Brussels, 16 December 2013

Possible formal state aid investigation against the German Renewable Energy Law (EEG)

Dear President Barroso,
Dear Commissioner Almunia,
Dear Commissioner Oettinger,

Our Associations understand that the European Commission plans to launch a formal state aid investigation procedure against the German Renewable Energy Law (EEG) in the coming days. On behalf of our associations’ members representing the whole value chains of the photovoltaic, wind, biomass, hydropower, ocean energy, geothermal and solar thermal electricity industry in Europe, we would like to express our strongest concern that this procedure might focus not only on the exemption of larger energy consumers from EEG surcharge rules, but also open an investigation of the full EEG.

Such a general procedure would massively undermine investor confidence and could have a severe and immediate effect on the development of the market for the different renewable energy sources in Germany and beyond. By creating uncertainty on the legality of existing feed-in tariffs and other support premiums, in the worst case the opening of an investigation could even lead to the immediate stop or reservation of these payments by national courts. The renewable energy industry in Europe could suffer from severe consequences, while achievement of the European Union’s 2020 target for renewable energy could be put at risk. More fundamentally, the contribution of the EU renewables industry to energy security, job creation and the competitiveness of the European economy would be hampered.

Regarding the exemption rules on the payment of the EEG surcharge by larger energy consumers, we hope that a balanced solution will be reached to safeguard a sufficient base for the sustainable financing of renewables development while addressing concerns related to the competitiveness of German industry exposed to international competition. We hope that you will take these urgent
concerns into account and re-confirm the lawfulness of Germany’s support for renewable energy sources as declared by the European Court of Justice in March 2001 and confirmed by the European Commission in 2002.

With kind regards,

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