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# Opportunities and risks streamlining planning and reporting

**The Energy Union** 

Katharina Umpfenbach

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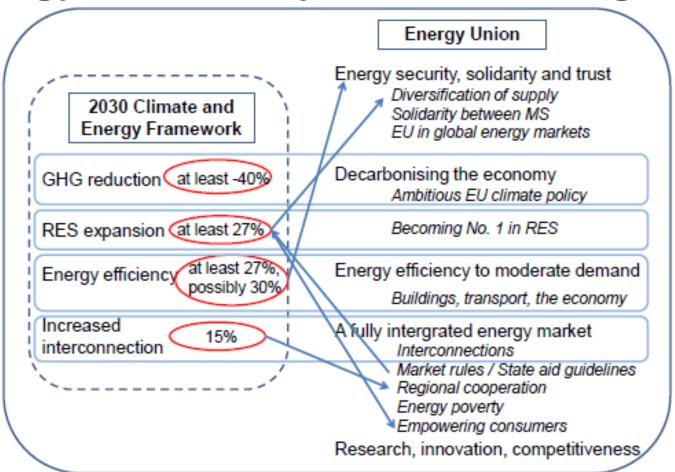
## **Overview**

- 1) The objectives of the Energy Union
- 2) Good governance principles guiding the streamlining process
- 3) Gaps and overlaps in the existing planning and reporting requirements
- 4) Four concrete options for streamlining
- 5) Multi-criteria analysis
- 6) Conclusions

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## **Energy Union: Objectives and targets**



Source: Ecologic Institute



## **Good governance principles**

Effectiveness	EU climate and energy targets for 2030 are met.	Certainty	Clear commitment to implementation of targets is credible.
Accountability	Enforceability is ensured, incl. course correction & independent expert review.	Coherence	Climate and energy policies are coherent accorss sectors.
Transparency	All interested party have access to docs.	Lower admin burden	Number of plans and reports is reduced. Implementation is feasible.
Legitimacy	All relevant stakeholders can participate.	Adaptability/ flexibility	Elements can be adapted to changing circumstances.



## Elements of a ideal-type plan

- 1. Objective
- 2. Target
- 3. Reference scenario
- 4. Planned measures, incl. expected impact
- 5. Projections with measures
- 6. Supporting indicators
- $\rightarrow$  Example: National renewable energy action plans



## Inventory of planning and reporting acquis

		Objective/	MS plan							
	Legal basis	target	Name	Template	Projections	Measures	MS report	EU report	Sectors	Technologies
GHG	ETS Dir. 2009/29	-20 %	No, only optional plans for Art. 10c	No	No	No	Yes, on auctioning rules	COM, annual	Power, industry, aviation	Fossils, planes
	ESD Dec. 406/2009		Yes, under MMR	No	Yes, under MMR	Yes, under MMR	Yes, under MMR	Under MMR	Buildings, agri- culture trans- port	RES, heating, insulation, vehicles, husbandry, fertiliser
	MMR Reg. 525/2013	1	PAMs, 2-yearly	Yes	GHGs	Yes	NIRs, annual	COM to UNFCCC	All	All
			LDCS	No	No	Yes	Yes, 2-yearly	COM to UNFCCC	All	All
			NCs, 4-yearly and BRs, 2-yearly	Yes, non binding	Covered by PAMs	Yes	Combined w/ plan	COM w/ EEA, annual	All	All
	LULUCF Dec. 529/2013	planned	Planned actions, annual as of 2016	No	LULUCF removals and emissions	Yes	Yes	Optional, review in 2017	Forestry, agriculture	Land management
	EED Dir. 2012/27		NEEAPs, 3-yearly	Yes, non binding	Yes for indicator used for EE target	Yes	Yes, annual	Review 2014, reports on single art.	All	All energy using technologies
ᇤ	EPBD Dir. 2010/31	-20%	Yes, Zero energy bldgs plans	No	No	Yes	Yes, can be in EED reports	COM, 3-yearly	Buildings	Heating, cooling, insulation
-	Eco-design Dir. 2009/125		No	No	No	No	No	No, review in 2012	Households	Appliances
	Cars & Vans Reg. 333+253/2014	(95/ 147g CO <sub>2</sub> /km)	No	No	No	No	No	COM, annual	Transport	Cars, vans
RES	RED Dir. 2009/28	20%	NREAP	Yes, binding	Final energy cons. /RES expansion	Yes	Yes, 2-yearly	Yes, 2-yearly	Power, bldgs, transport	RES-E, RES-H/C, RES-T, power grids
IEM	Interconnection EUCO 03/2002	10%	No	No	(TYNDP)	(PCIs)	NRA Monitoring, annual	COM Single Market Progress Report	Power, gas	Power grids, RES-E, fossils, nuclear
	Market Rules Dir. 2009/72+73 ACER Reg. 713/2009		No	No	No	No	NRA Monitoring, annual	COM Single Market Progress Report, ACER Monitoring Report, annual		
	REMIT Reg. 1227/2011		No	No	No	No	(Market participants data)	ACER Monitoring Report, annual		
	ENTSO-E Reg. 714/19		TSOs provide national TYNDP	No	Scenarios on future generation	No	No	TYNDP by ENTSO- E, annual	Power	Power grids, RES-E, fossils, nuclear
	State Aid guidelines Com. 2014/C200/01 Reg. 794/2004		No	No	No	No	Yes, annual	COM synopsis ("Scoreboard"), annual	Energy sector, transport	All
SoS	SoS gas Reg. 994/2010	ds, SoS	Emergency Plan, 2-yearly	No	Risk assessment	Yes	No separate reporting	COM Assessment, annual	Buildings, power	Gas grids, gas supply
	SoS electricity grids, Dir. 2009/72		No	No	Expected future demand & capacity	No	Yes, NRA or gvt. 2-yearly	No	Power	Electricity grids
	Crude oil/ petrol Dir. 2009/119		No	No	No	If stocks <30 day supplies	Reporting on stocks	COM data summary	Transport, buildings, chem. industry	Oil supply



## **Overlaps in the existing P&R requirements**

- Underlying data and scenarios used to comply with P&R under MMR, RED, EED
- Reporting of policies and measures under MMR, RED, EED
- Reporting on grid extension and grid integration of RES under RED and Electricity Directive
- Monitoring of future supply and demand under Electricity and Gas Directives overlaps with NREAPs and NEEAPs
- Future overlaps with security of supply legislation likely

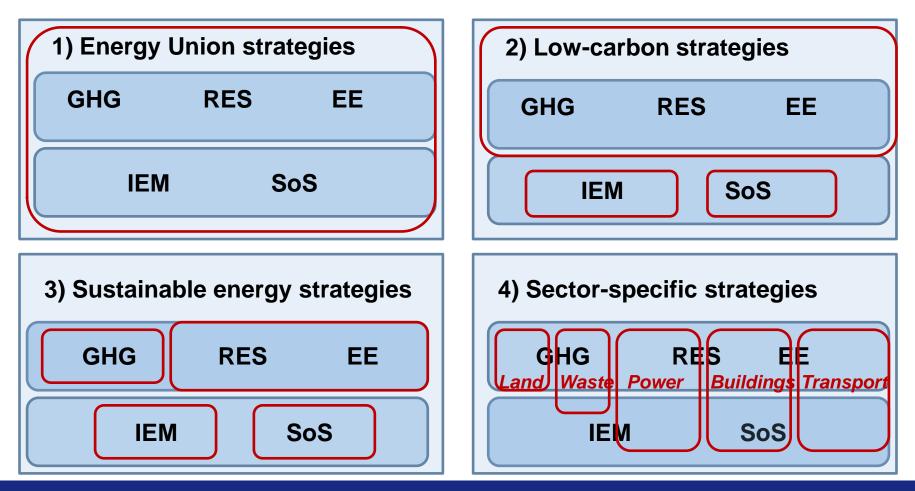


## Gaps in the existing P&R requirements

- Formalised ex-ante planning is most prevalent in energy efficiency and RES policy
- Strategic planning on how to achieve the non-ETS target is missing so far
- At Member State level, there is no strategic planning for achievement of the interconnection target
- Detailed binding templates are the exception rather than the rule



## Four concrete options of streamlining





## **Multi-criteria analysis of four options**

	Energy Union strategies	Low-carbon strategies	Sustainable energy strategies	Sector-specific strategies	
Coherence	Theoretically + + +	++	+	+++	
Consistency	Theoretically + + +	++	÷	++	
Admin. burden	+++	++	+	-	
Practicability		++	++	+	
Effectiveness		+ +	+ +	Potentially + + +	
Accountability		+ +	+ +	- / +	
Investor security		+	+ +	++	
Overall		++	+	++	

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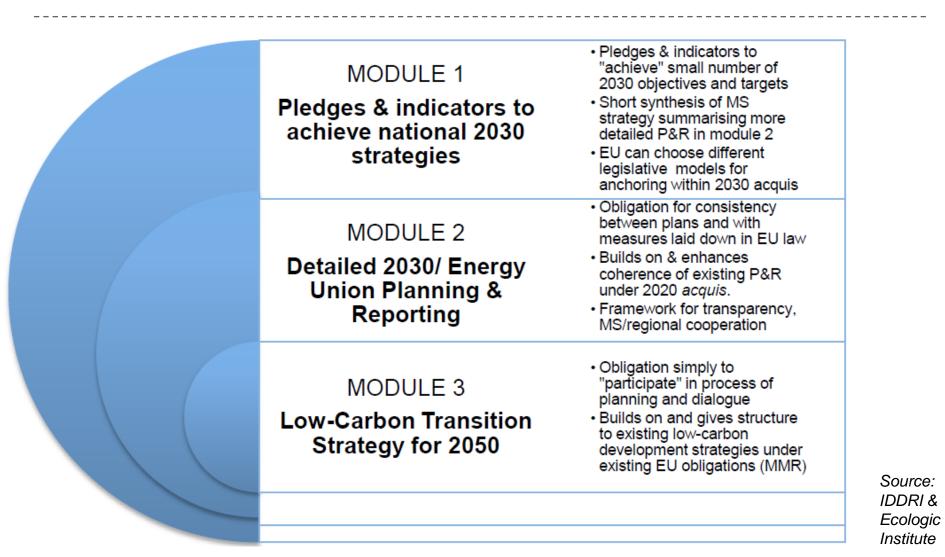


## Conclusions

- There is significant potential for rationalising and condensing existing P&R and improving consistency.
- Overlaps exist within the 2030 package, but increasingly also with P&R on internal market and security of supply.
- But: Replacing the existing P&R requirements by only one plan and report would endanger good governance.
- A workable solution could be a modular approach combining high-level strategies with detailed chapters.
- A no-regret option: Unifying scenario work.

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## Thank you.

#### Katharina Umpfenbach

Katharina.Umpfenbach@ecologic.eu

### **Ecologic Institute**

Pfalzburger Str. 43/44 10717 Berlin Germany

Tel. +49 (30) 86880-0

ecologic.eu