

CEER Welcomes Progress in Efficiently Decarbonising Europe's Energy System

- **Decarbonisation is a central focus of energy regulators, at least cost**
- **Renewable support schemes are a significant but falling cost to European electricity consumers**
- **The amount and cost of RES support differs across countries**

RES subsidies are a falling cost to European consumers

The CEER¹ Status Review of Renewable Energy Support (RES) Schemes in Europe² published today shows that:

- the weighted average subsidy paid to renewable generators in Europe, on top of the wholesale price, was **€96.29/MWh** in 2017.
- although this RES subsidy cost is high, it is a decrease of 12.6% from €110.22/MWh in 2015. This cost improvement has been facilitated by the increased use of competitively-determined support schemes (tendering procedures), a move strongly advocated by CEER³.
- The amount of gross electricity produced receiving RES support is fairly stable, at 17% in 2016.

The cost of RES support is mostly financed through non-tax levies paid via electricity consumer bills. The ACER-CEER Market Monitoring Report⁴ shows that RES charges make up about one-seventh (14%) of the average European household electricity price.

CEER President, Garrett Blaney stated:

"Subsidies have driven significant renewables growth in Europe over the last 15 years. European energy regulators are now actively working to achieve higher 2030 renewables targets and to facilitate decarbonisation of the energy system at least cost. In this context the move towards more efficient supports for renewables, highlighted by this CEER report, is welcome progress".

The amount and cost of RES support differs across countries

The CEER report includes data on the amount and type of RES support and aspects of RES market integration such as balancing responsibilities, curtailment and compensation. There are wide national variations in RES support across countries, ranging from €12.87/MWh in Norway to €198.29/MWh in the Czech Republic. Whilst the proportion of gross electricity that receives RES support is fairly stable in recent years (17% across CEER members in 2016, up from 16% in 2014), there are wide variations across countries, from 3% in Norway to 63% in Denmark.

Decarbonisation at least cost

In terms of RES integration into wholesale markets, the CEER report finds that 18 countries have balancing responsibility for RES producers as a feature in their support schemes⁵. CEER advocates decarbonisation at least cost using a variety of measures, with a key one being retrofitted wholesale markets which integrate and work better to facilitate renewables.

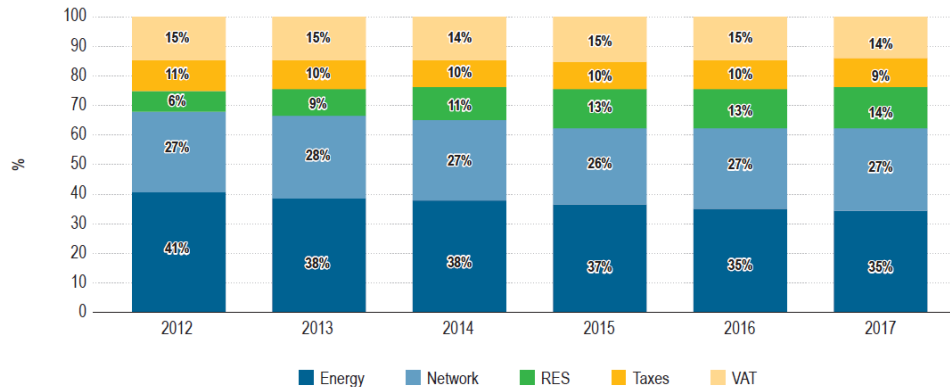
Brussels, 14 December 2018

Ends (See Notes for Editors)

Notes to Editors:

1. The Council of European Energy Regulators (CEER) is the voice of Europe’s national energy regulators. Its members and observers are the independent statutory bodies responsible for energy regulation at national level. Visit www.ceer.eu.
2. The new [Status Review on RES Support Schemes Status Review of Renewable Energy Support \(RES\) Schemes in Europe for 2016 and 2017](#) published today highlights the coverage and cost of support schemes (or subsidies) for renewable energy sources (RES) across 27 countries in Europe.
3. The report shows that 16 out of the 27 countries introduced Feed-in-premiums (FIPs), compared to 6 countries in 2015, where RES producers receive support (a fixed or variable premium) in addition to their market income. More countries are also using tendering procedures as a means to determine the level of support. For more information on the latter, the [CEER Report on Tendering Procedures for RES in Europe: State of Play and First Lessons Learnt](#) (C17-SD-60-03) presents an analysis of national experiences with tenders for renewable support schemes in Europe.
4. The [ACER/CEER Annual Report on the Results of Monitoring the Internal Electricity and Gas Markets in 2017 Retail Markets](#) (published in October 2018) shows that RES support makes up 14% of the average household bill.

Figure 10: Weighted average breakdown of incumbents’ standard electricity offers for households in capital cities – 2012–2017 (%)



Source: Source: ACER calculations based on data from price comparison tools, incumbent suppliers’ websites, NRAs, collected via ACER Retail Database (2018).

Note: For the purpose of this analysis, the average electricity price for household consumers in the EU is based on the standard incumbent offers for an annual pan-European average consumption of 3,500 kWh/year, weighted by total household consumption in each MSs, which is provided by CEER.

5. Concerning the 18 countries that have balancing responsibilities for RES plants, in 10 of those 18 countries, the balancing responsibility counts for all RES producers, whereas in the other 8 countries, only selected RES producers face such responsibilities.

Press Contact: Una Shortall
E-mail: una.shortall@ceer.eu

Tel: +32 2 788 73 30
[CEER Twitter](#)
[CEER LinkedIn](#)