The Promotion Law of Renewable Energy Development and Utilization in P.R.China

China Day in Bonn

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Objectives of the RE Law

♦ Identify the government’s essential power, duty and obligation
♦ Bring forward the definite market driving signal
♦ Strengthen the confidence of the market investment for every kind of main body
♦ Accelerate to expand the market scale and commercialization process of RE
Basic Tasks of the RE Law

♦ Make the significant role of RE into the national energy development strategy
♦ Eliminate the market barriers on RE development and utilization
♦ Establish a market financing system for RE development
♦ Establish the cultural atmosphere to promote the RE development
Main Principles for the RE Law

♦ Combination of government’s responsibilities and entire citizens’ obligation
♦ Combination of governmental promotion and market drive
♦ Combination of the current demand and long-term or sustainable development strategy
♦ Combination of domestic practice and international experience
Systems Identified in the RE Law

- Overall citizens’ obligation system
- Government’s responsibilities system
- Cost sharing system
- Encouragement and punishment system
Main Articles (I)

♦ Resource survey
  – Government has the responsibility for resource survey, and the obtained resource information belongs to the nation, can be released to the general public

♦ Planning
  – The government will make the national RE development plan
  – Requirements on the responsibility and obligation of the large-scale energy enterprises
  – Requirements on the transparency of planning: information release system, published to the society
Main Articles (II)

- **Investment:**
  - Encourage the multiple investment bodies
- Publish the industry development inventory
- Establish production criteria and technology standards
- Quality testing and certification
- Education and R&D
Main Articles (III)

♦ Market mechanism
  – Implement the China Style Renewable Portfolio System or Mandatory Market System
  – Support the local government to establish the Green Electricity System

♦ Power Grid Companies’ obligation
  – Must accept the RE electricity which meet the technical standards
  – Supply management and service for the power facilities invested by the government to satisfy the basic production and residential demands in the remote areas
Main Articles (IV)

♦ Pricing Mechanism
  – Cost sharing mechanism
    • Grid connection power plants
    • Independent system in remote area
    • Transmission line
  – Bidig price system

♦ Special funds from the government
♦ Tax measures