

**EPPSA Response to European Commission Public Consultation  
Permit granting procedures for energy infrastructure projects**

Directorate General for Energy

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**European Power Plant Suppliers Association – EPPSA a.i.s.b.l.**

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**EC Interest Representative Register ID number:** 18146381379-29

**Background**

The European Commission has adopted on 10 November 2010 the Communication *Energy infrastructure priorities for 2020 and beyond – a Blueprint for an integrated European energy network* (COM (2010) 677). In this Communication, the Commission defines EU priority corridors for the transport of electricity, gas and oil. It puts forward the innovative definition of **concrete projects of "European interest"** to be identified in 2012.

A toolbox is also proposed in order to enable a timely implementation of these priority infrastructures. Projects defined as of "European interest" should benefit from financing and **faster building permits**, including a time limit for final decision while ensuring full respect of environmental legislation and public participation.

**Preamble**

EPPSA, representing European power plant suppliers, both manufacturing components for and constructing turnkey power plants, enthusiastically supports the Communication *Energy infrastructure priorities for 2020 and beyond – a Blueprint for an integrated European energy network* (COM (2010) 677), particularly for continuously shaping an EU inclusive energy policy and ensure a smooth transition to a low-carbon energy system.

EPPSA commends the European Institutions for the work and progress achieved up to this point and welcomes the opportunity to provide industry feedback as well as to offer their expertise in a constructive dialogue with the institutions concerned.

**Questionnaire**

Your profile (please include in response document)

- I answer this questionnaire on behalf of
  - o Public authority/administration
  - ✓ **Industry**
  - o NGO
  - o Citizen
  - o Other
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- Country: Belgium

❖ **Question 1**

As explained above, a complex and non-transparent procedural framework as well as poor administrative practice are major reasons for delays. There are different options which could help to facilitate administrative procedures. These include, as outlined in the Communication "Energy infrastructure priorities for 2020 and beyond – A Blueprint for an integrated European energy network", the establishment of a national contact and

coordination body ("one-stop shop") per cross-border project, the introduction of a time limit, and the provision of rewards and incentives to regions or Member States which facilitate the permit granting process. Would you consider these measures as useful? If so, under which conditions? Are there any additional measures you would propose to facilitate the administrative procedures?

The implementation of a national contact and coordination body, so called "one-stop shop", clearly would be beneficial with respect to providing a central information and coordination platform for cross-border projects. This kind of body could help to align administrative and regulatory issues at an early stage of a project and thus reduce the risk of potential delays or even cancellations due to non-compliance. However, the challenge of multiple administrative responsibilities for energy infrastructure projects does not only lie in cross-national-border projects like pipelines and grids, but also in vertical administrative levels, e.g. between local, regional and national authorities. The latter affects also single spot projects like power plants. In order to tackle delays directly, the introduction of a time limit too would foster the respective administration to take action if the next step in the permit granting process is in their responsibility. The COM (2010) 677 also mentions *regional clusters* as a critical tool to facilitate general project implementation processes. EPPSA considers that combining a "one-stop shop" with regional platforms would only increase the chance of succeeding a full and timely implementation. Whenever possible, regional platforms/initiatives and coordination bodies should be a single entity to avoid duplication of efforts/resources and maximise participation of relevant authorities. Often, it is not clear who is waiting for whom in order to proceed. Thus, a clearly structured, effective and transparent process is very important to apply a time limit successfully. Lengthy review processes usually add costs to the projects. In this respect, rewards and incentives to regions or Member States could trigger a continuous interest in pushing a project forward from administrative side. There might be, however, the danger of additional administrative efforts to justly allocate such measures that could overcompensate the benefits.

#### ❖ Question 2

To increase the transparency and predictability of the permit granting process for all parties involved, guidelines targeted at ministries, local and regional authorities, project developers and affected citizens could be developed. Would you consider them useful? Which issues should they address?

As already mentioned in Q1, a clearly structured, effective and transparent process would be considered helpful to support any permit granting process. Agreed guidelines could assist such a process. Especially of interest should be the explanation of underlying policies, the definition of boundary conditions and priorities, the alignment of potentially contradicting regulations involved, an effective handling of a fair balance of interests of the local and general public and the provision of best practice examples.

#### ❖ Question 3

The lack of public acceptance poses a major hindrance for the implementation of energy infrastructure projects, and the associated achievement of energy and climate policy objectives. What should be done, apart from efforts to increase general transparency, to improve communication with citizens at an early stage of the project and to ensure that the environmental, security of supply, social and economic costs and benefits of a project are correctly understood? Who should be responsible for/involved in this communication?

The lack of public acceptance has indeed developed as one of the most critical hindrances for infrastructure projects, especially for energy infrastructure projects. Since public resistance goes across all kinds of energy infrastructure such as coal power plants, carbon dioxide transport and storage in geological formations, wind farms, pumped hydro projects, electric power lines and nuclear facilities, just to name examples, this needs to be addressed on a broad basis.

Early consultation of the public concerned to make them familiar with the plans of a project and the motivation leading to it is of high importance in order to gain acceptance. In this respect, it is among other

things crucial to have credible organizations/persons involved supporting the communication process. Industry alone is not seen to have an objective view on the project they are initiating. Thus, an active involvement of science, governments/politics and constructive NGOs as well as local interest groups is required.

❖ **Question 4**

Requirements for compensation mechanisms: In your opinion, could minimum or harmonised requirements on compensation of affected populations, targeted at individual or community level, help to increase public acceptance? Which compensation schemes would you deem useful, and who should provide for the compensation?

Although compensation mechanisms could increase public acceptance, harmonized requirements on compensation should be carefully defined. They also should be flexible enough to be adaptable to individually different project situations. With respect to kinds of compensation, liabilities for potential damages/injuries should have a higher priority than compensations of potential disadvantages, e.g. devaluation of property values, which are in many cases difficult to prove. Generally, compensation mechanisms should be accompanied by a transparent communication of the project plans at an early stage in order to convince the public of the necessity of the project so that compensation offers are perceived positively as an additional benefit.

❖ **Question 5**

Have you encountered any national best-practices which have helped to facilitate the permit granting process? Which measures were taken in view of administrative procedures, transparency and communication with citizens, and how has the public responded?

Supplementary to the standard permit granting procedure and complementary communication measures, for certain new-build coal power plant projects in Germany a comprehensive catalogue of questions and answers was thoroughly prepared by the project partners. This information package was provided at an early stage of the project so that the local public concerned felt taken seriously and had not formed a prejudiced negative position yet. In addition, emphasis was put on importance for local industry and the creation of jobs. Environmental concerns were put into perspective comparing the current situation with the new plant applying best available technique.

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*The European Power Plant Suppliers Association (EPPSA) is the voice, at European level, of companies supplying power plants, components and services. EPPSA members, located throughout Europe, represent a leading sector of technology with more than 100 000 employees and annual revenue of over €20 billion. EPPSA actively promotes technologies for highly efficient and sustainable power generation in a carbon constrained world. EPPSA believes increased investment in Research, Development and Demonstration is a key factor in driving EU competitiveness as well as ensuring affordable near zero emission power supplies.*

*Virtually all power plants in the EU are built by members of EPPSA, or equipped with their components.*

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