Governance 19 March 2019

How to use your laws in a good perspective

Mr. E.H.de Jonge
"The more corrupt the state, the more numerous the laws" – Tacitus (77 – 110)

• Organised Trust versus Code of Conduct.

• More laws? With what aims?
Governance

• A framework for decision and accountability;
• A guidance for efficient and effective policy creation and implementation;
• An ethical claim on integrity and transparency regarding work and participation;
• An assurance that implementation follows policy;
• A way of behaving;
• A route map for the supervisory board.
Richard Dworkin (legal philosopher NY, 1931-2013)

• *Equal resources means the possibility of having equitable resources so that everyone can carry out their conception of what is good. This implies, in a certain way, considering what the poorest people are and what the poorest people are not.*

• *Dworkin, like any self-respecting theorist of justice in this debate, starts by asking himself the question of what to equalize and starts to attack, like others, the idea that, somewhere, what to equalize is well-being. For a variety of reasons, well-being is too subjective and we don't know what that means. Dworkin focuses on something that we can evenly call resources.*
Dworkin II

• A just model must be a model that tries to equalize injustices or inequalities for which people are not responsible, i.e. a distribution that is independent of natural goods that is not a justice that rewards the able-bodied and drives down the invalid (1). However, it is a distribution that considers the distinction between choice and circumstance (2).
Dick Cheney

•“The American way of live is not negotiable”
Michel Onfray (1959..)

• Local Community als guiding principle;

• Globalisation as a race to the bottom.
Criteria for receiving energy
Enexis, a grid operator (I)

• Distribution of
• Electricity,
• Gas, (a.o. Green gas);
• Hydrogeen?
• Heat?
• (Electric) mobility?
• Data?
Role of Energy

• Energy as an economic mather;
• Tariffs;
• Social structure;
• Efficiency;
• Sustainability;
• Oslo, Kyoto and Paris.
Climate Treaty

- 20/20/20
- Central Planning Office (CPB)
- Strategy and execution
- 20 March 2019 election day
Market development

- Market,
- Government,
- Paris Treaty.
Grid = energysupply

• Regulations and directives;
• - access to the grid;
• - social and economic goals;
• - security of supply;
• - MR de-activation connection to the grid
• - Energy as a concern for the government versus “free market”.
Climate goals. Paris.

• The Paris Agreement requires all Parties to put forward their best efforts through nationally determined contributions (NDCs) and to strengthen these efforts in the years ahead. This includes requirements that all Parties report regularly on their emissions and on their implementation efforts.
Klimaat akkoord (Climate agreement)

- In 2030 70% of all electricity originates from renewables.
- Windturbines on sea;
- Wind on Land;
- Solar parks.
- More elektricity, less gas;
- EV.
- Stop of gas supply for households.
- Buildings with growing elektricity demand. (heating and cooling)
5 quick steps to be taken

1. Reducing tax for households, increase for business (1/3 vs 2/3);
2. CO2 taks for business.
3. Electric cars stimulus;
4. Agriculatural environment, reducing methaan combusting effect;
5. Storage of CO2.
Urgenda case

• Trias Politica:

• A. Legislative power;
• B. The Executive power;
• C. Judicial segment: “le juge est le bouche de la loi”.
De case Schenkeveld

• ACM decision: “Congestion management”.
High College Court of Appeal for business sector

- Cbb and legislative power;
- Jurisprudentie, meaning of case law;
- Regulated area;
- Civil contract;
- “freedom of contract domain”;
Exotics

• The closed distribution net connected to the grid;
• Regulated but not totally;
• - the direct line.
• AMvB Experiments and pilots
• Art.37 E-law. Exemption. Westland
Hicks Kaldor criterium

• A re-allocation is a Kaldor–Hicks improvement if those that are made better off could hypothetically compensate those that are made worse off and lead to a Pareto-improving outcome. The compensation does not actually have to occur (there is no presumption in favor of status-quo) and thus, a Kaldor–Hicks improvement can in fact leave some people worse off.

• (Pareto criterium: 20% of the work has a impact on 80% of the cases).
Ownership of rights

• Data.
• Platform
• Request for proposal;
Damage by no availability

• Production capacity
• Transport capacity.

• Influence of SDE+ subsidy on market:

• - 10 billion Euro in NL 2018 for renewables.
Competition

- On the grid;
- By different routes;
- Prevented investments
Energy law

• Elektricity law;
• Art.23, 24 E-law;
• Art.3.1. Netcode
• Art.3.7.4. Tc.
The Dutch grid operators are obliged to provide a connection offer to every operator of a (renewable) energy plant if the plant operator has applied for such a connection (art. 23 (1) in conjunction with art. 16 (1) (e) Electricity Act). A plant operator's contractual claim for connection by the grid operator arises when the connection agreement is concluded. The grid operator is obliged to enter into such an agreement on application (art. 23 (1) Electricity Act).
Art. 24 E-law

- The plant operator is entitled to grid use to be granted by the grid operator by agreement. The grid operator is obliged to select the party to such an agreement according to non-discriminatory criteria (art. 24 (1); (3) Electricity Act).

- The claim arises at the date of conclusion of the agreement. The grid operator may deny access to the grid if grid capacity is insufficient (art. 24 (2) Electricity Act).
Renewables first?

• The grid operator is obliged to grant access according to non-discriminatory criteria (art. 24 (3) Electricity Act). Renewable energy is not given priority. This problematic issue was already raised in 2012 by former Minister of Energy Verhagen (https://zoek.officielebekendmakingen.nl/kst-32774-4.pdf). However, no modification on this matter has yet taken place.
Curtailment

• The grid operator must fulfil his obligation unless the capacity of the grid he manages is not sufficient (art. 24 (2) Electricity Act). The regulatory authority may prescribe that grid entry capacities shall preferably be granted to certain applicants to maintain the stability of the electricity market. However, even restricted access shall be granted according to non-discriminatory criteria and published in the Official Gazette of the Netherlands (art. 26 (1), (4) Electricity Act).
Distribution of costs.

As stated by the Dutch transmission grid operator, the grid operators may impose several charges for use of the grid. The plant operators are obliged to pay service charges to cover the costs arising from the operation of the grid (art. 16b in conjunction with art. 29 (6), (1) Electricity Act). In addition, they have to pay charges for the transmission of electricity via the national grid (art. 29 Electricity Act). The charges to be paid are annually determined by the Authority for Consumers & Markets (ACM) in accordance with the Fee Code (art. 26b Electricity Act). The costs listed in the electricity bills shall be objective, transparent and non-discriminatory. Furthermore, they shall reflect the costs actually incurred by the grid operators (art. 27 (3) in conjunction with art. 28 (3) Electricity Act).