Guidance Documents

Fact Sheets

2025

Funded by
the European Union

Guidance Documents

3 guidance documents - mainly targeted to Member States - have been published on July 2nd, 2025 in draft version to bring down costs of electricity supply for citizens, support implementation of Renewable Energy Directive, Electricity Market Design and Action Plan for Affordable Energy:

1. Innovative technologies and forms of renewable energy deployment,
2. The designation of dedicated grid and storage infrastructure areas and
3. Network tariff methodologies

Guidance document on innovative technologies and forms of renewable energy deployment

The document acknowledges the economically unviable reliance on fossil fuels in Europe. It shows real savings made from renewable electricity use and highlights the overall potential of renewable energy sources (RES) to mitigate those costs. Especially the high amount of untapped potential of renewable energy can ensure lowering energy costs significantly.

Member States are called upon to support truly innovative solutions to increase the use of renewable energy (REDIII: 42.5% RES by 2030 + 5% innovative RES; Clean Industrial Deal installing 100 GW of renewable electricity capacity annually until 2030). The document's content is accompanied by best-practice examples of how to ensure the role-out of innovative RES.

Geothermal energy is specifically mentioned as a close-to-market, innovative technology that can benefit from the guidance document, especially for high TRL projects. Technologies mentioned include multi-well drilling, closed-loop systems or combined geothermal and lithium extraction.

Other measures to address barriers to increase RES use mentioned:

Non-regulatory barriers:

- insufficient awareness of innovative forms of deployment
- difficulty participating in support schemes for renewables
- land use, water and mining laws, infrastructure laws

Financial framework:

- Innovative RES often not reached notoriety and maturity to drive down cost without external support

- Adapting financial frameworks via direct price support scheme, generalized support to renewable self-consumption
- Access to the grid and sector specific incentives, e.g. agricultural sector becoming prosumer

Knowledge gap:

- To build expertise needed for scaling up innovative solutions: investing in research, coordination and cooperation of authorities and training and capacity building

Permitting:

- Innovative forms of renewable energy are often neglected in permit-granting processes and relevant legislation, in particular building codes and regulations, energy law and environmental protection regulations.
- Need streamlining and simplification of permit-granting procedures for innovative renewable energy sources and traditional renewable energy sources

What is in it for geothermal?

- Geothermal acknowledges as innovative technologies
- Permitting as major barrier for geothermal expansion very prominent
- Support in developing innovative technologies, meaning geothermal as well

Guidance document on the designation of dedicated grid and storage infrastructure areas

Reinforcement and accelerating the expansion of electricity grids next to storage solutions are the main goals of this guidance document. With continuous challenges, further decentralization in renewable energy generation and increasing electricity demand (e.g. e-vehicles), grid infrastructure updates are essential.

Based on the Clean Industrial Deal, annual renewable electricity generation should reach about 100GW in 2030, thus energy storage becomes increasingly vital. The latter requires faster and easier permit-granting procedures and the implementation of dedicated areas for renewable energy acceleration.

Member States should:

- Designate areas for grids and storage infrastructure to be exempted from certain types of environmental assessments

- Assess existence of environmental impacts via
  - Cooperation and support tools to identify environmental impacts
  - Mitigation rulebook and measures
  - Compensation measures
- Screening projects in dedicated infrastructure areas
- Link renewable acceleration areas to grid and storage infrastructure
- Increase cross-border cooperation to identify dedicated areas in cross-border regions
- Conduct flexibility needs assessment and consider environmental considerations
- Integrate renewable energy sources as priority sources
- Increase public participation to increase transparency allows for smooth implementation of projects
- Using digital tools to support implementation: use of capacity heatmaps for generation as possible tool for spatial planning

Guidance on network tariff methodologies

With the aim of lowering overall system costs, this guidance document promotes a new network tariff design, which enhances flexibility, locational incentives and increased efficiency in grid usage and management.

It will support national regulators in reviewing and designing tariff methodologies, thus improving the existing grid infrastructure and minimizing additional investments. As network tariffs reflect what consumers pay for the system service, it is key to reducing those costs as much as possible. Hence, peak consumption periods should be managed in a more cost-effective manner and energy should become more affordable.

Ultimately, network tariff methodologies will contribute to increased European competitiveness, increased electrification and decarbonization at the same time.

Future of network charges:

- network charges should be cost-reflective and encourage efficient use of the existing grid by providing price signals for network users to adapt their behavior.
- more decentralized systems as renewable energy sources on a local scale, flexibility needs, possibility to lower peak demand, higher electricity demand as considerable amount of electric heating for instance

- Expected benefits:
  - Lower costs for managing the grid, enhancing grid capacity
  - Reduced inefficient congestion
  - Improved ability to absorb larger shares of renewable generation, where relevant
  - Reduced overall need for grid reinforcements
- Storage:
  - Individual design element: increasing importance, provide flexibility, stability, security, relieve the grid, manage peak demand

What is in it for geothermal?

- Flexibility and grid adaptation
- Geothermal could relieve grid as H&C can be deviated and releasing pressure from grid