



Designing the 2030 framework

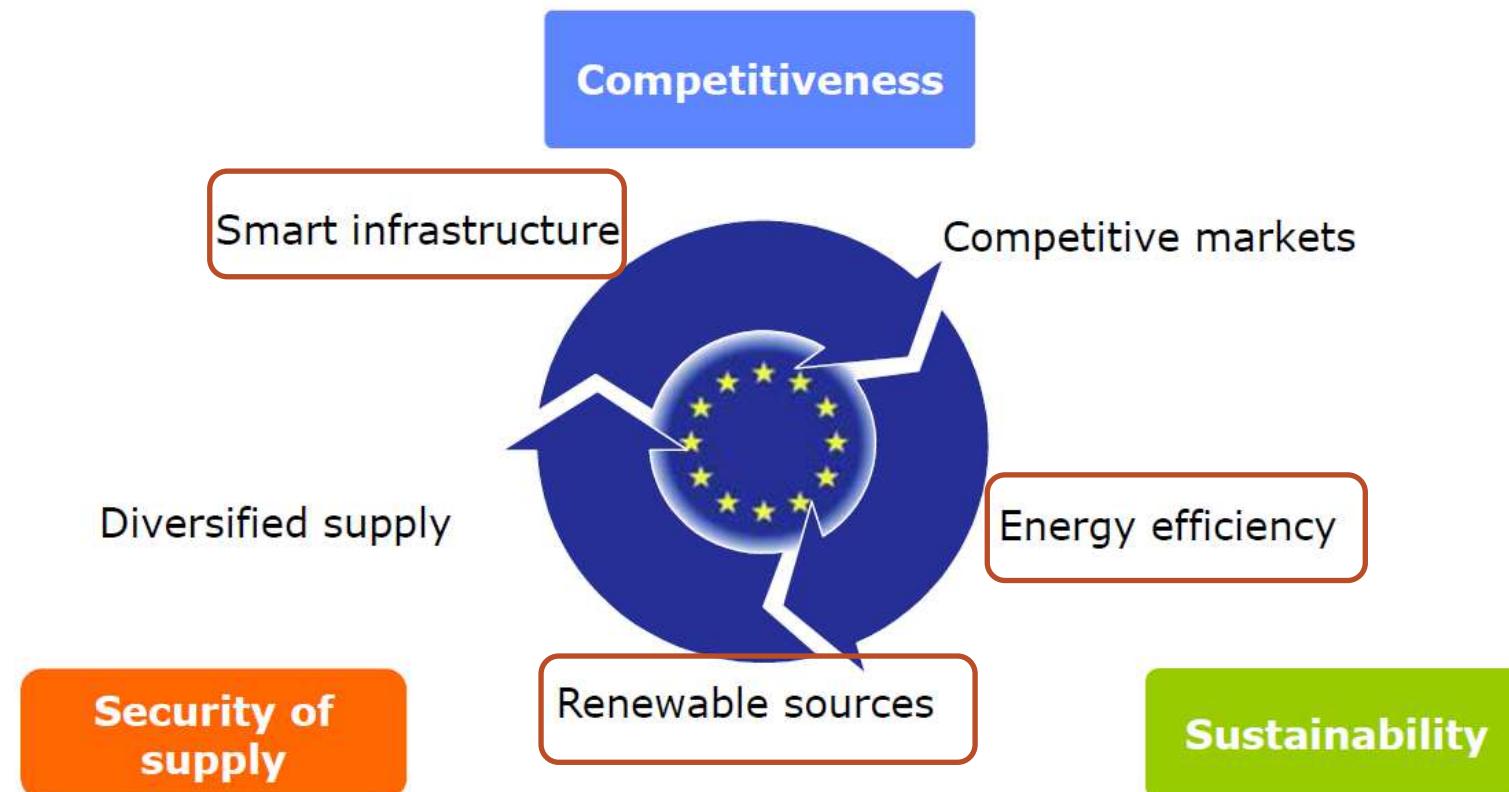
Josche Muth
Secretary General



10th June 2013_Brussels



“No-regrets” scenario for Europe



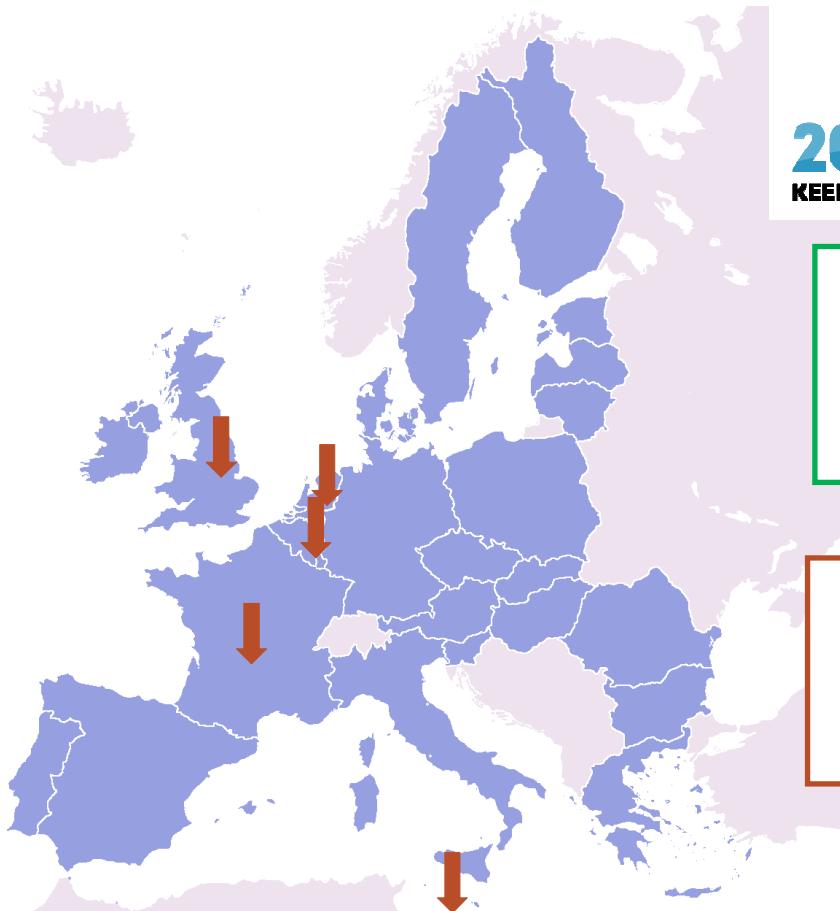
Source: President Barroso at European Council, 22nd May 2013



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Progress in Renewable Energy Development (Status 2011)

(FR, UK, LU, NL, MT)



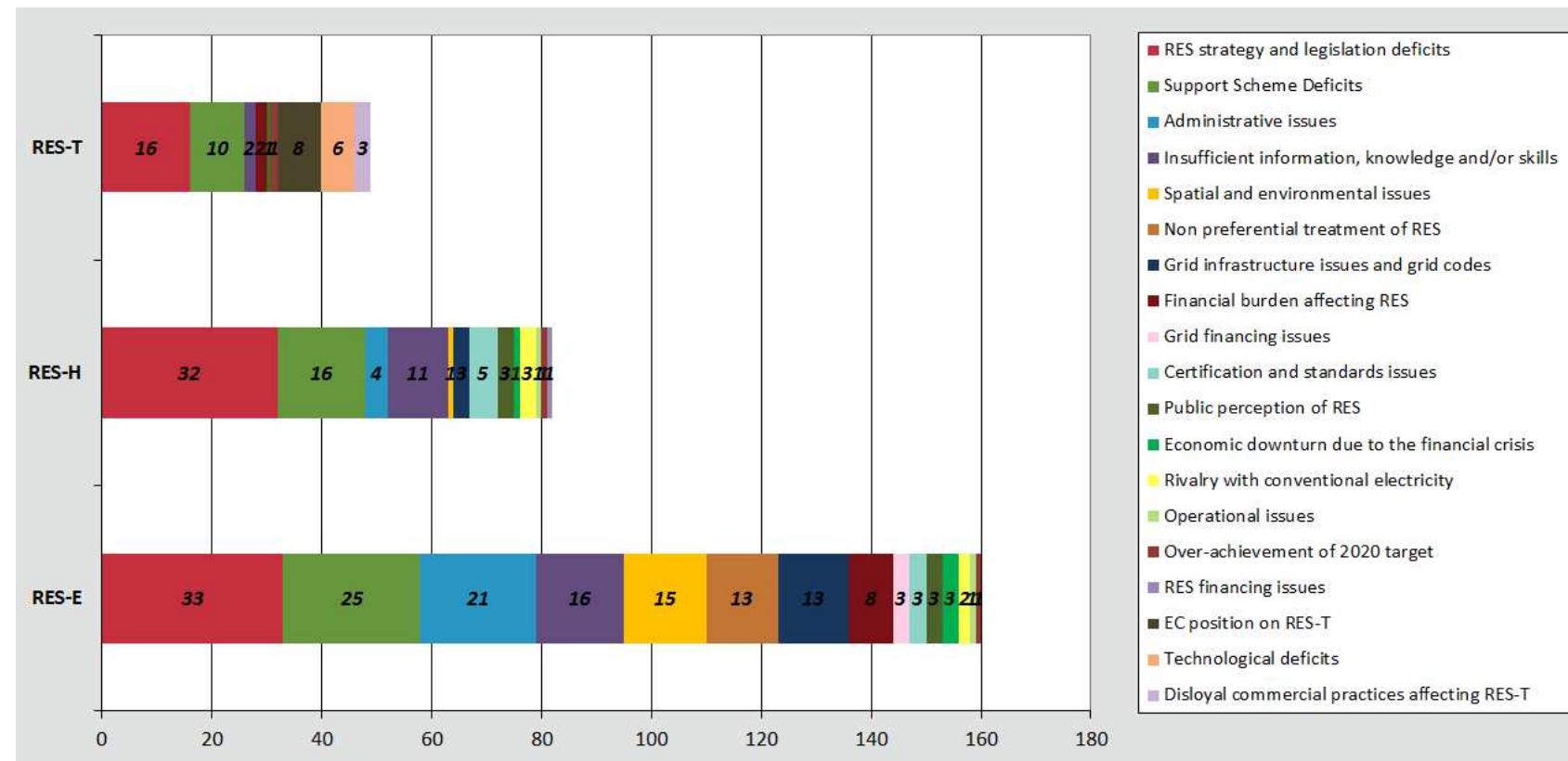
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The lack of long term vision for RES is the most important barrier





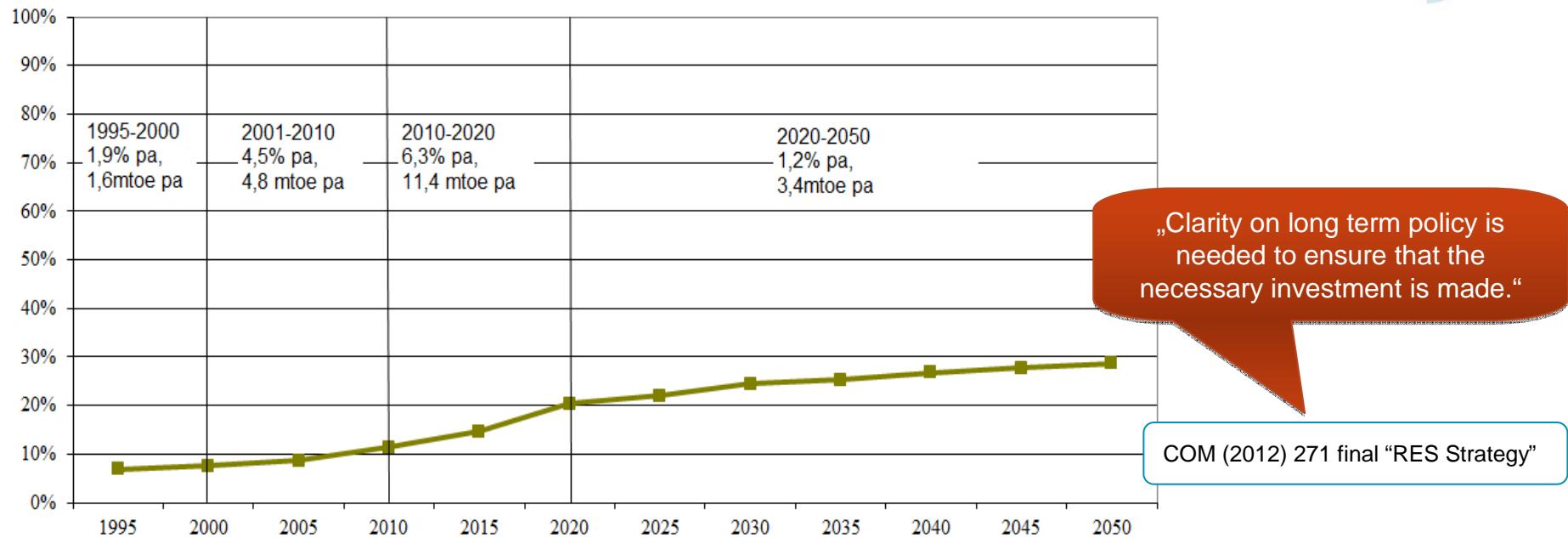
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Historic and projected growth





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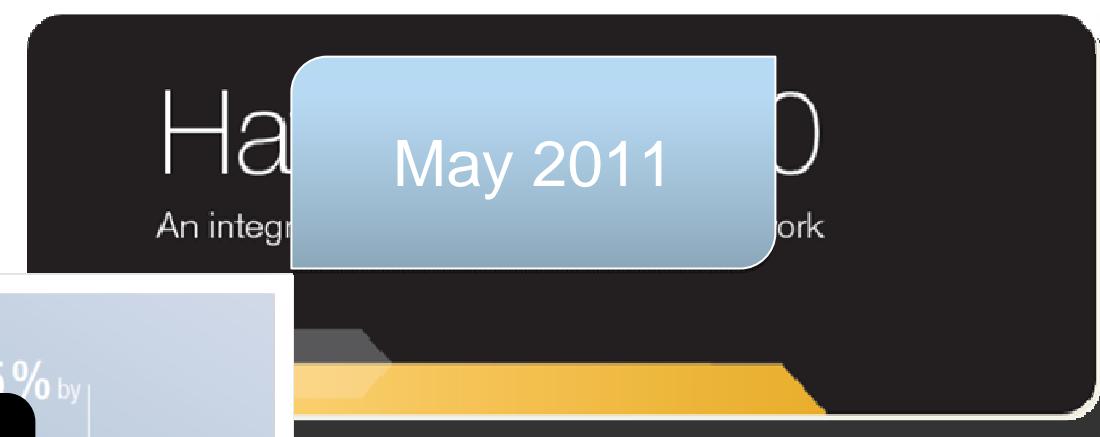
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April 2013

2030

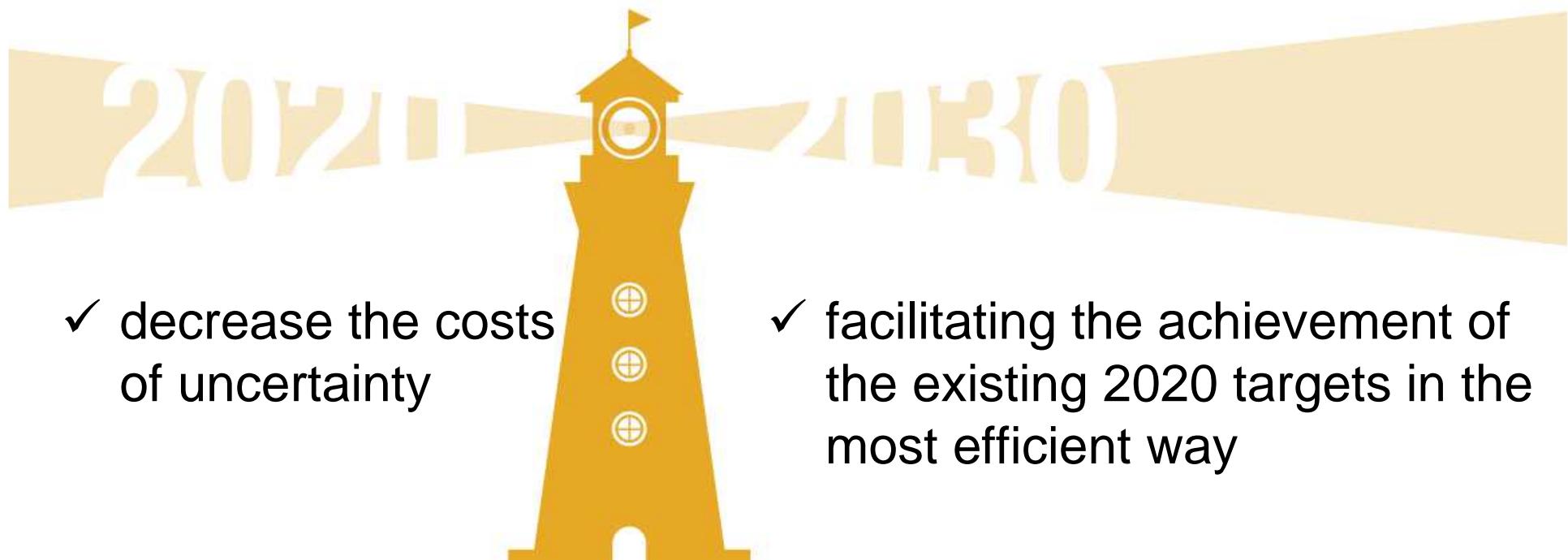
Towards a truly sustainable energy system in the EU





Clear signal for investors

→ long-term predictability of market volumes and direction



- ✓ decrease the costs of uncertainty
- ✓ facilitating the achievement of the existing 2020 targets in the most efficient way



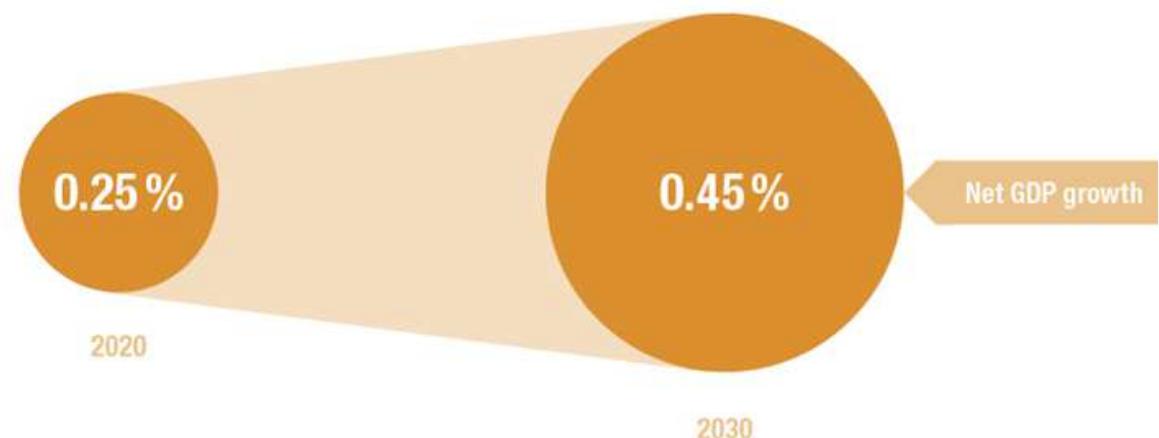
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Growing the economy





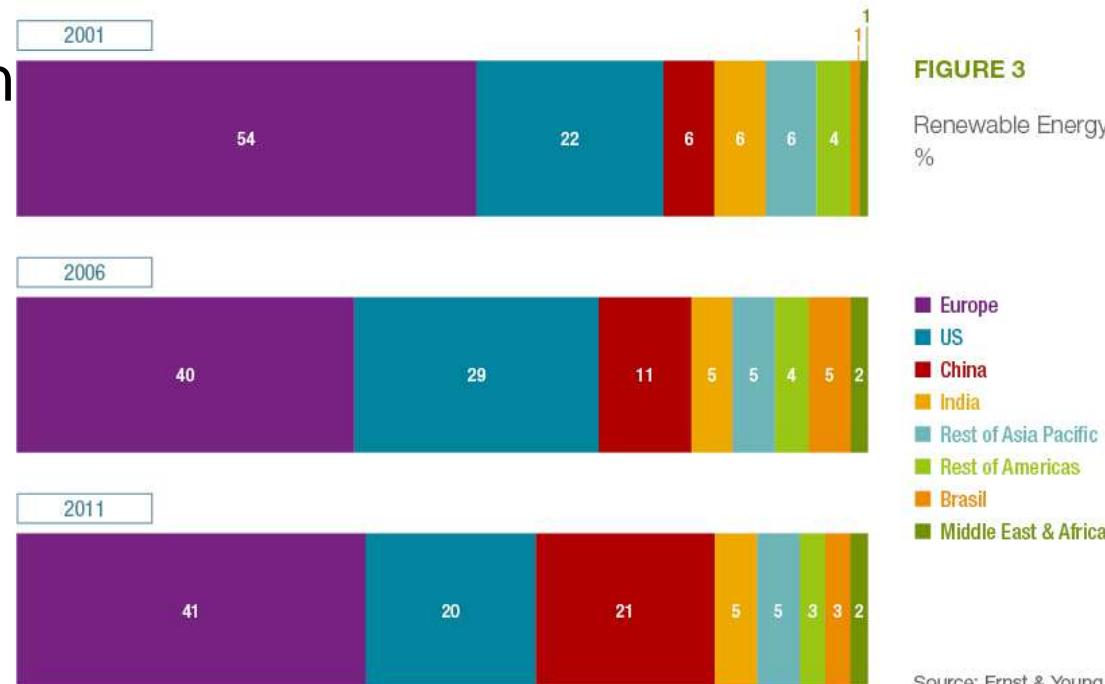
Technology leadership



reap benefits of first-mover advantage

- ✓ global competition with China, U.S., South Korea or India

- ✓ capitalise on exporting opportunities in growing global markets



Source: Ernst & Young



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Creating Jobs



= 100 000 people



2010



2020

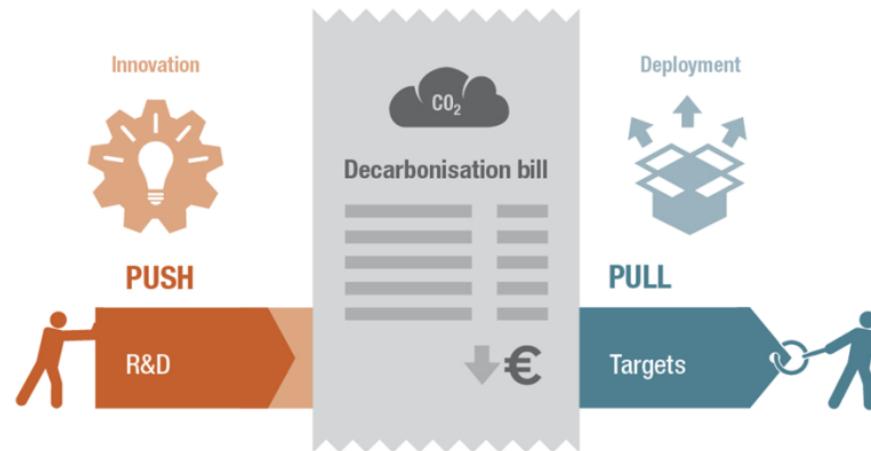


2030





Reducing the costs of decarbonisation

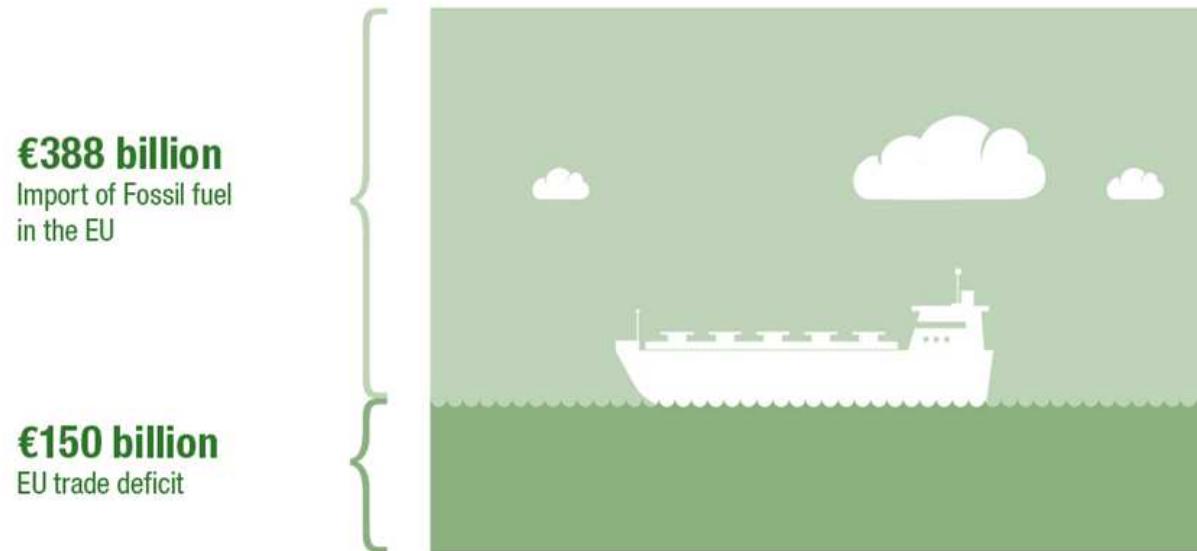


- “supply push” and “demand pull”
 - ✓ Develop broad portfolio
 - ✓ reduce long-term costs



Replacing fossil fuel imports

→ RES technology export instead of fossil fuel imports



- ✓ 550 Mtoe by 2030
- ✓ equivalent to consumption of Belgium, Germany, Latvia, Poland, the UK and Spain

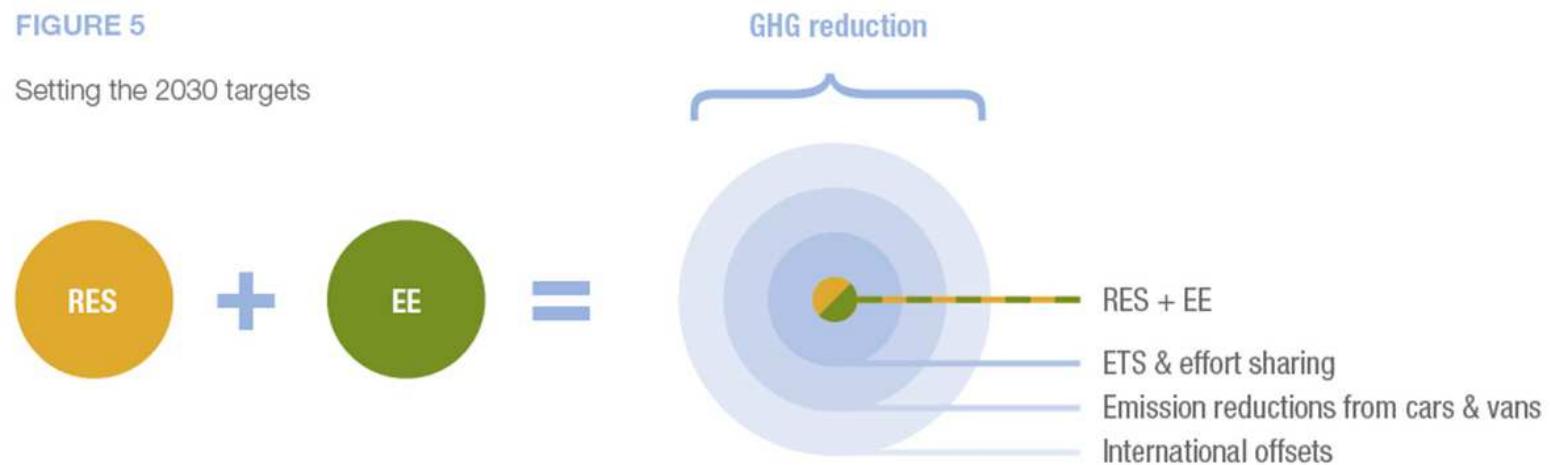


Designing the frame

While a single policy target or instrument might work well when

FIGURE 5

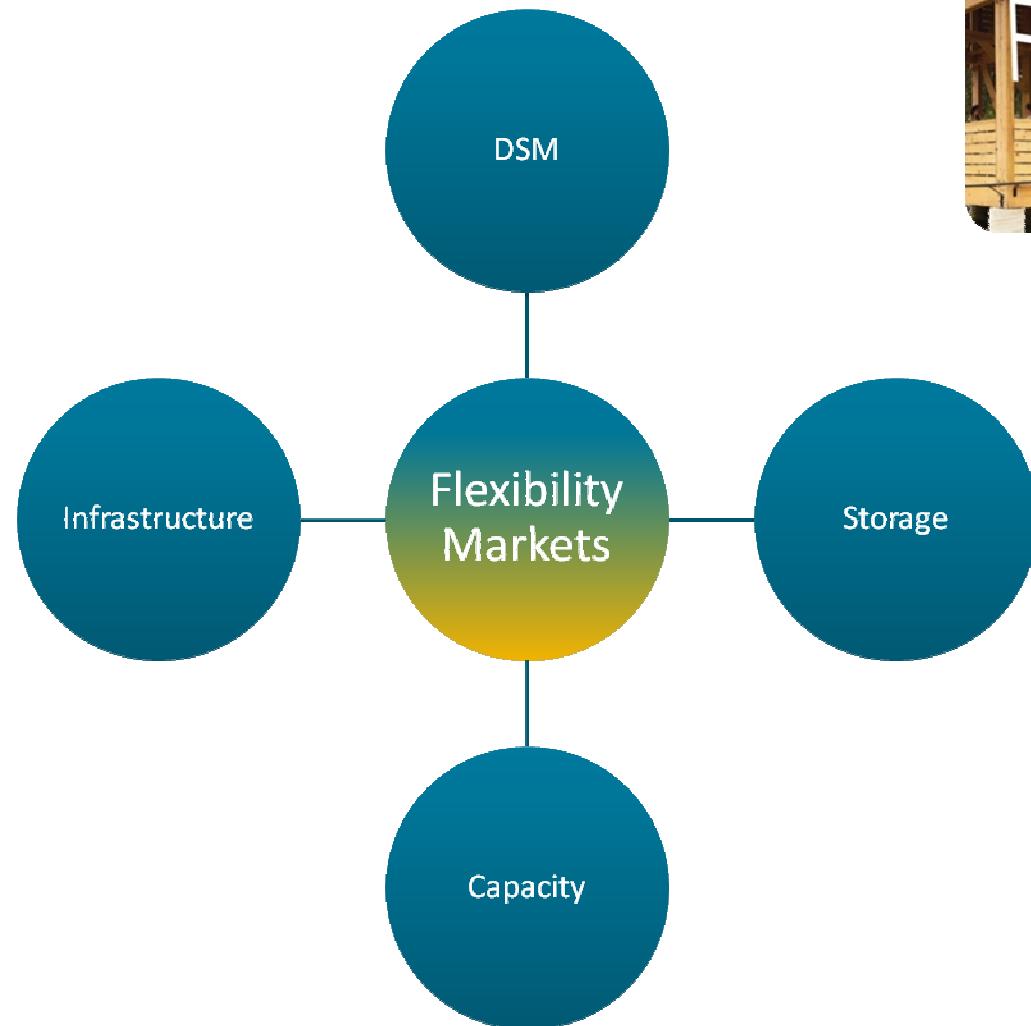
Setting the 2030 targets



Source: EREC



Flexibility markets





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The treatment - backloading

A short-term lowering of the
needed to save the carbon



16th May 2013:
EP rejects
“backloading”



- Remove all surplus emissions permits.
- Adopt ambitious 2030 emissions reduction and renewables targets to create a stable investment framework and a structurally sound Emissions Trading System.



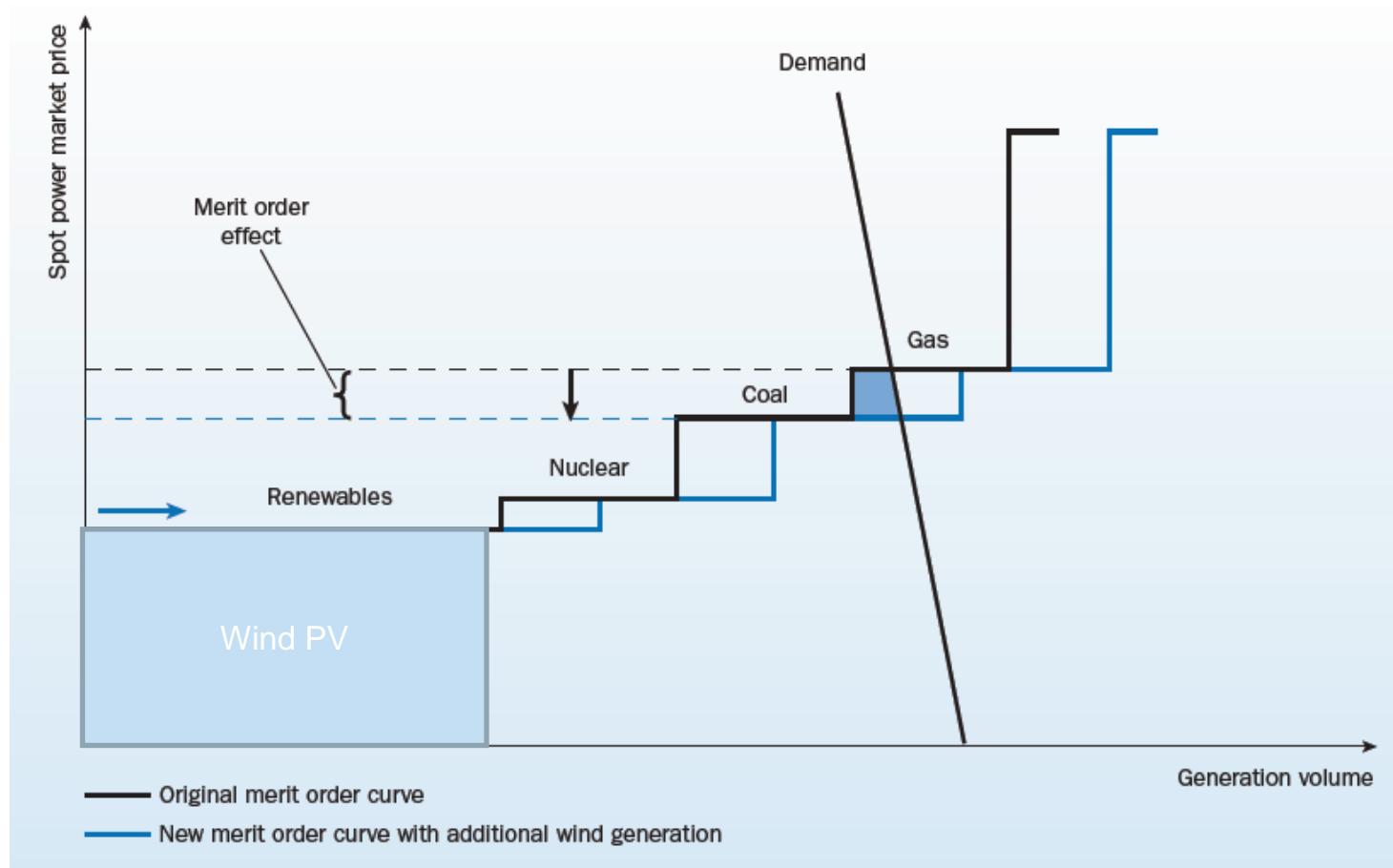
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Merit-Order-Effect





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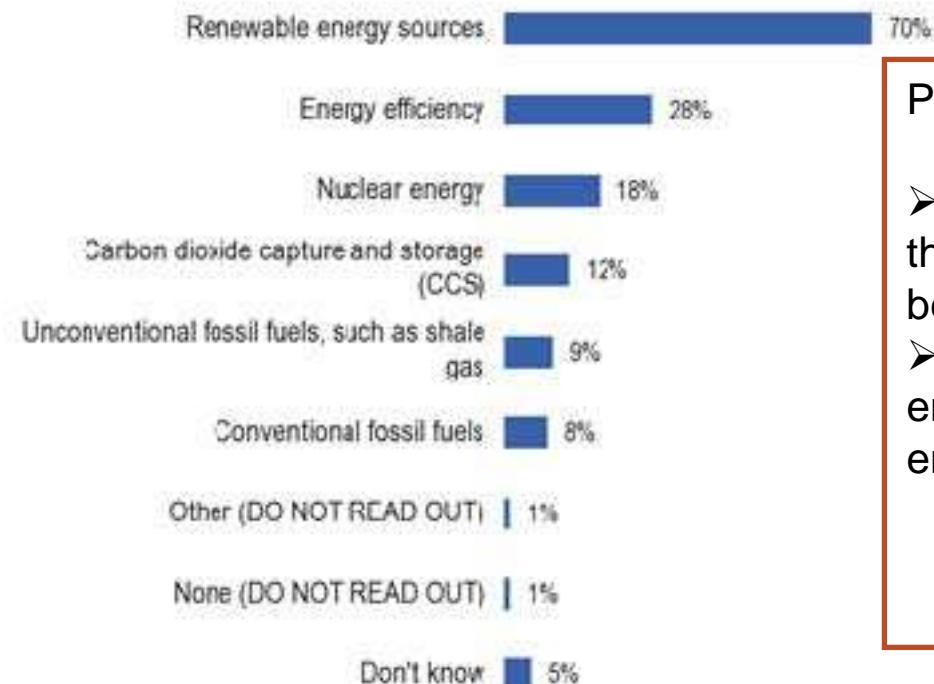
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Which energy priority for 2043?



Q21. Thinking about the next 30 years, which of the following energy options do you think should be prioritised now in (OUR COUNTRY)?



Priorities now for the next 30 years:

- fewer than one in ten Europeans think that unconventional fossil fuels should be prioritised
- 70% of Europeans think renewable energy sources should be the priority energy option
 - ❖ In all 27 MS, RES is the most mentioned priority for energy options in the next 30 years



Source: Eurobarometer 360_2013

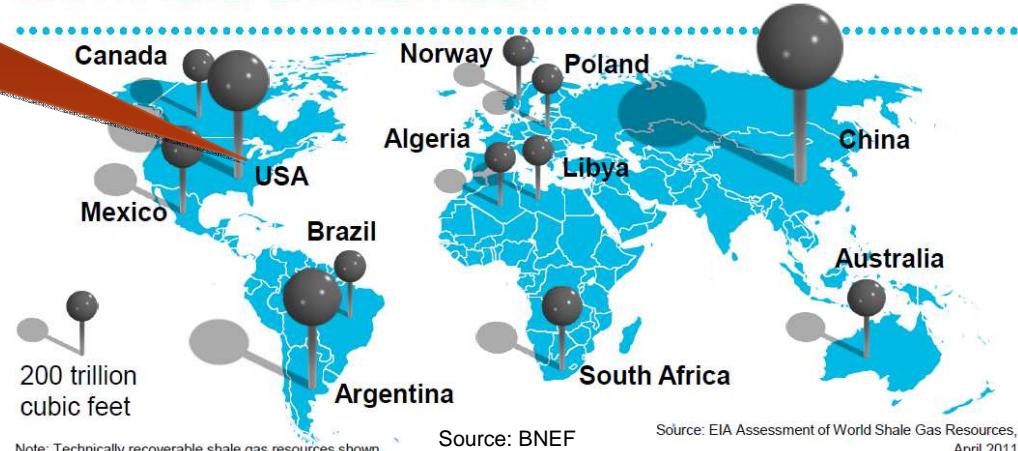


Shale Gas Bonanza

*"What I can tell you is the cost to supply
is not \$2.50.
We are all **losing our shirts today**,
we're making no money. It's all in the
red!"*

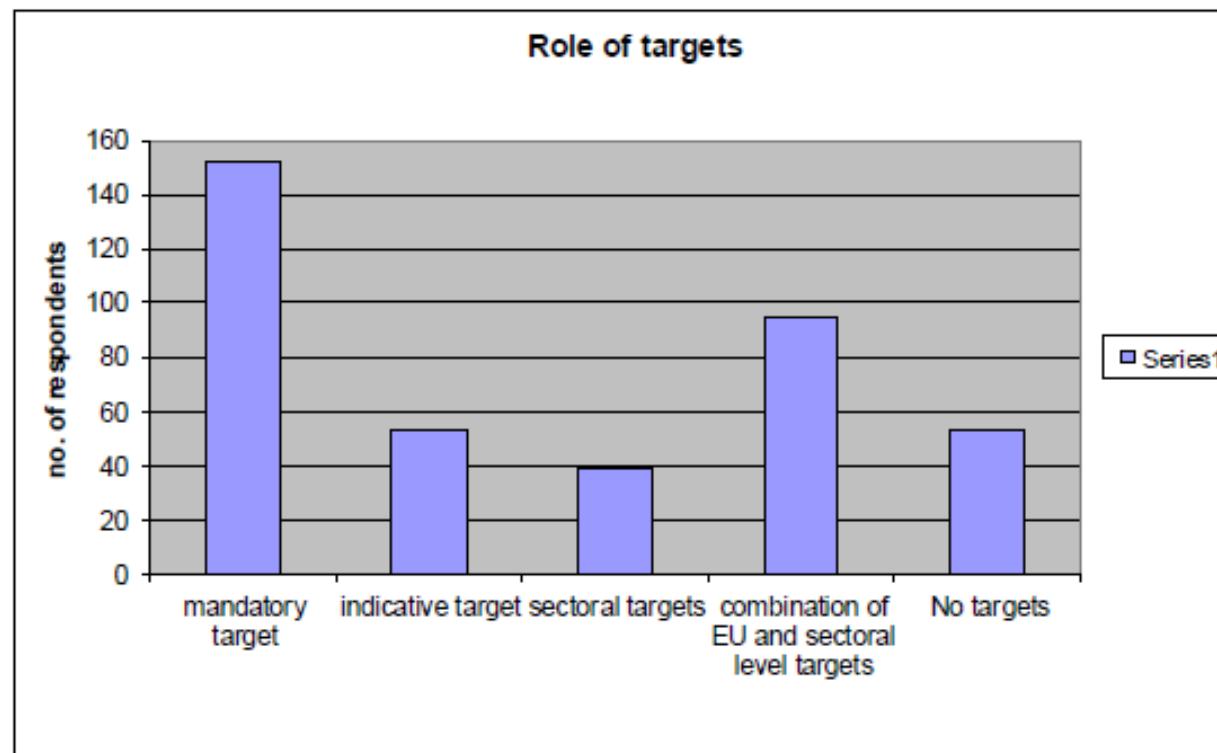
Rex Tillerson, CEO, Exxon Mobil

MAJOR GLOBAL SHALE FIELDS





Which role for RES targets?



Source: European Commission_Results Public Consultation, February 2012



Reducing need for support mechanisms

