The Danish Energy Society:
Focus on renewable energy in Europe

The Renewable Energies Act (REA) 2000

(Erneuerbare Energien Gesetz - EEG)

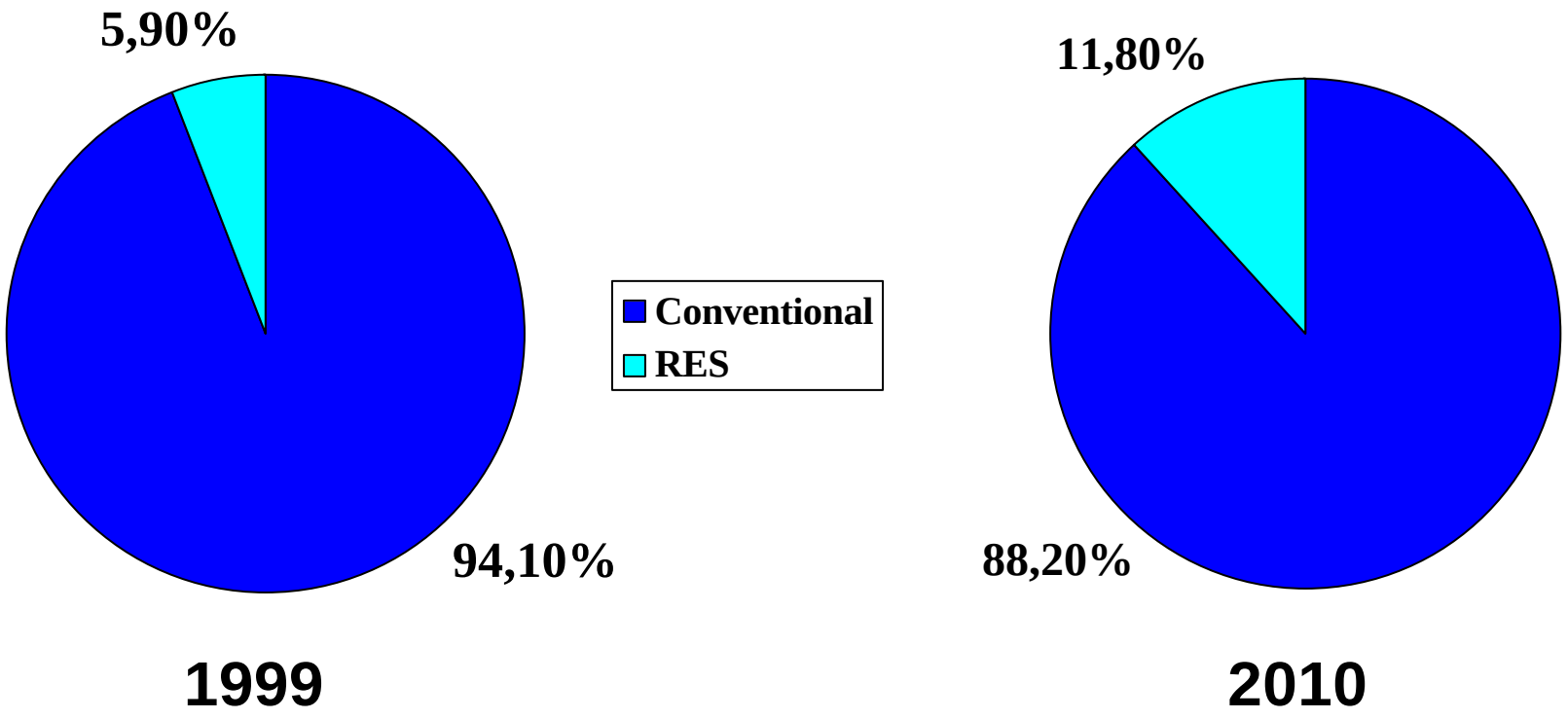
Volker Oschmann

Purpose of the Act

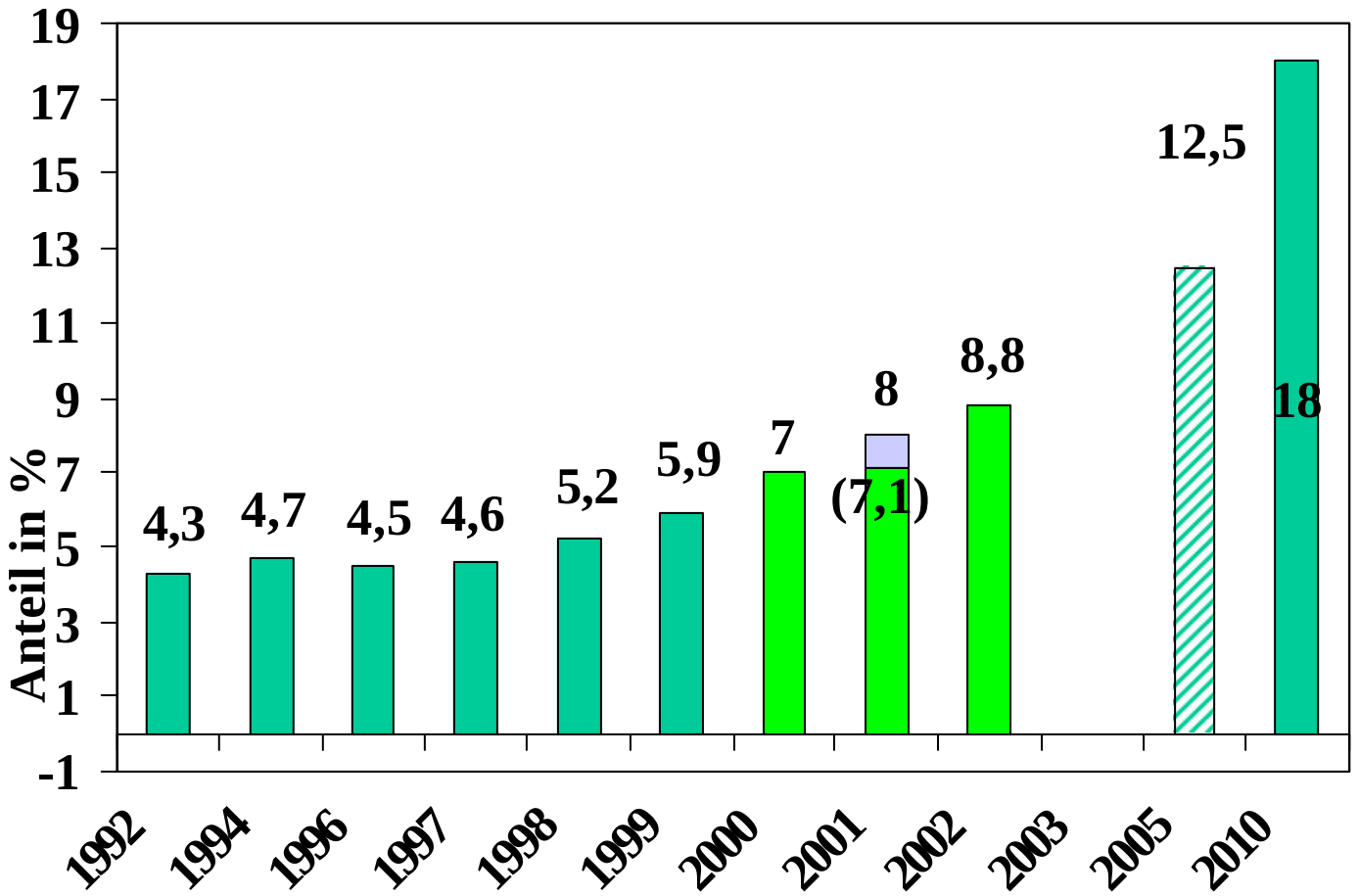
§ 1

at least
double the share of RES
until 2010

Share of Electricity from RES



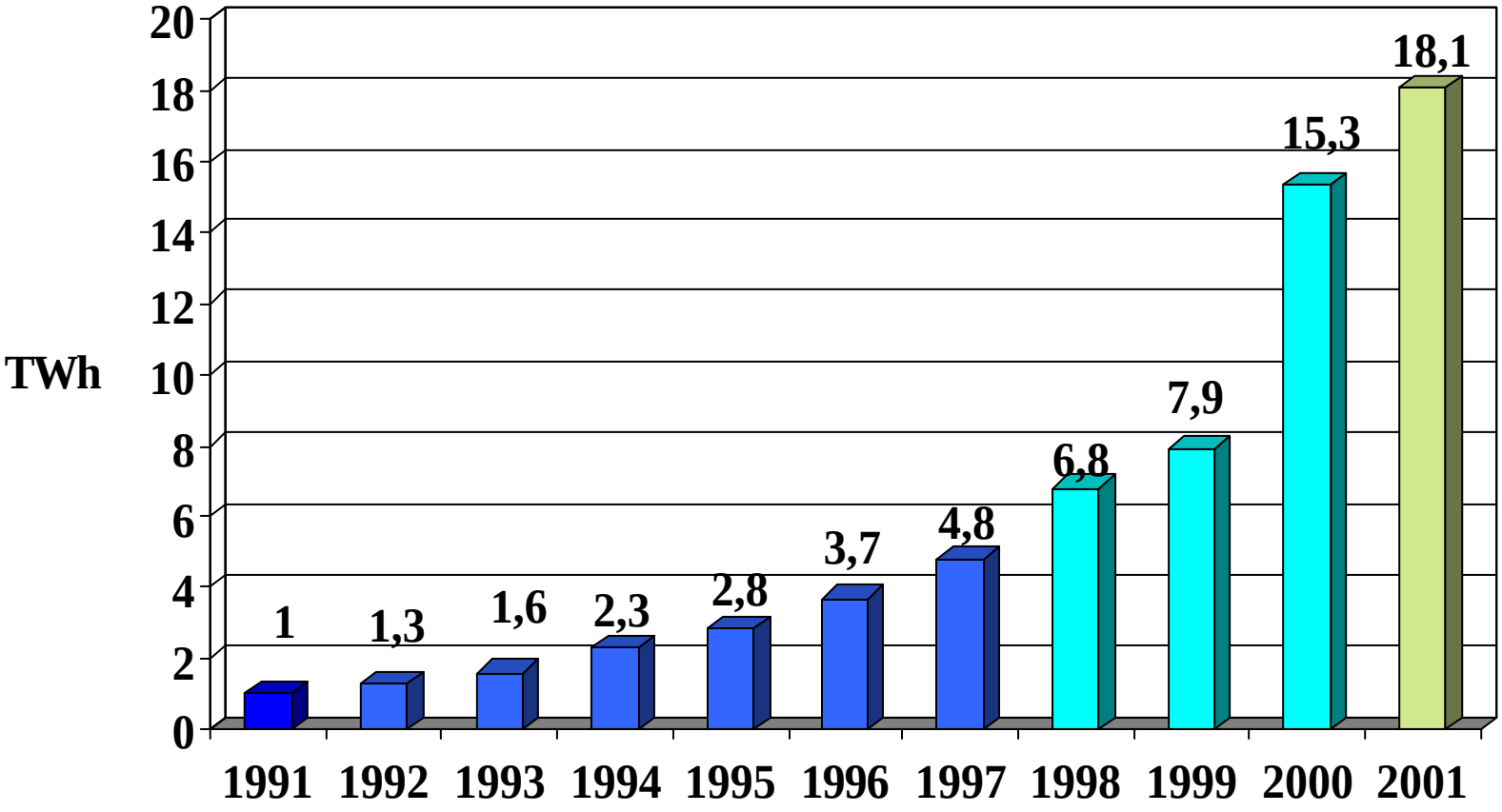
Anteil des Stroms aus Erneuerbaren Energien am Stromverbrauch



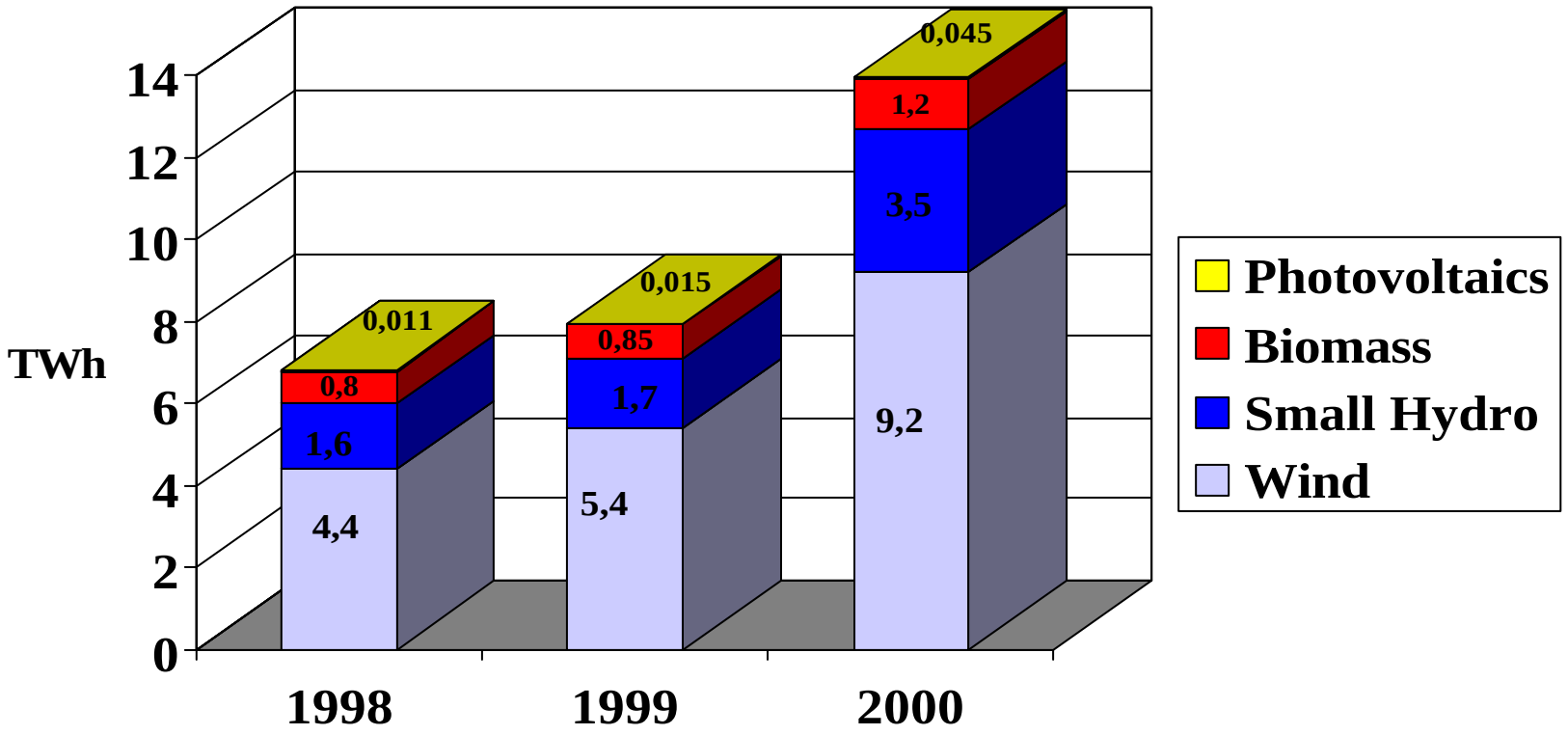
2001: extrapolier

2002-2010: lineares Wachstum geschätzt: 11%

StrEG/EEG-Stromproduktion



Electricity fed into the grid under the REA (sources)



Scope of Application (§ 2)

- Hydro Power (< 5MW)
- Biogas (< 20 MW)
- Biomass (< 20 MW)
- Geothermal Energy
- Wind Energy
- Solar Radiation Energy (< 5 MW)

Functioning of the REA 2000

5 Steps:

Step 1: connect to grid and purchase of RE

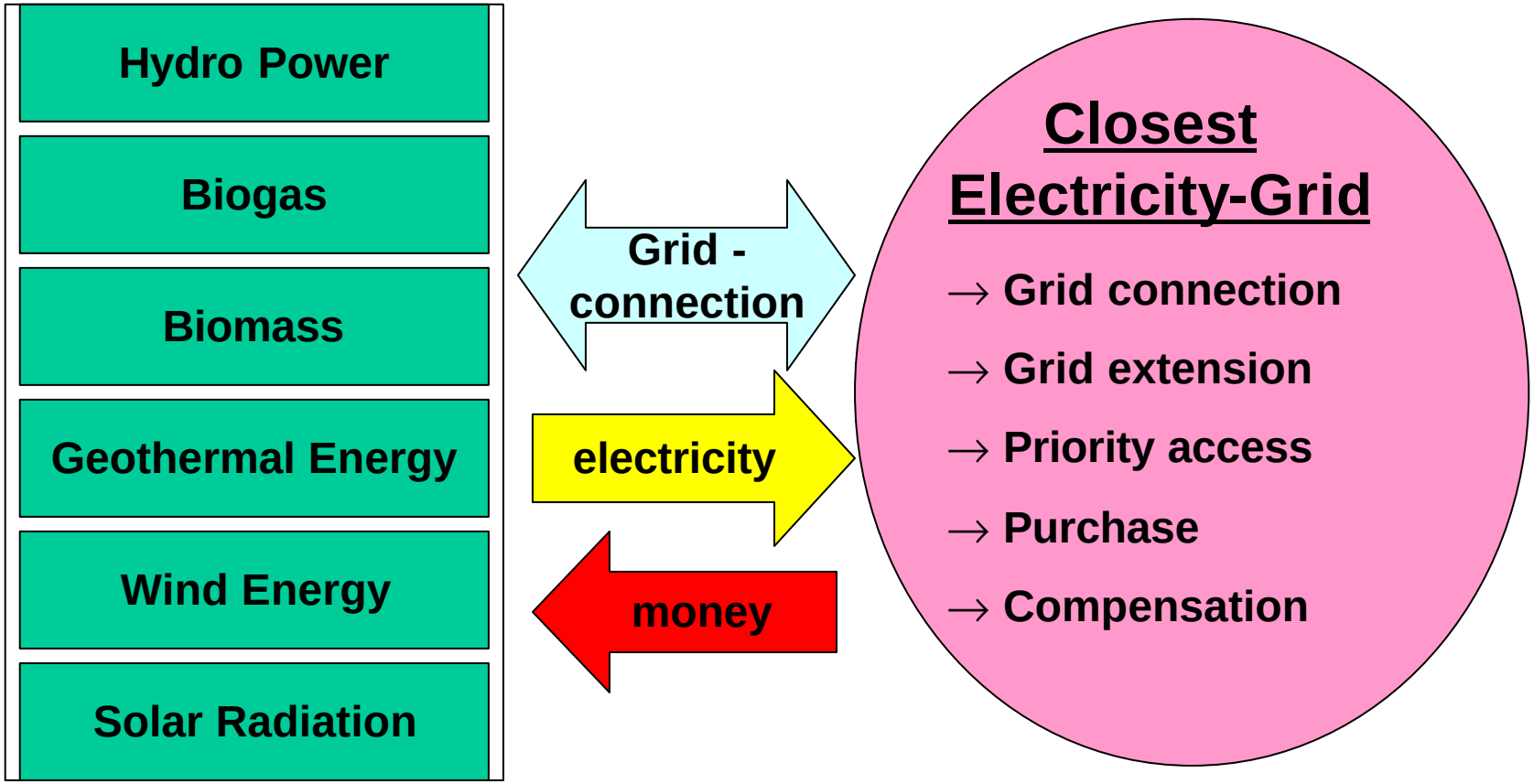
Step 2: pass on of RE to transmission grid

Step 3: balance out on national level

Step 4: distribution of RE to suppliers

Step 5: sale of RE to consumers

Step 1: Grid Connection and Purchase



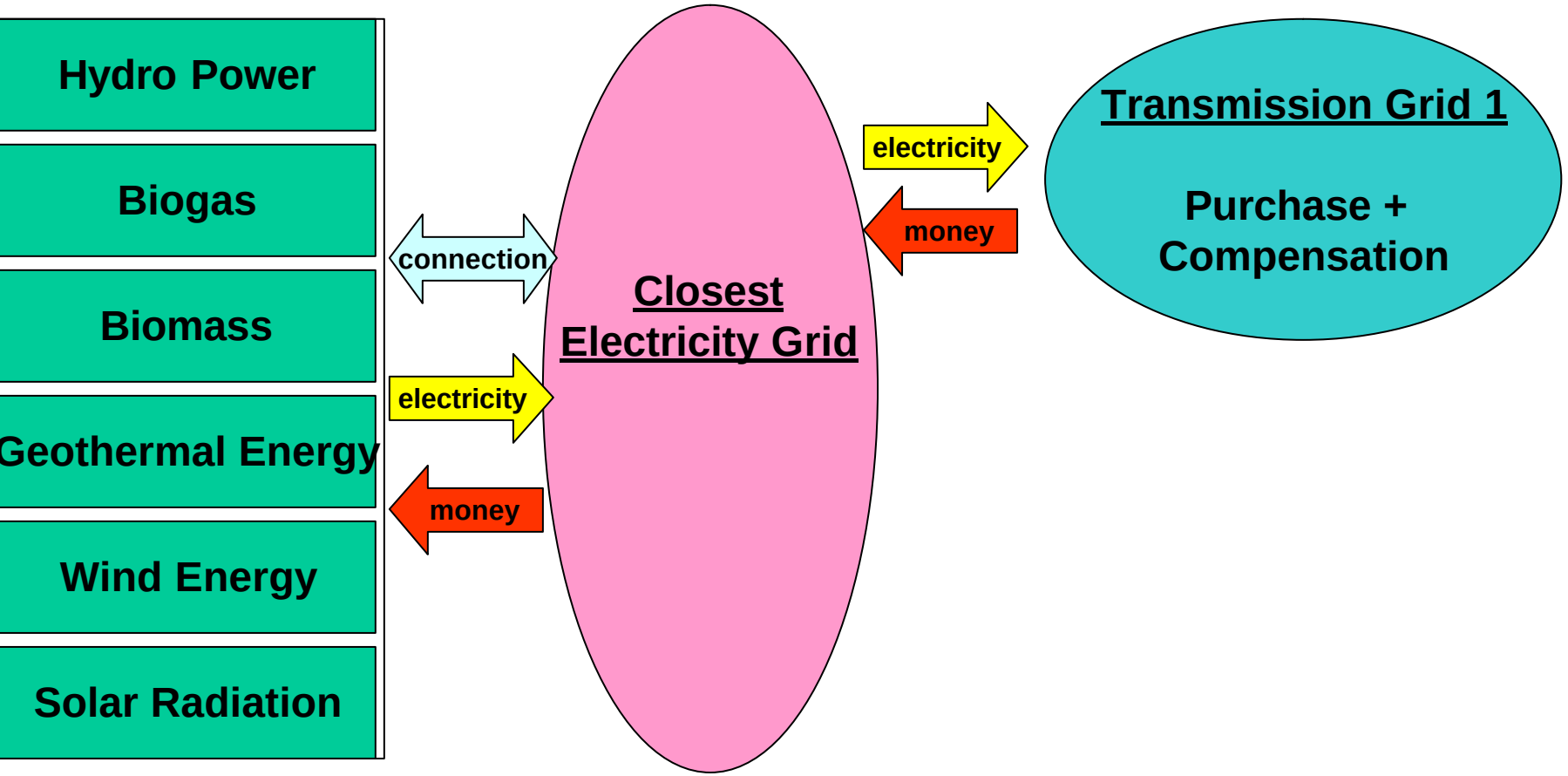
Compensation / kWh

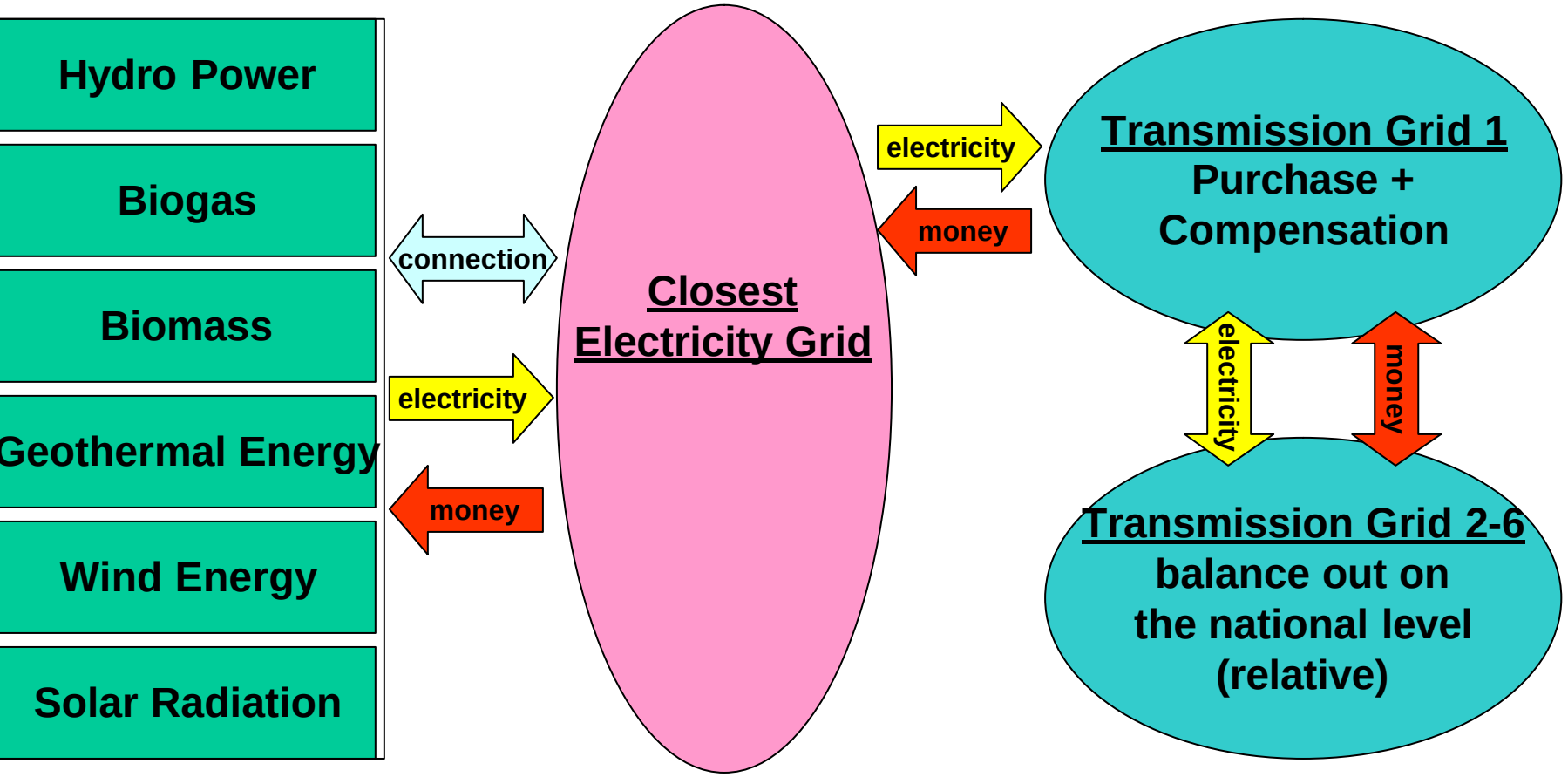
Hydro Power	§ 4: 6,65 - 7,67 Ct (1)
Biogas	§ 4: 6,65 - 7,67 Ct (1)
Biomass	§ 5: 8,70 - 10,23 Ct (1)(2)
Geothermal Energy	§ 6: 7,16 - 8,95 Ct (1)
Wind Energy	§ 7: 6,19 - 9,10 Ct (3)(4)
Solar Radiation	§ 8: 50,62 Ct (5)

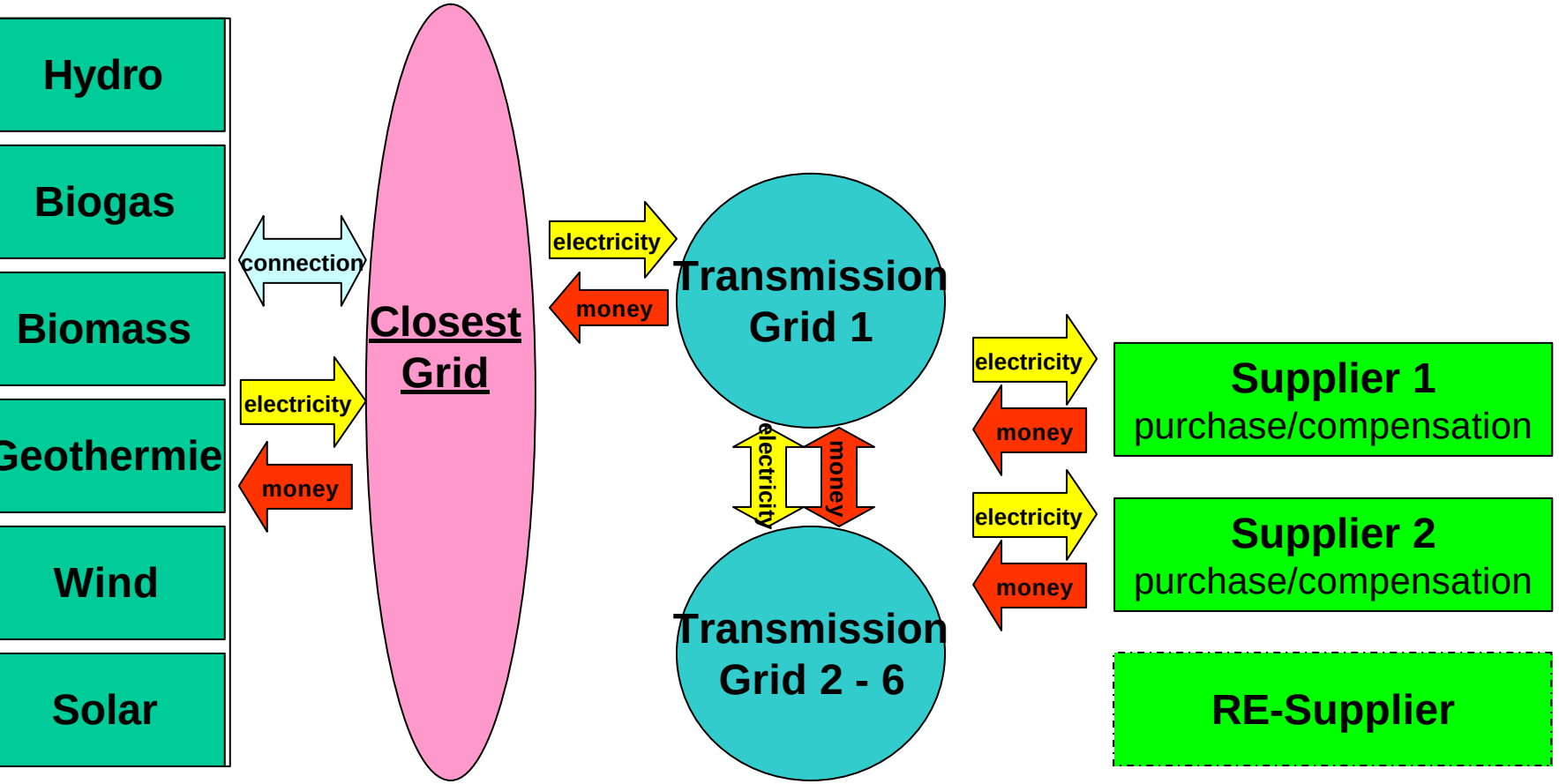
Closest Electricity-Grid

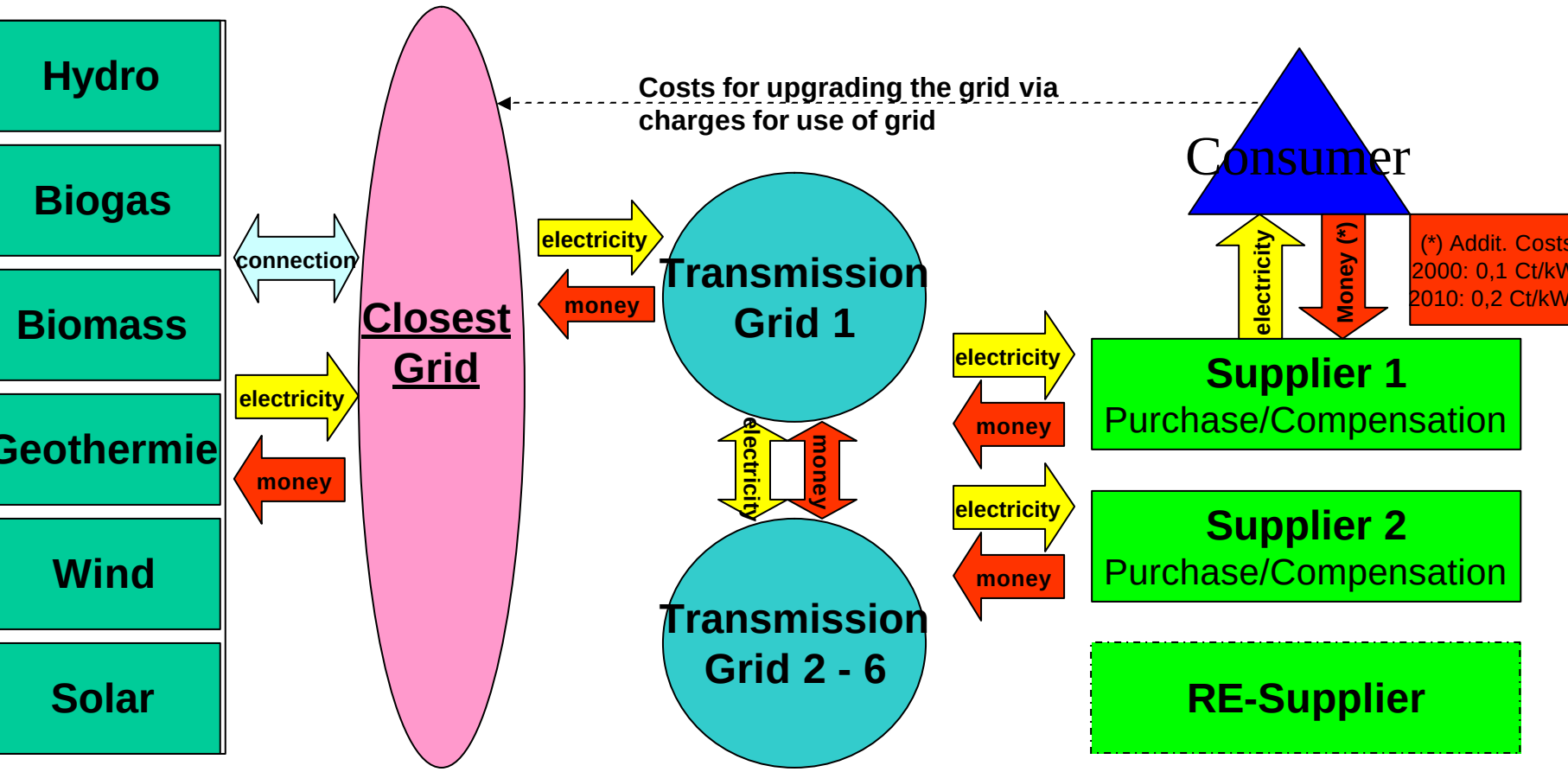
Compensation payable for a period of 20 years

(1) depending on size of plant
(2) decreasing 1% p.a. starting 2002
(3) depending on duration of contract and reference yield
(4) decreasing 1,5 % p. a. starting 2002
(5) decreasing 5 % starting 2002 and limited to 350 MW

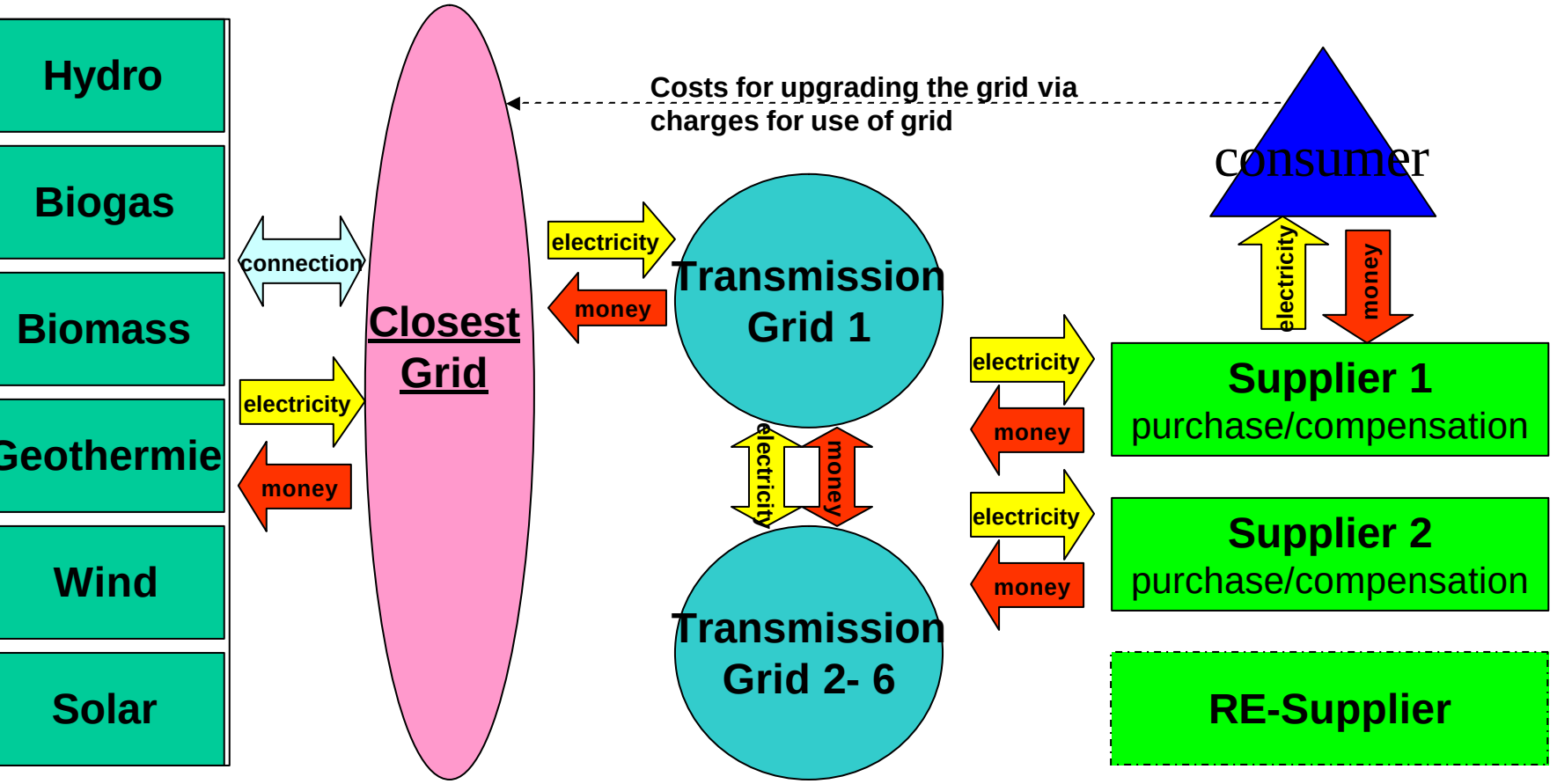

Hydro Power
Biogas
Biomass
Geothermal Energy
Wind Energy
Solar Radiation
connection
electricity
money
Closest Electricity Grid
electricity
money
Transmission Grid 1
Purchase + Compensation


Hydro Power
Biogas
Biomass
Geothermal Energy
Wind Energy
Solar Radiation
connection
electricity
money
Closest Electricity Grid
electricity
money
Transmission Grid 1
Purchase + Compensation
electricity
money
Transmission Grid 2-6
balance out on the national level (relative)


Hydro
Biogas
Biomass
Geothermie
Wind
Solar
connection
electricity
money
Closest Grid
electricity
money
Transmission Grid 1
electricity
money
Transmission Grid 2 - 6
electricity
money
electricity
money
Supplier 1
purchase/compensation
Supplier 2
purchase/compensation
RE-Supplier


Hydro
Biogas
Biomass
Geothermie
Wind
Solar
connection
electricity
money
Closest Grid
Costs for upgrading the grid via charges for use of grid
electricity
money
Transmission Grid 1
electricity
money
Transmission Grid 2 - 6
Consumer
electricity
Money (*)
(*) Addit. Costs
2000: 0,1 Ct/kW
2010: 0,2 Ct/kW
electricity
money
Supplier 1
Purchase/Compensation
electricity
money
Supplier 2
Purchase/Compensation
RE-Supplier

Step 1 - 5


Hydro
Biogas
Biomass
Geothermie
Wind
Solar
connection
electricity
money
Closest Grid
Costs for upgrading the grid via charges for use of grid
electricity
money
Transmission Grid 1
electricity
money
Transmission Grid 2- 6
consumer
electricity
money
electricity
money
Supplier 1
purchase/compensation
electricity
money
Supplier 2
purchase/compensation
RE-Supplier

Further information:

www.hans-josef-fell.de