Union Française de l'Électricité

September 2020

UFE answers the EC consultation on the Roadmap on the revision of Directive 2018/2011/EU on the promotion of the use of energy from renewable sources (REDII)

UFE welcomes the EC initiative to bring ***greater consistency between energy and climate policies****. Considering the 2018 revision of RED,* ***UFE believes that, alongside a review of the overall 2030 target, the EC should also ensure the complete and correct transposition of REDII by MS.***

To achieve climate neutrality, the EU must put in place an effective system in which **reducing CO2 emissions is the priority.** Frameworks for energy efficiency and renewable energies must achieve this goal and as such the development of RES must be supported.

UFE supports a target of reducing GHG emissions by at least 55% by 2030. To achieve this objective, the EU legislative framework must encourage the reduction of CO2-emitting energy consumption particularly in the most carbon-intensive sectors (transport & construction). **The carbon price signal should be the driving force to encourage investments enabling a transition to a low-carbon economy**, including in RES or energy efficiency. This policy will enable a switch towards low-carbon energies and open a natural and economically efficient way for the deployment of RES. **In a common and consistent framework, an increase of renewable energies could bring positive effects to achieve Europe's decarbonisation but UFE cannot quantify the share of renewable energy in the final energy consumption needed to reach the EU GHG emissions reduction objective.** This level can vary depending on the circumstances and **projections will have to be made based on the EC impact assessment on the new reduction target of GHG emissions by 2030.**

UFE thus supports **a combination of Options 3 and 4.**

Union Française de l'Électricité

To align the Directive with the objective of carbon neutrality, UFE recommends to:

- **Focus on enhancing RED II implementation by notably simplifying and shortening permitting procedures** and promoting especially **technology specific tenders** to reach the existing 2030 RES target. Indeed, efficient permitting procedures and technology specific tenders are the most efficient way to deploy RES to both increase the necessary visibility for investors and develop a balanced production mix allowing a smooth integration into the grid. Repowering procedures of installations that come to end of life should be particularly simplified and facilitate the RES objectives' reach.

- **Consider in the revision of RED the key role of networks and infrastructure,** ready to electrify end-use sectors and integrate renewable energy sources.

- **Focus on strengthening the levers aimed at accelerating the development of renewable heating and cooling.**

- **Maintain the RES support mechanisms and promote greater use of long-term renewable energy purchase contracts (PPA).**

- **Allow revenue stabilisation mechanisms especially Contract for Difference** as crucial financing tool to de-risk financing of renewable projects (e.g. offshore wind projects). They provide the necessary confidence for investors which results in a lower cost of capital and ultimately guarantees affordability for the final consumer.

*The use of renewable electricity is a cornerstone of Europe's decarbonisation and the amendment of **REDII should further recognise the key role of electrification in some end-uses sectors**.*

The review of RED II should **recognise the role of green and decarbonised hydrogen for heavy transport** (maritime, rail, aviation and long-haul coaches), when direct electrification is not feasible.

New RED should increase RES consumption in buildings by:

- **Replacing the current heating & cooling system with a more low-carbon and efficient one** (e.g. replace old fossil-based boilers by a heat pump or new and more efficient boilers).

- Planning the **phasing-out of higher-emission energies** for new buildings as a first step, and for the renovations of (non-)residential buildings as a second step.

- **Encouraging the development of heating networks** which bring flexibility and allow a high penetration of renewables as well as incentivise existing district heating and cooling connections with domestic heat pumps