

Renewable Energy Legislation: Introductory Overview on Policy Options and Regulatory Frameworks

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... calls upon governments, regional and international organizations and other stakeholders to ... “with a sense of urgency substantially increase the global share of renewable energy sources” [JPoI, 20 (e)]

Legislative Initiatives to Promote Renewable Energy Utilization

- ... first started in energy import dependent countries in response to the global oil price shocks of the 1970s;
- ... expanded with the continuing search for energy resource diversification and management of environmental impacts of fossil fuels;
- ... became increasingly important with continuing electricity sector reforms, allocating greater roles to markets and private sector / commercial entities.

Policy Options for Market Intervention in support of electricity generation using renewable energy:

A : grid access issues

- legal guarantees for access to the electricity grid
- net metering

Policy Options for Market Intervention in support of electricity generation using renewable energy:

B : intervention via regulated electricity prices

- guaranteed feed-in tariffs
- “green” electricity pricing

Policy Options for Market Intervention in support of electricity generation using renewable energy:

C : intervention via regulated minimum quantities

- minimum renewable energy obligations;
- renewable energy quotas / renewable portfolio standards;
- “green” certificates / “renewable energy credits”

Policy Options for Market Intervention in support of electricity generation using renewable energy:

D : price / quantity market intervention

- renewable energy tendering;
- renewable energy concessions

Policy Options for Market Intervention in support of electricity generation using renewable energy:

E : fiscal tools

- public benefit funds (designation of revenue sources);
- incentives to electricity generators;
- incentives to consumers;
- Investment financing mechanism(s)

Promotion of renewable energy technologies: - Choice of legal instruments

- range of possible legal and institutional frameworks;
- choice depends partly on national circumstances;
- legal tradition and existing regulatory structure;
- stability and predictability important dimensions;

Promotion of renewable energy technologies: - Choice of legal instruments II

- formulation of policies precedes codification of legislation;
- legislation should provide certainty to investors;
- individual promotion measures need to be in harmony with overall power sector laws;
- implementing and enforcing regulations crucial;