CLIMATE GROUP
RE100

RE100 South Korea policy recommendations

South Korea is one of the most challenging markets for RE100 members, with large numbers reporting barriers to using renewable electricity.

This is in contrast to enormous corporate demand for renewables in Korea, RE100 members use over 60TWh of electricity per year in the country, meaning approximately 10% of South Korea's total annual electricity use is by RE100 members.

To bridge this gap in Korea, clear and effective policies on renewable electricity are essential. RE100's Policy recommendations for South Korea were shaped by RE100 members and industry experts. Developed in partnership with CREF (Corporate Renewable Energy Foundation), KoSIF (Korea Sustainability Investing Forum) and SFOC (Solutions for Our Climate), they were first published in 2023.

South Korea's energy transition is gaining momentum but work is needed to accelerate corporate access to renewable electricity and unlock Korea's renewable future.

In support of this mission and our members' 100% renewable electricity commitments, RE100 advocates for the implementation of the following policy recommendations.

1. Create a policy environment with a fair and transparent power market structure to enable renewables to compete on an equal footing to fossil fuels

- Shift pricing to ensure it reflects the true cost of renewable energy production
- Strengthen independence and sustainability considerations within the electricity systems operator

2. Increase the renewable energy target and implement stable policy frameworks to accelerate corporate uptake of renewable electricity

- Increase renewable energy target in line with 2050 Carbon Neutrality Goal
- Include wording around the expansion of Power Purchase Agreements[1] (PPAs) in any government roadmaps

3. Remove obstacles to improve accessibility of Power Purchase Agreements for corporates

- Ensure network usage fee and incidental costs are fair and transparent
- Remove unfair contractual obligations
- Simplify negotiation procedures and provide clear guidelines to support corporates through the procurement process

4. Enhance grid flexibility and fairness for renewable electricity generators to scale the domestic supply of renewable electricity

- Ensure equal grid access and fair compensation for renewable electricity generators
- Promote investment in systems that increase grid flexibility to allow renewables to rapidly scale up

5. Improve the renewables investment environment for on-site and off-site PPAs

- Streamline siting and permitting rules
- Improve cost effectiveness of investment
- Provide clarity around incidental costs associated with on-site and off-site PPAs

6. Enhance transparency, sustainability and additionality of renewable electricity certificates and tracking systems

- Differentiate between different renewable sources of power under Green Premiums in advance of auctions
- Improve the use of Green Premium proceeds towards additional renewable capacity
- Increase frequency of Green Premium auctions
- Embed sustainability measures attached to biomass for Green Premiums and RECS

1 As per reviewed and improved terms in line with message number three