



# Fact Sheet 1

## Details on Key Supportive Renewables Policies Worldwide

Significant renewable energy development occurs under two circumstances worldwide. 1: in areas where there are high electricity prices, and 2: in areas where fiscal and policy measures are in place to promote renewable energy.

While the price of Renewable Energy technologies have decreased by 45% in less than a decade<sup>1</sup>, renewable energy technology deployment in low priced electricity environments are still dependent on government policies to compete with traditional sources of power.

Three types of tools have been used internationally for stimulating the market for renewable energy investment; Regulatory, Voluntary and Funding. Each method has had varying levels of success based on the economic context. The table below outlines all policy options for Renewable Energy.

Tools for Change <sup>2</sup>				
Regulatory		Voluntary		Funding
Mandatory Requirements	Fiscal Incentives	Labeling and Certification	Communication and Outreach	Research and Development
<ul style="list-style-type: none"> <li>• Renewable Portfolio Standard</li> <li>• Disclosure Labels</li> <li>• Net Metering</li> <li>• Emissions Standards and Emissions Trading</li> <li>• Guaranteed prices</li> <li>• Green Certificates</li> <li>• Competitive bidding</li> </ul>	<ul style="list-style-type: none"> <li>• Production Tax Credit/Incentive</li> <li>• Investment tax</li> <li>• Incentives</li> <li>• Energy tax exemptions</li> <li>• Emission Tax</li> <li>• Tradable 'green' credits</li> <li>• Revenue Bonds</li> </ul>	<ul style="list-style-type: none"> <li>• Labeling green power through a certification system (i.e. Ecologo, "Green-e", Power Scorecard, Green Electricity Offerings)</li> <li>• Green premium pricing &amp; marketing</li> <li>• Competitive Bidding</li> </ul>	<ul style="list-style-type: none"> <li>• Educational outreach</li> <li>• Website development</li> <li>• Workshops &amp; conferences</li> </ul>	<ul style="list-style-type: none"> <li>• Increased government funding</li> <li>• Shared research through coalition building</li> <li>• Technology development and commercialization</li> </ul>

1. *Wind Energy in the 21<sup>st</sup> Century, Economics, Policy, Technology and the Changing Electricity Industry*, Redlinger, Dannemand Andersen, Morthorst, 2002 pg. 217

2. Courtesy D. Humphries, Master's Thesis



Europe's growing renewable energy industry owes itself to strong policy measures taken by pro-active governments. Europe has used regulatory mandates rather than voluntary or funding as a method of increasing the presence of renewables. Of all the mechanisms to achieve renewable mandates, the most common used were Competitive Bidding, Guaranteed prices and Green certificates. Historically the mechanism of Guaranteed Prices has been most effective in building up a base of renewables, however these countries appear to be moving towards Green Certificates as a measure.

**Mechanisms for achieving Renewable Energy Mandates in Europe, by Country**

Competitive Bidding	Guaranteed Prices	Green Certificates
France	<i>Austria</i> <i>Belgium</i> <i>Denmark</i> France Germany Greece <i>Italy</i> Portugal Spain <i>Sweden</i>	Belgium Denmark  Italy  Sweden
Ireland		
Italic (Historic method)		