CONSULTATION RESPONSE

Renewable energy projects: permit-granting processes & power-purchase agreements

BELLONA EUROPA
Response to Feedback on the Commission adoption: Renewable energy projects – permit-granting processes & power-purchase agreements

Bellona welcomes the initiative of the Commission to propose a further revision of the Renewable Energy Directive (RED), the Energy Performance of Buildings Directive (EPBD) and the Energy Efficiency Directive (EED) in light of the REPowerEU communication that followed the geopolitical development following the Russian invasion of Ukraine. We welcome the possibility to comment on these adjustments to key policies of the Fitfor55 Package through this consultation process.

The proposal sees increased targets for renewable energy deployment and energy efficiency:

- The target for the share of energy from renewables have been moved from the original 32% in RED II, to 40% in RED III, to 45% in this proposal.
- The target for the Union collective energy consumption reduction has been increased from 9% to 13%

Bellona supports this enhanced ambition. However, we believe that national binding targets should also be adopted within the EED in order to ensure that concrete actions happen at Member State level. For this reason, we strongly support the adoption by the ITRE committee of the joint amendment to article 4 tabled by EPP, S&D, RE and Greens/EFA introducing the requirement for Member States to set such targets.

Moreover, the proposal widely revises the permitting procedures for both renewable generation and grid deployment. Bellona recently called for several actions to improve permitting in Europe. The proposal from the Commission not only addresses most of the actions we called for, but it also goes beyond some of our original asks.

![Diagram: Low permitting is the key bottleneck preventing the renewables boom in Europe. Here's how to fix that:]

- Give EU tools to enforce rules
- Increase staffing of relevant authorities
- Harmonise rules across regions
- Increase local benefits
- Digitise permitting procedures
- Establish single points of contact
- Spread good permitting practices
Establishing go Go-to areas for very fast deployment

We welcome the initiative of the Commission to require Member States to identify areas with low risks for the environment in which renewable permitting can be sped up.

Go-to areas drastically reduce the investment risk of submitting a project for utilities, creating a real incentive to quickly deploy renewables in areas in which no harm is done to nature. These include waste and industrial sites, mines, degraded land not suitable for agriculture and artificial inland waterways.

The size of these areas should be enough for Member States to be able to meet their targets for the deployment of Renewable Energy Sources (RES) under the RED. However, a clear mention of the additional requirements in terms of land to deploy renewables for renewable hydrogen production should be incorporated in the RED’s article 15b (2) (b).

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<th>Renewable Energy Directive</th>
<th>Current text</th>
<th>Bellona’s suggestion</th>
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<td>Article 15b (2) (b)</td>
<td>(b) the projected energy demand</td>
<td>including additional renewable electricity production required to meet the RNFBOs sub-targets for industry and transport under article 22a (1) and article 25 (1.b)</td>
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Strengthening of the rules on single points of contact & digitalisation

We welcome the initiative of the Commission to require Member States to establish one contact point that shall ensure that the deadlines for the permit-granting procedures are met. Moreover, we welcome the Commission proposed text to move to a fully digital process for the document submission and all the procedures.

Addressing the low hanging fruit of rooftop solar PV deployment

Through proposed amendments to both RED and the EPBD, the Commission is fostering the ramp up of deployment of rooftop PV. We welcome the speeding up of the permission granting process to maximum three months’ time and the exemption from carrying out an environmental assessment as rooftop solar PV does not result in any additional environmental damages other than the ones deriving from the building of the building itself. Moreover, we welcome the inclusion of binding mandates to deploy rooftop solar PV under the EPBD.

However, these requirements are limited to public and commercial buildings with a useful floor area above 250 square meters and only new residential buildings. Bellona suggests extending this requirement beyond the current scope.

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<td>Article 9a</td>
<td>Member States shall ensure that all new buildings are designed to optimise their solar energy generation potential on the basis of the solar irradiance of the site, enabling the</td>
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later cost-effective installation of solar technologies.

Member States shall ensure the deployment of suitable solar energy installations:
(a) by 31 December 2026, on all new public and commercial buildings with useful floor area larger than 250 square meters;
(b) by 31 December 2027, on all existing public and commercial buildings with useful floor area larger than 250 square meters; and
(c) by 31 December 2029, on all new residential buildings.

Member States shall define, and make publicly available, criteria at national level for the practical implementation of these obligations, and for possible exemptions for specific types of buildings, in accordance with the assessed technical and economic potential of the solar energy installations and the characteristics of the buildings covered by this obligation.

Overriding public interest and automatic approval

The proposal includes an article on overriding public interest and a clause on automatic approval if an answer is not provided within the deadline for projects in a go-to area. Both these clauses could potentially have a harmful impact on nature. However, the automatic approval clause is limited to go-to areas in which no environmental impact assessment was required in the first place, de facto not posing serious dangers for nature. Similarly, qualifying renewable generation facilities and electricity grids as of overriding public interest under the EU Nature Directives despite allowing to make an exception to the area and species protection rules, still requires that a set of other conditions are also met, and thereby striking a balance between nature conversation and energy transition. (read more here)

Making grids part of the system

This proposal makes a serious step in acknowledging that the deployment of renewable generation facilities must be paired with deployment of grid infrastructure to ensure green electricity can reach consumption centres.

By treating the deployment of grid infrastructure and the deployment of renewable generation equally in terms of permitting procedures, the proposal makes a concrete step in the direction of connecting renewable generation with consumption, thereby avoiding the risk of power curtailment.

Moreover, by including the “availability of relevant grid infrastructure” as part of the criteria to identify go-to areas, the proposal ensures that renewables are deployed where it’s most
efficient for the grid. This might also indirectly incentivise the deployment of more grid infrastructure in case the availability of grid connection is the bottleneck preventing a Member State from identifying enough go-to areas.

**Member State staffing for permitting procedures**

One of the key issues when it comes to slow permitting in many of the Member States is systematic understaffing of the bodies granting the permits. The proposal fails to address this shortcoming.

This could be addressed by making European funding available to Member States to contract external services to support the permitting procedures in case the staff is not sufficient to handle the requests internally. In case existing European funding can already be used for such purpose, specific guidelines should be provided to Member States.

**A missed opportunity for an offshore wind boost**

Offshore wind is the renewable energy source with the highest expansion trajectory according to most modelling ([JRC](#)). It also has a higher average capacity factor than Solar PV and onshore wind. Therefore, speeding up the deployment of offshore wind should be one of the key priorities to reach 45% of renewable energy by 2030.

Go-to areas as defined by the article 15c are not the most suitable instrument to achieve such a goal, since offshore wind farms do not fall into the scope of areas with no risk of environmental damages. However, specific rules should be set to identify sea areas for preauthorised deployment of offshore wind, in which the environmental impact assessment is run in advance by the regulatory authorities, and then such areas should be auctioned to utilities for the deployment.

Having an obligation for Member States with access to the sea to identify enough “pre-approved offshore wind” area to meet the European decarbonisation needs would result in boosting the offshore wind deployment. To set the level of ambition, not only the percentage of renewable generation should be considered, but also the upcoming needs in terms of renewable generation for hydrogen production as well as further direct electrification of the economy.
Conclusions and policy recommendations

Overall, Bellona supports the proposal of the European Commission to speed up permitting and increase the ambition for renewable and energy efficiency targets in light of the current geopolitical situation and addressing the climate emergency.

The proposal is particularly valuable when it comes to the introduction of go-to areas, creation of single contact points responsible for ensuring that the deadlines of the permitting procedures are met, and the transition to a fully digitalised system. Some of the provisions in the text, however, could be more ambitious by making sure that the needs for renewable electricity generation for electrolytic hydrogen production are met and that rooftop solar PV is progressively deployed on all new and existing buildings.

Finally, the proposal falls short on two important topics: supporting Member States with the ensuring enough staff is available to ensure the permitting process is dealt within deadlines without compromising the quality of environmental impact assessments, and creating a systematic support for offshore wind such as the one foreseen for rooftop PV.

Bellona’s policy recommendations to achieve the full potential of an already well-devised strategy are the following:

- Ensure needs for renewable electricity generation for electrolytic hydrogen production are included in the projected electricity demand;
- Include all types of buildings within the long-term deployment strategy of rooftop PV;
- Reserve climate funding for Member States to outsource part of the permitting process if staff is not sufficient;
- Provide Member States with guidelines for using EU funding to speed up permitting; and
- Require Member States to pre-authorise the deployment of offshore wind in areas sufficiently large to meet the Union’s ambitions.

About Bellona

Bellona Europa is an independent, non-profit organisation that meets environmental and climate challenges head on. We are solutions-oriented and have a comprehensive and cross-sectoral approach to assess the economics, climate impacts and technical feasibility of necessary climate actions. To do this, we work with civil society, academia, governments, institutions, and industries.

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