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II

ASSEMBLÉE NATIONALE

CONSTITUTION DU 4 OCTOBRE 1958

QUINZIÈME LÉGISLATURE

Recorded at the Presidency of the French National Assembly, January 25, 2018.

DRAFT EUROPEAN RESOLUTION

on **Energy Transition within the European Union,**

(Referred to the Standing Committee on Sustainable Development and Planning, given that no *ad-hoc* committee was set up within the time limit laid down by articles 30 and 31 of the Rules of Procedure.)

PRESENTED,
ON BEHALF OF THE EUROPEAN AFFAIRS COMMITTEE,

BY MR. THIERRY MICHELS,

Rapporteur,

DRAFT EUROPEAN RESOLUTION

Single Article

- ① The French National Assembly,
- ② Having regard to article 88-4 of the Constitution,
- ③ Having regard to article 194 of the Treaty on the Functioning of the European Union (TFEU),
- ④ Having regard to the Paris Agreement on Climate signed on April 22, 2016 in New York,
- ⑤ Having regard to the United Nations Framework Convention on Climate Change signed in New York on May 9, 1992,
- ⑥ Having regard to Directive 2003/87/CE of the European Parliament and of the Council of October 13, 2003, setting up a Greenhouse Gas Emissions Trading Scheme within the Community and thereby modifying Directive 96/61/CE of the Council,
- ⑦ Having regard to Directive 2009/28/CE of the European Union and of the Council of April 23, 2009, concerning the promotion of the use of energy deriving from renewable sources and thereby modifying and repealing directives 2001/77/CE and 2003/30/CE,
- ⑧ Having regard to Directive 2009/29/CE of the European Union and of the Council of April 23, 2009, thereby modifying the Directive of 2003/87/CE to improve and broaden the Greenhouse Gas Emissions Trading Scheme within the Community
- ⑨ Having regard to Directive 2009/31/CE of the European Union and of the Council of April 23, 2009 concerning the stocking of carbon dioxide and thereby modifying Directive 85/337/CEE of the Council, Directives 2000/60/CE, 2001/80/CE, 2004/35/CE, 2006/12/CE and 2008/1/CE as well as Regulation (CE) n° 1013/2006 of the European Parliament and of the Council,
- ⑩ Having regard to the draft Directive of the European Parliament and of the Council modifying Directive 2003/87/CE, so as to improve and broaden the Greenhouse Gas Emissions Trading Scheme within the Community, dating from January 23, 2008, (COM[2008] 16 final),

- ⑪ Having regard to the draft Regulation of the European Parliament and of the Council concerning the required reductions in greenhouse gas emissions by member states from 2021-2030 to encourage the Union towards a resilient energy policy and the respect of the commitments taken at the time of the Paris Agreement thereby modifying Regulation (UE) n° 525/2013 of the European Parliament and of the Council concerning the setting-up of a body to oversee and set down the amount of greenhouse gas emissions as well as other information dealing with climate change, dating from July 20, 2016 (COM[2016] 482 final),
- ⑫ Having regard to the draft Regulation of the European Parliament and of the Council concerning the governance of the Union regarding energy, thereby modifying Directive 94/22/CE, Directive 98/70/CE, Directive 2009/31/CE, Regulation (CE) n° 663/2009, Regulation (CE) n° 715/2009, Directive 2009/73/CE, Directive 2009/119/CE of the Council, Directive 2010/31/UE, Directive 2012/27/UE, Directive 2013/30/UE and Directive (UE) 2015/652 of the Council, thus repealing Regulation(UE) n° 525/2013 of February 23, 2017 (COM[2016] 759 final/2),
- ⑬ Having regard to the draft Regulation of the European Parliament and of the Council concerning the internal electricity market (revision) dating from February 23, 2017, (COM[2016] 861 final/2),
- ⑭ Having regard to the draft Regulation of the European Parliament and of the Council concerning the preparation for risks in the electricity sector and repealing Directive 2005/89/CE of November 30, 2016 (COM[2016] 862 final),
- ⑮ Having regard to the draft Regulation of the European Parliament and of the Council concerning the setting-up of a European Union Agency for Cooperation on the subject of Energy Regulators (revision) dating from February 23, (COM[2016] 863 final/2),
- ⑯ Having regard to the draft Directive of the European Parliament and of the Council modifying Directive 2003/87/CE so as to increase the cost-effectiveness of emission reductions and to encourage low carbon investments, dating from July 15, 2015, (COM[2015] 337 final),
- ⑰ Having regard to the draft Directive of the European Parliament and of the Council modifying Directive 2012/27/UE concerning energy efficiency, dating from November 30, 2016 (COM[2016] 761 final),

- ⑮ Having regard to the Directive of the European Parliament and of the Council thereby modifying Directive 2010/31/UE on the energy performance of buildings, dating from November 30, 2016, (COM[2016] 765 final),
- ⑯ Having regard to the Directive of the European Parliament and of the Council concerning the promotion of the use of energy produced by renewable resources (revision) dating from February 23, 2017, (COM[2016] 767 final/2),
- ⑰ Having regard to the Directive of the European Parliament and of the Council concerning the common rules governing the internal electricity market (revision), dating from February 23, 2017, (COM[2016] 864 final/2),
- ⑱ Having regard to decision n° 406/2009/CE of the European Parliament and of the Council, dating from April 23, 2009, concerning the effort to be made by member states to respect community commitments as regards reducing emissions before 2020,
- ㉓ Having regard to the conclusions of the European Council of October 23 and 24, 2014 on the future Energy-Climate 2030 framework,
- ㉔ Having regard to the February 25, 2015, communication of the European Commission which set down a strategic framework for an energy resilient Union with a far-sighted policy regarding climate change (COM[2015] 80 final),
- ㉕ Considering that the Paris Agreement on Climate, signed in New York on April 22, 2016, and effective as of November 4, 2016, commits the various parties, including the European Union and France, to take the necessary measures to limit the increase of the average temperature of the planet to a figure significantly less than 2°C and, if possible, to 1,5°C less than the preindustrial levels;
- ㉖ Considering that the overall national contributions, given their current aims, will not manage to keep the increase of the average temperature of the planet significantly below 2°C preindustrial levels;
- ㉗ Considering that the European Union should be exemplary in the implementation of the Paris Agreement and should be a leader in the fight against climate change, taking into account the declared withdrawal of the United States from the Paris Agreement;
- ㉘ Considering that the acceleration of the implementation of energy and environmental transition within the European Union is essential in order to reach the goals of the Paris Agreement and to achieve the aims of the European Union;

- ②⑧ Considering that it is necessary to implement the goals of the Paris Agreement and to ensure the contribution of the European Union through ambitious European and national strategies which are transparent and coherent;
- ②⑨ Considering that the fight against climate change must become a priority for the European Union, and that, consequently, it must take precedence over any measure which could be considered as an obstacle to the attainment of its goals;
- ③⑩ Considering that success in the field of energy and environmental transition is a future project which is essential for the re-foundation of the European Union;
- ③⑪ Considering that energy and environmental transition is a source of opportunities for employment and innovation, as well as a factor assisting improvement in energy independence and safety, health and social well-being;
- ③⑫ Reiterates that, in its opinion, priority should be given to the decreasing of greenhouse gases;
- ③⑬ Takes into account, firstly, the agreement of European institutions on the proposal to revise the rules to be applied to the Carbon Emissions Trading Scheme, secondly, the general approach suggested by the Council of Ministers of the Environment concerning the proposal of the European Commission aiming to distribute the effort to reduce greenhouse gas emissions between the member states and thirdly the proposal of the European Commission aiming to modify the regulatory framework applicable in the energy sector;
- ③⑭ Underlines that it expects the rules applicable to the energy sector to be brought into line with the rules aiming at combating climate change;
- ③⑮ Points out, that in this field, it is important to draw up new flexible rules and, at the same time, to implement the means which will allow their efficiency to be easily assessed, so as, if necessary, to be in a position to modify them quickly;
- ③⑯ ● *On the reduction of European greenhouse gas emissions*
- ③⑰ Underlines that in order to reach the objective of carbon neutrality for each of the signatories set down by the Paris Agreement, and in order to meet the highest targets of the goal set by the member states of the European Union to reduce carbon dioxide emissions (95 % in 2050), it is necessary, as of 2018, to implement an upscaling initiative concerning the European Union's commitment to reduce emissions in 2030, in the framework of facilitation laid down by the Framework Convention of the United Nations on Climate Change;

- ③⑧ • *On the revision of the Carbon Emissions Trading Scheme*
- ③⑨ Approves of the increase in the linear reduction factor to 2,2 %, the doubling of the surplus allowances to be placed in the market stability reserve between now and 2023, the implementation of a one-year validity period for the allowances placed in the stability reserve as of 2023 and of the new provisions aimed at protecting industry from carbon leakage;
- ④⑩ Considers that the changes envisaged in the European Carbon Emissions Trading Scheme will not lead to the swift emergence of an efficient carbon price signal reflecting the negative externality of carbon and thus deems it essential to propose to the member states the setting of a floor price for carbon in the electricity sector, representing no less than thirty Euros per tonne;
- ④⑪ • *On the rules concerning the sharing of the burden to reduce greenhouse gas emissions applied in sectors not covered by the European Carbon Emissions Trading Scheme*
- ④⑫ Notes the agreement on the security reserve fixed at the equivalent of 105 million tonnes of CO₂ ;
- ④⑬ Seeks the drawing-up of a reduction plan for greenhouse gas emissions of 35% in the sectors not covered by the European Emissions Trading Scheme for the period 2021-2030 and supports the bringing forward of the starting date of the plan to June 1, 2019, as well as the limit of the carry-over of allowances being fixed at 30% of the combined budget in 2022.
- ④⑭ • *On the revision of the rules concerning energy efficiency and the energy performance of buildings*
- ④⑮ Seeks the setting of a binding objective of 40% of energy efficiency for the European Union in 2030 as well as binding national objectives linked to solidarity measures allowing the less wealthy member states to carry out the investments necessary to reach their objectives;
- ④⑯ Is concerned by the proposals aimed at introducing flexibility in the calculation of measures of energy saving which would lead, *de facto*, to the lowering of the reduction plan to below the obligatory annual level of 1.5%;
- ④⑰ • *On the revision of rules concerning renewal energies*
- ④⑱ Seeks the setting of a binding objective of 35% for the share of renewable energies in the overall energy consumption of the European Union in 2030. This would be accompanied by binding national targets and, from this point of view,

welcomes the efforts made by France to obtain, at the Energy Council of December 18, 2017, the adoption of a minimum plan for the development of renewable energies, including three landmark points (2023, 2025 et 2027) for each member state and granting the European Commission the possibility of making remarks to member states who do not respect the intermediary objectives;

- ④⑨ Seeks the continuation of the system of tenders by technological branch, in order to maintain the support of emerging technologies which have not yet reached a good level of competitiveness, to encourage the development of innovative sectors and to foster the emergence of a balanced mix for renewable energies;
- ⑤⑩ Backs the possibility of attempting to open up support structures for renewable energy producers in other member states, in the framework of projects developed in border areas;
- ⑤⑪ Seeks the setting of a sub-objective of 15% of renewable energies in the overall consumption concerning the transport sector in 2030;
- ⑤⑫ Notes the agreement obtained by the Council on the continuation until 2030 of a ceiling of 7% for first generation biofuels and supports the proposal of French authorities to include a revision clause to the agreement in 2025, in order to reduce this ceiling;
- ⑤⑬ Supports the proposal to set the rise in the share of renewable energies in the production of heating and cooling at 2% per year;
- ⑤⑭ ● *On the revision of the rules in the electricity sector*
- ⑤⑮ Considers that lifting the ceiling on wholesale prices and obliging providers to, at the least, propose dynamic pricing contracts could lead to the increased awareness of consumers concerning the need to reduce use during the peak hours, but is concerned by the fact that such measures expose customers to potentially large variations in price and thus, considers it necessary to combine these new offers with measures concerning information and protection for consumers;
- ⑤⑯ Considers that with the development of the market the regulated prices for gas and electricity will lose their relevance but finds it preferable, given the attachment of French consumers to such prices, to not abolish them too quickly for small-scale consumers, but to introduce a transitory period so that the regulatory authorities adequately organize the change in the tariff structure;

- ⑤7 Supports the proposal of the Council of the European Union which aims at allowing the transmission system and distribution operators to possess, develop, manage and use energy storage facilities, in certain conditions, especially when this might help to avoid the oversizing of the networks;
- ⑤8 Considers that load-shedding plays an important role in energy transition and must be allowed to enter into competition with the overall production of energy, and therefore would call for the compensation paid to energy providers or to energy producers by peak-load aggregators to allow the latter to obtain sufficient profit to develop their activity;
- ⑤9 Seeks the implementation of measures to fight against “electricity curtailment” which is based on the auto-production of polluting electricity;
- ⑥0 Is in favour of a maximum threshold of 550 grammes of carbon dioxide per kilowatthour beyond which the activity of the new plants cannot be accepted financially within the framework of a capacity mechanism, in compliance with the wishes of the French authorities, and also requests that a threshold be set up for existing plants and, in this perspective, supports the proposal of French authorities to set a maximum level of 350 kilogrammes of carbon dioxide per kilowatthour per year;
- ⑥1 Considers that feasibility studies should be carried out prior to the implementation of capacity mechanisms at a European level and should include an analysis of the national situation;
- ⑥2 Considers very important that the idea that the optimal management of the electric network be based on the attribution of real decision-making power and the means of effective action to the managers of the networks who are the sole bodies to have a precise understanding of the particularities of the network, and thus it is opposed to the setting-up of decision-making supranational, regional control centres and would therefore propose the strengthening of cooperation between the managers of the national networks;
- ⑥3 ● *On the governance of the Union of energy*
- ⑥4 Approves the proposal to include binding stage-posts in the integrated national plans concerning energy and climate, so as to ensure that member states implement linear plans for the use of renewable energy and for measures concerning energy efficiency, and thus proposes that national targets should be set at 30% of the final objective in 2023, 50% in 2025 and 75% in 2027.
- ⑥5 ● *On the revision of the rules concerning the Agency of the Cooperation of Energy Regulators*

- ⑥⑥ Is concerned by the substantial increase in the position of the Agency of the Cooperation of Energy Regulators which allows it to have powers which are not in keeping with the flexibility necessary for the resolution of disputes between member states and the need to adapt to the very swift development of the electricity sector and, thus, seeks the right to put forward an amendment to the Board of Regulators, so as to reestablish the balance in the field of regulatory power when confronted with the monopoly of initiative granted to the Director of the Agency;
- ⑥⑦ Is opposed to the implementation of a vote by simple majority;
- ⑥⑧ • *On the consideration of the social impacts of energy transition*
- ⑥⑨ Underlines the importance of the economic and social aspects attached to the changes in the energy issue and, in particular, regarding a policy of professional training which encourages adaptation to future economic needs;
- ⑦⑦ Wishes that energy transition be amongst the main topics of future democratic consultations.
- ⑦① • *On Brexit*
- ⑦② Notes with regret the decision of the United Kingdom to leave the European Union;
- ⑦③ Wishes that the negotiations between the European Union and the United Kingdom deal with the question of the implementation of close cooperation concerning the application of energy and environmental transition as well as the fight against climate change
- ⑦④ • *On the Paris Agreement*
- ⑦⑤ Notes with regret the decision of the United States to withdraw from the Paris Agreement;
- ⑦⑥ Gives its full support to the position of the French authorities on the need to raise the contribution of the European Union to the Paris Agreement;
- ⑦⑦ Wishes that the European institutions begin to consider a plan aimed at neutralizing greenhouse gas emissions as soon as possible.