

Title	Videoconference with Solar Power Europe (SPE) CEOs
Date	14-05-2020
Participants	Ext : (SPE,), (SPE,), (SPE,), (SPE,), Enel Green Power), ENEL), Akuo Energy), (E.ON. Energy Networks Europe,), E.DSO/Innogy), Fronius), (Fronius), (SMA), (SMA), Meyer Burger), Wacker Chemie Polysilicon), Wacker Chemie) COM: Kadri Simson, Stefano Grassi, Laure Chapuis,)
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	Disclosure authorization : <input checked="" type="checkbox"/> YES - <input type="checkbox"/> NO - <input type="checkbox"/> Partial (pls highlight unauthorized parts)
Issues raised & follow-up	<p>Welcome and introduction (Cssr Simson)</p> <ul style="list-style-type: none"> Cssr appreciated the large presence of solar industry CEOs and expressed interest for their key priorities. Cssr communicated to participants that COM is currently working on a recovery plan to overcome the COVID19 crisis and that the energy sector, including renewable energy sources (RES), within the European Green Deal (EGD), will be central to it. COM is keeping its ambition on reaching decarbonisation by 2050 and all of the energy proposals are still maintained and are very important for the recovery: i.e. effective and full implementation of the CEP, energy system integration, renovation wave initiative. Cssr encouraged the participants, representatives of EU solar companies, to take leadership in the solar supply chain, to avoid shortages as happening during the current COVID19 crisis. <p>Setting the scene and introducing “Solar driving the EGD and a good asset for recovery plan” (SPE, and , SPE)</p> <ul style="list-style-type: none"> SPE’s Chairman briefly introduced SolarPower Europe’s organization. SPE’s recent study “how to make Europe’s energy system climate-neutral before 2050” shows that solar energy will play a dominant role in the energy mix in Europe by 2050 (up to 60% of EU’s electricity generation). But solar is not only providing cost competitive technology, but is also important for the creation of new employment, important for economic recovery. Up to 4 million jobs in Europe could be created by 2050. Solar is also key to build a clean and competitive energy intensive industrial sector, e.g. through solar PPAs for chemical companies or solar hydrogen for the steel industry. Europe is also leader in innovative solar technologies such as BIPV or floating solar. Follow up: SPE proposed key priorities: <ol style="list-style-type: none"> Untapping solar power with enhanced administrative and permitting procedures. RES based electrification in all sectors is a priority, facilitating the energy system integration, hence decarbonizing the economy. RES or green hydrogen will be complementary to direct electrification (CEP implementation). Invest in upgrading expanding and modernising Europe’s electricity grids (Energy System Integration strategy, TEN-E). Accelerate the deployment of decentralized flexibility resources (Energy System Integration strategy, CEP implementation). Roll-out of solar industrial strategy (EU industrial policy). Develop skills and training programs to unlock potential of solar jobs (EU skills agenda, training programmes).

- h. European policies should support the upscaling and market deployment of innovative solar technologies.

Priority 1 – Accelerate deployment of renewables by 2030, the key to achieving climate-neutrality

Prioritizing electrification and removing bottlenecks to the ambitious deployment of renewables in Europe by 2030 (Enel Green Power)

- There is a need to accelerate massive deployment of renewables by 2030 in order to achieve climate neutrality by 2050.
- The COM is currently too biased towards hydrogen and offshore wind, although solar is more cost competitive and easily scalable.
- RES investors/promoters encounter problems with local authorities for the permitting of RES projects.
- Europe is innovating in solar (i.e. modules) and can be competitive compared to China.
- **Follow up:**
 - a. The COM should be more helpful in accelerating the permitting process.
 - b. The COM should support the return to Europe of large part of the supply value chain, including PV manufacturing.
 - c. To introduce carbon border tax to assure level playing field vs. companies outside of the EU.

Priority 2 – Leverage the potential of electrification to enhance sectoral integration and the penetration of renewables across all sectors

The potential of renewables to unlock system flexibility and enhance sectoral integration (E.ON. Energy Networks Europe,)

- Solar, stand-alone or in combination with other sources will provide easy-to-access flexibility for smart digitalised distribution systems of the future.
- Solar is a main contributor to decentralised energy sector integration.
- DSOs will play a key role in facilitating the integration of renewables on a local and regional level.
- **Follow up:**
 - a. TEN-E regulation review should enable a stronger focus on smart grid infrastructures (e.g. by expanding it to cover low-voltage grids).

Optimal pathway to achieve a fully sustainable EU Hydrogen Strategy (Fronius)

- Green hydrogen has environmental and economic advantages. For environmental, i.a. it is produced where it is needed, it uses excess energy from solar and facilitates sector integration of RES energy. For economic advantages, i.a. it brings a boost to job creation in Europe, it would support EU industrial leadership, it creates opportunities for new innovative business models.
- **Follow up:**
 - a. Ensure fair pricing vs. (cheap) fossils fuels.
 - b. Extend R&D programs
 - c. Make deep sector integration on local level possible
 - d. Facilitate initial funding for the market start
 - e. More deployment of RES to produce green hydrogen

Priority 3 – A sound Industrial Strategy for Solar: building on the EU technological leadership

EU breaking new grounds in cutting-edge solar technologies (SMA, Meyer Burger and Wacker Chemie Polysilicon)

- Europe is very strong in innovation and R&D, but not strong enough in putting it into industrial production. EU has lost to China and South Korea in the solar value chain and also to the US, in the semiconductor value chain.

- Solar and semiconductor value chains are energy intensive industries and here other non EU regions compete with subsidized electricity prices.
- New technological cycle (heterojunction) vs old (PERC) is ready for industrial implementation now. Perovskite tandem technology is still in the works.
- Decentralized solar power is becoming increasingly cost-effective.
- Storage systems and digital solutions balance out generation and consumption, and enable households and businesses to share their electricity with other consumers.
- To provide a sustainable, secure and cost-effective electricity supply, all players will have to be seamlessly integrated and interconnected.
- **Follow up:**
 - a. Holding on to the EGD is the best contribution to the recovery, via assuring an own EU strategic value chain.
 - b. As the most cost efficient electricity generation, solar energy must play a central role in the European industry strategy.
 - c. European carbon leakage protection must include an instrument that considers the incremental transformation costs (OPEX), to enable CO2 free production technologies to be competitive in a global environment.
 - d. A renewable state aid regulatory framework to create a European level value chain, also for funding OPEX-instruments.
 - e. The new solar technology cycle (heterojunction, perovskite) is a unique chance to bring solar manufacturing back to the EU now, making the EU the leader in photovoltaics, again. It has to be combined with energy sector integration.

Innovative business models – using solar in more ways than one (Akuo Energy)

- Solar installations normally need space. Akuo Energy is introducing innovative solar applications which are not competing on space, i.e. solar tiles can be applied along the entire building not only roof; floating solar uses artificial water reservoirs or agrienergy combines solar production with agricultural solutions.
- **Follow up:**
 - a. These business models require a specific regulatory and support framework as they fulfil different needs than mainstream and low cost solar projects.
 - b. The COM (DG COMP) should not support technological neutrality in tenders.

Closing remarks (Csr Simson)

- The European Green Deal is meant as a growth strategy including innovation. The COM agrees that the solar value supply chain, or part of it, should be brought back to Europe.
- The COM knows what Member States will do in RES through their final NECPs.
- The COM is already thinking beyond 2030 and the EU needs definitely more RES, particularly solar. Initiatives such as the renovation wave will help boost the demand.
- The COM agrees that more could be done in innovation or in the permitting process which is dealt on a local level.