

ENERGY EFFICIENCY NEWS FROM THE CZECH REPUBLIC

Fuelling our future: the European Commission sets out its vision for an Energy Strategy for Europe

A new basis for the European Energy Policy has been set out by the European Commission in a major new Green Paper, which invites comments on six specific priority areas, containing over 20 concrete suggestions for possible new action. The document was published in March 2006.

The Green Paper outlines how a European Energy Policy could meet the three core objectives of energy policy: sustainable development, competitiveness, and security of supply. As a foundation for this process the Commission proposes that a Strategic EU Energy Review be presented to the Council and Parliament on a regular basis, covering all energy policy issues. This would constitute a regular stocktaking and action plan for the European Council and Parliament, monitoring progress and identifying new challenges and responses on all aspects of energy policy.

Six priority areas have been identified. And a more sustainable, efficient and diverse energy mix is identified as one of the priority areas. The choice of a Member States energy mix is and will remain a question of subsidiarity; however, choices made by one Member State inevitably have an impact on the energy security of its neighbours

Press news on emission allowance trading

- The Director of the Office for the Protection of Economic Competition, Martin Pecina, wants the European Commission to abolish the system of CO₂ emission allowances for industrial plants with validity from 2008. In his opinion, it is dysfunctional and does not lead to emission abatement.
- Large heating companies last year used up slightly fewer emission allowances than they were allocated by the Government within the framework of the National Allocation Plan. Net profit on their sales amounts to tens of millions of crowns.
- Last year ČEZ carried out trades with emission allowances totalling CZK 1.9 billion. Net profit on allowance sales was CZK 1.033 billion and ČEZ booked it as reduction of operating costs. For most of the year ČEZ sold the allowances. In November and December, however, it purchased allowances owing to the high market demand for electricity.

Editorial note: The lower amount of emissions was partly reached by low cost measures, by optimised sequencing of power plants and by lower electricity production. However, the above text shows how strong a bargaining position companies were able to exert when negotiating about the emission cap in the National Allocation Plan. A similar situation, i.e. the really discharged emissions are significantly lower than the agreed cap, is in other countries too. Following the making public of this information, it led in late April 2006 to a fall in emission allowance prices by up to 40%.

and of the Community as a whole. This could be achieved through the Strategic EU Energy Review, covering all aspects of energy policy, analysing all the advantages and drawbacks of different sources... *cont. on page 4*

Tilting at windmills?

Act No. 180/2005, on support for generation of renewable energy, ensures for investors extraordinarily stable conditions for doing business – it guarantees the purchase of electric power produced from renewable sources, namely, for a price guaranteed over the period of 15 years, or support in the form of green bonuses. In international comparison, the specific amount of financial support stipulated by the Energy Regulatory Office under the law (see Price Decision of the ERO No. 10/2005 and 1/2006) is relatively advantageous. Also bearing witness to this is the great interest investors have already shown in construction of new sources.

In the Czech Republic wind power is not as promising a green energy source as it is in some neighbouring and, primarily, maritime countries since wind conditions are significantly worse owing to topographic characteristics. None the less, the current investors' plans for construction of new wind power plants, already in the phase of a drawn-up and discussed environmental impact assessment (EIA), exceed 500 MW of installed capacity. This approaches the estimated potential for real wind power use in the Czech Republic, with the attainment of the indicative objective of an 8% share of renewable sources in gross electricity consumption. And this is without the most extensive investment plans, with the capacity of another 200 MW, being factored into this review.

Most investors plan in a total of approximately 40 locations to install generally tried-and-tested technologies with the specific output of 2 to 3 MW using a 100-metre tube. Investors expect the average use of installed capacity to exceed 2,100 hours a year (the maximum for over 2,600 hours). This is roughly double the figure of older wind power plants operated in the territory of the Czech Republic, often in unsuitable localities. Hence, the new intentions either use the best wind localities and are ideally designed, or slightly overestimate the expected production. Investors have with ever-increasing frequency documented their assumptions of the expected flow by measurement, even though this is far from being the rule. However, they often do not issue from measurement in the actual locality in which a wind power plant is to be built, but from the closest available measurement

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(meteorological stations, mobile operators' transmitters). The varying credibility of data acquired in this manner comes as no surprise. Planned specific investment costs range between CZK 25 and 50 million per installed MW.

Today, experienced investors are already among wind power plant developers. However, it often concerns smaller companies, municipalities or individuals without verified experience in the branch and many a time without sufficient capital of their own. This means a needless additional risk for the financing banks. Another drawback is represented by negotiating a plan in the given place – not all inhabitants of municipalities support the construction of new wind power plants.

An ambitious plan has been recently presented by ČEZ (Czech Energy Utility). Its strategy is, however, primarily based on purchasing from developers wind power plant construction projects in progress at the total level of approximately 100 to several hundred MW. *-jz- ... cont. on page 2*

Did you know that...

The growth of energy consumption in the Czech Republic in recent years has been caused by rising demand on the part of households. Total energy consumption in 2005 as against 1989 increased by 8% to 57.7 billion kWh, with household consumption soaring by 53% to 14.72 billion kWh.

Energy end-use efficiency and energy services directive adopted

The essence of the new Directive is determination of the indicative target for reduction of energy end-use of member states by 9% spread over the period of 9 years. It should be achieved by means of specially proposed energy-saving programmes and provision of "energy services". Accordingly, the proposal of the European Parliament to set out legally binding and enforceable targets has not been adopted due to the disapproval of member countries. The Directive has been adopted and at the present time is undergoing linguistic editing and preparation for official publishing.

The Directive imposes obligations in the form of rather "softer" measures leaving a certain flexibility to member countries, the possibility of selection and proposal of their own strategies. The Directive's major benefit lies in the fact that energy savings have become part of the official agenda of member states and a level equal to renewable energy sources. Energy savings, unlike generally more expensive renewable sources, represent an economically returnable opportunity of reducing greenhouse gas emissions.

The Directive primarily requires from member countries:

- An indicative target of a 9% reduction of energy consumption in member countries over 9 years;
- Setting a continuous indicative target for the third year of the Directive's validity;
- Preparing and proposing programmes for energy consumption reduction;
- Appointing a responsible agency overseeing the objective's fulfilment and verification of savings;
- Ensuring the availability of energy audits for all customers, publishing a methodical procedure for application of the criteria of energy efficiency in public tenders and a model contract for energy services, and supporting exchange of experience;
- Using voluntary agreements or other tools for promotion of energy savings;
- The possibility of introducing accreditation/certification for energy services contractors, energy auditors and the like;
- The public sector should serve as an example in achieving energy savings;
- Where appropriate, billing of consumption of electricity, natural gas, long-distance heating and cooling for end customers should be based on individual measuring;
- Drawing up and submitting to the European Commission an energy efficiency action plan al-

ways by the middle of the years 2007, 2011 and 2014;

- Energy distributors and/or sellers must maximally once a year submit aggregated statistical information on energy consumption for the purposes of evaluating the Directive's fulfilment, ensure supply of energy services to end customers, or ensure the availability of energy audits for end customers, or contribute to energy efficiency funds, and transparently publish for customers the current energy price and consumption, comparison with the consumption for the previous period, best in a graphic form and possible comparison with average/standardised values.

The national indicative energy efficiency target is set in the absolute quantity of energy (for example, in GWh) as 9% of the annual average of total domestic energy end-use for the past five years.

The key problem thus remains in what manner to report (measure and verify) energy savings that should result from the actively implemented measures and programmes. Precise measurement and monitoring of achieved energy savings with individual projects would undoubtedly be disproportionately costly. Therefore, model methodical procedures will be created. By 2008 the Commission will formulate a common methodology based on the "bottom-up" approach. It will entail finding a reasonable and acceptable compromise between the required accuracy and the exigency of the applied monitoring methods. There is no doubt that the specific selected methodology of monitoring and reporting energy savings can also crucially affect the actual fulfilment of the indicative target, since the uncertainty connected with input data will surely be greater than the required energy savings – amounting to 1% a year.

-jz-

EU cohesion policy for 2007-2013 – what impact on energy projects will it have?

The current programming period of the Structural Funds will come to its end in December 2006 and the European Commission, European Parliament, Member States and the Regions are currently preparing for the new 2007-2013 period.

The major document of the future European regional policy and a framework for new programmes supported by the European Funds is entitled: 'Cohesion Policy in Support of Growth and Jobs: Community Strategic Guidelines, 2007-2013'.

It sets the priorities and objectives of the policy. Priorities define "what we want to achieve" and objectives define "who and how will profit from the funds to be able to achieve it". Read more about them and how energy projects can be implemented under the prepared EU cohesion policy 2007 – 2013 in the newsletter of the RUSE operation: www.ruse-europe.org.

More information about the RUSE project: Juraj Krivošík, juraj.krivosik@svn.cz, Newsletter: http://www.ruse-europe.org/rubrique.php?id_rubrique=306

Cluster for biomass energy use in the South Bohemia Region

At the end of March, participants in the "Cluster in Technologies for Biomass Energy Use" initiative met together for the first time. On the agenda was the mutual introduction of companies and research institutions participating in the first phase of the project, whose task is to map and assess the potential of setting up of a configuration in the promising area of technologies for biomass energy use. A cluster is a geographically close group of interconnected companies and related institutions in a specific branch which compete with each other, but also cooperate together. ... cont. on p. 4

Tilting at windmills?

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New wind power plant projects in the Czech Republic have become a source of regular media coverage. Here we present a selection:

- The company Proventi plans to build in the second half of this year the **Chomutov Wind Park** with the total installed capacity of 182 MW. Costs for its construction will amount to CZK 6.6 billion. For the future, the company reckons with the construction of wind and solar power plants with the total installed capacity of up to 300 MW.
- The company Ventureal plans to build the **Blatnice Wind Park** near the town of **Moravské Budějovice**. The park will consist of eight wind power plants with the total installed capacity of 24 MW. Costs for the plan's implementation total EUR 28.8 million (CZK 830 million).
- The Regional Authority of the Olomouc Region has given the green light to the construction of

the **Horní Loděnice Wind Park** near **Šternberk**. The company Větrná energie Morava wants to erect here nine wind power plants with the total output of 27 MW. It concerns the second-largest wind power plant construction project to have already successfully passed an EIA.

- Representatives of Proseč in the Chrudim region have agreed that the municipality will join a project for a new wind power station that should originate in the **Toulovcovy Maštale Microregion**. Estimated construction costs are CZK 60 to 70 million.
- The author of an expert opinion under the law on environmental impact assessment has recommended that the Regional Authority of the Moravia-Silesia Region approve the plan of the company Větrná energie Morava to build the **Velká Štáhlé Wind Park**. Construction of eight wind power plants with the total output of 24 MW is intended.
- The Regional Authority of the Ústí nad Labem Region has issued its approval to the plan of the

company Green Volt to build two wind power stations with the total output of 4 MW in the municipality of **Habartice u Krupky** in the Teplice region.

- The energy utility **ČEZ** plans to build in **Nový Hrádek in the Náchod region** a wind power plant that should replace the current obsolete wind farm. The project, with the total value of approximately CZK 30 million, could be implemented next year.
- The company Eldaco wants to build a wind power station with the output of 2 MW in the municipality of **Rodinov in the Pelhřimov region**. It is scheduled to come on stream next year. The station's construction will be decided by the Regional Authority of the Vysočina Region, which will assess the plan under the law on environmental impact.
- The municipality of **Hranice u Aše** is to participate in the construction of wind power plants. It has acquired a 30% stake in a company that will build by the municipality two wind turbines with the total output of 4 MW.

European Energy Award – certification of the quality of energy and environmental management of towns and municipalities: Route to obtaining the “energy efficient town or municipality” certificate

The European Energy Award (eea®) is a certification of the quality of energy and environmental management for towns and municipalities significantly contributing to increasing energy efficiency and implementing renewable energy sources. The eea® programme spurs energy consumers from the ranks of towns and municipalities into implementing several simple changes in the form of consuming energy and natural resources which could bring about significant savings and a positive contribution to a sustainable future.

In European countries energy legislation has been constantly improved and we have available extensive knowledge of a number of technologies. However, it is necessary to systematically and effectively implement saving measures. The European Energy Award facilitates the overcoming of barriers by means of certified projects, effective managerial tools, training and exchange of information.

The eea® is a tool for management and pursuance of municipal policy, making it possible to review activities related to energy savings. It also allows municipalities to identify their strengths and weaknesses, find the potential for improvement

and implement energy-efficiency measures. In addition, the endeavour of a town or municipality is made visible by means of an award. Standardised evaluation makes it possible to determine basic values among the certified towns and allows partners to exchange experience and specialist knowledge. What are the benefits for municipalities participating in the eea® project?

- Systematic overview of energy activities in towns and municipalities;
- Constant enhancement of energy efficiency and related cost savings;
- Promotion of attained successes;

- Continuous evaluation of attained results by means of a comprehensive monitoring system;
- Comparison with other towns and municipalities participating in the eea® project;
- Access to the know-how and experience of certified towns in Europe;
- Considerable contribution to joint climate protection;
- Improvement of the image of a town;
- Participation of citizens and interest groups in energy planning and decision-making about the energy policy of a town.

What is required?

The eea® is a programme based on gradual improvement of the quality of control systems traditionally used in the business sector. First of all, a review of a municipality's status with regard to energy efficiency and use of renewable sources is carried out. Then, the municipality introduces a working programme with a short-term, medium-term and long-term fulfilment horizon and enumerates the specific measures. In the next step, the municipality adopts the working programme. An energy review is drawn up annually and the attained results are specified. The municipality can ask for certification if it has met the necessary conditions.

www.european-energy-award.org

More information: SEVEN, The Energy Efficiency Center, Pavel Kárník – e-mail: pavel.karnik@svn.cz

Impacts of the Montreal conference on future global endeavours for greenhouse gas emission abatement

The eleventh conference of signatories to the United Nations Framework Convention on Climate Change, which was concurrently the first regular meeting of countries that have become “parties” to its amendment known as the Kyoto Protocol (KP), brought about, in spite of disparaging media comments about empty proclamations, certain interesting conclusions and, mainly, simplification and alleviation of requirements for JI/CDM projects.

We return to them since we perceive them as being important for the future not only in global terms but also from the viewpoint of the Czech Republic as a country that, on the one hand, possesses seemingly significant reserves in production of greenhouse gas emissions as against the commitment agreed in the KP but, on the other, is in per capita terms one of the largest global emitters of gases causing climate changes.

Adoption of rules until 2012

The most tangible result of the conference can undoubtedly be considered the official adoption of specification rules for use of the Protocol's so-called flexible mechanisms which should help the countries that have pledged to reduce emissions to fulfil their commitments.

This act raises great expectations, primarily as regards larger execution of CDM (Clean Development Mechanism) and JI (Joint Implementation), whose current application possibilities have been connected with a high administrative burden and, accordingly, also transaction costs.

Each mechanism now has an independent supervisory body that will oversee the appropriate and due procedure of approving projects and the resulting abatement of greenhouse gas emissions.

In the case of JI, it will mean the end of the transition status whereby projects were provisionally approved by verifiers authorised for CDM projects and there were only framework rules for the preparation of project design documents (PDD) and reference scenarios.

The existence and activity of the supervisory body for CDM projects to date has clearly revealed

the necessity to ensure sufficient technical capacities for receipt and evaluation of projects. And also the need not to dogmatically stick to meeting all evaluation criteria for acknowledgment of a project's additionality as against an otherwise common development scenario.

Although this condition is undoubtedly critical in terms of real reduction of global greenhouse gas emissions, and consequently the validity of emission credits, its implicit requirement now prevents implementation of other projects which in the case of CDM represents, among other things, transfer of technological know-how and a means of further economic development for both developing and advanced states.

Investors, as well as host nations, have therefore exerted an ever-growing amount of pressure for simplification of procedural methods and requirements when approving projects. This pressure is today even greater since in connection with the launch of the EU ETS (Emission Trading System) it has been intensively enhanced by European concerns from the power engineering and other sectors falling within this system by reason of the possible use of verified emission reductions from CDM projects and in the second period also JI instead of or alongside the allocated emission allowances.

When it comes to JI, this barrier could be partially dealt with through the transition to its simplified regime, the so-called track one, within which a host country itself can create the rules and conditions of acceptability and monitoring of these projects. Like the majority of countries, the Czech Republic will probably be able to take over this model only in 2007. The precondition is, among other things, the

creation of a functional register of national emission allowances of AAU (Assigned Amount Units) and a sophisticated system of monitoring greenhouse gas emissions and their reductions.

Most probably, it will be the JI mechanism in the track one regime that will become the basis for the creation of the GIS national scheme (see issue 4/2005), accordingly, some sort of “greening” of the surplus AAU emission allowances the Czech Republic will receive for 2008-2012 for their possible sale. Consequently, it concerns making use of the income from sales of emission allowance for other investments in greenhouse gas emission reduction.

National rules for approval of JI projects will at the same time to a significant extent be adapted according to the purchaser's requirements.

What happens after 2012?

One of the main themes discussed is the involvement of rapidly developing and developing countries that would not be willing to accept any limits. And also the USA, which at the federal level still perceives greenhouse gas emission abatement as something in contradiction with economic development.

Hence, under consideration is the creation of generally valid reference levels of greenhouse gas production for selected economic activities and products. If someone is able to provide these with lower emission intensity, he will be granted a commensurate bonus (emission credit). There would be no recourse for their exceeding, at least in the beginning.

Several EU countries are today pondering whether to use this “benchmarking” when preparing their national allocation plans for the second period of EU ETS, which will correspond with the monitored period of the KP, i.e. 2008-2012.

Paradoxically, the launch of this model can be largely contributed to by the United States – owing to its technological edge at both the national and corporate level, it can within a very short time become a leader in the fight against climate change, in which to date the European Union has stood alone.

Tomáš Voříšek

Fuelling our future: the European Commission sets out its vision for an Energy Strategy for Europe

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ces of energy, from renewable to coal and nuclear. This in turn may eventually lead to objectives being established at Community level regarding the EU's overall energy mix to ensure security of supply, whilst respecting the right of Member States to make their own energy choices.

The priority areas identified for possible common action are as follows:

- Internal market → towards a fully competitive internal energy market
- Internal energy supply policy → solidarity among Member States
- Energy mix → diverse, efficient & sustainable
- Environment → integrated approach to tackling climate change: energy efficiency, renewable & low carbon energy production
- Energy technology & innovation → strategic approach

- External relations → coherent external energy policy

These are a selection of the topics outlined in the Green paper. On the basis of replies and comments to what will be a very widespread public consultation, as well as the conclusions of the European Council and Parliament, the Commission will propose a series of concrete measures.

Full version of the document, including the various language versions, is available at:

http://europa.eu.int/comm/energy/green-paper-energy/index_en.htm

Also available is the Green Paper on Energy Efficiency (Doing More With Less): http://europa.eu.int/comm/energy/efficiency/doc/2005_06_green_paper_book_cs.pdf
http://europa.eu.int/comm/energy/efficiency/index_en.htm

Cluster for biomass...

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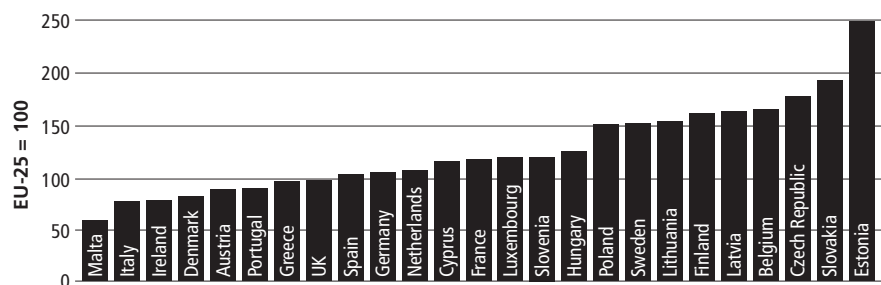
The South Bohemian cluster initiative is based on cooperation in the development of a technological complex applying concurrently several different approaches to biomass energy use.

The project aims to create a communication platform, map the potential of a cluster's origination, transfer scientific and research results into enterprise, more effectively valorise human capital and facilitate specialisation and cooperation in the area of technologies for biomass energy use. The future members of the cluster will gain an information advantage, the possibility of communication and cooperation with partners, education and promotion, as well as the opportunity of innovating their products.

The project came to life upon the initiative of the South Bohemia Regional Authority and the Regional Energy Agency of the South Bohemia Region in cooperation with SEVEN and the civic association AgEnDa, which supports and promotes the use of renewable energy sources in the South Bohemia Region. Also participating in the project are the Institute of Systems Biology and Ecology of the Academy of Sciences of the Czech Republic and the Agricultural Faculty of the University of South Bohemia. These two institutions expect from the project not only application of their research results, but also development of cooperation with the business sphere and better assertion of graduates.

Within the implementation of the project, which has also been financially supported by the European Fund for Regional Development and the Ministry of Industry and Trade of the Czech Republic, meetings and discussions between the mentioned subjects should serve as the basis for analysing groups of possible cooperation and, in the case of reaching a consensus, setting up a joint legal form and launching business activity.

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Primary energy intensity converted according to current purchasing power parity

Source: Enerdata (calculations based on Eurostat data).

Statistics of renewable energy sources

The Ministry of Industry and Trade of the Czech Republic published a review of generation of renewable energy from individual sources for 2004. Information on particular technologies is available in terms of the amount of produced energy and its share in the total energy production in the Czech Republic, as well as the basic data for these statistics.

At the present time, in the Czech Republic statistics of renewable energy sources (RES) are gathered by several governmental authorities and collated in the form of annual reviews by the Ministry of Industry and Trade (MIT). On the basis of preliminary data, it is estimated that in 2005 the share of gross generation of electricity from RES in the gross domestic consumption was 4.5%. Gross production of electric power from RES in 2005 made up approximately 3.8% of the total gross domestic electricity production. The share of renewable energy in primary energy sources (PES) was 2.9% in 2004. The methodology of the RES statistics has been permanently improved alongside gradual acquisition of new data sources better describing the use of individual (including less relevant) types of RES. Yet the problem that remains is estimation of RES used in households and small decentralised sources.

The resulting statistics are a summary of data provided by the Energy Regulatory Office, which annually monitors data concerning generation of electricity from RES by licensed subjects. The Czech Statistical Office is the main source of data

pertaining to biomass consumption in households and prepares data on foreign trade and other partial statistics. The Ministry of Industry and Trade compiles comprehensive statistics concerning the use of biomass, biogas, solar energy, liquid biofuels, etc. Data on compulsory purchases of electricity from RES and the number of consumers in tariffs with heat pumps are available from distribution companies. Databases of supported pro-

jects are maintained by the Czech Energy Agency and the State Environmental Fund. The Czech Institute for Hydrometeorology has available data on biomass and biogas consumption by large and medium air polluters. In cooperation with the Czech Statistical Office, the Ministry of Industry and Trade is also responsible for international RES reporting.

All the above-mentioned statistical reviews of the MIT are usually published in the middle of the year on the Ministry's website (www.mpo.cz).

More information:

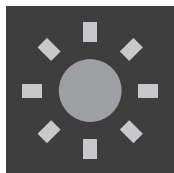
Ministry of Industry and Trade, Department of Energy and Raw Materials Statistics: <http://www.mpo.cz/cz/energetika-a-suroviny/statistiky-energetika/>
<http://www.mpo.cz/dokument1261.html>

Total renewable energy in 2004

	Energy from RES in total (GJ)	Share in PES	Share in energy from RES
Biomass (excluding households)	22 594 784	1,17 %	40,42 %
Biomass (households)	19 500 000	1,01 %	34,88 %
Water power plants	7 269 840	0,38 %	13,00 %
Solid municipal waste (BRO)	2 505 265	0,13 %	4,48 %
Biogas	2 102 446	0,11 %	3,76 %
Liquid biofuels	1 313 014	0,07 %	2,35 %
Heat pumps (heat, environment)	500 000	0,03 %	0,89 %
Solar thermal collectors	82 000	0,00 %	0,15 %
Wind power plants	35 535	0,00 %	0,06 %
Photovoltaic systems	278	0,00 %	0,00 %
Total	55 903 164	2,89 %	100 %

EU GreenLight programme – for organisations applying energy-efficiency measures in lighting

The GreenLight programme is a voluntary initiative of the European Commission encouraging non-residential electricity consumers (public and private organisations) to commit themselves to installing energy-saving lighting technologies in their facilities provided that it is economical and the quality of lighting is maintained or improved.



GREENLIGHT

The GreenLight programme aims to reduce energy consumed for indoor and outdoor lighting throughout Europe, thus abating emissions of contaminants and curtailing global warming. Its objective is also to improve the quality of lighting conditions and, at the same time, to attain financial savings.

The core of this programme is a registration form signed by a Partner and the European Commission in which the Partner undertakes to:

- For existing spaces: either update at least 50% of the lighting technology in all its own premises or premises leased for the long term, or reduce total electricity consumption for lighting by at least 30%.
- For new spaces: chose new lighting media in order to improve or at least maintain the current lighting quality so that with lower energy consumption they also form a profitable auxiliary investment.
- In addition, the Partner should modernise lighting technology within 5 years from the date of joining this project, annually send a report of activity and appoint an Administrator responsible for implementation of this programme.

The GreenLight programme is fully voluntary, which means that companies can independently decide whether they want to join it or not. Through a local Partner, the European Commission provides support in the form of promotional sources for raising the public's awareness (plaques on buildings, information materials, exclusive use of

the logo, prizes, etc.). Other advantages for Partners are that they:

- save money (they only carry out cost-effective improvement of lighting),
- attain better lighting conditions, which is good for both their employees and clients,
- gain technical support and contacts to energy services companies,
- can publicly proclaim that they are part of a European programme aimed at CO₂ emission reduction, i.e. they can declare that they are a "green or environmentally conscious company",
- obtain from public bodies, including the European Commission, free promotion concerning their participation in this programme.


More information about the programme:

www.eu-greenlight.org

The national contact place in the Czech Republic for the GreenLight programme is SEVEN, The Energy Efficiency Center.

Information on the possibilities of joining the programme and promotional materials: juraj.krivosik@svn.cz

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Intelligent Energy  Europe

Origination of a working group for energy services promotion

Edification, promotion and development of energy efficiency projects in the Czech Republic have been set out as the main objectives of the recently originated Working Group for Energy and Energy Services within the PPP Association (Association for the Support of Public-Private Partnership Projects).

The creation of a new task force was initiated by the company MVV Energie CZ, dealing with the provision of energy services and implementation of energy efficiency projects. In tandem with the partner companies Renomia and HVB and materialised within the PPP Association, the idea originated of a common platform for support and promotion of energy savings, energy efficiency projects and the EPC (Energy Performance Contracting) method.

These solutions and methods of reducing energy intensity of buildings and energy systems have been tried and tested in practice, however, their potential has yet to be used to the full in the Czech Republic. The main reason is the low degree of knowledge of energy saving possibilities, especially on the part of state administration and local government representatives. Other reasons are the vagueness of the legislative framework and the lack of awareness of this issue across the political spectrum. The working group is determined to assist in changing this situation.

The first session of the Working Group for Energy and Energy Services was held on March 31, 2006. Alongside the founding members – MVV Energie CZ, Renomia and HVB – it was attended by representatives of other PPP Association members. Also present were representatives of the Economic Chamber. Interesting reflections and inspiring ideas were presented in the discussion by a representative of the Ministry of Industry and Trade of the Czech Republic.

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Support for biomass and solar power at the European and local level

Overcoming the main barriers to development of biomass and solar power use in households and finding a future solution to these issues are the tasks of an advisory group set up within the newly launched European project Access.

At the beginning of April the first working meeting took place of the advisory group to a project aimed at supporting the development of small and medium-sized heating systems concurrently using biomass (pellet, wood briquette and woodchip boilers) and solar energy (solar power systems with thermal collectors) in the Czech Republic and other Central European countries.

The objective of the project bearing the name ACCESS is (in the first phase) to identify the main development trends and problems encountered today by customers/suppliers in the participating countries and on their basis to propose and recommend specific technical, organisational and economic measures that would support future use of renewable sources in such a combination – with the condition that it be rational.

Specialists and organisations dealing with the design, production, installation and financing of these systems in the Czech Republic have been invited to join the national advisory group. The meeting was attended by representatives of major domestic manufacturers and suppliers of biomass boilers and solar power systems, projection and

advisory companies, as well as state institutions supporting renewable sources, the State Environmental Fund (SEF) and the Ministry of the Environment.

The participants agreed that almost counterproductive was the effect of the current rules of the SEF for granting subsidies to natural entity applicants for projects falling within the area of "environmentally friendly types of heating". Support can only be gained after completing the implementation. However, it remains rather uncertain. Thus, the motivation effect at the key moment – when deciding about implementation – disappears.

The problem is further complicated – the Fund was forced into such an approach following the abuse of subsidies. In the past, subsidies from the SEF were granted before implementation (and were abused), later on 50% of the amount during a project's implementation (abuse gain occurred). Therefore, subsidies are today granted only after the applicant has paid everything from his own pocket.

How to get out of such an impasse? The task is difficult indeed. If the public interest were to

give an (economically accessible) alternative to people who today use coal for heating purposes, it would mean replacing 350-450 thousand local heaters. When taking into consideration average costs amounting to CZK 50,000, it represents an investment totalling at least CZK 20 billion.

There would be enough alternative biofuel for this. Last year alone, corn surpluses amounted to 1-2 million tonnes, which according to estimates corresponds to the current coal consumption by households.

And money? Surprisingly, sufficient too. According to as yet unconfirmed information, up to CZK 60 billion could be allocated from structural funds for support of environmentally sound types of heating between 2007 and 2012.

One of the objectives of the Access project is therefore to find a way how to effectively channel this finance into this area. We will continue to keep you up to date with the results.

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Program Motor Challenge in the Czech republic: Call for joining the MCP initiative



Approximately 65% of the electricity consumed by industrial plants in European Union countries accrues to motor-driven systems (pumps, compressors, ventilators, etc.). With regard to the fact that their energy efficiency has to date not been significantly monitored, according to specialist estimates appropriate replacement or improvement of the efficiency of the current drives can result in saving more than 200 TWh of electric power a year.

This fact has led the European Commission to launch the "Motor Challenge Programme" (MCP) initiative whose objective is to provide industrial plants with professional assistance when improving the energy efficiency of motor-driven systems and, at the same time, the possibility of presenting

themselves as energy-saving companies if they join the programme.

The 4EM-MPC project was officially commenced at the beginning of this year. Over the next three years, it will support in the Czech Republic and other Central and Eastern European countries (Slovakia, Poland, Hungary, Bulgaria, Romania) various information/educational activities focused on identification and presentation of possible energy savings when using new, more efficient motor drives in various areas.

Prepared within the 4EM-MCP project will be instructions for selection of energy-efficient types of pumps, ventilators and other devices. Several information/educational events taking as their theme current trends in individual industrial sectors and applications, as well as specific model implementations with repeatability potential, are scheduled to be organised for the professional public.

Partners of the programme can be, on the one hand, industrial plants using motor drives to a large extent and, on the other, suppliers of relevant components in the area of thermal technology, ventilation and air-conditioning, water management, etc.

For more information about possible participation in the MCP, please contact: SEVEN, The Energy Efficiency Center, Tomáš Voříšek, tomas.vorisek@svn.cz
<http://energyefficiency.jrc.cec.eu.int/motorchallenge/>

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Intelligent Energy  Europe

Invitation to a conference:



ESCO EUROPE 2006 26 – 27 September Hotel Diplomat, Prague

ESCO EUROPE 2006 aims at gathering the numerous and different Energy Service Companies (ESCOs) operating in the enlarged Europe and to discuss together with policy makers, experts, clients and members of the financial community the opportunities and strategy to further promote the ESCO industry in Europe.

The event is developed to provide a forum, which identifies, discusses and forecasts developments in the industry. Top-level speakers from key industry segments will present their views using case studies, in-depth sessions and interactive panels.

The main conference goals

- Presenting and defining the role of ESCOs in the European liberalised energy market and environmental policy framework;
- Presenting some successful examples of energy efficiency projects carried out by ESCOs;
- Presenting the Performance Contracting concept and new ESCO contract developments;
- Identifying the EU and national strategies to further develop and establish an ESCO business and market;
- Presenting some well established financing mechanism for ESCO projects;

More information:
<http://www.esco-europe.com/>

South Bohemia Day for Renewable Energy Sources

On May 25 České Budějovice will host the Day for Renewable Energy Sources, encompassing a series of activities for both the professional and general public, as well as schools

First of all, an exhibition of the best artwork in the children's competition "Clean Energy for the Earth" will take place from May 11 to 26 at the KOTVA cinema in České Budějovice.

On May 25 there will be the thematic "Day for Renewable Energy Sources", organised by Calla, Energy Centre České Budějovice, the Regional Energy Agency of the South Bohemia Region, the Regional Authority of the South Bohemia Region and SEVEN.

The complete programme is as follows:

- From 9 am to 12 noon at the KOTVA cinema in České Budějovice – screen projection about renewable energy sources for schools, in the introduction handing over the prizes for the art competition.
- From 1 pm to 6 pm in the session room of the Regional Authority – a seminar on renewable energy sources with lectures on the technical and economic possibilities of using renewable energy sources in the South Bohemia Region.
- From 5 pm to 10 pm at the KOTVA cinema in České Budějovice – screen projection for the public of films about renewable energy sources.

The topics discussed at the specialist seminar will include: use of biomass, solar power, wind power, biogas, heat pumps and water energy in the South Bohemia Region in technological and financial terms. Specific projects and model procedures will be presented.

For detailed information about the programme of the Day for Renewable Energy Sources also organised within the RUSE project, visit the websites: www.calla.ecn.cz; www.eccb.cz and www.keajcz.cz



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