EUROPEAN
COMMISSION

Brussels, 18.5.2022
SWD(2022) 151 final

COMMISSION STAFF WORKING DOCUMENT

STAKEHOLDER CONSULTATION - SYNOPSIS REPORT

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

Accompanying the document

Commission Recommendation

on speeding up permit-granting procedures for renewable energy projects and facilitating Power Purchase Agreements

{C(2022) 3219 final} - {SWD(2022) 149 final}

STAKEHOLDER CONSULTATION

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

In the preparation of the Commission Recommendation and guidance on permitting for renewable energy projects and Power Purchase Agreements, the main stakeholder consultation activities consisted of an online 'call for evidence' and a public consultation, which were available for feedback on the Commission's consultation website 'Have your say' for 12 weeks.[1] In addition to the online consultation activities, the Commission also organized a high-level virtual stakeholder conference and two workshops at technical level.

The consultation activities and the public consultation questionnaire containing multiple choice and free text questions were designed following a mapping of available and needed information, including on the basis of the interim report of the RES Simplify project[2] as well as other studies and position papers from the renewable energy industry. Repowering of power plants was one of the topics where an information gap was identified that needed to be filled through the consultation activities.

The objective of the consultation was to gather feedback from the Member States, stakeholders and citizens on the proposed scope and content of the initiative, as well as on additional elements that should be covered. The main stakeholders targeted for the permitting-related aspects were public authorities (Member States and local/regional authorities), renewable energy producing companies, energy communities, and branch organisations. Regarding aspects related to power purchase agreements (PPAs), the main stakeholders were the same as the ones identified for permitting, as well as companies engaging in the sourcing/offtake of renewable energy through PPAs.

The consultation activities reached all identified stakeholder groups, and input from the stakeholders was received via responses to the public consultation, comments to the 'call for evidence' and through participation in the stakeholder events. Feedback was received from public authorities – mainly at local and regional level, with a few contributions at national level, companies active in renewable energy production and companies involved in PPAs, energy communities as well as individual and collective self-consumers, and branch organisations of all sizes (from micro to large). Citizens, non-governmental and environmental organisations also provided input. One company provided input in a meeting and by email without participating in the formal consultation.

A quantitative and qualitative analysis of the replies to the public consultation and the comments received to the 'call for evidence', including the attached position papers was carried out. The replies to the multiple-choice questions in the public consultation were processed using the quantitative data analysis tools in EU Survey. The qualitative replies (the free text replies to the questions as well as the attached position papers) were gathered and screened separately from the quantitative data. The comments to the 'call for evidence' were classified according to the claims made and quantified.

This document should be regarded solely as a summary of the stakeholder contributions. It cannot in any circumstances be regarded as the official position of the Commission or its services and thus it is not binding for the Commission. Responses to the consultation activities also cannot be considered as a representative sample of the views of the EU population.

[1] https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13334-Renewable-energy-projects-permit-granting-processes-&-power-purchase-agreements_en

[2] The RES Simplify project compiled a comprehensive overview of the barriers, national performance indicators as well as best practices related to permitting procedures for renewable energy projects. The main focus of the project is on administrative barriers in the power sector which is the sector where the majority of those barriers are. Conflicting public goods, third-party issues and grid issues are also covered. The interim report is available at: https://data.europa.eu/doi/10.2833/239077.

728 replies were submitted to the '**call for evidence'**, out of which 91 were duplicates (same respondent or same comment). After eliminating the duplicates, out of 637 replies, the vast majority (507) came from citizens (503 from the EU and 4 non-EU), 37 from environmental organisations, 7 from companies/business associations, 25 from companies/business organisations, 18 from non-governmental organisations, 10 from public authorities (mainly local; the Netherlands and Slovenia replied at national ministerial level and the Northern Netherlands Alliance at regional level), 6 from business associations, and 15 from "other". In terms of geographical spread, 534 replies came from France, mainly from citizens, environmental organisations and local authorities either participating in a campaign against wind energy in France or sympathizing with it (sharing similar arguments). A smaller proportion of replies came from other Member States such as Belgium (24), Spain (19), Germany (14) and others. Respondents from non-EU countries such as the United Kingdom (3) and Switzerland (1) also submitted replies.

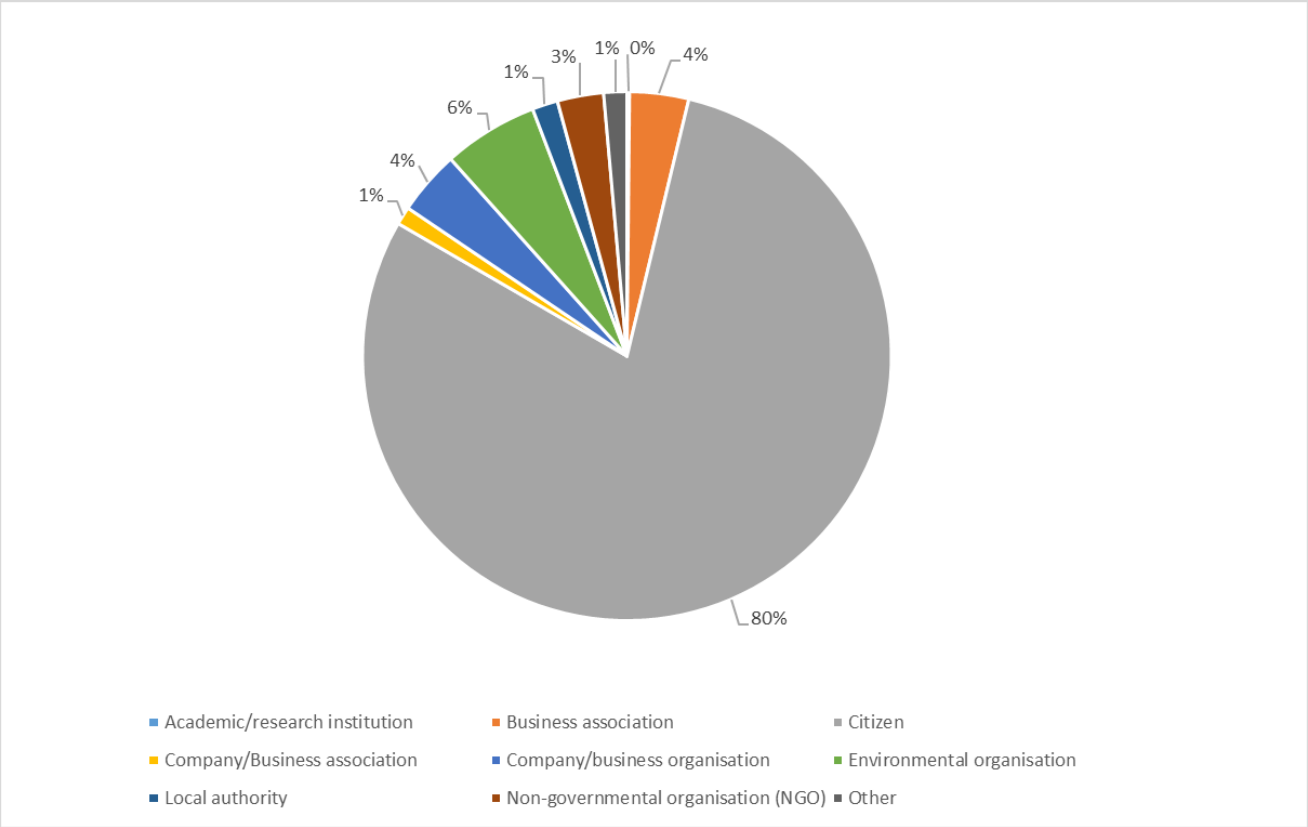

Fig. 1: Overview stakeholder replies per sector

The majority of respondents (close to 500), mainly supporting a campaign against the deployment of wind energy in France or sharing its arguments[3] were sceptical about the Commission's initiative. The campaign asks for an immediate moratorium on industrial wind projects in France. The respondents expressed concerns with various issues such as landscape protection, the environment, biodiversity and heritage, distance to housing and the related concerns, the geopolitical implications of producing wind turbines, and their recyclability. They called for increased transparency regarding projects, for national authorities to take into account the wishes of the local population, and asked for a homogeneous distance to housing rule at European level. Many also underlined the intermittency of renewable energy and concluded that other types of energy such as nuclear were more suitable in France.

[3] https://www.mesopinions.com/petition/nature-environnement/moratoire-immediat-projets-eoliennes-industrielles/108405/actualite/73757

Among the replies that were not part of the campaign, there was general support for renewable energy and for accelerating the pace of permit-granting processes of renewable energy projects (close to 100). When it comes to the identification of barriers, many of the stakeholders called for shorter administrative procedures (52) as well as simpler administrative authorisations (42). They pointed mostly to bureaucracy issues (judicial, legal and administrative), the need to set up one-stop-shops, the lack of digitalisation and the difficulties faced concerning site selection and planning of land/sea space use. Respondents also signalled issues concerning grid connection (22) and the insufficient staffing and skilling of authorities (20). Respondents also called for higher compensation for excess electricity fed by renewables self-consumers into the grid, for increased financial support to citizens who want to install renewable projects and for better redistribution of profits/compensation to the affected local communities.

155 replies were submitted to the **public consultation**, the majority of which came from companies/business organisations (86) and business associations (26). The remaining represented 16 EU citizens, 8 public authorities, 7 non-governmental organisations (NGO), 2 environmental organisations, 1 consumer organisation, 1 academic/research institution and 8 others. The largest number of replies came from Germany (35), followed by France (19), Belgium (19) and Austria (17). 25 Member States were represented.

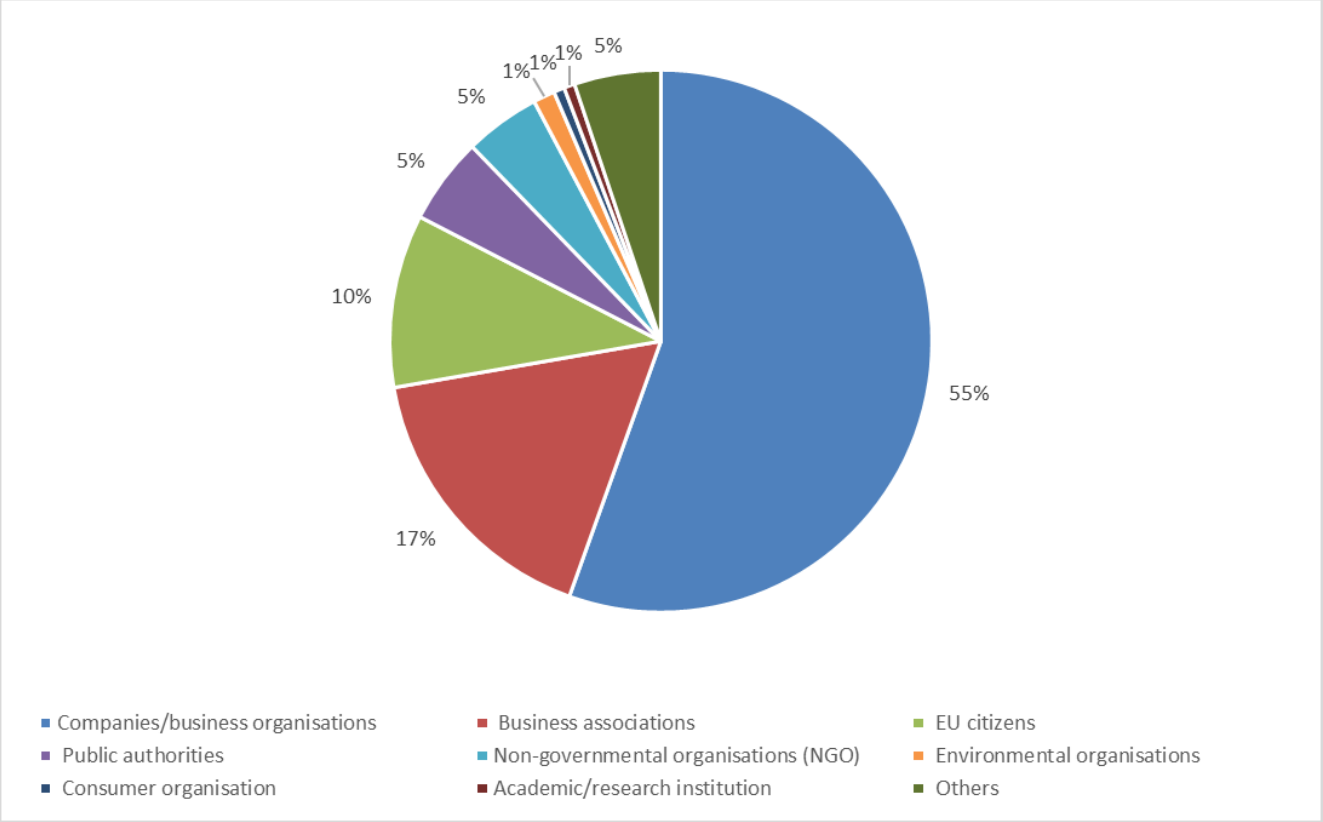

Fig. 2: Overview stakeholder replies per sector

The questions in the public consultation were divided into three parts: questions on permitting to public authorities, to project promoters and associations, and questions on facilitating Power Purchase Agreements. In the multiple-choice questions, respondents could select multiple answers and in some cases were asked to rank their importance. It was allowed to give more than one answer the highest rank.

In their replies, 87.5% (7 / 8) of **public authorities** indicate the availability of sites on land or at sea as

the main challenge to the expansion of renewable energy in their jurisdiction, followed by lack of grid capacity (62.5%), lack of public acceptance / conflict between public goods (50%) and duration of procedures (50%). When asked about the main bottlenecks for processing renewable energy project permits, complexity of coordination at different levels of government or administration is presented as the main barrier by public authorities (75%), followed by lack of human resources (50%) and lack of public acceptance / conflict between public goods (50%). In order to address these issues, most public authorities which responded have provided guidance and support to involved permitting authorities at various levels (75%) and have been monitoring the situation or conducting a study into the problem (62.5%). Organising information campaigns and dialogues with the communities involved are the most common steps taken by public authorities to increase project acceptance among the population.

As for the questions to **project promoters and associations** on permitting, 70 respondents out of 155 ranked the length of administrative procedures and 62 ranked grid connection issues as the most important barrier that have prevented renewable energy projects from materialising. Respondents also ranked competition with environmental regulations (44) and the complexity of the applicable requirements or procedures (35) among the most important barriers. In the replies to the open text questions, respondents stressed the importance of spatial planning, expressed support for multiple uses of space, such as agri-PV, and called for the involvement of the local population. There was also a clear call for a harmonised set of criteria for the designation of suitable areas for projects and for addressing the staff shortages and skills gaps in permit-granting entities. In addition to answering the questionnaire, 55 respondents included also detailed position papers, which further substantiated the main themes prevalent in the questionnaire. Furthermore, respondents pointed to the need for a supportive framework for storage, batteries and hydrogen, stressed the importance of innovation and considerations related to the status of renewable energy as being in the overriding public interest.

The objective to gather information related to repowering power plants was achieved. 60 respondents reported about repowering projects they are planning within the next five years. Another 55 plan life-time extensions, 16 the decommissioning of renewable power plants. The main driver behind the decision to repower is lower cost/improved efficiency of technology (46), followed by the end of lifetime of the asset (27) and site/resource-related considerations (27). The respondents cited the lack of a suitable regulatory framework to simplify permitting for repowering as the most important barrier to repowering (64), followed by (additional) environmental assessment requirements (41). Many respondents stressed the lack of a dedicated legal framework and clear guidelines for environmental assessments for repowering projects. Several respondents also called for a clearer framework and prioritisation of plants combining different technologies for the production and storage of renewable energy.

With reference to the questions on facilitating **Power Purchase Agreements**, the participants ranked hedging electricity price over the mid to long term (54) as the main driver behind the willingness to engage in PPAs, followed by the need to find new forms of revenue stabilisation as public support decreases (34). Concerning the main barrier that the participants have encountered when entering into PPAs, 29 participants considered market prices volatility or market price uncertainty in general as the main limitation.

In the free text responses, the stakeholders raised the importance of removing existing barriers to PPAs including any obstacles related with the transfers of the necessary Guarantees of Origin, to enable small- and medium-sized enterprises to engage in PPAs, and to facilitate cross-border PPAs. The stakeholders raised the importance of introducing government-based support schemes that are compatible with and/or incentivise corporate PPAs. When it comes to addressing market price volatility, stakeholders requested credit guarantees to be available in all EU Member States, to create more liquid long-term markets for renewable electricity contracts, and to promote ‘green pools’ where end-consumers aggregate their demand for corporate PPAs. To support cross-border PPAs, several stakeholders suggested to introduce multi-annual cross-border zonal capacity to ensure that electricity flows across different zones can be ensured.

In addition to the ‘call for evidence’ and the public consultation, stakeholder views were also gathered in a high-level virtual stakeholder conference and two technical-level stakeholder workshops with industry. The high-level virtual stakeholder conference on 29 March 2022 about accelerating the deployment of renewable energy projects gathered close to 300 participants. The speakers included high-level representatives from the EU institutions, EU Member States, industry and civil society. There was strong support from all sides for accelerating the deployment of renewables to gain energy independence. In this respect, spatial planning was stressed as an important tool. Several speakers emphasised the need to engage with the local population and to increase acceptance of renewable energy by means of co-benefits and co-ownership, and ensuring high environmental standards. The participants also emphasised the importance of the grid infrastructure accompanying the renewable energy generation, repowering, digitalisation, and having sufficient and skilled staff at the permit-granting authorities.

The two stakeholder workshops, held on 16 and 17 February 2022, focused on the barriers to repowering in the hydropower and the wind sector, respectively, as well as the corresponding good practices. The participants to the workshops were selected on the basis of their activities in EU Member States with high shares of hydropower or wind in the energy mix, and in the case of wind, with significant installed capacity approaching the end of its lifetime. Participants of both stakeholder workshops identified the complexity of the process, which contributes to lengthen the whole procedure, as the main barrier to repowering, both for hydropower and for wind. They also expressed support to shortening the permit-granting procedures and signalled the need to enhance public acceptance.

With the exception of the campaign identified in the ‘call for evidence’, the results of the various stakeholder consultation activities were largely consistent and contributed to the identification and development of the key topics to be addressed in the Commission Recommendation and guidance. The information and evidence gathered in the context of the consultation work as well as feedback received has been taken into account in the finalisation of the initiative.

The stakeholders views opposing renewable energy deployment and wind energy in particular, expressed in the ‘call for evidence’, underline the importance of increasing public acceptance for renewable energy with its crucial role in reducing net greenhouse gas emissions by at least 55% by 2030 as well as achieving climate neutrality by 2050. The Commission Recommendation and Guidance contain a dedicated section on community acceptance and involvement, focussing on passing on the benefits of the energy transition to local communities, simplified project permit-granting procedures for renewable energy communities, and spatial planning.