

AUSTRIA

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Austrian Energy Agency

The Programme of the Austrian Federal Government

Since 18th of December 2017 Austria has a new Federal Government following the election in October 2017. The Austrian Peoples Party (OeVP) and the Freedom Party of Austria (FPÖ) agreed to form a coalition government. In December 2017 the new government presented its government programme, which sets out its framework and indicates the legislative projects that it intends to implement over the coming five years.

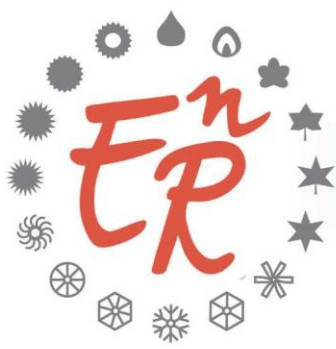
Energy related priorities

The major energy related priorities of the energy programme are as follows:

- renewable energy
- security of supply
- climate and energy strategies
- clean mobility (traffic)

Quantitative “energy goals” of the energy programme

- **reduction of greenhouse gas emissions** by -16 % until 2020 and -36 % until 2030 (compared to 2005, non emission trading sector)
- **100 % e-ren:** electricity from renewables covers 100 % of domestic consumption in 2030 (based on an annual balance)
- **‘c’exit:** phasing out of coal for electricity generation in the medium term
- **‘oilh’exit:** phasing out of oil for heating in new constructions in the medium term
- **100.000 solar roofs:** financial support for PV on private homes, plus batteries; PV systems up to 150 kW will no longer require a permit.
- **integrated energy and climate strategy** (draft expected by March 2018)



Renewable energy

According to the government programme, OEVP and FPOE plan to increase renewable energy production continually. With regard to electricity generation, the government programme foresees an expansion of renewable energy sources. By 2030 100% of the national electricity supply will come from renewable sources. The new government also intends to optimise the subsidies scheme to make it cost efficient. The details of the new programme are set out below:

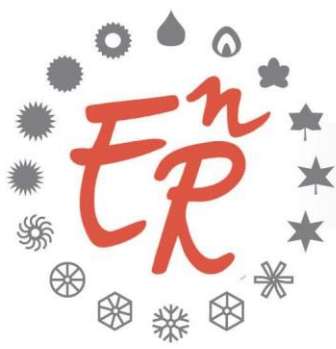
- The new government plans to reform the renewable electricity subsidies scheme and enact a new energy law. By reforming the renewable electricity subsidies scheme, the government plans to implement EU legal requirements. According to the government programme, a special focus will be put on market premiums and investment incentives.
- The government plans to introduce measures to increase the amount of renewable energy in the heating sector. These measures include, among other things, the development of biomass, solar thermal energy, heating pumps and micro-cogeneration.
- One of the government's long-term plans is to switch from oil-fired heating to renewable energy and heating sources, as well as a regeneration policy for old heating boilers. The new government also intends to optimise existing heating systems.
- The OEVP and FPOE want to introduce a so-called '100.000 solar roofs programme' – an investment incentive for private photovoltaic and small storages.
- According to the programme, alternative financing instruments for renewable energy and citizen participation will be increased.
- The new government plans to eliminate the tax on self-sufficient power generation. It wants to encourage businesses and private citizens to install rooftop photovoltaic systems for energy production.
- The Energy Efficiency Act will also be evaluated and reformed within the next five years.

Secure energy supply for Austria

One of the top priorities of the new government programme is to maintain the high level of security of supply in the Austrian energy sector. The new government plans to increase security of supply, while seeking to make Austria less dependent on energy imports.

The government intends to foster decentralised electricity generation and new storage technologies. At the same time, the government programme foresees an adaptation of the necessary infrastructure. In order to reach this goal, the government plans to extend and modernise the network infrastructure:

- It plans to develop an Austrian network infrastructure plan for the energy network and security of supply in order to ensure strategic energy planning with the federal states and local communities.
- It plans to increase the investments in infrastructure (generation and networks) and safeguard existing necessary resources. The government is committed to developing local hydropower plants and pump-storage power plants further. This includes a commitment to reform and enact the necessary regulatory framework. The government programme foresees that the reserve capacity (balance and control energy) will be secured by using



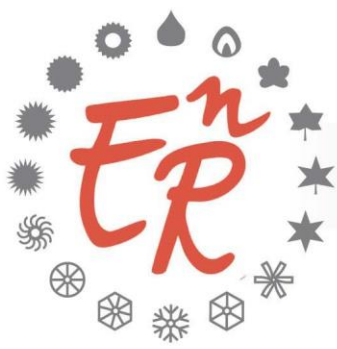
tendering procedures and market mechanisms that include all possible market participants. At the same time, the government is committed to considering the costs for businesses and private households. Moreover, the government programme includes a plan to promote fairness in relation to network financing, meaning that there should be no balancing of metering points.

- According to the government programme, a framework for increased decentralised energy supply and empowered regional supply concepts will be created.
- The new government plans to adapt the tariff structure in order to stay abreast of the dynamic electricity price developments.
- The new government intends to develop Austrian resources further, instead of importing energy. The goal is to move towards more (complete) self-sufficient electricity generation in Austria.
- The government programme foresees the expansion of local storage facilities and local networks.
- The government programme includes the plan for a new regulation for district heating pipeline rights. At present, district heating is at a disadvantage, as pipeline rights per decree cannot be issued if the property owner does not consent. This causes additional costs, making district heating less popular.

Climate and Energy strategies – dismantling bureaucracy

The new government is convinced that innovation and investments for a cleaner and more secure energy future need a proper regulatory framework. To facilitate investment, the government plans to improve planning security and legal certainty and dismantle bureaucracy. This is especially true for large infrastructure projects (e.g., power plants and network expansions), which are necessary for the energy reform. Currently, the procedures for large infrastructure projects are time consuming and complicated. This is, according to the government, hindering the transformation of the energy sector and endangering the security of supply. Therefore, the government programme includes a plan to speed up and simplify the licensing procedures and dismantle bureaucracy. In detail, the government programme foresees the following steps:

- There will be an expansion of the federal legislative organ for the electricity sector. Due to the lack of competency on a federal level, a constitutional provision is necessary even if only a minor change to the electricity act is enacted. Therefore, the government plans to create a federal legislative organ for electricity matters. It is expected that this would not only lead to faster legislative proceedings, but also provide more legal certainty, as it would make the nine state electricity acts redundant.
- The bureaucracy surrounding plant permits will be removed. According to the government programme, the business licences that business must obtain for photovoltaic systems will be abolished. Moreover, photovoltaic systems up to 150 kilowatts (kW) will no longer require a permit.
- The government programme intends to simplify the regulations regarding high-voltage current paths. Medium-voltage cables (up to 45 kW) will no longer require an electricity permit.
- Procedural efficiency – in order to increase the speed of procedures for network expansions, the government plans to amend the Energy Infrastructure Act. Currently, the



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act supports only cross-border infrastructure projects. However, in order to facilitate the energy reform, the government intends to include national projects, such as network expansion projects, wind parks, pump storage power plants and hydrogen storage.

References

Programme of the Austrian Federal Government: <https://www.oevp.at/download/Regierungsprogramm.pdf>
International Law Office, “New government energy programme”, Schoenherr <https://www.schoenherr.eu/>