Second International Workshop
of the **REALISE-Forum** Project

# Activities and Key Findings of the Slovene National Desk


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Maribor, May 10 & 11, 2006

# The Activities of the Slovene National Desk

- May 2005: Initial Meeting of the Stakeholders
- November 2005: National Meeting on Biogas CHP perspective
- December 2005: RES-E and Inclusive Governance (NGO meeting)
- December 2005: Perspectives of RES-E from wood biomass
- April 2006: Questionnaire and Interviews with different Stakeholders
- June 2006: Final Meeting of the Stakeholders

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# Initial Meeting of the Stakeholders

**KEY FINDINGS:**

- Different stakeholders have very different views on the dynamic of market opening:
  - Electricity generation companies are offering new products but only from old RES-E capacities;
  - Electricity distribution companies consider market process in progress;
  - Independent power producers see no major progress in market opening;
  - Market regulator is focusing at very first on the certification of origin procedure;
  - Consumer associations are not yet active in the filed;
  - environmental/nature protection NGOs are not dealing with the the issues of energy policy, market opening and support schemes to RES-E but are more or less limited to challenge most of the planned and ongoing RES-E investment activities.

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# Initial Meeting of the Stakeholders

## KEY FINDINGS:

- Situation for investment in RES-E capacities significantly improved since introduction of feed in tariffs/premiums support system in 2001, especially after Decree of Government on Feed in Tariffs/Premiums for Qualified Power Producers from March of 2004.
  - However most of feed in tariffs/premiums are not sufficient to boost the commercial investments in new RES-E technologies;
  - Despite promises of the government the tariffs/premiums are not annually levelled by inflation rate;
  - For some type of RES-E investments (especially PV) the period of guaranteed tariffs (10 years) is to short.

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# Perspectives of RES-E from biogas

## KEY FINDINGS:

- After EU accession the interest for biogas based RES-E projects in Slovenia has significantly increased. Key factors are:
  - Feed in tariff/premium attractive at very first for larger units with co-digestion of energy intensive wastes from slaughter and food processing industry;
  - Removal of the import barriers for technology;
  - Introduction of EU soil prevention standards (more limited imssions of nitrogen into soil)
  - Introduction of EU procedures and standards for biological degradable wastes and animal by products not intended for nutrition of humans.

# Perspectives of RES-E from biogas

## KEY FINDINGS:

- The investments dynamic is slowed down by:
  - Complex and non-coordinated environmental and sanitary protection procedures as well as lack of (good) Environmental Impact Assessment practises;
  - non-existing support capacities in dealing with administrative (over) complexity,
  - Lack of the systems of transfer of know how and information to potential investors;
  - Non-standardised procedures for connection to the public grid;
  - Lack of practical experience and transfer of know how in obtaining the status of qualified electricity producer;
  - Lack of knowledge of most advanced or on simple and robust technologies;
  - Lack of awareness on the importance of strategic communication with stakeholders and lack of communication competencies and skills

# Inclusive Governance – NGO meeting

in partnership with ***REC – Slovenia Office*** and
***Fokus – Society for Sustainable Development***

## KEY FINDINGS:

- **Public participation** and **inclusive governance** are either as **values not internalised** yet by decision makers or the latter have not enough communication and process management skills.

- **Lack of balance of power in expert knowledge**.The projects are not presented in a way comprehensive to the general public and the public has to few institutions it can relay on in order to clarify presumptions, claims, data, calculations etc. that are presented by the investor or by public authorities.

- **Lack of mutual trust** and capacities to understand the problem from the perspective of the opponent.

- **Lack of capacities** and interests to deal the with energy and RES-E issues of those NGOs that are not primarily focused on energy and climate change issues.

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# Inclusive Governance – NGO meeting

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## KEY FINDINGS:

- **The decision making process is to long and complicated** with not pre-defined milestones and time frameworks thus only very strong and broad NGOs coalitions are in position to make any impact. “We” against “them” coalitions are thus favorised.

- Privatisation of energy sector and more competition will provide more competing options for reaching energy policy goals and objectives and public support might have for authorities a decisive role when deciding between competing options.

- Lack of high **quality data and studies on habitats and species** prior to environmental protection impact assessment of RES-E.

- Lack of regular, non only on “hot immediate issues” based dialogue between the stakeholders

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# Perspectives of RES-E from wood biomass

## KEY FINDINGS:

- The wood is next to the water the most important Slovenian natural resource, also in terms of renewable energy but it has been substituted with less sustainable resources due to diverse factors, evidently by the unfair market prices without internalised social and environmental externalities.

- The forest in Slovenia are expanding. Only some 50 % of the annual increase of wood stock are exploited due to geomorfologically restrained accessibility to wood, ownership structure and strong sustainable forestry practices.

- Most of the energy generating capacities in wood processing industry are outdated. The industry is however facing restructuring and recovery challenges and is lacking the capital to invest in modern CHP which is rearly seen as an opportunity for environmental modernisation and additional income resource. Present feed in tariff at the level of 7 Euro cents per kWh is only by exception stimulating new CHP investments.

- Feed in support does not reflects the differences in origin and/or categories of wood biomass.

# Perspectives of RES-E from wood biomass

**KEY FINDINGS:**

- Aspirations for an increased energy use of wood biomass – at very first electricity generation from co-firing of wood biomass in large existing power plants - provoked an organised opposition against support schemes to energy use of wood biomass by a strong part of national wood processing industry.
- National waste policy and legislation are not in accordance with corresponding EU directives for the use of (wood) wastes. This is hindering the use of considerable amounts of wood for energy generation.
- System of evidences, monitoring and control of wood wastes needs to be significantly improved.
- The prices of wood biomass and the feed in tariff are far lower than in neighbouring Austria and Italy.
- Slovenian wood biomass stock exchange is demonstrating low liquidity. Large amounts of wood biomass are traded directly to Italy and to some less extent to Austria.

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# Key findings of the national desk

- Key **strengths** for RES-E investments are:
  - long tradition in RES-E investment in the country;
  - almost two decades of experience gained in support schemes and regulatory instruments of RES-E generation;
  - strong political support to selected RES-E project in domain of traditional actors in the field;
  - project development and industrial export activities in South Eastern Europe;
  - emergence of new domestic actors and networks in the field

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# Key findings of the national desk

- Key **weaknesses** for RES-E investments are:
  - Lack of national consensus on sustainable energy policy: maintained high energy/electricity intensity of the national economy; high growth of electricity consumption on or above the level of GDP growth, low energy/electricity prices as instrument of social and financial stability policy (EURO convergence criteria), low awareness of the consumers on external costs of (domestic) electricity generation,
  - Lack of social imagination and innovation in the field and strong support environment for technical innovation;
  - Complex and time consuming spatial planning procedures;
  - Not enough stimulative and differentiated feed in tariffs/premiums;
  - Non-coordinated or even contradictory administrative procedures;
  - Non-standardised grid connection rules;
  - NIMBY and nature protection resistance.

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# Key findings of the national desk

- Key **opportunities** for RES-E investments are:
  - increased need for electricity generation capacities;
  - international greenhouse gases reduction obligations (Kyoto) and RES-E share obligations;
  - increased interests of traditional electricity supply companies in traditional (hydro PP) and new RES-E;
  - increasing environmental/climate sensibility of the consumers;
  - appearance of new domestic actors and networks in the field of "green electricity";
  - growing appearance of EU companies in the field of RES-E technologies;
  - increasing participation of Slovene actors in the EU projects in the field of renewable energy;
  - increased interests from EU countries - especially from traditional economy partners like Germany and Austria – for cooperation in the field.

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# Key findings of the national desk

- Key **threats** for RES-E investments are:
  - lack of national consensus, diminishing social capital (trust) and lack of innovation in energy policy;
  - weak institutional linking and coordination between energy efficiency and RES-E policy;
  - lack of co-ordinate intra-sectoral support policies and measures for RES-E R&D and investments activities;
  - renewable energy and energy efficiency  are not (yet) among priorities in the cohesion, regional and rural development programmes;
  - administrative over complexity and administrative environment hostile to (small) investors in RES-E generation;
  - slow and pending integration of Slovene industry in new RES-E technologies.

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# The activities of National Desk have been supported by:

**TERMOELEKTRARNA TOPLARNA LJUBLJANA, d.o.o.**
1000 Ljubljana, Toplarniška 19, Slovenija

Slovenian Forestry Institute

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