

# **Existing policy frameworks and issues raised by the multiplicity of policy goals**

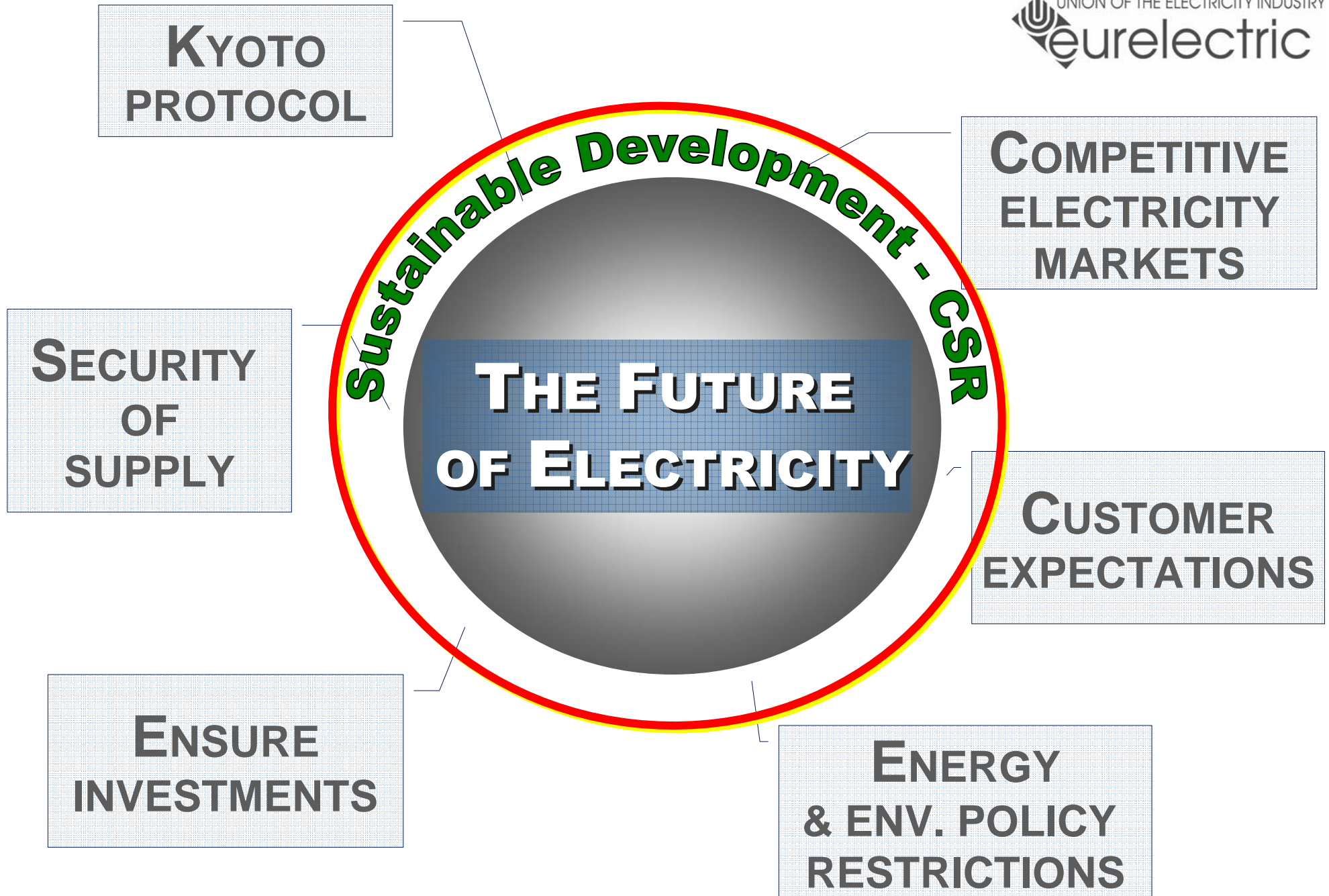
IEA – ENEL Workshop on Sectoral Approaches  
for Greenhouse Gas Mitigation in the Power Sector  
Rome, 30-31 October 2006

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Head of Environment and Sustainable Development



**Representing the electricity industry at expert,  
strategic and policymaking levels.**





# Key Challenges

coherency of policies  
cost-benefit impact assessments  
market-based framework approaches

1

**Liberalisation, ensure investments, security of supply, reduce energy dependence**

2

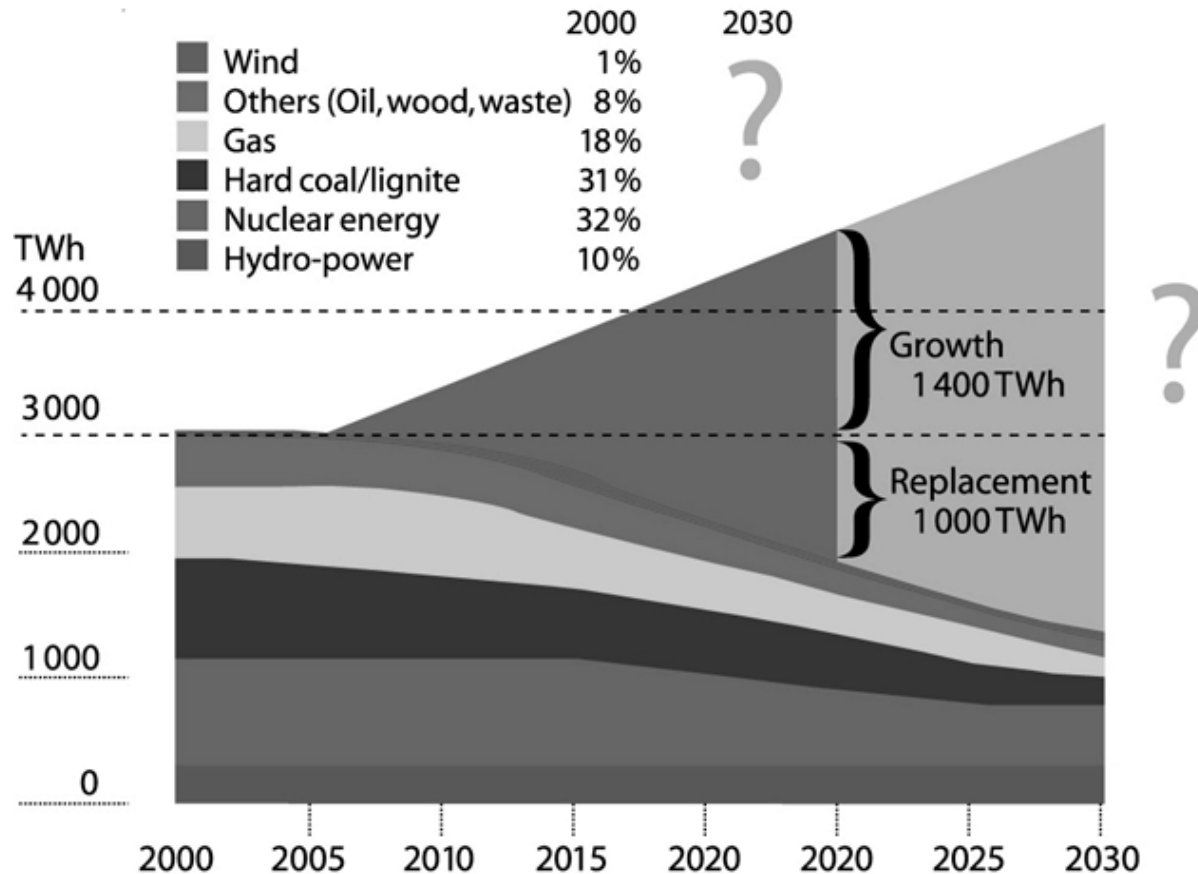
**Climate change, air quality, broad environmental issues, energy efficiency**

3

**Social responsibility, health & safety, electrification for development**

# Ensuring Investments

## Development of electricity generation in the EU 25 between 2000 and 2030



- ✓ Need for huge investments up to 2030 (750 GW)
- ✓ Costly investments ( 1 trillion)
- ✓ No technology revolution in sight within 10 years
- ✓ Create an attractive business environment

# EURELECTRIC ROADMAP TO A PAN-EUROPEAN ELECTRICITY MARKET: Parallel Approach

Integration at  
European level

**2007**  
**2012**

Coordination between  
regions

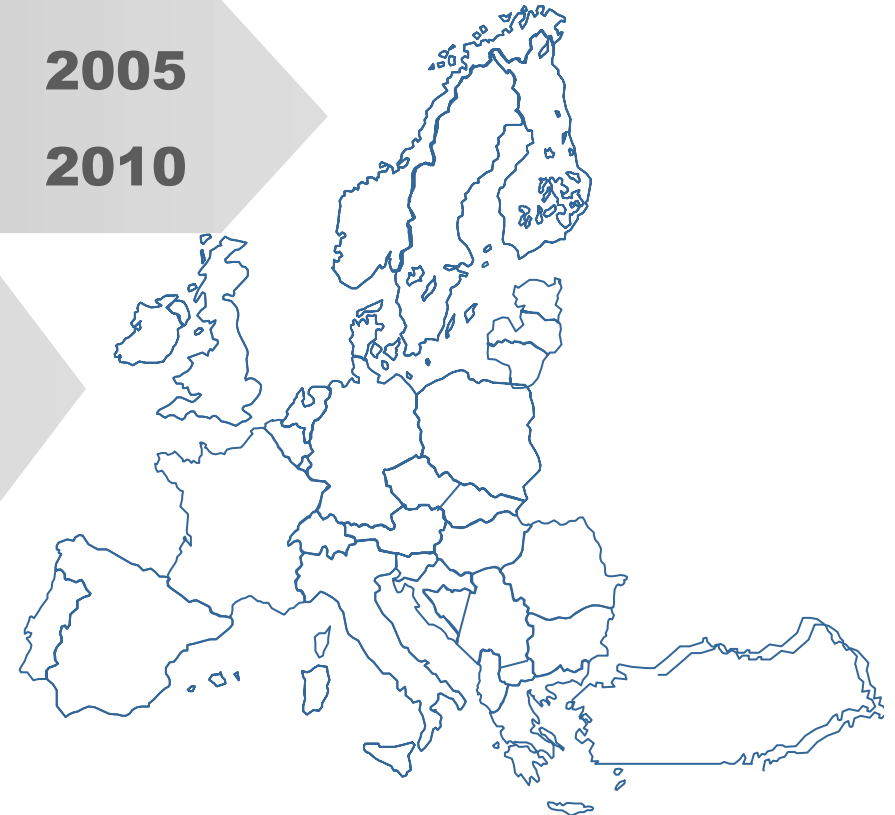
**2005**  
**2010**

Development within  
regions

**2005**  
**2009**

Continued liberalisation  
of national markets

**2005**  
**2007**



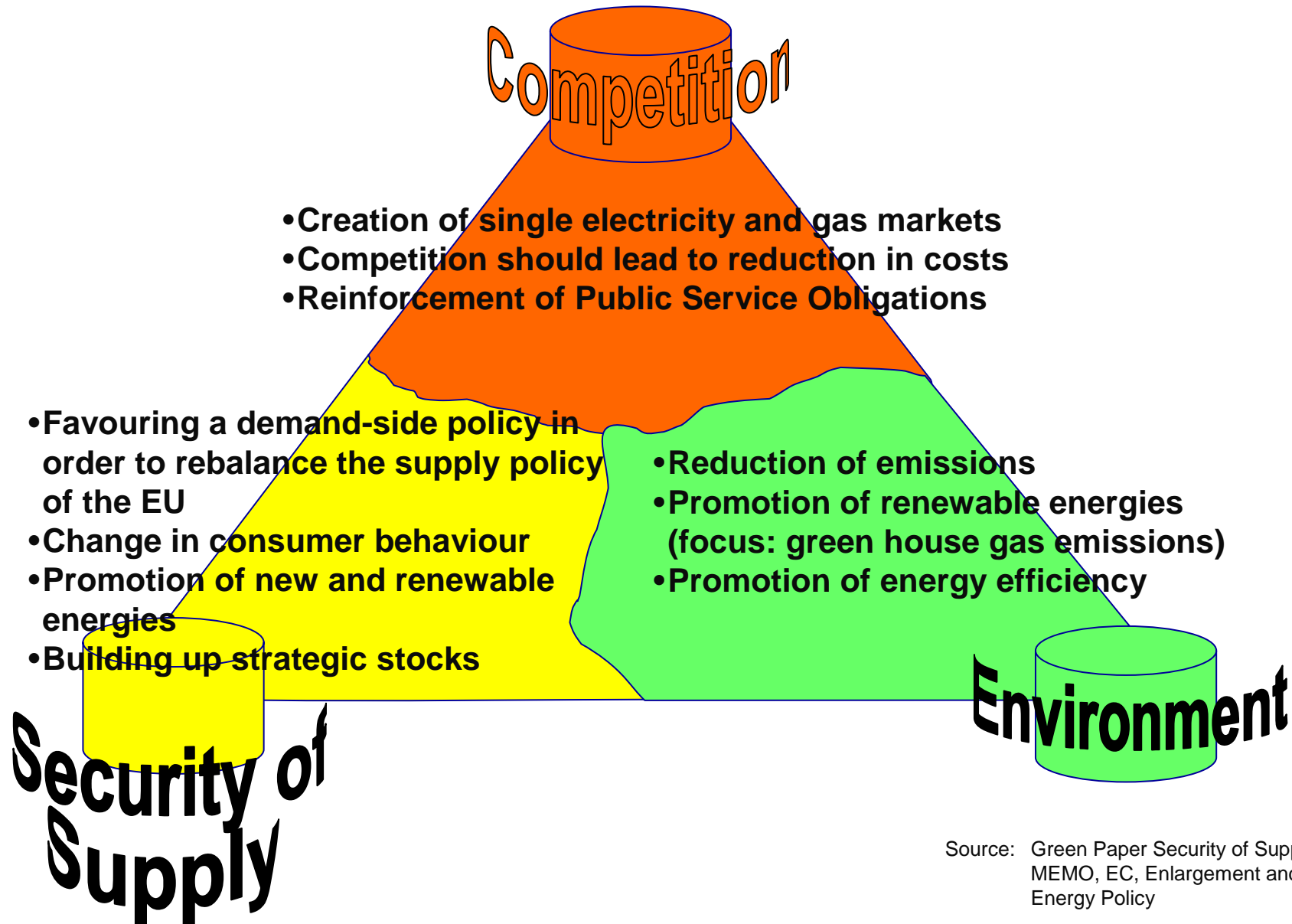
# Policy coherence

- **As a sector:**
  - Major emitter (about 30% of EU's total CO2 emissions)
  - All policy aspects affect us (from EU ETS to REACH)
  - How they interact is of key importance

# **Policy coherence**

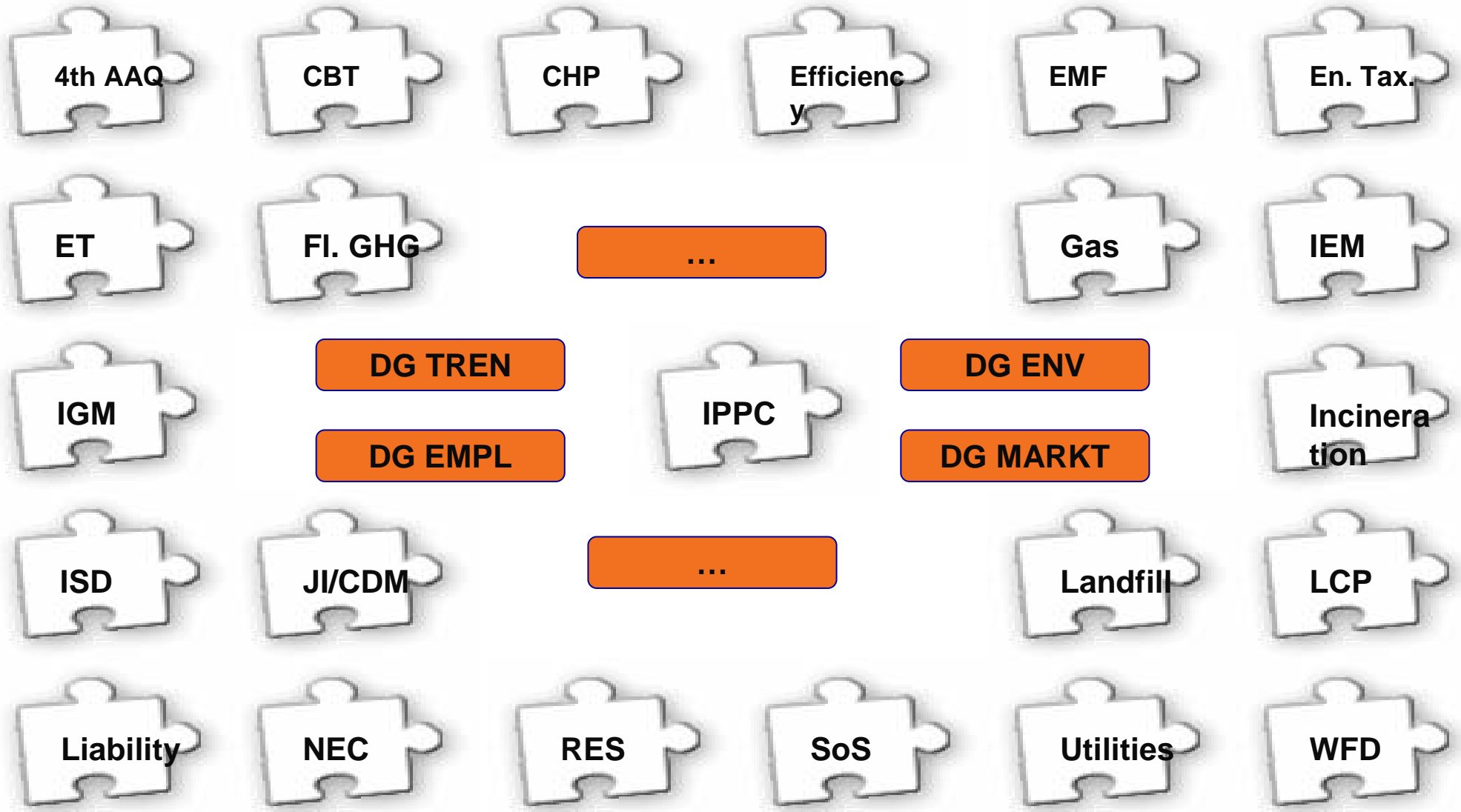
- **Instruments directly related to climate change policies**
  - EU ETS; Green certificates; White Certificates; CHP
- **Instruments for other issues interacting with climate change policies**
  - LCPD / NEC (efficiency lost); WFD (generation reduced)
- **Differing policy approaches**
  - EU ETS v LCPD

# EU Energy Policy – Main Pillars



Source: Green Paper Security of Supply  
MEMO, EC, Enlargement and EU,  
Energy Policy

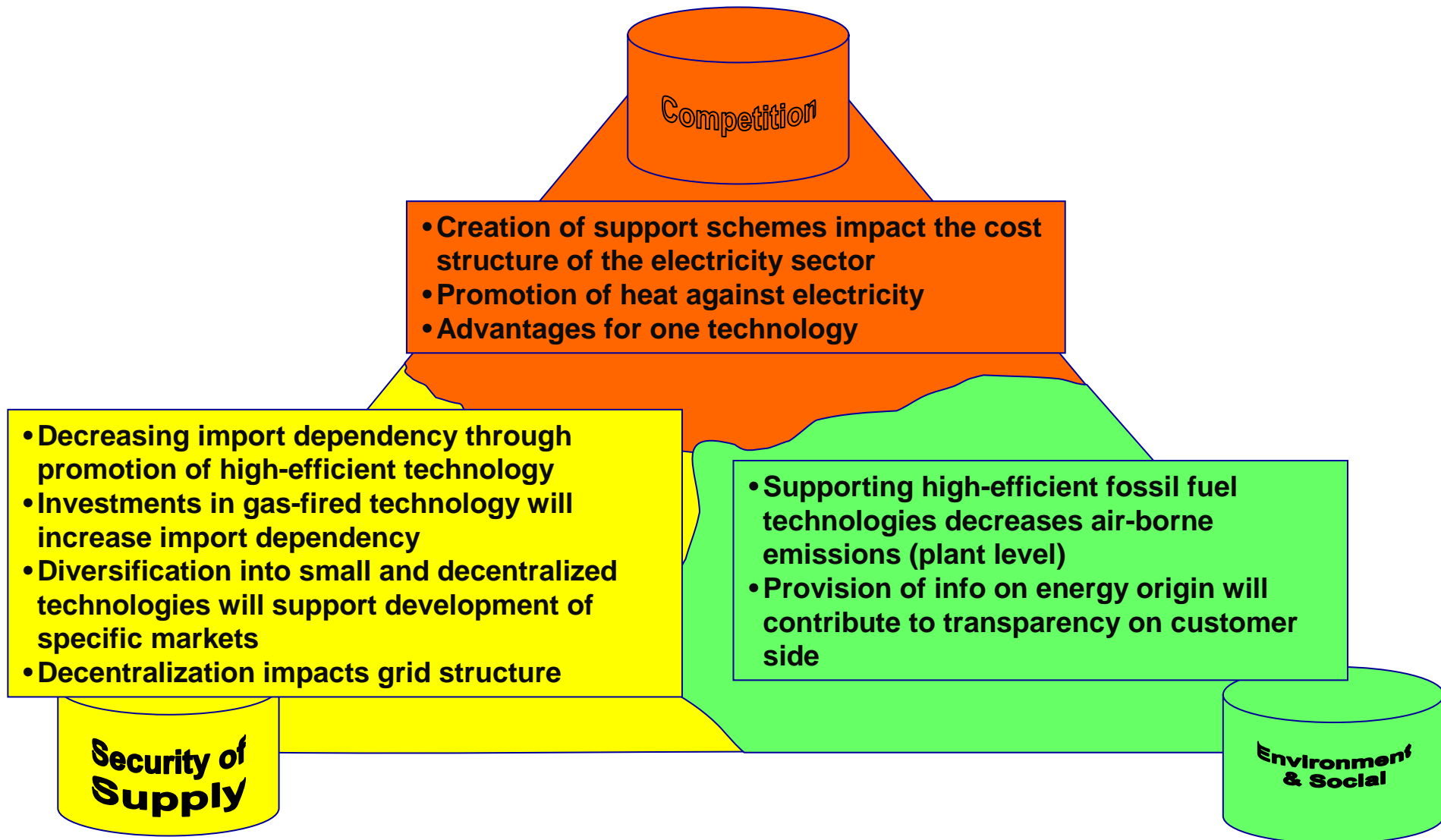
# Regulatory Framework



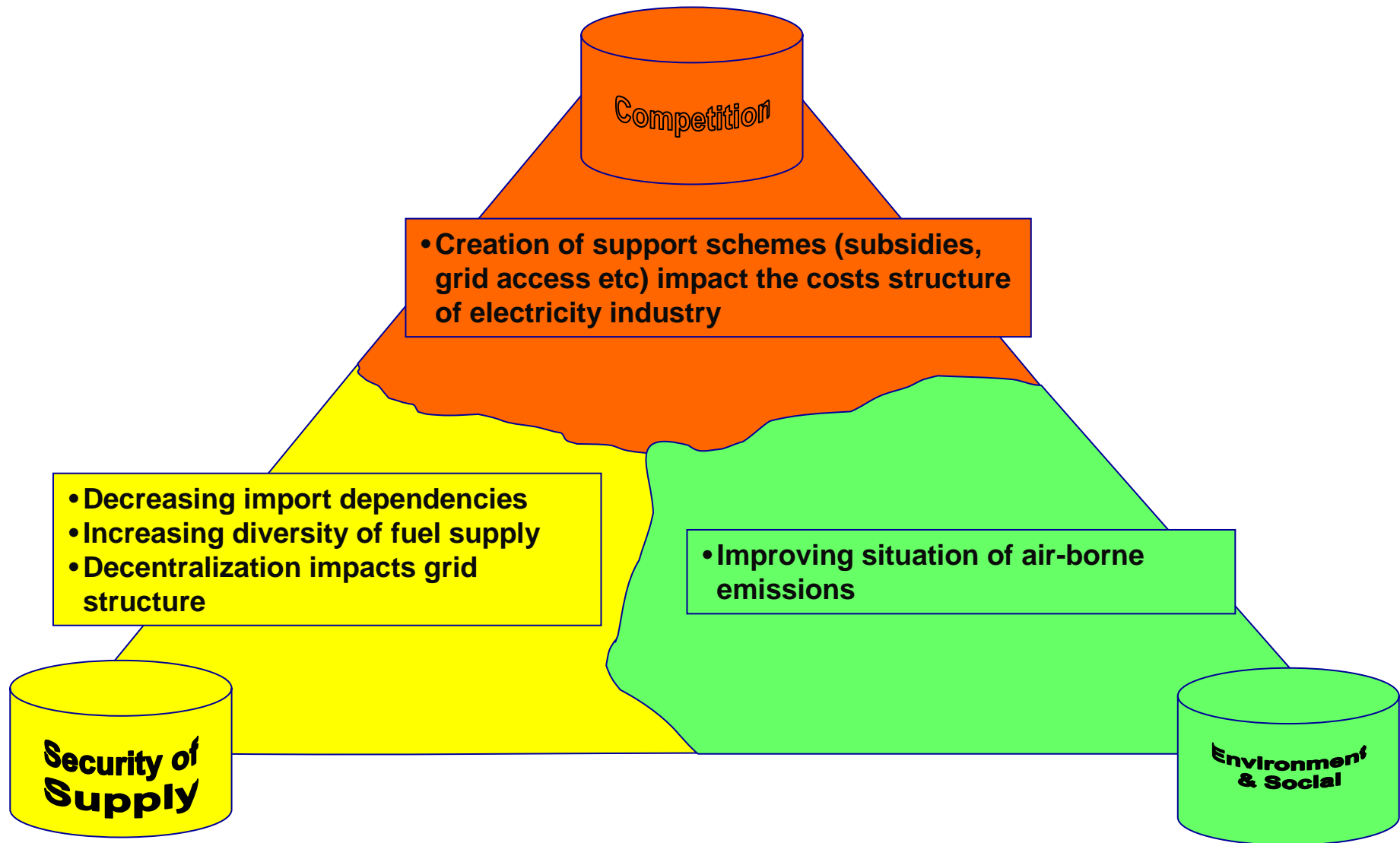
# Targets

- **Out of the 23 Directives analysed, the majority have targets, caps, limits, ceilings. Directives with targets are:**
  - 4<sup>th</sup> AQD
  - CHP
  - Efficiency
  - ETS, JI/CDM
  - RES
  - LCP
  - WFD
  - SoS
  - NEC
  - IEM / IGM
  - EMF
  - IPPC
  - Waste
  - Energy Taxation

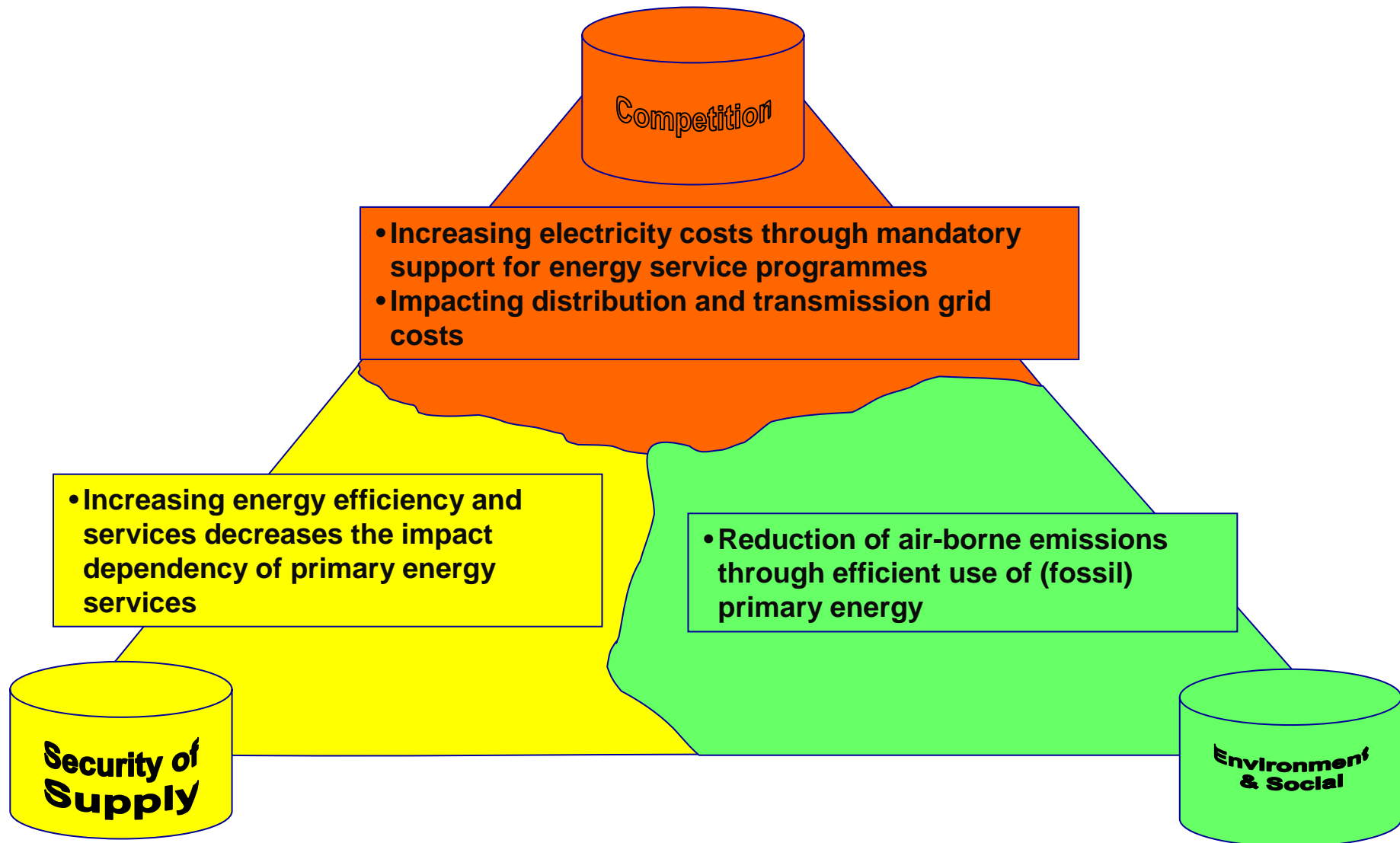
# Combined Heat & Power



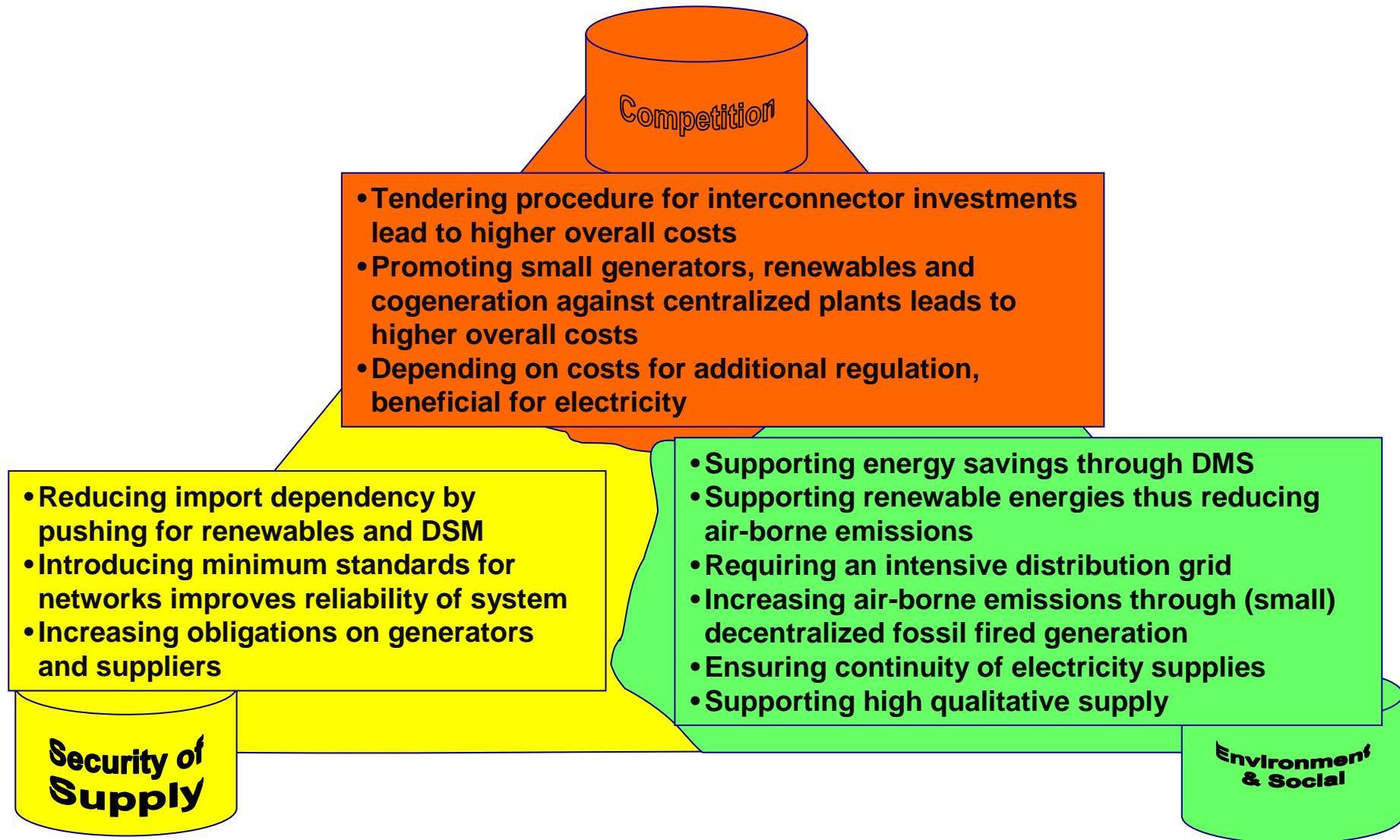
# Renewables



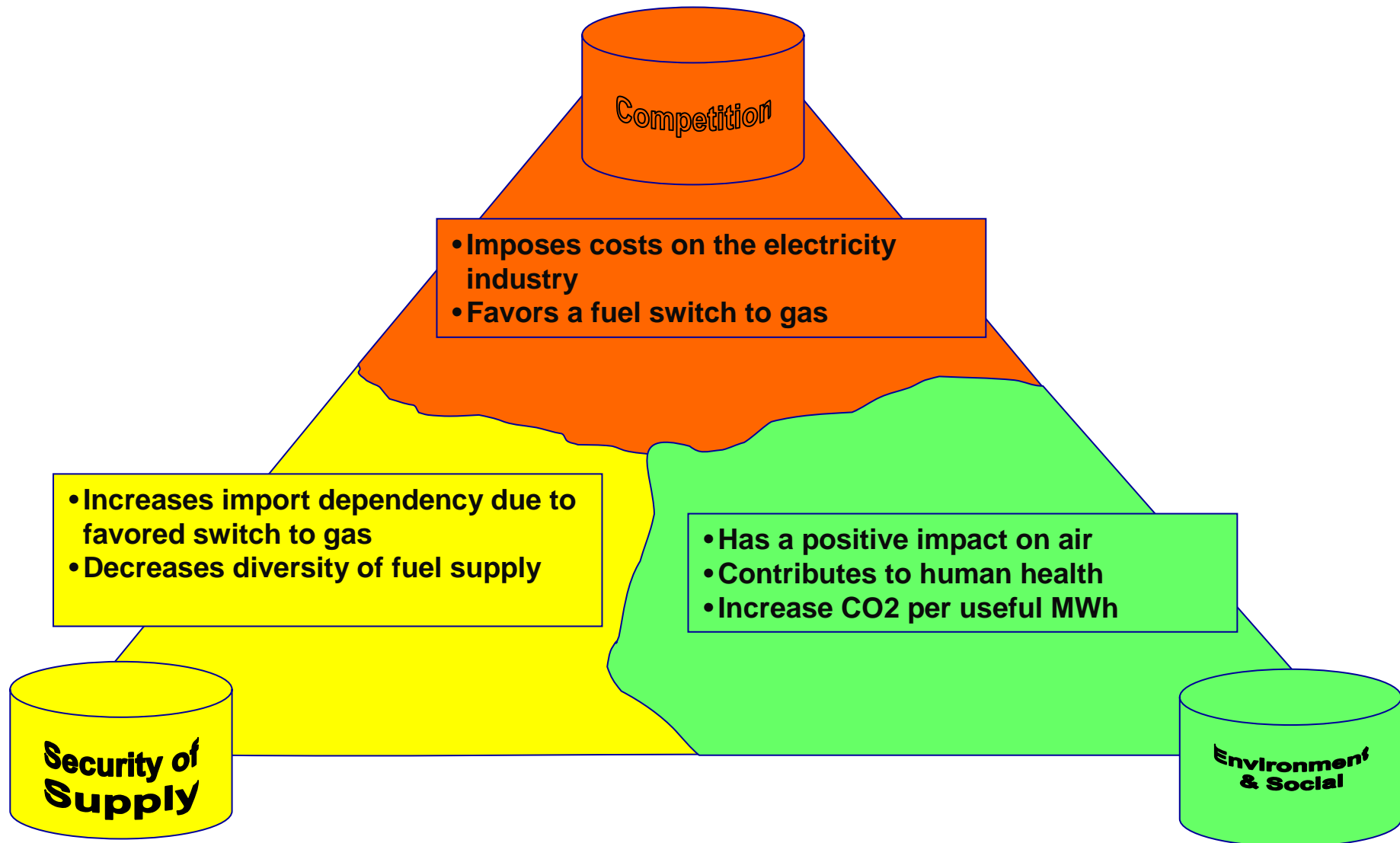
# Efficiency



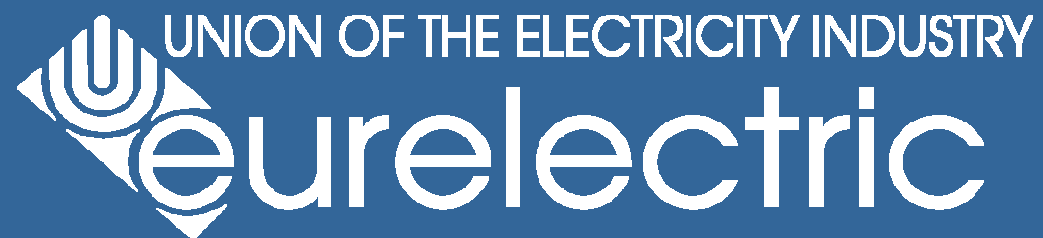
# Security of Supply



# Large Combustion Plants







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