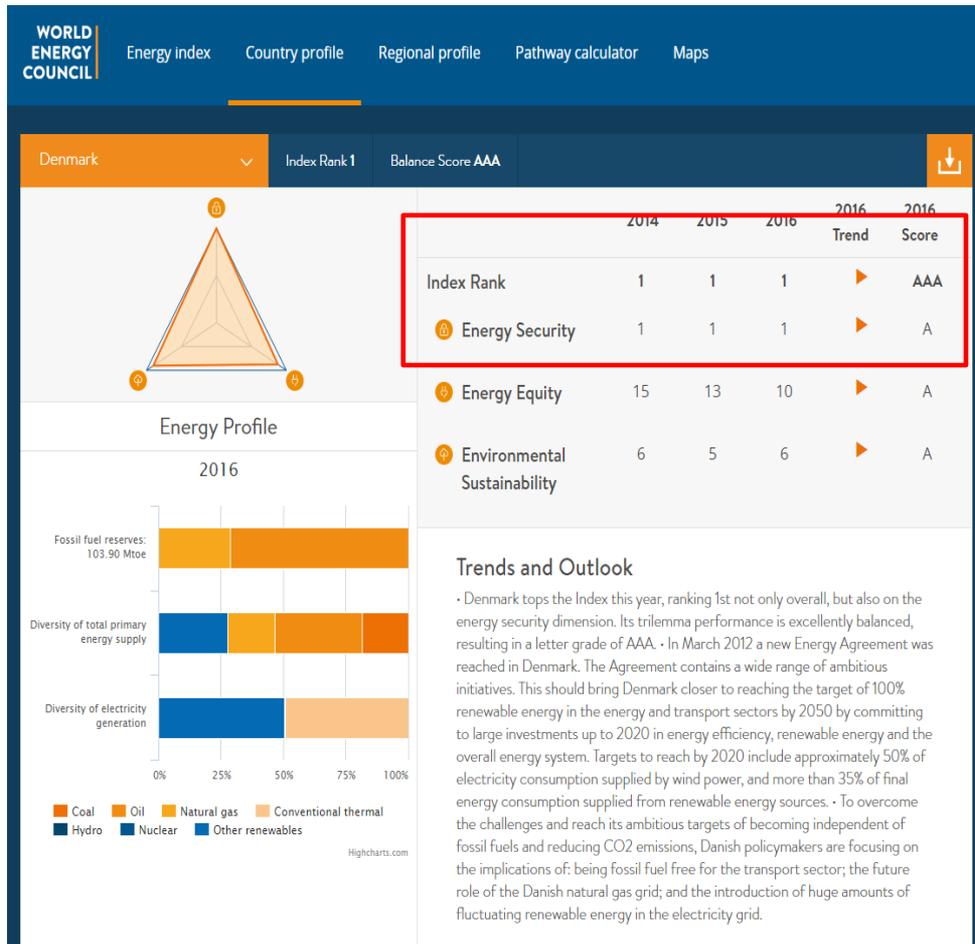


The Danish Energy Commission's Recommendations to a Future, Danish Energy Policy

Kristoffer Böttzauw,

Deputy Permanent Secretary, Danish Ministry for
Energy, Utilities and Climate

A role model?



Source: World Energy Council

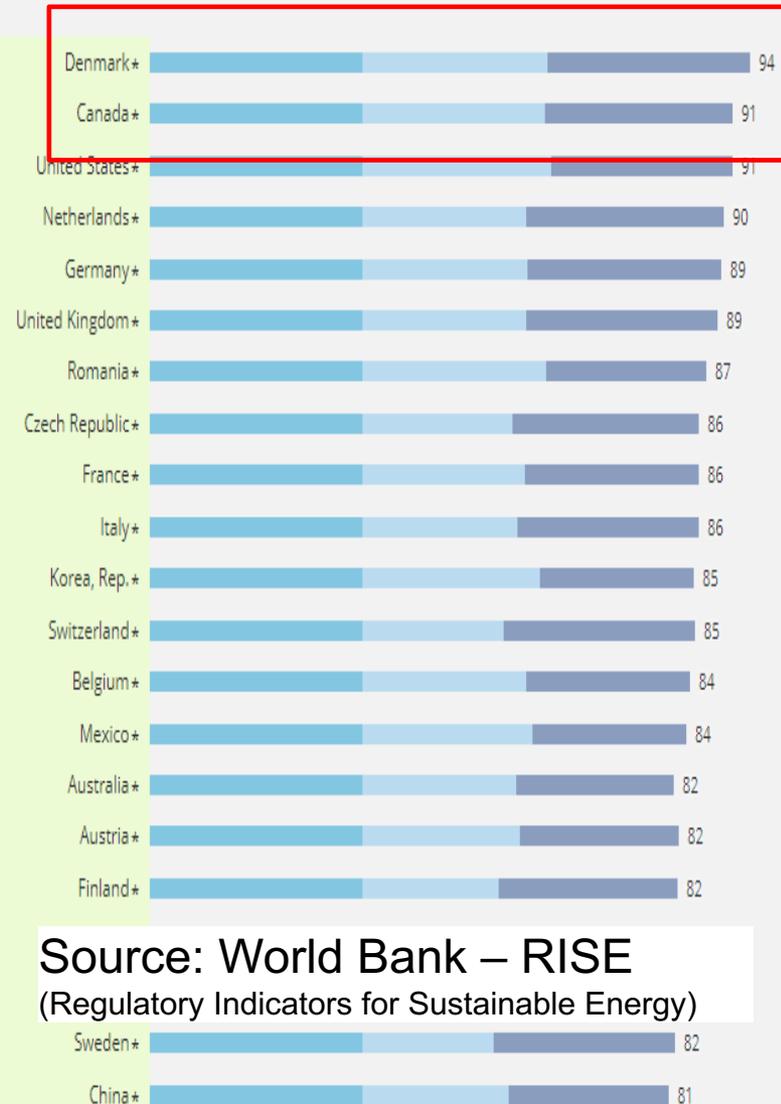
Overall

Energy Access

Energy Efficiency

Renewable Energy

Sort by: Country name | Region | Score



Source: World Bank – RISE
(Regulatory Indicators for Sustainable Energy)

The 2012-energy agreement

Different elements



Wind:
1.000 MW
off-shore
wind, near-
shore wind
400 MW

Expected
wind-share
in electricity
production
(2020): 48
pct.



Subsidies for
increased
use of RE in
industry

(1) Expected
reduction in
use of fossil
fuels: 30 pct.
(2) RE-share
of final
energy
consumption
: 40 pct.
(2020)



Energy
efficiency:
Improved
efforts during
the period.

Expected
stable
energy
consumption
throughout
the period
2012-2020



Biomass:
Improved
framework
conditions
for biomass.

Expected
increase in
biomass-use
from [40 PJ]
(2012) to
approx. 100
PJ (2020).



Transport:
Subsidies for
infrastructure
in transport

Expected
RE-
penetration
of 8,5 pct. in
transport in
2020



Finance:
PSO and
elektricity
tariffs

Fully
financed -
the PSO has
since been
transferred
to the fiscal
budget

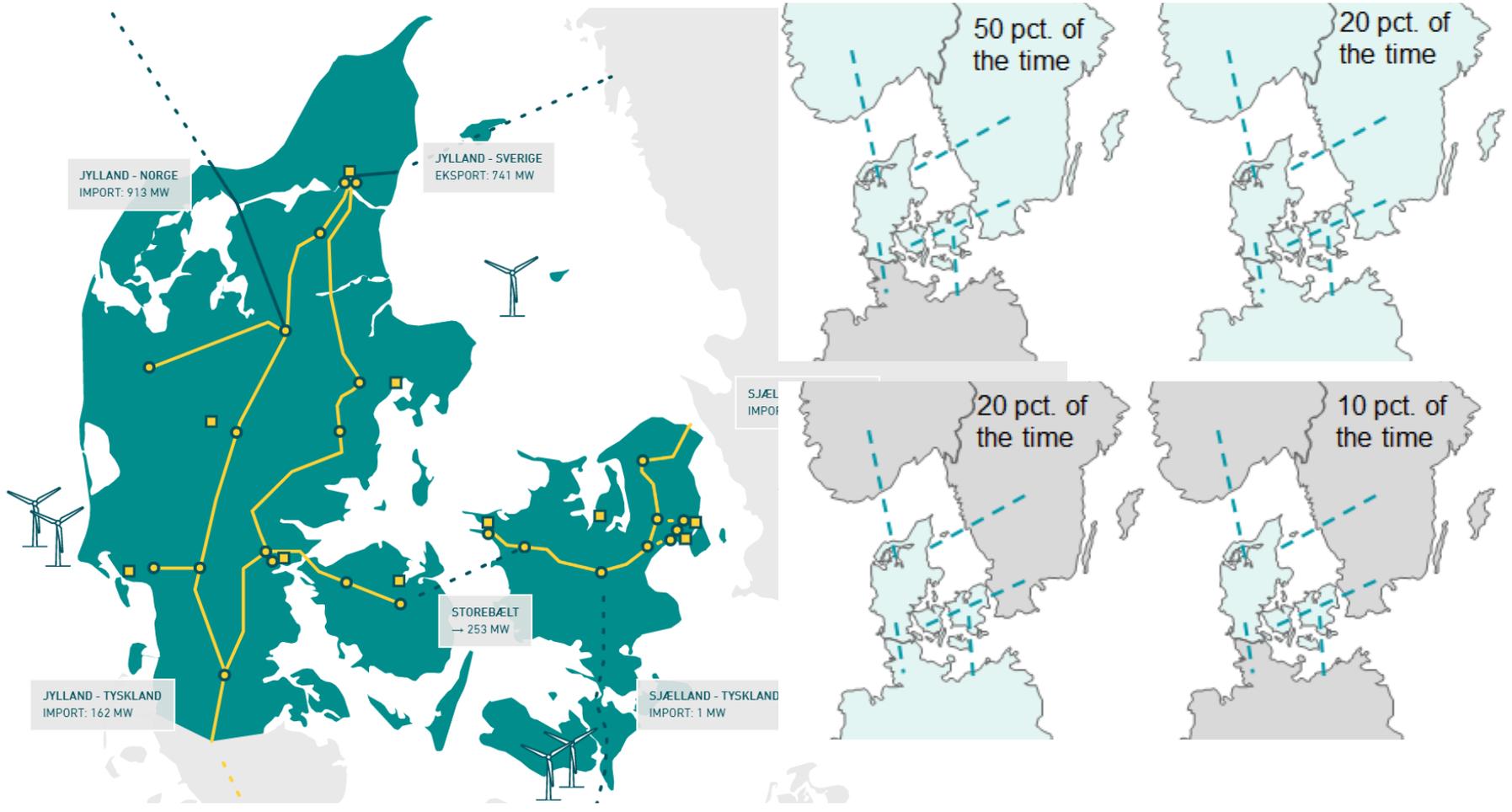


Solar not
included in
the
agreement.

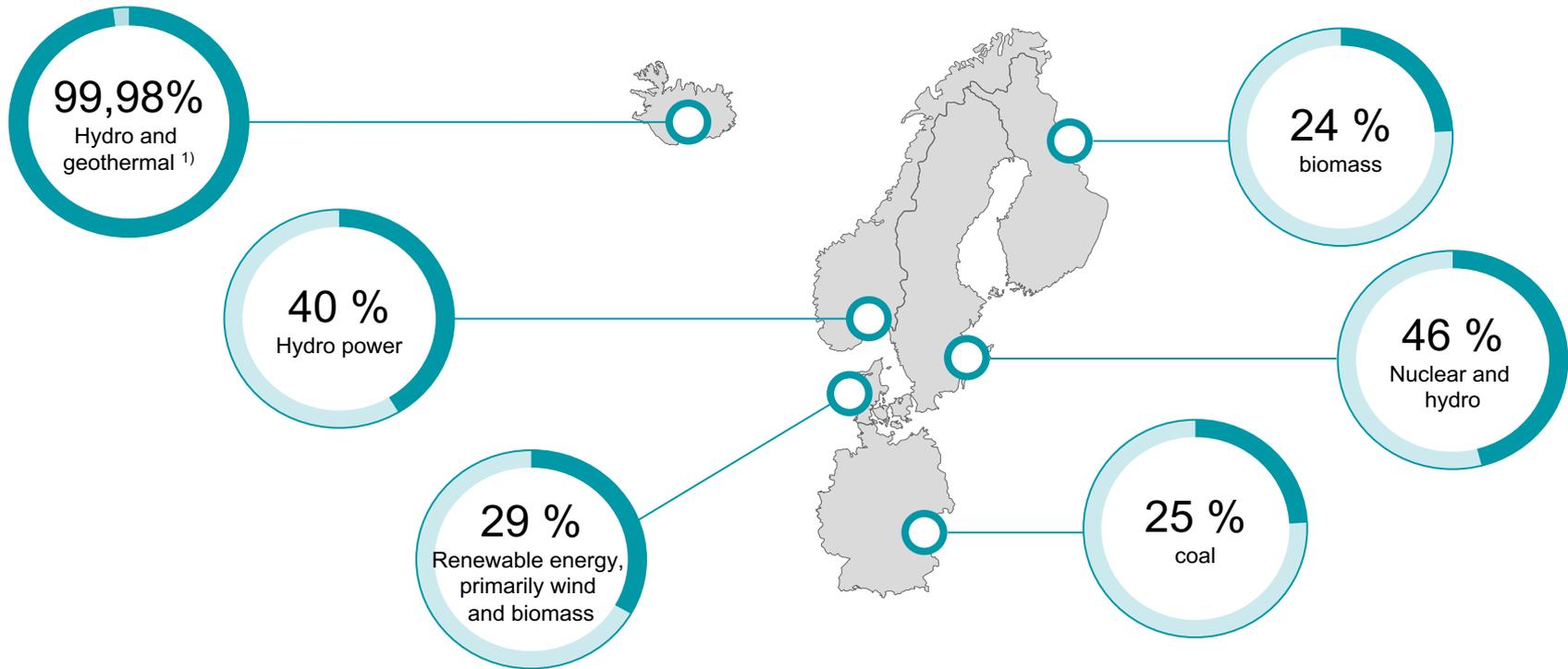
Targets for
solar
amended to
the
agreement in
2013

Regional approaches

- interconnections



Diverse characteristics of country-specific energy systems ²⁾



Sources:

1) National Energy Authority, Iceland. NOTE: Only electricity production, data from 2016

2) Danish Energy Agency: Energistatistik 2015

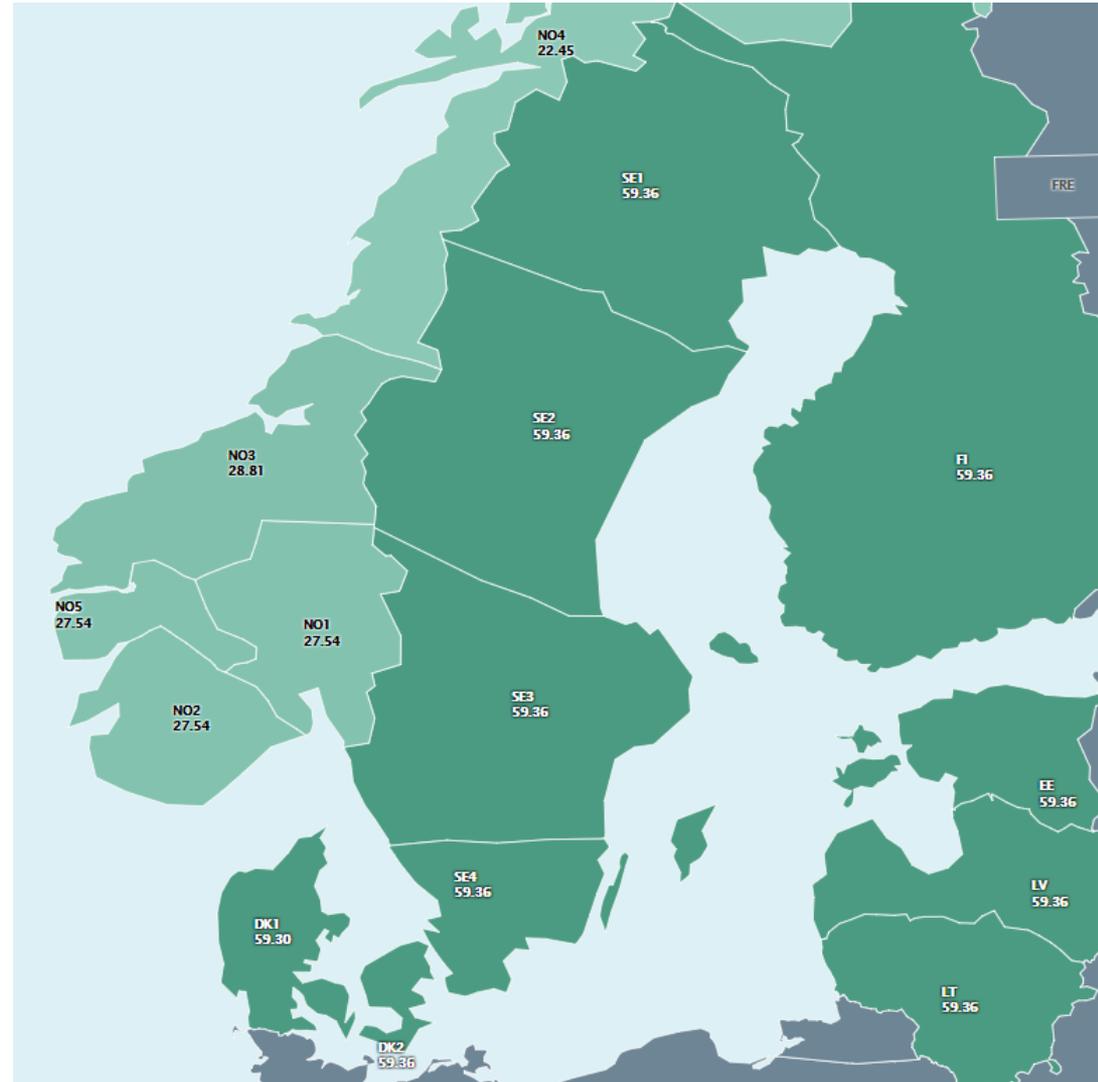
Nord Pool

- AN EXAMPLE OF REGIONAL COOPERATION

Denmark joined Nord Pool in 2000 – four years after Norway and Sweden established a joint power exchange.

The success of Nord Pool has been remarkable, with the exchange being appointed Nominated Electricity Market Operator (NEMO) across 14 European power markets in 2015-16; Austria, Denmark, Estonia, Finland, France, GB, Latvia, Lithuania, the Netherlands and Sweden, Belgium, Germany, Luxembourg and Poland.

Nord Pool is key to secure the cost effectiveness of the Nordic and

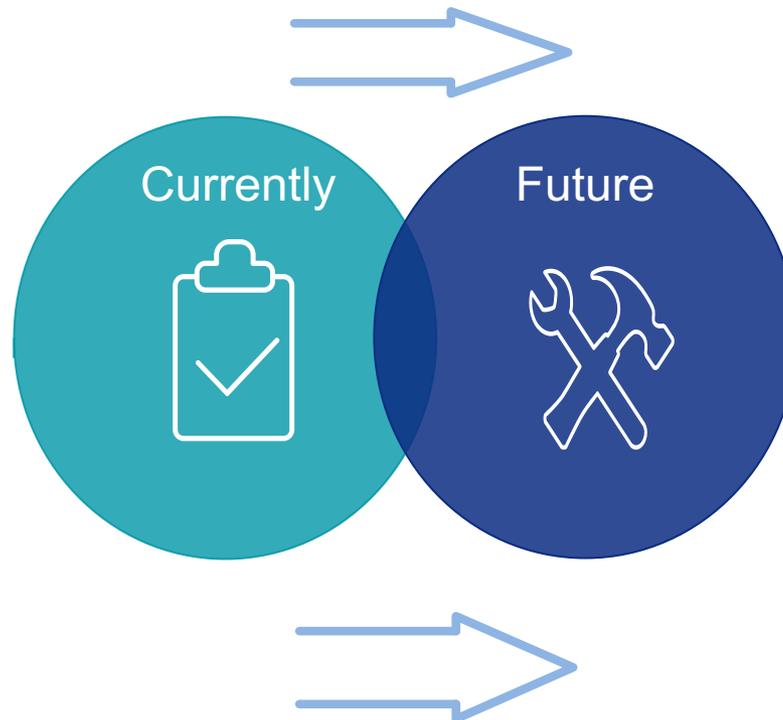


Developments – to keep an eye on

The Energy Commission's take...

Where we are

- National focus
- “Handheld”, centralized energy system
- Supply side-focus
- Targeted energy savings
- Based on fossil fuels (approx. 70 pct.)
- Subsidized RE-deployment



Where to go moving towards 2030 and 2050

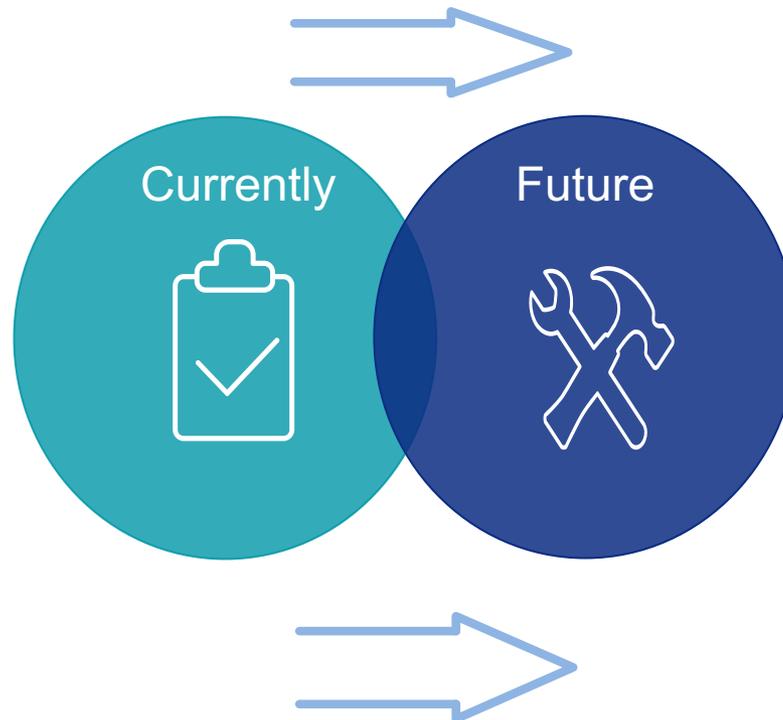
- Regional / international cooperation
- Demand-side-focus
- Cost-effective and market-based RE-deployment
- Technology neutrality
- Electrification and integration
- Cost-effective energy efficiency improvements

Developments – to keep an eye on

The Energy Commission's take...

Where we are

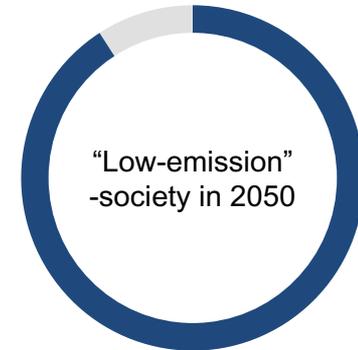
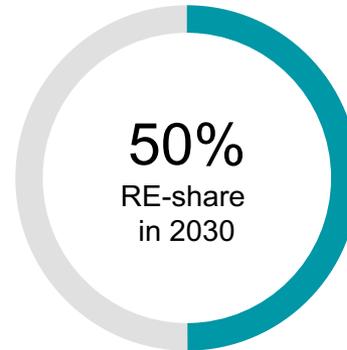
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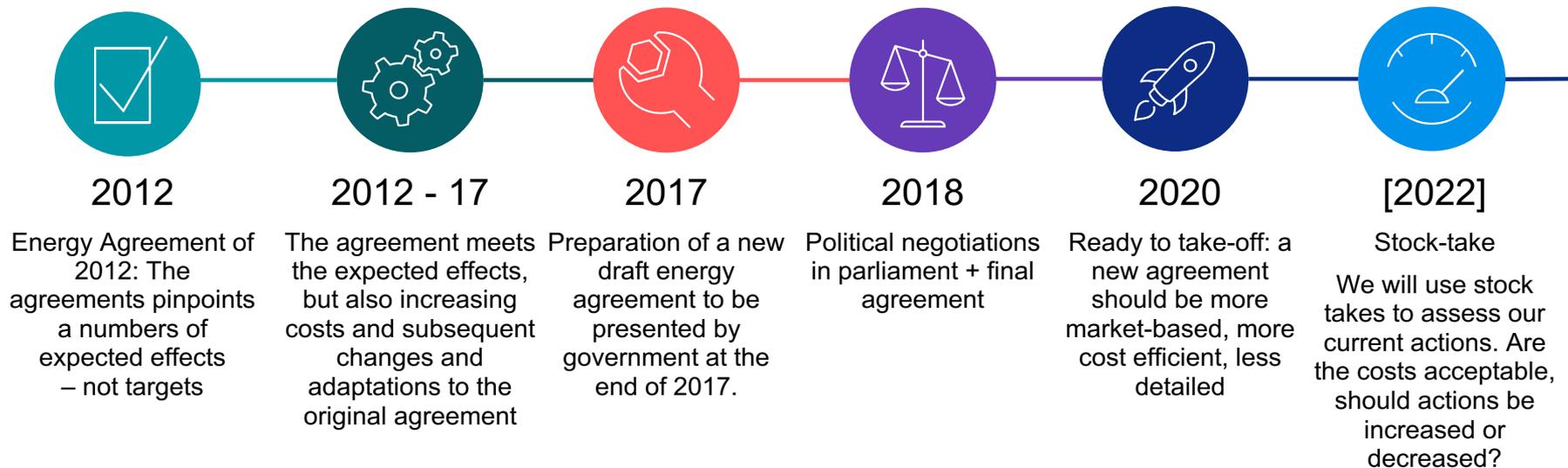
Where to go moving towards 2030 and 2050

- Regional / international cooperation
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Government ambitions



Status and timeline: a future energy agreement of 2018



THE DRAFT AGREEMENT WILL HONOR A LONG-TIME
DANISH TRADITION OF LONG-TERM, POLITICALLY
BROAD AGREEMENTS

- BUT IT WILL ALSO SEEK TO BALANCE THIS OBJECTIVE AGAINST POLITICAL AND
FINANCIAL FLEXIBILITY BY INTRODUCING STOCK TAKES SO TO ADJUST CURRENT

EFFORTS TO PRICE DEVELOPMENTS AND REGIONAL, INTERNATIONAL DEVELOPMENTS

Elements in a future draft energy proposal

“ IN AUTUMN 2017, THE GOVERNMENT will come forward with a new broad energy agreement after 2020, partly on the basis of the work of the Energy Commission. A new energy agreement will aim to ensure continued transformation of the energy sector. ”

01

It will be a market-based energy agreement

The Energy Commission finds the current agreement too detailed to be able to obtain the benefits of the market

02

It will be an agreement with a focus on international and regional developments

The agreement must address international developments. Denmark will likely the current strong commitments in regional and European cooperations **Economics will be key**

03

The upcoming agreement will address economics head on – and make sure to boost the economy rather than impede it

04

Targets are not set in stone

The energy agreement will introduce stock takes. This means that government will evaluate the pace of RES phase-in on a regular basis. The evaluations will assess the scale and speed of market maturity of RES.

By conducting the stock takes, it will be assessed whether the pace of RES phase-in should be increased. However if development is slow, the speed might be decreased.

Thank you for your attention!