

Expert Workshop

Regional Cooperation in the Commission's Proposal for a New Energy Governance: Options and Implications for Electricity Infrastructure Measures

English Summary

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30 April 2014

On April 30, 2014, Ecologic Institute hosted an expert workshop on the significance of the European Commission's proposed new energy governance, focusing on options and implications for electricity infrastructure measures. Twenty-one participants including policymakers as well as representatives of civil society, academia and business discussed possible requirements of, approaches to, and effects of such new measures through a set of structured questions and impromptu presentations.

Key results

The following portrays the main points one or more experts made during the discussion. The views expressed do not necessarily represent the views of the group as a whole.

In the view of some participants, the Commission's governance proposals reflect the unwillingness of Member States to think about energy supply at the European level and to give up the correlating national competencies. Absent support from Member States, the Commission did not include national renewable energy targets for individual Member States in its climate and energy package for 2030, but instead set an EU-wide goal in combination with a proposal on an EU-governance.

Energy infrastructure measures are currently not the focus of the discussion around the 2030 climate and energy package, though they are essential for the future functioning of the grid and for the future framework of climate and energy policy. Electricity infrastructure and generation should always be thought of together, with the former not being a goal in itself but rather following trends in generation and power markets. Setting the goal of an internal EU power market along with an increase in electricity generated from renewable sources poses new challenges for both national and cross-border power grid operation and upgrades.

A new governance could offer an opportunity to think about electricity infrastructure planning at a regional level and thus lessen or even solve conflicts of interest when it comes to grids that cross national borders. Potential greater transparency and investment security constitute further potential benefits - those, as well as faster permitting processes and public acceptance, are key requirements for efficient implementation of grid infrastructure projects.

Participants noted that given the long-term nature of electricity infrastructure projects, it makes sense to improve circumstances for their execution such that they pave the way for changing power generation options and can be carried out in a timely fashion. Projects of Common Interest (PCIs) offer some initial positive - albeit improvable - attempts at such European structures. A more technical example of cooperative fora, the ENTSO-E, has gathered positive experiences with Europe-wide cooperation. Such fora support participating entities in thinking across borders - they and their members should be included in the process of defining a new governance structure in order to learn from experience and increase the acceptance and quality of future governance. This holds true also for other fora like NSCOGI.

In the interest of efficient administration and implementation, participants found it useful to build the new governance on existing structures (such as the above mentioned fora and reporting systems) and potentially to consolidate these rather than creating unnecessary new governance structures and formats.

Despite this positive potential, a new governance could lead to significant additional coordination effort, bring more new bureaucracy than usefulness, and carry more conflict potential into the political negotiation process as well as negatively affect its implementation. The fundamental problems causing delays in e.g. integrated cross-border infrastructure

projects – pursuit of specific national interests rather than a European vision, as well as doubts about the latter – would not be overcome by a new governance, the concrete benefits of which would have to be made clear.

Participants also saw a danger in the EU Commission trying to use the new governance as a “back door” for expanding its competencies in the energy sector. Such an act would lead to resistance on the part of the Member States. Moreover, a new governance is not currently in the political focus – partially for the latter concerns, but also because this new concept is as yet immature. Thus there is a danger that the idea of a new governance will be “sacrificed” in the compromise negotiations around the 2030 climate and energy package.

Some participants concluded that at this point in time, it makes sense to lend political support to core principles of a new governance and to prevent negative spin around the issue at the political level. In the end, however, it is only possible to ascertain what a new governance can contribute when the idea has become more concrete. It remains to be seen whether the political process initiated by the EU proposal can be used to reform existing energy fora and monitoring systems as well as to integrate and expand them.

Some of the workshop presentations are available online:

- Presentation by Ingmar Jürgens: “A few early considerations about Governance 2030”, online available at www.ecologic.eu/sites/files/event/2014/140430_juergens_governance_2030.pdf
- Presentation by Matthias Duwe: “2030 Governance Framework – A new framework for EU energy and climate policy” (in German), online available at www.ecologic.eu/sites/files/event/2014/140430_duwe_ecologic_institute_nsgws2_0.pdf
- Presentation by Antina Sander: “Importance for transboundary electricity infrastructure and existing regional cooperation fora” (in German), online available at www.ecologic.eu/sites/files/event/2014/140430_sander_renewables-grid-initiative_nsgws2_0.pdf
- Presentation by Olaf Ziemann: “Regional Cooperation – Infrastructure Development and Operation”, online available at www.ecologic.eu/sites/files/event/2014/140430_ziemann_entso-e_nsgws2_0.pdf