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European Commission
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National Energy and Climate Plans must address barriers to corporate renewable energy sourcing to ensure a cost-effective energy transition

Dear Vice-President,
Dear Commissioner,

We, the undersigned multinational companies and organizations are committed to supporting a clean energy future for Europe. And we believe the delivery of the Energy Union approved under your leadership will be critical to this end.

By December 2019, European Member States will finalize their National Energy and Climate Plans detailing the policies required to implement the Clean Energy Package and reach the EU's 32% renewable energy target to 2030. Corporate renewable energy power purchase agreements (PPAs) can play a decisive role in this regard, increasing the deployment of cost-effective renewable energy to help drive Europe's energy transition.

Over the last five years, there has been a significant increase in corporate sourcing in Europe – over 16 GW of new renewable energy sources have been contracted either through corporate renewable power purchase agreements (PPAs) and direct onsite installations. With over 150 companies committed to a 100% renewable electricity supply globally, corporate renewable sourcing has become a major business opportunity, boosting the economic competitiveness of corporates and reducing their carbon footprint. The immense potential of corporate renewable PPAs in Europe could be unlocked by improvements to national regulatory frameworks. For comparison, corporate PPAs in the US in 2018 were four times the volume signed in Europe.

The new Renewable Energy Directive now mandates Member States to identify and remove existing administrative barriers to the development of corporate renewable PPAs (article 15.9). Member States must report on this as part of their National Energy and Climate Plan (article 20, Energy Union Governance Regulation).

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Unfortunately, only two of the draft National Energy and Climate Plans even mention corporate renewable PPAs, and none comply with the agreed legislation.

We urge you to prioritize the removal of regulatory barriers to corporate renewable PPAs as part of your upcoming recommendations to Member States on their draft National Energy and Climate Plans, so that the potential of corporate PPAs can be realized. These recommendations must be clear, actionable, and country-specific. Getting this right could unlock significant corporate demand for green electricity. The RE-Source Platform is also publishing a set of general policy recommendations as input to this process.

We trust you appreciate the role of corporate renewable electricity demand in delivering the EU's renewable energy target cost-effectively and count on your continued leadership to fully exploit this potential.

Kind regards,

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