certain types of technologies or to projects with certain technical characteristics in accordance with the priorities set in their integrated national energy and climate plans.
- (2a) Member States shall ensure, at least for projects which are recognised as being of overriding public interest, that in the planning and permit-granting process, the construction and operation of energy plants from renewable sources and the related grid infrastructure development is given priority when balancing legal interests in the individual case. Concerning species protection, the preceding sentence shall only apply if and to the extent that appropriate species conservation measures contributing to the maintenance or restoration of the populations of the species at a favourable conservation status are undertaken and sufficient financial resources as well as areas are made available for this purpose.

Article 3

Accelerating the permit-granting process for the installation of solar energy equipment

- (1) The permit-granting process for the installation of solar energy equipment and co-located energy storage assets, including building-integrated solar installations and roof-top solar energy equipment, in existing or future artificial structures, with the exclusion of artificial water surfaces, shall not exceed three months, provided that the primary aim of such structures is not solar energy production. By way of derogation from Article 4(2) of Directive 2011/92/EU, and Annex II, points 3(a) and (b), read alone or in conjunction with point 13(a) of Annex II to that Directive, such installations of solar equipment shall be exempted from the requirement, if applicable, to be subject to a determination whether the project requires an environmental impact assessment or from the requirement to carry out a dedicated environmental impact assessment.
- (1a) Member States may exclude certain areas or structures from the provisions of paragraph 1, due to reasons of cultural or historical heritage protection, or for reasons related to national defence interests or safety reasons.
- (2) For the permit-granting process regarding the installation of solar energy equipment, including for renewables self-consumers, with a capacity of 50 kW or less, the lack of reply by the relevant authorities or entities within one month following the application shall result in the permit being considered as granted, provided that capacity of solar energy equipment does not exceed existing capacity of the connection to the distribution grid.

- (2a) Where the application of the threshold as referred to in paragraph 2 leads to a significant administrative burden or constraints to the operation of the electricity grid, Member States may apply a lower threshold provided this remains above 10,8 kW.
- (3) All decisions resulting from the above permit-granting processes shall be made public in accordance with existing obligations.

Article 4

Repowering of renewable energy power plants

- (1) The permit-granting process for repowering of projects, including the permits related to the upgrade of the assets necessary for their connection to the grid where the repowering results in an increase in capacity, shall not exceed six months including environmental assessments where required by relevant legislation.
- (2) Where the repowering does not result in an increase in the capacity of the renewable energy power plant beyond 15%, and without prejudice to the need to assess any potential environmental impacts pursuant to the third paragraph of this Article, grid connections to the transmission or distribution grid shall be permitted within three months following application to the relevant entity unless there are justified safety concerns or there is technical incompatibility of the system components.
- (3) Where the repowering of a renewable energy power plant or of a related grid infrastructure which is necessary to integrate renewables into the electricity system, is subject to a determination whether the project requires an environmental impact assessment procedure or an environmental impact assessment pursuant to Article 4 of Directive 2011/92/EU, such prior determination and/or environmental assessment shall be limited to the potential significant impacts stemming from the change or extension compared to the original project.

- (4) Where the repowering of solar installations does not entail the use of additional space and complies with the applicable environmental mitigation measures established for the original installation, the project shall be exempted from the requirement, if applicable, to be subject to a determination whether the project requires an environmental impact assessment pursuant to Article 4 of Directive 2011/92/EU.
- (5) All decisions resulting from the above permit-granting processes shall be made public in accordance with existing obligations.

Article 5

Acceleration of the deployment of heat pumps

- (1) The permit-granting process for the installation of heat pumps below 50MW shall not exceed one month, in case of ground source heat pumps three months.
- (2) Unless there are justified safety concerns, further works are needed for grid connections or there is technical incompatibility of the system components, connections to the transmission or distribution grid shall be permitted following notification to the relevant entity for:
- (a) heat pumps of up to 12 kW electrical capacity; and
 - (b) heat pumps installed by a renewables self-consumer of up to 50 kW electrical capacity, provided the capacity of the renewables self-consumer's renewable electricity generation installation amounts to at least 60% of the capacity of the heat pump.
- (3a) Member States may exclude certain areas or structures from the provisions of this Article, due to reasons of cultural or historical heritage protection, or for reasons related to national defence interests or safety reasons.
- (3) All decisions resulting from the above permit-granting processes shall be made public in accordance with existing obligations.

Article 5a

Timelines for the permit-granting process for the installation of solar energy equipment, the repowering of renewable energy power plants and for the deployment of heat pumps

When applying the deadlines referred to in Articles 3, 4 and 5, the following time shall not be counted within the deadlines except when it coincides with other administrative stages of the permit-granting process:

- (a) the time during which the plants, their grid connections and, with a view of ensuring grid stability, grid reliability and grid safety, the related necessary grid infrastructure are being built or repowered,
- (b) the time for the administrative stages necessary for significant upgrades of the grid required to ensuring grid stability, grid reliability and grid safety.

Article 6

Entry into force and application

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply for a period of 18 months from its entry into force.

Article 7

Review

By 31 December 2023 at the latest, the Commission shall carry out a review of this Regulation in view of the development of the security of supply and energy prices and the need to further accelerate the deployment of renewable energy. It shall present a report on the main findings of that review to the Council. The Commission may, based on that report, propose to prolong the validity of this Regulation.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council

The President
