

Parliament decides to increase electricity certificate quotas

Press Release

October 30, 2015

On Wednesday, October 21, the Swedish Parliament decided to increase the mandatory electricity certificate quotas which electricity retailers are obligated to purchase. Increases have been decided for each year between 2016 and 2035. The objective with the increase is to further promote the production of electricity from renewable sources. In the same session, Parliament also raised the targeted level of renewable electricity production in Sweden from 25 TWh to 30 TWh, for the period between 2002 and 2020.

The electricity certificate system incentivises electricity producers to produce electricity from renewable sources. Producers of renewable energy will, after Wednesday's decision, as from next year receive more certificates per MW produced than decided previously. Wednesday's increase has been calculated by government experts and experts at the Swedish Energy Authority. Whether Wednesday's increase serves as sufficient incentive for production to reach the 30 TWh level remains to be seen. We see this decision as confirming the Swedish Parliament's resolve to keep a predictable and long-term market-based subsidy system in place. This in a time, where we, in recent years, have seen other European states reduce or discontinue green energy subsidy schemes coming directly out of state budgets, due to political changes or austerity measures.

As the certificate system is regulated by a bilateral agreement between Sweden and Norway, a second vote, scheduled later this autumn, must also obtain a majority in the Swedish Parliament, for the increase to commence applying from 2016.

About us:

Advokatfirman Oebergs has advised on wind power projects in Sweden which together amount to 1 TW energy. Alongside other market players, we assist developers from greenfield projects to financed and operating wind farms.