EU Policy News Bulletin
Energy

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AT A GLANCE: EU MAY LIMIT UK'S BREXIT TRANSITION TO 20 MONTHS– MEPS ADOPT TIGHTER RULES ON CROP-BASED BIOFUELS– EUROPEAN PARLIAMENT VOTES IN FAVOUR OF CHARGING STATIONS IN BUILDINGS

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BREXIT

EU may limit UK's Brexit transition to 20 months

It has been reported that the European Union is drawing up plans to offer the UK a post-Brexit transition period of just 20 months. Prime Minister May formally requested a transition window of "about two years", as part of her Florence speech last month however, the move could see Britain outside the single market and customs union by December 2020, short of the spring 2021 period that was earlier expected.

While EU negotiators are yet to open talks on the future relationship, they are likely to demand Britain remain in the common fisheries policy during the period, as the quotas apply to the calendar year – making a December 2020 exit a more practical solution. The bloc's chief negotiator, Michel Barnier, has also suggested the end of the transition period coincide with the end of the EU's financial period – which concludes in 2020. UK ministers said they hope to tie up the terms of a Brexit transition agreement by the end of this year.

SOURCE: DODS

RENEWABLES

Renewables policy hampered by cost misconceptions

At a cross-party forum on renewable energy **EUFORES**, Mr Giles Dickson, head of the wind power trade association **Wind Europe**, said that there is a perception that renewables are expensive. According to Wind Europe, the development of EU policy to increase the share of renewable sources in Europe's energy mix is being hampered by the mistaken perception that solar and wind energy are more costly than conventional power.

European Commission proposals to reform EU policy on renewable power and electricity market rules envisage a phaseout of direct subsidies for mature technologies such as onshore wind and solar photovoltaic (PV).

The European Parliament's lead negotiator on reforms to the Renewable Energy Directive (RED), **José Blanco López**, is pushing for a target of 35% by 2030, compared with a Commission proposal of 27%, and recently urged the EU executive to speed up with revised data on the cost of renewables.

Mr Blanco López repeated his criticism of the Commission's decision to abandon binding national renewable energy target after 2020. "I believe this is the wrong choice - it will have a negative impact and remove safety for investors," Blanco López said.

Source: Ends Europe

MEPs adopt tighter rules on crop-based biofuels

The European Parliament's Environment committee called for stricter rules on crop-based biofuels as it adopted its position on the treatment of biofuels under the revised EU **Renewable Energy Directive** (RED II).

The outcome of the vote received a mixed reaction, with some welcoming calls for tighter restrictions, while others warned the lawmakers' stance would encourage the subsidised burning of trees.

The committee's recommendation sets stricter criteria for the use of municipal and industrial wastes for energy and excludes renewable energy support for refuse that is not separately collected.

Zero Waste Europe argued this was crucial to achieve "higher separate collection and recycling rates, in line with the requirements of the new waste legislation" under the EU's circular economy strategy.

For **Oxfam,** the committee improved the Commission's proposal – which called for a 3.8% cap on biofuels made from food crops – by proposing to phase out their use by 2030. "However, MEPs have voted to introduce an exception for so-called 'low indirect land-use change-risk biofuels'," the campaign group added.

WWF reacted angrily to the Environment committee's failure to support a ban on the burning of the trunks and stumps of trees as an ostensibly renewable

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fuel source. The paper industry association **CEPI** and the environmental group **Fern** echoed this criticism, arguing that the stance favoured by the Environment committee could cause an "unsustainable rush" for biomass.*

By contrast, the European Biomass Association welcomed the committee's taking the issue of sustainability "seriously and pragmatically" by allowing solid bioenergy to continue playing an "essential role in the European energy transition".

The committee adopted its opinion of the European Commission's RED II proposal by a narrow margin of 32 votes to 29, with 4 abstentions.

Much of the paper is intended as advice to the Industry and Energy committee, which leads the drafting of the Parliament's position on the updated renewables law. But the Environment committee was given the competence to draft the provisions on the environmental aspects of biofuels.

The Industry committee is set to adopt the Parliament's stance on the RED II proposal – including the headline 2030 renewables target, which the Environment committee recommended raising to 35% – in a vote scheduled for 28 November.

After that, the whole report will be subject to adoption in a full plenary session, paving the way for final negotiations with national government delegates in the EU Council.

Source: Ends Europe

ELECTRIFICATION OF TRANSPORT

European Parliament votes in favour of charging stations in buildings

This month the European Parliament voted on the Energy Performance of Buildings Directive (EPBD), a Commission proposal which was submitted to the Parliament and Council in January this year for examination and adoption. One of the EPBD's main objectives is to support infrastructure for electric vehicles in new buildings.

The **Parliament's position** is positive for the electrification of transport as a whole, and charging stations for electric vehicles in particular. Whereas **Bendt Bendtsen MEP**, the rapporteur on the file, in his original draft report removed the requirement for one charging station per every ten for new non-residential and major renovations, the shadow rapporteurs have put back into the text a requirement for one charging station plus pre-cabling for one of every ten spaces. They have also added further clarifications for charging requirements in other instances.

Now that the Parliament voted on the text in Committee and in Plenary, the trilogue negotiations with the Commission and Council can start.

Source: Dods + Interel

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STORAGE

IRENA publishes report on storage & renewables

IRENA, the International Renewable Energy Agency published a **report on storage** and the impact the increased uptake of renewables will have on storage.

The report finds that policy strategies are needed to decarbonise end uses, especially in transport, buildings and the wider industry. Storage will be crucial to accelerating renewable energy deployment. Although pumped hydro storage dominates total electricity storage capacity today, battery electricity storage systems are developing fast, with falling costs and improving performance. By 2030, the installed costs of battery storage systems could fall by 50-66%. As a result, the costs of storage to support ancillary services, including frequency response or capacity reserve, will be dramatically lower.

The report further finds that battery storage technology is multifaceted. While lithium-ion batteries have garnered the most attention so far, other types are becoming more and more cost-effective. As the report indicates, battery storage in stationary applications is poised to grow at least seventeen-fold by 2030.

Source: IRENA

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SMART BUILDINGS

European Commission to start work on Smartness Indicators

By voting this month on the **Energy Performance of Buildings Directive (EPBD)**, the MEPs approved an article to delegate power to the Commission to draft a "framework methodology" on smartness indicators. The Commission will, through delegated acts, determine the smartness indicator value, rating the ability of a building or building unit to adapt its operation to the needs of the occupant and the grid and to improve its energy efficiency and overall performance.

The methodology will take into account a number of features including smart meters, building automation and control systems, smart thermostats, built-in home appliances, (smart) recharging points for electric vehicles, energy storage and detailed functionalities and the interoperability of these features.

Now that the Parliament voted on the text in Committee and in Plenary, the trilogue negotiations with the Commission and Council can start.

Source: Interel