

Günther Oettinger
European Commissioner for Energy
European Commission
B1049 Brussels
BELGIUM

OPEN LETTER

Brussels, 17 December 2012

Dear Commissioner Oettinger,

We are writing you to express the photovoltaic industry's great concern about the growing number of countries that are adopting retroactive measures affecting the economics of existing PV installations.

Such measures seriously damage the investment climate in general and for renewables in particular, not only in the countries where they occur, but also throughout Europe. Even beyond Europe there could evolve a general bad feeling about the reliability of European political decisions happening in various member states. This lack of confidence in the support measures heightens the perceived risk in investments in renewables, and PV in particular, thus unnecessarily increasing the cost of capital for private operators. In the transition to a power sector that will require more CAPEX-intensive investments, retroactive measures will seriously endanger the achievement of 2020 targets. The following retroactive measures affecting PV investments have recently been enacted:

- Czech Republic, end 2010, adoption of a 26% or 28% retroactive tax on PV investments realised between 2009 and 2010
- Spain, end 2010, adoption of a retroactive measure on all existing PV investments, limiting the number of hours they could operate to receive the Feed-in Tariff
- Bulgaria, September 2012, adoption of a discriminatory, abusive and retroactive grid access fee for systems commissioned since April 2010
- Greece, 7 November 2012, adoption of an up to 30% tax on revenues of PV systems already installed or to be installed in the future
- Flanders, Belgium, 6 December 2012, adoption of a retroactive grid access tariff for the use of the grid for PV systems benefiting from net-metering (<10 kVA).

The following retroactive measures are being considered:

- Czech Republic, October 2012, official declaration of the Minister of Industry concerning his intention to prolongate and increase the tax on the PV investments

- Spain, October 2012, proposal for the adoption of a 7% tax on revenues for electricity producers, discriminating against renewable energy producers and in favour of conventional players
- France, November 2012, proposal to adopt a retroactive measure on the tariff level for large scale systems.

The above lists refer only to retroactive measures that are already affecting or could soon affect the security of existing PV investments. This is not to mention the series of moratoria that have been in place in several countries, such as Spain and Portugal currently or France in the past.

You will find enclosed a description of the series of negative measures that have been taken in the last two years; we are convinced you will see the full seriousness of the situation the whole PV and Renewable sector faces today in Europe.

We therefore call on you to react strongly to these decisions and use, where appropriate, all the legal means the European Commission has to stop this trend, which threatens the climate of confidence needed in Europe to attract further investors. Once again, we call on the EC to forcefully discourage this kind of practice in the future -- in particular through the upcoming guidance on national support schemes.

Yours sincerely,



Dr. Winfried Hoffmann
President



Reinhold Buttgereit
Secretary General

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