

SYNTHESIS OF THE WORKINGPAPER

TERRITORIES AT THE CENTER OF ENERGY TRANSITION

For a French model of energy decentralisation

Final version – May 2014
Working paper n°1

Energy transition constitutes a major challenge in terms of economic competitiveness and employment. The necessary struggle against climate change as well as economic and social challenges related to the lack of resources lead to a logical reversal, made possible by technological developments. What is at stake, for a profound change of production and consumption patterns, is favouring action for energy demand and sustainable development of renewable energies.

Such advancement supposes great coordination between European, national and local energy priorities. Beyond aspects that need to remain centralized, more specifically security and networks management, it is in the population's interest, for equal costs, to have local authorities provide for themselves at their best with their energy issues and to develop local solutions for energy production, facing the price increase of global markets.

In order for our country – where the choices of centralised productions were so far strongly favoured – to catch up on these topics, energy governance must progress towards an increased decentralisation. On this matter, the recent national debate on energy transition wasn't useless, but proposals that emerged, limited to those that meet consensus, were not up to the issues at stake.

This working paper evaluates precisely and exhaustively the states of rules currently relevant to local authorities in such areas, limits and difficulties for their intervention and the challenges of energy decentralisation.

Beyond the necessary regulatory simplification, these proposals aim at defining a new French model of national and local governance for energy control and decentralized energies. Regions which wish to do so, could become organizing authorities of decentralized energies. They could hand down this expertise to some local authorities that are skilled on a rather large territory, urban and rural.

Their main tool would be composed of regional (and local) companies specialized in energy. The latter would have an operational role for the development of decentralized energies, the financing of investments to ensure distribution and, when necessary, the dealing with a unique help desk for individuals for all energy-related matters.

The suggested plan relies on a new share of responsibilities in terms of energy distribution by each network, in particular electricity. Regional (and local) companies would have the responsibility of adapting distribution networks corresponding to the development of decentralized energies. The historic operator would be in charge of the basic network in urban and rural areas and, based on the French national train company (SNCF) model for regional trains (TER), of acting on behalf of organizing authorities.

Regional and local energy companies would benefit from substantial resources, more specifically by reassigning existing taxes and reduced operating costs. This scheme enables to reconcile a larger autonomy and a real responsibility of local authorities in terms of decentralized energies and the upholding of solidarity between territories and the continuity of distribution service of gas and electricity. Such a reform would lead to a consistent architecture and a strong impulse to an evolution that will come sooner or later.

