AUSTRIAN WIND ENERGY ASSOCIATION

Wienerstraße 22 *Tel: +43 (0) 2742 21955* *e-mail: igw@igwindkraft.at*
A-3100 St. Pölten, Austria *Fax:+43 (0) 2742 21955-5* *web:www.igwindkraft.at*

IG WINDKRAFT
INTERESSENGEMEINSCHAFT
WINDKRAFT ÖSTERREICH

Comments to the Green Paper
Towards a European strategy for the security of energy supply

With the Green Paper on energy supply security the European Commission has announced that it wanted to launch a general debate on a future European energy strategy. The Austrian Wind Energy Association welcomes the invitation to such a discussion with the Commission.

Unfortunately we regard the Green Paper as a missed opportunity.

To sum up, the Green Paper is characterized by a negative tendency especially in connection with the use of renewable energy sources. "Security of energy supply" is defined in a very narrow way. Some positive signs (e.g. the demanded harmonisation of energy taxation) cannot change this fact. The Green Paper mentions various forms of state aid for traditional energy production, but in the end the commission lets them pass, ignoring completely, that this is just the most important obstacle against the development of renewable energy sources and to a environmentally agreeable energy system. The missing internalization of external costs and the inconsequent conduct of the commission in respect of competition policy in the energy sector as a whole are the main problem for the use of renewable energy sources, and not that renewables could reach a sufficient level of competitiveness only after a longer period of support, as supposed by the Green Paper.

These matters (internalization of externalities, abolishing of state aid) absolutely must be dealt with by a following White Paper. In addition, the definition of security of energy supply must be broadened after the New York events.

The starting point of the Green Paper is the European Union energy sector's structural weakness and high dependence on external energy sources. It is estimated that without changes in its policy, Europe would in 2030 have to import 70 % of its energy demand from outside the EU.

This is seen as threat to economic and social stability. Moreover, this current situation carries too many ecological risks.

A reduction of greenhouse gases seems to pose a more difficult problem to the Commission than foreseen some years ago. Without remedial measures, greenhouse gas would increase in Europe by 5.2. % in the year 2010 and contradict the obligation of the EU to reduce emissions by up to 8 % in 2012, based on the level of 1990. To follow up the target in the White Paper for 2010 of 12 % Renewable Energy Sources

(RES) the medium term ambition for 2030 should rather be another doubling of the RES share to 25 %. The long-term target is of course 100 % RES with an import share of may be 20 %.

If the European Union takes such steps for increasing RES, there would be less reason to fear fluctuations in prices and supply of energy and also less reason to invest money and man- and brainpower in the field of conventional energy sources. The estimated increase of gross energy demand of 11% until 2030 would be covered and RES would fill in for the reduced supply from conventional energy sources such as coal and uranium.

The opening and liberalisation of the energy markets also lead to a new situation on the demand side. Falling prices hinder control of growth and demand and climate protection efforts. The Green Paper unfortunately shows many weak points and endangers, despite some positive elements, Member States' efforts to increase energy efficiency and the production of RES in Europe.

The Green Paper seems to have already abandoned the Kyoto targets. Renewables do not play any important role in the paper. This is surprising, especially in the light of the latest developments and the move forward of the international community, including Europe, excluding the U.S., to continue with Kyoto and to show an important commitment.

Also extremely unfortunate is the link between RES and nuclear energy expressed in the Paper. The Green Paper regards nuclear power as way out of the climate problem and energy dependency and only acknowledges a minor role for the RES sector. It is not consequent about the potential of energy efficiency.
In seven Member States, nuclear power has been phased out or never existed. In a number of others, e.g. Belgium, Germany, the Netherlands and Sweden, a shutdown schedule for their countries' operating reactors has been adopted. The decisions to abandon nuclear power in these countries were not taken lightly or without severe public and political debate.

Those Member States, especially Germany, have undertaken serious studies which prove and demonstrate that Europe could transform its energy supply structure into a sustainable, almost self-sufficient solar (meaning all forms of renewable energy sources) energy structure within the next 60 years, creating new employment and a competitive export posture in all fields related to this re-structuring.

The Green Paper pretends that such a possibility is beyond the horizon and unrealistic but concentrates on a technology which has proved to be unsustainable, uncontrollable and dangerous and which already imposes extreme financial and social burdens on Member States with its waste and de-contamination problems. The Green Paper fails to provide any strategy for a sustainable new energy demand and supply system in Europe but aims at reviving the nuclear power cycle. All other policies are mentioned, but not taken seriously enough to set targets to increase energy efficiency, to increase the production of RES technology, to tackle the necessary phasing out of CO2 energy in Europe and to tackle new ways of co-operation with third countries in order also to ensure RES energy from third countries as additional to a new solar-based structure in Europe to be achieved within the next 60 years.

We therefore regret that as a consequence to this favouritism for a nuclear option, the largest single element of the Commission's RTD budget for energy in its new Framework Programme is devoted primarily to controlled nuclear fusion. The Commission's total Nuclear Energy Programme is a package worth Euros 1,260 million, and Euros 788 million of this is reserved for nuclear fusion. An outcome of this fusion research would not be available for at least 40 years, which is unacceptable in respect to the current need to reduce CO2 and greenhouse gases.

Therefore, a radical change of funding away from nuclear and towards efficiency, renewables and bridge technologies as CHP must be adopted. Renewable sources of energy are indigenous, relying only on wind, solar, biomass, geothermal and water resources for their energy production. Especially in countries with strict feed-in systems as Denmark in the past, and Germany and Spain, it can clearly be proven that the development of the wind energy technology industry and other renewable industries can become competitive in the energy supply market. The long-term environmental benefits and the benefits to the burgeoning technology industry can be supported through EC activities.

We regret that the last oil crisis was taken as a pretext by the Commission for this Green Paper on security of supply which is presented in a way as to make the European public believe that nuclear energy is the solution of our environmental and climate problems and the most reliable source of supply.

Final remarks and suggestion

It may be sensible to discuss the feasibility of the preparation of a White Paper for the restructuring of the European energy supply towards a solar and sustainable energy supplies. In this regard, we would like to congratulate the EU Parliament's new movement “Energy Intelligent Europe”.

The White Paper could designate several avenues of action for the next 30 years as already described above, such as:

– Enforcing and increasing the use of RES energy.
– Energy efficiency in transport and buildings.
– Energy efficiency in industrial and commercial use.
– CHP technology as standard technology and bridging technology.
– RTD only to encourage the restructuring of the energy sector towards a solar option.
– Climate action programmes.
– Targeted foreign aid focusing on sustainable development and renewable energy production and energy efficiency

The aim of such a framework paper would be the definition of targets that in the short and medium term would be the following:
– Increasing RES production.
– Reduction plan for total energy consumption in the Union. The total energy consumption ceiling has to be decreasing and all consuming groups such as transport, industry, commercial use, households would have their own reduction targets. A cost-benefit analysis must accompany these steps and a strict restructuring plan in the traditional sector should be established by all Member States.
– Improvement of the current action plan of the EU to develop energy efficiency. Such an improved strategy is also important because the restructuring of the energy sector and policy would finally be understood and accepted as an opportunity especially in economic and social terms and not as burden as it is currently regarded, including also in the Kyoto process (as. “burden sharing”).