Monthly Progress Update

Issue 13/2014
01 April – 30 April

Part of the project “Assessment of climate change policies in the context of the EU Semester”

06 May 2014
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Austria

Energy Efficiency

Doubling of thermal refurbishment scheme’s budget

On 23 April 2014, the Austrian Government relaunched the thermal refurbishment scheme for demonstration sights in the frame of the Climate and Energy Fund. Compared to last year, the budget for 2014 was being doubled up to €7 million. Within this scheme the thermal modernisation of demonstration buildings is promoted. Since the launch of the project in 2008, 57 public buildings, such as schools, nurseries and health centres have been refurbished. The thermal modernisation shall be amplified by the increased use of renewable energy technologies. The maximum amount of funding is €800,000 per project. Only buildings that were constructed before 1 January 1994 and that are planned to have a share of renewable energy in final energy consumption of at least 80% after refurbishment are eligible for funding. The application period will end on 24 October 2014.

Read more (in German): http://www.klimafonds.gv.at/presse/presseinformationen/klima-und-energiefonds-verdoppelt-budget-fuer-mustersanierungen/

Transport

Launch of E-mobility research project

In the framework of the Climate and Energy Fund (KLIEN), a flagship project for E-mobility has been launched on 17 April 2014. The project called “EMILIA” will be operated by the Austrian Institute of Technology (AIT) and aims at analysing the use of E-mobility for the transportation of cargo in urban areas. The project will run until May 2017 and the funding volume is €2,651,100. In detail, EMILIA will focus on the technological optimization of small electric vehicles regarding the increase of driving range and the decrease of costs. In the beginning of the project a demonstration phase will be passed through in order to point out that the use of electric vehicles in urban logistics is technologically possible and economically implementable.

Read more (in German): http://www.bmlfuw.gv.at/presse/umwelt/140417KLIEN.html
Read more (in German): http://www.klimafonds.gv.at/presse/presseinformationen/umweltfreundlicher-e-mobiler-gueterverkehr-fuer-die-staedte/
Belgium

Horizontal Measures

**Flemish Government assent to energy agreements 2015-2020**

On 4 April 2014, the Flemish Energy Agency (Vlaams Energieagentschap) announced that the Flemish Government gave its final approval for the energy agreements with non-tradable and tradable emission companies for promoting energy efficiency in Flanders. The energy agreements are an important policy instrument to enhance energy efficiency of the energy intensive industry and provide opportunities for non-tradable and tradable emission companies to grow. The reason for having two categories (i.e. non-tradable and tradable emission companies) is that both are subject to a different European framework. The purpose of the energy agreements with non-tradable emission companies is to assist the Flemish Government with achieving the goals set in the Mitigation Plan 2013-2020. Since the tradable emission companies are subject to the European Emissions Trading System, the energy agreements will ensure they keep investing in Flanders, leading to more investments, additional job creations and leading to a higher level of energy efficiency in Flanders.


Renewable Energy

**Study assesses the possibility of replacing nuclear energy with RES by 2030**

On 24 April 2014, a study on the costs of conventional and renewable energy in Belgium commissioned by WWF and the electricity producer Eneco was presented. According to the study, it is possible to replace nuclear energy with renewable energy by 2030, without a significant increase in the electricity bill of final consumers. According to the CEOs of Eneco and WWF Belgium, investing in renewable energy will ensure energy security of the country and may also provide up to 32,500 direct jobs by 2030. The study points out that currently two thirds of energy subsidies are still dedicated to conventional energy. As an example, only 6% of total energy subsidies were dedicated to energy efficiency in 2010. Between 1950 and 2050, conventional energies have received € 50 billion from the Belgian state. With this amount, Belgium could meet its energy needs while focusing on renewable energy and creating jobs.


Read more (in French): [http://www.wwf.be/_media/Les%20couts%20et%20b%C3%A9n%C3%A9fices%20r%C3%A9els%20des%20%C3%A9nergies%20conventionnelles%20et%20renouvelables_975463.pdf](http://www.wwf.be/_media/Les%20couts%20et%20b%C3%A9n%C3%A9fices%20r%C3%A9els%20des%20%C3%A9nergies%20conventionnelles%20et%20renouvelables_975463.pdf)
**Energy Efficiency**

*The Wallon region submitted its Energy Efficiency Action Plan*

On 27 March 2014, the Walloon Government has agreed on a new Energy Efficiency Action Plan. According to European requirements, Member States must submit to the Commission by 30 April 2014 a National Energy Efficiency Action Plan (NEEAP), which shall be updated every three years. In order to meet this obligation, Belgium has decided to submit a common NEEAP with the regions and the federal government. The Walloon contribution to this plan has a wider scope than previous plans. It contains measures to improve energy efficiency in the production, distribution as well as the transport of energy. In previous plans, the focus was only on final consumption. Regarding the Energy Performance of Buildings, the new Energy Efficiency Action Plan also includes refurbishment in existing buildings, whereas the previous versions were more focusing on new buildings or important renovation works.


*Percentages of greenhouse gas emissions and air pollution decreased in Flanders*

On 25 April 2014, Flanders announced in its Action Pact 2020 (*Vlaanderen in Actie Pact 2020*) that in comparison to the 2000s, it has observed a significant drop in greenhouse gas emissions and air pollution in 2012. This announcement is based on the report ‘Discharges to atmosphere 2000-2012’ published by the Flemish Environment Agency (*Vlaamse Milieumaatschappij*). The report shows that greenhouse gas emissions dropped by 9% and CO₂ emissions decreased by 3% since 2000. In addition, between 2000 and 2012, air polluting emissions of dioxins dropped by 37%, polychlorinated biphenyls (PCBs) by 97% and hexachlorobenzene (HCB) by 49%.


Bulgaria

Energy Generation

Minister: Construction of South Stream to start in Summer 2014

After a meeting with EU’s Energy Commissioner Günther Oettinger on 24 April 2014, the Bulgarian Minister of Economy and Energy Dragomir Stoynev insisted that the construction of the controversial South Stream pipeline will begin in summer 2014. In response to the Russian aggression against Ukraine, the European Parliament had voted on a non-binding resolution on 17 April 2014 aimed at halting the construction of the South Stream project in order to reduce the European fuel dependency on Russia. However, the resolution failed to receive the support of the European Socialists & Democrats (S&D). The South Stream project is mainly financed by Russia’s state-owned company Gazprom.

Read more: http://www.euractiv.com/sections/europes-east/socialists-reject-russian-motion-over-south-stream-301644
Read more: http://www.euractiv.com/sections/energy/bulgaria-commission-lost-translation-over-south-stream-301751

Debts of National Energy Company (NEK) rising constantly

According to official data released by Bulgaria’s state-owned utility company NEK, the debts of the company have further increased by 24% compared to 2012 and have reached a total of BGN 3.2 billion (approx. € 1.6 billion) by December 2013. The Economic Committee of the Bulgarian Parliament had demanded NEK to provide up-to-date information on its financial situation. During the last months, NEK had been involved in a serious dispute with the three Bulgarian distribution system operators (DSOs). Both NEK and the DSOs had blamed each other of owing hundreds of millions of Bulgarian Leva (see previous MPUs).

Read more: http://www.novinite.com/articles/160005/Debts+of+Bulgaria%27s+NEK+Grew+by+a+Quarter+in+2013

Bulgarian Government insists on realisation of Belene NPP

On 15 April 2014, the chairman of the Energy Committee of the Bulgarian Parliament Yavor Kuyumdzhiev pointed out that the incumbent Bulgarian Government will do everything possible to realize the Belene nuclear power plant project. Kuyumdzhiev made these remarks in a press statement directly after the Committee’s sitting, stressing that the project was vital for the further development of the Bulgarian economy. According to experts, however, the realisation of Belene remains questionable, as its Environmental Impact Assessment is about to expire and the project is lacking strategic investors.

Read more: http://www.novinite.com/articles/159825/Belene+NPP+%27to+Be+Built%27%2C%2Bulgaria%27s+Ruling+Party+MP
Croatia

Energy Efficiency

New draft of program on energy renovation published

On 9 April 2014, the Ministry of Construction and Physical Planning has published a draft of the program on energy renovation for non-residential commercial buildings in the period of 2014-2020. The focus of this program is buildings built up until 1989 that are used for industry or business purposes in general (e.g. tourism). The Ministry expects the program to create 6,000 to 11,000 new jobs by 2020.

One problem that remained unsolved, however, was that the investment cannot be covered entirely by the savings through the energy renovation. A financing by the private sector would be difficult, because the redemption period of 7.37 years for investments in building renovation is deemed to be too long and thus unprofitable.

In addition, government subsidies can only be offered to a limited extent, because the European state aid law allows only state aids up to an amount of € 200,000 for a period of 3 years (“de minimis”). Whereas that may be sufficient for co-financing for small and medium-sized enterprises, it would not be sufficient for larger companies. In order to address this financing gap, the draft (following the Slovenian example) proposes to introduce a contribution by electricity consumers, which would be paid directly to the power company. This contribution would raise the price of electricity for consumers and thus have a motivating effect on the energy renovation of buildings in general. It has already been criticized that the current energy price in Croatia is relatively low and, therefore, offers little motivation for energy-efficient usage of energy.

Read more (in Croatian): http://www.novilist.hr/Vijesti/Hrvatska/Energetska-obnova-ce-2020-zaposljavati-11-tisuca-ljudi
Cyprus

Renewable Energy

Operation of the Largest Photovoltaic Park in Cyprus to begin in May

The Electricity Authority of Cyprus announced on 8 April 2014 that the largest photovoltaic park in Cyprus, with a capacity of 3MW will be operational in May 2014. The park consists of 12,000 solar panels and covers an area of 4.6 hectares. The PV park is estimated to produce approximately 5,000 MWh/year and is expected to save almost 3,600 tonnes CO₂/year. This park is licensed under a tendering procedure launched by the Special Fund for Renewable Energy Sources and Energy Efficiency in 2012. The award of contract was made in January 2013, and the PV Park will sell electricity for 8.6 € cent/kWh. Under the terms of the tender, the difference between the avoidance cost and the selling price of electricity produced from the PV Park will be deposited in the Special Fund for Renewable Energy Sources and Energy Efficiency. The licensing process was conducted from February 2013 until January 2014. In January 2014, after the completion of the licensing procedure, the construction of the PV park began. The project, whose budget amounts to € 3.3 million, is expected to be completed in April 2014 and final testing will be conducted until mid-May 2014.

New RES projects approved by the Ministerial Council

The Minister of Environment and Agricultural Development, Mr. Nikos Kougialis announced on 9 April 2014 that the Ministerial Council has approved the construction of two renewable energy-related projects with a total budget of € 221 million. According to Mr. Kougialis, the first project is the construction of a solar thermal park with a capacity of 50MW (€ 175 million) and the other one is focused on the development of smart grids for the effective management of RES (€ 46 million). Both projects were successful submissions of the NER-300 programme and will receive financing from the EU and private investments, being initiated in 2016. NER 300 Programme is a financing instrument managed by the Member States, the European Commission and the European Investment Bank that aims to support the realisation of innovative demonstration projects on the field of RES and CCS. Cyprus has submitted other NER-300 related projects and the total budget amounts to € 425 million. Concerning the impact on green growth and the creation of green jobs, Mr. Kougialis added that the construction of two solar thermal parks will create approximately 150 to 170 permanent jobs and the development of the smart grid should create 30 to 40 additional jobs. However, the Cyprus Association of Renewable Energy Enterprises is against the possible licensing of the solar thermal parks. This is due to the fact that the construction of both solar thermal parks will obstruct the installation of net metering systems in households and prevent self-generation in industries. Although both projects are co-funded by the NER-300
programme, public funding will also be necessary. In contrast, net-metering helps in a more efficient way as net metering contributes to the development of SMEs on the island and the introduction of environmental-friendly and energy efficient technologies to households and industries without the need of any additional public funding. Finally, the Cyprus Association of Renewable Energy Enterprises noted that the Government is not fulfilling its commitments for boosting the national economy with the further introduction of small PV in the next three years.

Read more (in Greek): http://www.sigmalive.com/inbusiness/news/financials/116506 # sthash.erVMmA.dpuf

Read more (in Greek): http://www.philenews.com/el-gr/oikonomia-kypros/146/196828/diafonia-seapek-me-adeidotisi-iliothermikon-systimaton

**Energy Efficiency**

**Public Consultation on the 3rd National Energy Efficiency Action Plan**

On 15 April 2014, the Ministry of Energy, Commerce, Industry and Tourism (MECIT) initiated a public consultation on the 3rd National Energy Efficiency Action Plan (3ο Εθνικό Σχέδιο Δράσης Ενεργειακής Απόδοσης - ΕΣΔΕΑ). More specifically, the Energy Service of the Ministry of Energy, Commerce, Industry and Tourism has prepared the first version of the third NEEAP that includes information on the actions and measures taken or planned to be realised according to the Directive 2006/32/EC. Additionally, the impact of already implemented energy saving measures is also calculated so as to determine whether Cyprus is achieving its national indicative energy savings target (10% savings by end-use by the year 2016) as well as to estimate how to achieve the national indicative target of 14.3% saving in primary energy consumption by 2020. Public consultation is open until 30 April 2014.

Read more (in Greek): http://www.mcit.gov.cy/mcit/mcit.nsf/All/5AB64A5291E11424C2257CBB003038D5/$file/%CE%91%CE%BD%CE%B1%CE%BA%CE%BF%CE%AF%CE%BD%CF%89%CF%83%CE%B7%20%CE%B3%CE%B9%CE%B1%20%CE%94%CE%B7%CE%BC%CF%8C%CF%83%CE%B9%CE%B1%CE%94%CF%8D%CF%84%CF%85%CF%83%CE%B9%CE%B7%20%CE%95%CE%BF%CF%8E%20%CE%94%CE%94%CE%91%CE%AC%CF%83%CE%B7%CF%82%20%CE%95%CE%BD%CE%B5%CF%81%CE%B3%CE%B5%CE%B9%CE%B1%CE%BA%CE%AE%CF%82%20%CE%91%CF%80%CF%8C%CE%B4%CE%BF%CF%83%CE%B7%CF%82.pdf
Czech Republic

Energy Generation

**CEZ cancels tender for the expansion of Temelín NPP**

On 10 April 2014, the Czech public utility company CEZ has officially cancelled the planned expansion of the Temelín nuclear power plant. The tender process for the construction of two new reactor units was launched in August 2009 and three companies submitted their bids: Westinghouse, Areva and a consortium led by Russian state-company AtomStroyExport. However, due to falling wholesale prices of electricity, the price of the tender which was set at approx. $15 billion was becoming economically unfeasible. After the Czech Government refused to grant CEZ electricity price guarantees, the utility company eventually decided to cancel the entire tender.


Energy Efficiency

**New Green Savings Programme lacks CZK 12 billion of funds**

According to the Czech Minister of the Environment Richard Brabec, the New Green Savings Programme for energy efficiency measures, which is mainly financed through revenues from the sale of emission allowances, is currently missing about CZK 12 billion (approx. €437 million) of the envisaged total budget of CZK 27 billion (approx. €984 million). This lack of funds can be explained by the falling prices of emission allowances. However, Brabec further pointed out that the Government considers energy savings as one of their key projects and will therefore do everything possible to eventually raise the lacking funds for the programme. He mentioned the profits of energy giant CEZ as another possible source of funding.

Denmark

No important developments identified in April 2014 regarding climate or energy policies.
Estonia

Horizontal Measures

*Estonia is waiting for a decision from the European Commission regarding renewable energy support scheme*

Estonia is waiting for a decision from the European Commission regarding the change of the renewable energy support scheme from feed-in tariff to premium priced system. The Minister of Economic Affairs and Communication Urve Palo said that the ministry does not know whether the new support scheme is considered as state-aid or not. She also added that the ministry is expecting a response in May 2014. The Estonian renewable energy support scheme has been changed because it has fulfilled its purpose as renewable energy consumption targets have been fulfilled and green tax on electricity is becoming a financial burden on consumers.


Taxation

*Large consumers are complaining about electricity excise duty*

Large consumers, i.e. companies whose consumption is over 200 Gwh per year are worried about their competitiveness on export markets. The Heinzel Group GmgH has carried out a comparison of electricity prices in their consortium. Results show that in Estonia Heinzel Group companies pay 35% more for electricity than in Austria and 69% more than in Sweden. The electricity prices result mainly from electricity excise duties, value added tax and renewable electricity fees. Estonia has already granted electricity excise duty exemptions to companies involved in electrolytic and mineralogical activities, but has so far refused to exempt large consumers, putting new investments at risk.


Renewable Energy

*Estonians are installing more solar panels than ever*

According to the Estonian Renewable Energy Association, Estonians have become more interested in small-scale renewable energy production. This development resulted from increasing electricity prices due to the opening of the electricity market on 1 January 2013 and decrease of the solar panels caused by the competitive market. As the solar panel industry has developed quickly, the final cost for consumers has decreased rapidly, making them affordable to many Estonian households. Costs related to solar power installations and grid connection have also decreased and experience shows that using solar panels can provide cheaper electricity compared to prices of the suppliers. The Estonian Renewable Energy Association emphasises that the decreases in transmission costs and independence from the centralised network are also reasons why people are installing more solar panels.
The results of a survey carried out by Estonian Renewable Energy Association show that 71% of electricity consumers are considering the benefits of solar panels.
Read more (in Estonian): http://energiaturg.ee/uudised/taadstuvenergia-koda-tarbijate-huvi-taadstuvenergia-vastu-on-kasvanud/

**Noarootsi County is distributing money collected from wind projects to improve everyday life**

For the first time, the non-profit organisation Noarootsi Tuuleenergia is distributing money it collected from two wind parks located in the Noarootsi county. Wind parks started to contribute financially to Noarootsi Tuulenergia because local people complained about the noise caused by the parks. In addition to compensation payments to local people, a certain amount is payed to Noarootsi Tuulenergia, which distributes the money in general interests for the county. For the first distribution round, 14 applications were received amounting to €18,000. The non-profit organisation started collecting money in 2011 and 2014 is the first year that payments are made to projects which are in the general interest of the county.

Finland

Horizontal Measures

The Ministry of the Environment received the first report on the impact of EU climate change policy up to 2030

The Government Institute for Economic Research and the VTT Technical Research Center of Finland have delivered to the Ministry of the Environment and the Ministry of Employment and the Economy a report about potential effects of the EU 2030 energy and climate change package published in January 2014. The report emphasizes that based on the proposed new climate and energy policies, Finland would only need to decrease emissions in the transport sector. The report also highlights that new targets will have negative effect on GDP, export and on housing affordability.

It should be noted that the report does not include positive impacts of climate change policies, such as the effects of cleaner technology and possible cost savings of the policy. Moreover, as there has been no decision on how to distribute the emissions reduction between member states, there is at the moment no certainty how much Finland would have to reduce its emissions. Therefore, the report can be considered as speculation. However, the report takes into consideration the possibility of a 40% emissions reduction and emphasizes that the 40% target discussed by the EU will increase Finland’s costs by about €100 million per year.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ajankohtaista/Tiedotteet/Alustavia_vaikutusarviota_EUn_vuoden_20%2829096%29
Read the report (in Finnish): https://www.tem.fi/files/39569/EU_2030_valiraportti_VTTjaVATT_1-4-14_3_.pdf

Renewable Energy

First report on Finland’s overall environmental impacts concerning all renewable energies.

On 15 April 2014, the Ministry of the Environment, the Ministry of Employment and the Economy and the Ministry of Agriculture and Forestry announced the publication of the first report concerning renewable energy production in relation with environmental impacts and risks. The report takes into consideration fourteen different renewable energy production possibilities. The complete lifecycle of renewable energy production is taken into consideration when defining the impact on the environment, including impacts on natural water systems. In addition, noise pollution, impact on landscape as well as estetic pollution are considered in the report. The report also emphasises the increasing role of biomass in the form of wood chips and peat as well as biogas in the future energy mix.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ajankohtaista/Tiedotteet/Uusiutuvan_energian_ymparistohaitat_ja_r%2829030%29
Energy Efficiency

Energy efficiency promoting campaign is launched in April 2014

On 8 April 2014, a contract was signed between the Ministry of the Environment and several renewable energy-related associations in order to improve awareness of renewable heating efficiency. In Finland, many old heating systems are used, which can be greatly improved. The Energy Efficiency Directive obliges EU member states to organize inspections in all houses with heating boilers over 20 kW capacity or alternatively organize consultations. Finland is launching a consultation campaign on how to improve energy efficiency in heating boiler systems by maintaining them regularly and by using the best renewable fuel, as well as on possibilities for installing solar energy systems. Owners of the heating boilers will receive information about how to achieve cost savings, how to keep their boilers clean and efficient, and how to reduce emissions. During the campaign, information is provided through newspapers, conferences and fairs.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ajankohtaista/Bioenergiaala_edistaa_energiatehokkuutta%282828965%29
France

Horizontal Measures

Segolène Royal appointed Minister of Ecology, Sustainable Development and Energy

Under the cabinet reshuffle operated by the President Hollande, following the municipal elections, Ségolène Royal was appointed on 2 April 2014 Minister of Ecology, Sustainable Development and Energy (MEDDE). The new Minister is now in second position in the protocol order of the Government. Ségolène Royal had been Minister of the Environment in the government of Pierre Bérégovoy from 1992 to 1993.

On 25 April 2014, Ségolène Royal already presented her action plan in order to accelerate energy transition and green growth. The action plan consists of six projects broken down into 27 measures which shall be undertaken by summer 2014. The action plan includes measures such as the following:

- Finalisation of the draft law on energy transition;
- Acceleration of energy refurbishment of residential, public, commercial and industrial buildings;
- Definition of new electricity tariffs;
- Development of the „Waste Plan 2020“;
- Financing of the transport infrastructure.

The implementation of this action plan is expected to foster the creation of 100,000 jobs within 3 years.


Renewable Energy

Publication of a report on the cost and profitability of renewable energies in France

The French Energy Regulatory Commission (CRE) published on 17 April 2014 a report on the cost and profitability of renewable energies in France (onshore wind, photovoltaic and biomass). The objective is to evaluate the costs of renewable energies and ensure that support mechanisms do not result into "excessive profits."

As far as wind energy is concerned, the CRE points out that some wind farms have excessive returns on investment. The CRE therefore suggests adapting the level of support for onshore wind proportionally to the costs of the technology. In this regard the CRE estimates that tenders are preferable to feed-in tariffs (FiT). In general, the FiT should be more flexible in order to take into account the evolution of the technology costs.

Same as for wind energy, the cost of purchase and installation of modules and electrical equipment constitutes the major part of the cost of a photovoltaic system. However, the cost
of PV modules, which represent 40% of total investment costs, declined sharply in recent years. This has resulted in “excessive” profitability for PV projects concluded before the moratorium in 2010. Successive tariff revisions have since helped to lower the rate of return on investment, which now amounts to 6% for PV projects.

Read more (in French): [file:///C:/Users/cn/Downloads/RapportCRE-CoutsRentabiliteENR.pdf]

Energy Networks

Definition of blue and yellow electricity rates

On 11 April 2014, the State Council partially annulled the Decree of 20 July 2012 on the regulation of electricity tariffs on the grounds that the blue (for consumers connected to the low voltage grid with a subscribed power ≤ 36 kVA) and yellow regulated tariffs (for consumers connected to the low voltage grid with a subscribed power between 42 kVA and 240 kVA) are set at a too low rate. In June 2013, the Energy Regulatory Commission (CRE) had published a report analyzing that the “artificial” limitation of the increase in electricity prices in 2012 resulted into shortfall of € 1.47 billion, necessary to cover the actual costs of electricity. Consequently, the CRE estimated that the required increase of electricity tariffs for 2013 should be between 8.6% and 9.6%.

The State Council also urged the competent ministries to suggest within two months a new decree setting a retroactive increase of the “blue” and “yellow” electricity prices for the period from 23 July 2012 to 31 July 2013.

In response, the Minister of Ecology Ségolène Royal promised on 15 April 2014 that there will be no retroactive increase of electricity rates until next August.

Read more (in French): [http://www.gouvernement.fr/gouvernement/electricite-je-vais-trouver-une-solution-de-bon-sens-pour-qu-il-n-y-a-t-pas-d-augmentat]
Germany

Horizontal Measures

*Monitoring report of German Energiewende shows mixed results*

On 8 April 2014, the Federal Cabinet passed the second Monitoring Report “Energy of the Future” (*Monitoring-Bericht Energie der Zukunft*). The report assesses the progress of the German Energiewende along different dimensions and refers to 2012. The share of renewable energy sources reached 23.6% of the gross electricity consumption, so that renewables are the second largest electricity generators in Germany. As against this positive development, progress in the energy efficiency sector has been insufficient for reaching the country’s energy efficiency targets. Therefore, the government intends to prepare an energy efficiency action plan in the course of this year. Grid development has been identified as another important priority area for the upcoming years. The independent expert committee for evaluating the monitoring report also presented their results on the same day. The expert committee stressed that greenhouse gas (GHG) emissions increased over the last two years and thus will jeopardize the national GHG reduction target of 40% until 2020. In this context, the committee pointed out that the government referred to 35% GHG reductions until 2020 in the monitoring report. In order to ensure the achievement of the target of minus 40% GHG emissions until 2020, the committee recommends that the German government foster the reform of the EU Emissions Trading Scheme.


Renewable Energy

*Federal Cabinet approves draft for reforming the renewable energy act*

On 8 April 2014, the Federal Cabinet approved the draft for reforming the renewable energy act. The new renewable energy act aims at improving market integration of electricity from renewable energy sources and is supposed to reduce future costs for the development of the renewable energy sector. The support scheme will focus on onshore wind power and PV installations – the most cost-efficient technologies. The share of renewable energy sources should reach 40-45% by 2025 and 55-60% by 2035 of the total electricity production. The annual growth of installed capacity for these technologies will be capped at 2500MW. In contrast, biomass will capped at 100MW annually. Furthermore, an auctioning system for determining the feed-in tariffs will be introduced by 2017. An auctioning pilot project for large-scale ground-mounted PV installations is supposed to provide the necessary experience with
the auctioning system. Reactions toward the Cabinet’s decision were mixed. The Federal Association of the energy and water sector (BDEW) (Bundesverband der Energie- und Wasserwirtschaft) welcomed the positive steps toward increasing market integration of renewable energy sources and the increasing responsibility assigned to plant operators. However, the BDEW criticized the short transition period for biomass plants. On the other hand, the German Solar Industry Association (BSW) (Bundesverband Solarwirtschaft) sharply criticized the reform project emphasizing that the measures planned will jeopardize the success of the German Energiewende. An important aspect being criticized is the introduction of a levy on directly consumed green electricity in industry and small and medium sized enterprises. Only households will be exempted from this levy. On the other hand, large energy intensive companies in the industry sector will still be exempted to a large extent from the EEG surcharge in order to maintain their international competition. Due to that, the BSW and the Federation of German Consumer Organisations (VZBV) (Verbraucherzentrale Bundesverband) intend to file a complaint of unconstitutionality against the EEG reform.

**Bavaria restricts construction of new wind power plants**

On 8 April 2014, the Bavarian Cabinet approved a regulatory draft restricting the construction of wind power plants by redefining the necessary distances between newly erected wind power plants and residential buildings. According to the draft, the required distance will have to be ten times the overall height of the wind power plant. This excludes most of the Bavarian area from being suitable sites for wind power plants. The regulation does not apply to wind power plants for which all necessary applications have been handed in until 4 February 2014. Furthermore, municipalities can deviate from this regulation in case there is consensus in the municipality for constructing a wind power plant in small radius of residential buildings.

**New regulation on a register for renewable energy plants presented by the Ministry**

On 8 April 2014, the Federal Cabinet took note of the draft regulation on the register for electricity generating installations from renewable energy sources and mine gas (Verordnung über ein Register für Anlagen zur Erzeugung von Strom aus Erneuerbaren Energien und Grubengas – Anlagenregisterverordnung) presented by the Federal Ministry for Economy and Energy. The reformed renewable energy act foresees that all renewable energy installations have to be registered at the Federal Network Agency in order to monitor the increase of installed capacities according to the different technologies. To this end, the new regulation requires plant operators to register their new plants, which are put into operation after 31 July 2014. Data on existing plants will be complemented by the Federal Network Agency. The Federal Ministry for Economy and Energy will enact the regulation immediately after the new renewable energy act enters into force in August 2014.
Energy Efficiency

Financial support for replacing old cooling devices in vulnerable households

On 2 April 2014, the environmental minister Barbara Hendricks launched a subsidy programme for replacing old cooling devices in vulnerable households. The programme aims at recipients of social assistance or housing benefits. In order to be eligible for benefiting from the support, an electricity saving check has to identify electricity saving potential of at least 200 kWh per year for the cooling devices. In addition, respective cooling devices need to be older than 10 years. In this case, replacing the cooling devices with a new one with energy efficiency rating A+++ will be subsidized with € 150. In this way, households can save approx. € 100 per year. For now, the pilot project starts in 67 cities and will be extended over the next months. In the next two years, 16,000 old and energy intensive cooling devices could be replaced, leading to electricity savings of up to 5 million kWh per year.

Energy Networks

Germany continues consultations with Norway about undersea cable “Nord.Link”

On 1 April 2014, the German Federal Minister for Economic Affairs and Energy, Sigmar Gabriel, and the Norwegian Minister for Petroleum and Energy, Tord Lien, continued their consultations on the planned undersea cable Nord.Link, which should connect the electricity markets of both countries. The project consortium would include the respective transmission system operators of Norway and Germany, Statnett and TenneT. The German minister stressed his support for the project and pointed out that all necessary licenses from German authorities will be emitted until this summer. The relevant licenses from Norway will also fall due in the next months. The direct current connection will enable a connection of the wind energy in Northeastern Germany and the electricity stored in Norway’s reservoirs.

Transport

Research projects are going to improve fields of application for e-mobility

In the beginning of April, several major car manufacturers, the University of Stuttgart and the RWTH Aachen University presented a research project aiming at the construction of a nationwide fast-charging network for e-mobility. The research project “SLAM – Quick charger for axes and metropolises” (Schnellladenetz für Achsen und Metropolen) is supposed to
increase the attractiveness of e-mobility by developing the necessary infrastructure. The project focuses on the development of operating and business models, the development of criteria for suitable charging sites and the establishment of a research charging network. The Federal Ministry of Economy and Energy supports this project.

Another research project in the field of e-mobility focuses on the potential of electric vehicles in urban delivery traffic. For craftsmen and suppliers electric vehicles can be an environmentally, technically and economically viable alternative because of the typically short routes of this target group. In the research project “komDrive”, a consortium led by the Technical University of Berlin surveys how electric vehicles can be used in this sector. In their project, the researchers create a travel profile database to determine exactly how electric vehicles can be optimally integrated into the business traffic, e.g. by determining the type of vehicles or the technology that should be utilized. The researchers also analyse how to optimally compose a vehicle fleet for a specific industry. The “komDrive” project is funded by the Federal Ministry of Economics.

Greece

Horizontal Measures

Priorities of the energy sector in the reviewed Second Economic Adjustment Programme

In the fourth review of the Second Economic Adjustment Programme, published by the Directorate General for Economic and Financial Affairs on 24 April 2014, the policy recommendations for Greek energy policy were presented. According to the paper, Public Power Corporation (PPC S.A.), the state-owned and biggest electricity supply company, should implement a new tariff structure that would ensure adequate cost recovery, thus eliminating cross-subsidies. Apart from that, the Greek government should decide on an installation capacity “cap” for new RES installations so as to ensure the viability of the RES financing mechanism. Further obligations include the introduction of NOME-type auctions, the unbundling of the natural gas sector and the payment of the debts of the Greek government to PPC S.A. so as to facilitate its further privatization. In addition, a description and assessment of the current situation of the Greek “energy landscape” is presented along with the Commission’s policy recommendations.

Read more (in Greek): http://www.energypress.gr/news/Sth-dhmosiothta-to-anathewrmeno-mnhmonio-Ti-problepei-gia-thn-energieia

Renewable Energy

Regulatory Authority on Energy initiates public consultation on the form of electricity purchase agreements from hybrid and solar thermal plants on non-interconnected islands

On 7 April 2014, the Regulatory Authority on Energy, the Greek independent administrative authority on energy regulation, initiated a public consultation on the form of electricity purchase agreements from hybrid and solar thermal plants on non-interconnected islands. As Greek Islands are not connected to the mainland transmission grid due to their dispersion, another connection procedure is foreseen for RES plants. This also involves a modified electricity purchase agreement. Public consultation is open for comments until 28 April 2014.

Read more (in Greek): http://www.rae.gr/categories_new/about_rae/activity/global_consultation/current/07042014.csp

Drastic Increase of the Special Levy for the Reduction of GHGs by April 2014 cancelled after the new deal on RES

The approval by the Greek Parliament of the “New Deal on RES”, previously known as “New Deal on PV” (s.MPU 1/2014, 2/2014 and 3/2014), on 31 March 2014 prevented a drastic increase of the Special Levy for the Reduction of GHGs (ETMEAP) that was foreseen by the Regulatory Authority on Energy and aimed at eliminating a deficit in the Special Account for RES and CHP by the end of 2014. Based on projections, the Regulatory Authority on Energy (RAE) had decided (Decision No.663/2013) that the ETMEAP should increase an average of
97%, from € 14.96/MWh to € 29.5/MWh. For domestic consumers the increase would have been approximately 90%, from € 20.8/MWh to € 38.61/MWh. However, after the approval of the “New Deal” the increase will be significantly lower (Decision No.175/2014) and will amount on average to € 19.73 /MWh. For domestic consumers the ETMEAP will be increased to € 26.3 /MWh.

Read more (in Greek): http://www.rae.gr/site/categories_new/about_rae/factsheets/2014/major/03042014.csp

Energy Efficiency

“Exsoikonomo kat’ oikon” Programme continues in the next programmatic period

The Minister of Environment, Energy and Climate Change, Mr. Ioannis Maniatis, speaking at a conference on 9 April 2014 at the Athens Chamber of Commerce, announced the continuation of the successful “Exsoikonomo kat’ oikon” (Energy Efficiency at Home) Programme for the new programmatic period 2014-2020. Mr. Maniatis underlined the success of the Programme which provided subsidies and interest-free loans to households for the energy upgrading of their homes. Almost 29,000 homes could profit from the programme and an average of 40% energy savings has been achieved. The budget for the new “Exsoikonomo kat’ oikon” will be € 700 million while further € 200 million will be allocated for energy savings in commercial buildings and € 250 million in public buildings. Especially for the last two categories, the Ministry plans to provide financial incentives for energy managers of such buildings in order to achieve their energy saving objectives. In addition, the new National Reference Strategic Framework plans to aid energy service companies (€ 50 million), RES (€ 250 million), smart metering systems (€ 500 million) and the electrical interconnection of the Cyclades Islands and Crete (€ 720 million).

Read more (in Greek): http://www.econews.gr/2014/04/10/exoikonomo-espa-114044/

Electricity Generation

Electricity auctions expected to begin in September 2014

The introduction of NOME-type (Nouvelle Organisation du Marché de l’Electricité) auctions, in September 2014, is expected to lower electricity charges in Greece. More specifically, it concerns auctions for electricity produced by lignite and hydroelectric plants and managed by Public Power Corporation (PPC S.A.). The Regulatory Authority on Energy is expected to present the plan of operation for the auctioning, which will then be opened to public consultation. Under this model, private electricity suppliers will be allowed to purchase around 1500 MW produced by PPC plants and sell it to their clients. This way, private electricity suppliers will be able to compete on the current oligopolistic electricity market, dominated by PPC S.A., as they gain access to “cheaply produced” electricity. Such a development is expected to lead to a reduction in electricity charges for consumers. The public consultation as well as all relevant decisions are estimated to be finalized by 31 May 2014 and the auctioning market is expected to begin operating on 31 August 2014.

Read more (in Greek): http://www.ethnos.gr/article.asp?catid=22770&subid=2&pubid=63994774
Transport

Issue of the Ministerial Decision on the Biofuel Quota Distribution Scheme

With a Ministerial Decree on 14 April 2014, the Ministry of Environment, Energy and Climate Change invited interested legal persons to apply for the distribution of 133,000 kiloliters of biofuels for 2014. After the examination of their application, the Ministry will issue a Joint Ministerial Decree informing successful applicants to submit a letter of guarantee.

Read more (in Greek): http://www.ypeka.gr/LinkClick.aspx?fileticket=fy3it33ykFE%3d&tabid=292&language=el-GR
Hungary

Taxation

Hungarian government reduces gas prices once again

As of 1 April 2014, the Hungarian government reduced final consumer prices for natural gas by 6.5% compared to the gas prices set on 1 November 2013. The government continues its policy of state regulated energy prices aiming at making energy prices more affordable for the general public and reducing energy poverty in the country. Natural gas prices had already been reduced twice in 2013 by altogether 20%. Aside from natural gas, reductions of final consumer prices for electricity of 5.7% and district heating of 3.3% are foreseen for September and October 2014 respectively.


Energy Generation

Integration of four CEE countries’ electricity markets expected for November 2014

On 2 April 2014, the Project Steering Committee of the so-called 4M Market Coupling project (4M MC) announced the coupling of the day-ahead markets of Czech Republic, Slovakia, Hungary and Romania to take place on 11 November 2014. As of January 2014, the power exchanges of the four involved countries had started implementing the necessary technical provisions, which will continue in the course of this year. Another initiative targeting the creation of a harmonised European day-ahead electricity market, based on a Memorandum of Understanding between the main electricity actors in Austria, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia, also aims at coupling the electricity markets of these countries.


Transport

Public transport continues to be modernised in and around Budapest

From the middle of April 2014, altogether 167 new, modern buses worth HUF 11 billion (approx. € 35.5 million) will be utilized in the capital and on the routes connecting the suburban areas. These new additions will help contribute to a successful reduction of the
very high average age of the capital’s bus fleet. The environmental impact of the bus fleet could be considerably diminished by replacing a large share of the fleet of 20-23 year old buses. Investments in renewing the bus fleet in Budapest will continue this autumn, when new low-floor hybrid buses will start operating.

Ireland

Climate Policy

Minister Hogan announces the publication of the national policy position on climate action and low-carbon development

On 24 April 2014, the Minister of Environment, Community and Local Government, Mr. Phil Hogan, presented the National Policy Position together with the final general scheme of the Climate Action and Low-Carbon Development Bill. The publication of the national policy position constitutes an important step to Ireland’s efforts to design a coherent framework on climate action and low-carbon development that was initiated in January 2012. According to Mr. Hogan, “the National Policy Position brings clarity and certainty to the national low-carbon transition objective for 2050, which is crucially important for planning and investment by Irish business, as well as attracting potential new investors both here in Ireland and from abroad”. Mr. Hogan also stressed that both documents (i.e. the National Policy Position and the General Scheme of the Bill) re-affirmed Ireland’s commitment to comply with existing and future obligations of the State under EU and International Law and reflect the necessity of correlating and balancing environmental, social and economic challenges. Apart from that, the Minister identified four key sectors (electricity generation, environment, transport and above all agriculture), as it accounts for almost 32% of Ireland’s total national emissions in 2011 and for 44% of all non-EU ETS emissions) which the transition process is seen as challenging and a more careful approach is necessary.


Renewable Energy

Sustainable Energy Authority of Ireland opens call for Energy RD&D Projects

On 22 April 2014, the Sustainable Energy Authority of Ireland (SEAI) opened a call for Energy Research Development & Demonstration Projects (RD&D). The programme aims to support research and development actions, demonstration activities, feasibility studies and, to a lesser extent, policy supporting research studies. The call is open for business and academic organisations as well as the public sector. Projects proposals will be assessed on a “first come, first served basis” and must be completed by 31 October 2014.


Sustainable Energy Authority of Ireland funds ESB’s Westwave ocean feasibility project

The Sustainable Energy Authority of Ireland (SEAI) has announced on 22 April 2014 its support to the ESB’s Westwave project by granting €1.3 million for environmental and feasibility studies. The Westwave project expects to deploy by 2018 five wave energy devices off the coast of County Clare. The project represents one of the most ambitious
projects to develop "a pre-commercial array of wave energy converters". The environmental impact assessment for the site is an important step so that the project can eventually fulfil its goals, i.e. to connect power generated from the wave energy converters to the existing electricity network. Pat O'Doherty, Chief Executive, ESB underlined Ireland’s great potential for exploiting wave energy and stressed that the Westwave project is a demonstration project that can contribute to the commercialisation of wave power. Effective cooperation between industry and state agencies is important to ensure that ocean energy can contribute to Ireland’s renewable targets.

Read more: http://www.seai.ie/News_Events/Press_Releases/2014/SEAI-to-grant-aid-ESB%E2%80%99s-Westwave-ocean-feasibility-project-in-Co-Clare.html#sthash.fBYmJmCi.dpuf

Cancellation of the “Midlands Energy Export Project”

The Minister of Communications, Energy and Natural Resources, Mr. Pat Rabbittee has announced on 13 April 2014 the cancellation of the “Midlands Energy Export Project”. The Project aspired to install a great number of wind turbines in the Midlands Region that would have exported electricity to the UK. Despite the signing of a Memorandum of Understanding between the UK and the Republic of Ireland last year, no final agreement has been concluded, leading to the cancellation of the project. Various stakeholders have opposed to the plan, including politicians and protest groups. The Green Party of Ireland criticised that policy development as “short-term, populist thinking gone awry” while for Mr. Rabbitte energy trade between both countries will be inevitable in the future.


Energy Efficiency

Initiation of the Consultation of the Sectoral Roadmap for Low-Carbon Built Environment

The Minister of Environment, Community and Local Government, Mr. Phil Hogan, along with the Minister of Communications, Energy and Natural Resources, Mr. Pat Rabbittee have announced on 23 April 2014 the initiation of the public consultation on the sectoral roadmap for low-carbon built environment. As a part of the Climate Action and Low Carbon Development Bill, economic sectors whose contribution to the production of carbon emissions is significant are obliged to develop emission reduction action plans. Those actions will be consequently integrated into the National Low Carbon Roadmap that is expected to be approved and published in 2014 along with the approval of the Climate Action and Low Carbon Development Bill. Both Ministers stressed the importance of designing a low-carbon vision for the sector as well as assessing and cost-effective options for delivery of that vision. The sectoral roadmap for built environment will be open for comments by stakeholders until 20 May 2014. The Ministers also announced that later in 2014, public consultation on the draft National Low-Carbon Roadmap to 2050 and draft Strategic Environmental Assessment is expected to take place.

Electricity Networks

Minister Rabbitte approves capital investment programme for Electricity Supply Board.

The Minister of Communications, Energy and Natural Resources, Mr. Pat Rabbitte has approved on 3 April 2014 the capital investment programme of the Electricity Supply Board of Ireland (ESB) that amounts to € 1 billion. The investment programme will primarily focus on transmission and distribution network infrastructure and more specifically on asset replacement, reduction and management of risks related to safety, security and supply and potential environmental hazards.

Read more:
http://www.dcenr.gov.ie/Press+Releases/2014/Rabbitte+approves+%E2%82%AC1+Billion+ESB+Capital+Investment+Programme+for+2014.htm
Italy

Horizontal Measures

*New general guidelines on environmental and energy policy outlined by the Minister of the Environment*

On 2 April 2014 the Minister of the Environment has presented a general program outlining guidelines for environmental and energy policies to be followed in the coming months. No precise measures are established in the document. The document aims to provide a general vision of the interventions deemed necessary given the current situation. The main points of the guidelines are:

Renewable energy

- Simplification and enlargement of the net-metering regime (Scambio sul Posto)
- Introduction of a bonus for respecting electricity generation programs, possibly paired with the introduction of energy storage measures;
- Incentives directed to innovative technologies

Transport

- Increase the focus on 2nd and 3rd generation biofuels

Taxation

- Revise taxation levels and deductions for energy efficiency measures;
- Reducing taxation on revenues.

Read more (in Italian):
www.minambiente.it/sites/default/files/archivio/allegati/Interventi_ministro/AUDIZIONE%20MINISTRO%20GALLETTI.pdf

Taxation

*Tax modification for renewable energy revenues in agricultural industries*

Decree Law 24 April 2014 introduced strong changes in the tax calculations for agricultural industries. Namely, all revenues generated from the production of renewable energy in agricultural industries will be taxed with a 25% rate. Beforehand, these revenues were listed as “revaluation of land rents” and were taxed with a much lower rate (the exact level depending on the size, position and type of land or building).

Read more (in Italian): http://www.gazzettaufficiale.it/eli/id/2014/04/24/14G00079/sg
Lithuania

Horizontal Measures

_Draft National Environmental Protection Strategy published for public consultation_

On 23 April 2014, the Draft National Environmental Protection Strategy (Nacionalinės aplinkos apsaugos strategijos projektas) was published by the Ministry of Environment for public consultation. The draft strategy defines key environmental policy directions and targets to be achieved by 2030 and sets a long term vision for 2050. There are four policy directions envisaged in the document:

- Sustainable use of natural resources and sustainable waste management;
- Environmental quality improvement;
- Conservation and restoration of biodiversity and landscape;
- Climate change mitigation and adaptation to environmental changes resulting from changing climate.

The draft strategy indicates that by 2020 Lithuania will try to achieve that the rate of the increase of GHG emissions is twice as slow as the rate of the growth of industry and services. Between 2020 and 2030, GHG emissions shall gradually decrease. In order to achieve these targets, Lithuania will focus on increasing efficiency of energy generation and consumption in sectors of energy, industry, transport, agriculture, and waste management. Moreover, great attention will further be paid to the renovation of the existing public and residential buildings as well as greater use of renewable energy sources for electricity production. In addition, between 2020 and 2030 individuals and businesses will be encouraged to build nearly zero-energy buildings. The public consultation will be open until 15 May 2014.


Energy Generation


On 9 April 2014, the Government approved the Draft National Heat Sector Development Programme 2014-2020. According to the Prime Minister Algirdas Butkevičius, restructuring of the Lithuanian heating sector will primarily focus on the wider use of biomass and municipal waste for combined production of power and heat. The EU funding for 2014-2020 will be used to support cogeneration projects in the two largest cities - Vilnius and Kaunas, either by upgrading already existing capacities or investing in the new ones. The draft programme envisages, for example, the construction of a 145 MW capacity biomass and waste fired CHP in Vilnius. The investment would amount to around LTL 1.14 billion (approx. € 329.1 million). In Kaunas, a 50 MW CHP fired by biomass and waste shall be constructed in line
Commitment to construct VNPP reaffirmed by Lithuanian political parties

On 7 April 2014, it was announced that leaders of Lithuanian political parties have repeatedly confirmed their commitment to build the Visaginas nuclear power plant (VNPP). The new nuclear power plant is meant to replace two 1,185 MW nuclear reactors at the Ignalina power plant, which were phased out in 2004 and 2009 respectively. The VNPP would be constructed by Lithuania, Latvia, Estonia and a strategic investor Hitachi-GE Nuclear Energy Ltd. The planned construction of a 1,350 MW advanced boiling water reactor (ABWR) could start in 2015 and would be operational in 2021-2022.

The VNPP project was put on hold due to results of a non-binding referendum that took place on 14 October 2013 and resulted in 62.68% of voters rejecting the project (see MPU Issue 7/2013).

Read more (in English): http://www.enerdata.net/enerdatauk/press-and-publication/energy-news-001/lithuania-confirms-commitment-nuclear-newbuild_27075.html#sthash.4h3i0yp8.dpuf

Energy Efficiency

Manual for the Implementation of Renovation (modernisation) of Multifamily Buildings published by the Ministry of Environment

On 10 April 2014, the Ministry of Environment published a Manual for the Implementation of Renovation (modernisation) of Multifamily Buildings (Daugiabučių namų atnaujinimo (modernizavimo) projektų įgyvendinimo vadovas) to ensure a smooth progress of the renovation process in Lithuania. The manual describes all stages of the renovation process in detail, from the initiation of the project to the completion of renovation work, and indicates relevant legislation, sample documents, as well as useful links and contacts of responsible institutions or agencies.

Read more (in Lithuanian): http://www.am.lt/VI/index.php#a/14498

Energy Networks

Laying-down of the “Nord Balt” undersea power cable started

On 11 April 2014, the Ministry of Energy announced the initiation of one of the key stages of the strategic project “NordBalt” – the laying-down of the undersea power cable between Lithuania and Sweden. The power line will be approximately 450 km in length and 700 MW in capacity and will be the world’s third-longest undersea power cable (see MPU Issues 1/2013 and 2/2013). By the end of September 2014, up to 250 km of connection are expected to be placed on the bottom of the Baltic Sea. The cabling work will continue in spring 2015. The “Nordbalt” power link is expected to be operational by the end of 2015.
The construction work is carried out by the Swedish technology company ABB. The overall estimated project budget comes from Lithuania, Sweden and the European Union and amounts to LTL 1.9 billion (approx. € 548.5 million).


Transport

Lithuania’s wish to include Vilnius into “Rail Baltica II” project is contrary to EU law

On 14 April 2014, the European Commission indicated that the Lithuanian government's wish to include a connection to Vilnius in the Baltic States' joint rail construction project “Rail Baltica II” is not in line with EU law. According to the project coordinator Mr. Pavel Telichka, since the original Tallinn-Riga-Kaunas route was approved by the EU regulation, its violation might result in disciplinary proceedings by the European Commission. He added that the Commission cannot understand why Lithuania, which earlier agreed to have the rail route via Kaunas, now changed its mind (see MPU Issues 10/2014 and 11/2014).

Currently, the three Baltic States are negotiating the establishment of a joint venture, which shall implement the second part of the “Rail Baltica” project connecting Kaunas with Tallinn. The joint venture contract is expected to be signed in April 2014.

Read more (in English): http://www.lithuaniatribune.com/66783/ec-warns-lithuania-over-demand-to-include-vilnius-into-rail-baltica-201466783/

Waste


On 16 April 2014, the Government approved the National Waste Management Plan for 2014-2020 (Valstybinis atliekų tvarkymo 2014-2020 m. planas) drafted by the Ministry of Environment. The National Waste Management Plan for 2014-2020 establishes key waste management goals and objectives, as well as specific measures for their achievement. Furthermore, the plan sets out national and local waste management targets and describes the allocation of national and EU funds (see MPU Issue 7/2013).

According to the plan, by 2020 municipal biodegradable waste deposited in landfills shall be reduced by at least 65% compared to the year 2000. Furthermore, it is planned to process or otherwise reuse at least 45% of municipal waste by 2016 and at least 65% by 2020. By 2020, at least half of the paper, cardboard, metal, plastic and glass disposed of in landfills shall be recycled.

Read more (in Lithuanian): http://www.am.lt/VI/index.php#a/14528
Latvia

No important developments identified in April 2014 regarding climate or energy policies.
Luxemburg

No important developments identified in April 2014 regarding climate or energy policies.
Malta

Energy Efficiency

Allocation of € 25 million of ERDF funds towards cleaner energy announced.

In April 2014, Dr. Ian Borg, the Parliamentary Secretary for EU funds announced an allocation of about € 25 million for the promotion of the use of cleaner energy in the frame of ERDF (European Regional Development Fund). All in all, 14 projects are expected to be funded, including the following:

- 3 projects of the University of Malta will be funded by € 6 million, including € 4.7 million from ERDF funds. One project aims at the construction of a new lab in order to research the generation of electricity through the use of sunlight;
- A project carried out by the National Sports Council (KMS) in order to increase the generation of efficient electricity inside the National Pool Complex. The overall costs are € 1 million, 50% financed by the ERDF fund;
- A project of Water Services Corporation aiming at reducing generation of carbon in different plants in Malta. The necessary investments were set at € 18.6 million, whereof € 9 million are granted by ERDF.
- 5 projects will be implemented by the Ministry for Energy amounting to € 15 million, out of which € 13 million come from the ERDF fund. One project deals with research on the generation of more efficient electricity inside the old people’s home at St. Vincent de Paule and the Siggiewi Primary School. Furthermore, two pilot projects will be implemented in order to analyse the use of an intelligent lighting system on the Maltese islands.

The Netherlands

Energy Efficiency

New energy label for houses from January 2015 onwards

On 3 April 2014, the National Office for Entrepreneurial Netherlands (Rijksdienst voor Ondernemend Nederland) announced that from 1 January 2015 onwards the Dutch Government will provide energy labels for rented and owned houses. The energy label will be based on the year of construction, type of property and the main energy characteristics. The aim of the energy label is to provide fair opportunities for the parties involved in the housing market to develop products in relation to the energy label. Advisors and software producers will have the chance to develop and market products supporting the new energy label. In addition, house marketing advisors will be able to inform the house owners on how they can improve the energy characteristics of their owned house.

Read more (in Dutch): http://www.rvo.nl/actueel/nieuws/eerlijke-kans-bij-vernieuwd-energielabel
Poland

Horizontal Measures

*The Council of Ministers adopted a resolution on the strategy on "Energy Security and the Environment"*

On 15 April 2014, the Council of Ministers adopted a resolution on the strategy on "Energy Security and the Environment - prospect for 2020" ("Bezpieczeństwo Energetyczne i Środowisko – perspektywa do 2020 roku") prepared by the Ministry of Economy. Implementation of the Strategy will contribute to the development of a modern, environmentally friendly energy and grant Poland's energy security.

The main goal of the strategy is to create settings for the development of a competitive and efficient energy sector, ensuring sustainable and environment friendly development.

Particularly important challenges for the energy sector include reduction of energy intensity of the Polish economy through the modernization of power and heat generating plants, diversification of energy generation through introduction of nuclear energy and increasing the use of renewable energy sources.

The document also contains plans of the Government to reduce air pollution and to reform the water management including, inter alia, investments in flood protection.


Renewable Energy

*RES Act adopted by the Council of Ministers*

On 8 April 2014, the Council of Ministers adopted the renewable energy bill. The draft, which needs to be approved by the Parliament and the President, will introduce a new system of support based on an auctioning system, simplification of licensing procedures, promotion of prosumer energy production in micro-and small installations, as well as the possibility of producing energy from renewable sources for own needs.

The Act will enter into force within 30 days from the date of its publication in the Official Gazette. The new support system will become effective one year after approval by the European Commission.

Portugal

Energy

*Fund for Systemic Sustainability of the Energy Sector established by the Government*

Decree-Law 55/2014 of 9 April 2014 established the Fund for Systemic Sustainability of the Energy Sector (*Fundo para a Sustentabilidade Sistémica do Setor Energético* - FSSSE), which aims at financing energy efficiency measures and reducing the tariff debt of the electricity system in Portugal. The main source of income of the fund will be the revenues from the extraordinary levy on energy companies introduced in 2014 (see MPU Issue 9/2013), which are expected to amount to approximately € 153 million. The financial management of the fund was assigned to the General Directorate of the Treasury whereas the technical management was assigned to the General Directorate of Energy and Geology (DGEG).


Transport

*Changes to the regulation on electric mobility has been approved by the Council of Ministers*

On 10 April 2014, the Council of Ministers approved changes to the legal framework of electric mobility in Portugal, which includes the liberalisation of the public network of charging stations and introduces competition in the sector. Changes are also expected to facilitate the integration of charging points in private areas, such as condominiums. Until February 2014, only 530 electric vehicles have been purchased in Portugal, which might lead the government to introduce tax benefits for the acquisition of electric vehicles within the context of the ongoing tax reform. Further details on the changes to the legal regime are expected to be published soon.


Adaptation

*Submissions for project funding under the AdaPT programme accepted until 2 June 2014*

The programme AdaPT will accept submissions for funding from 2 April until 2 June 2014. In this call, two projects will be selected in the following categories:

a. Project Municipalities (*Projeto Municípios*): a project to support the development of local strategies in Portugal with a maximum funding of € 1.5 million.
b. Project Education and Climate Change Award (Projeto Educação e Prêmio Alterações Climáticas): a project to support the integration of the topic "climate change" in school activities with a maximum funding of € 490,000.

The programme was developed in 2012 by the Portuguese Environment Agency and aims at supporting projects to adapt Portugal to climate change. It is funded by the Portuguese Carbon Fund and the Financial Mechanism of the European Economic Area (MFEE/EEA-Grants) and has a total budget of approx. € 3.5 million.

Read more (in Portuguese): http://www.apambiente.pt/?ref=x129
Romania

Energy Generation

Romanian government refuses the exploitation of shale gas during the next five years

On 24 April 2014, the Romanian Prime Minister Victor Ponta, stressed that there will be no shale gas exploitation on the country’s territory during the next five years. The Prime Minister specified that while Romania would first have to develop more demanding and strict environmental legislation in this area before starting any exploitation activity, in the long run, Romania and the Republic of Moldova have a strong interest in becoming energy independent from Russian supplies also regarding natural gas. At the same time, political conflicts on the local and regional level in Vaslui County regarding Chevron’s shale gas prospecting measures continue. The American company received the fifth prospecting license in Vaslui County, which was granted by the County Council, provoking opposition by the Local Council of the municipality Dodesti. The Local Council had voted against shale gas prospecting on the municipality’s territory earlier this year and refused to emit the respective licenses, but the County Council annulled that decision.

Read more (in Romanian): http://incomemagazine.ro/articole/ponta-fara-gaze-de-sist-in-urmatorii-5 ani
Read more (in Romanian): http://www.puterea.ro/economie/chevron-insista-sa-exploze-gaze-de-sist-in-romania-90357.html

Renewable Energy

Romania plans introduction of exemption from the purchasing obligation of Green Certificates

On 23 April 2014, the Romanian government presented a legislative draft regarding the exemption of specific final consumers from the purchasing obligation of Green Certificates (Hotarare de Guvern pentru instituirea unei scheme de ajutor de stat privind exceptarea unor categorii de consumatori finali de la aplicarea Legii nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie). The draft aims at energy-intensive industrial consumers with energy costs of more than 20% compared to the company’s overall costs. For these companies, the purchasing obligation for Green Certificates (GC) will be reduced by 85% compared to the initial GC purchasing obligation. For energy consumers with energy costs between 10-20% and between 5-10% of their overall costs, purchasing of GCs will be reduced by 60% and 40% respectively. The eligibility period amounts to 10 years. At the same time, companies benefiting from an 85% cost reduction for GCs are obliged to preserve jobs during the eligibility period and have to reduce their energy consumption by 20% until 2020. For the other categories no conditions have been presented so far. The government estimates that 50-100 energy intensive consumers will benefit from this state support.

Transport

Registration for the subsidy programme on stimulating the modernisation of the national car fleet 2014 is ongoing

In April 2014, the electronic registration of natural persons for the subsidy programme on stimulating the modernization of the national car fleet 2014 (Programul de stimulare a innoirii Parcului auto national - RABLA), administered by the Administration of the Environmental Fund, is ongoing. The registrations period for legal persons and public institutions lasts from 30 April to 01 September 2014. Potential beneficiaries of the subsidy programme are natural persons, legal persons and public institutions owning vehicles older than eight years. The purchase of a new vehicle and the disposal of the old one will be subsidized with a voucher of RON 6,500 (approx. € 1,450). In addition, eligible parties may benefit from an eco-bonus of RON 500 (approx. € 110) in case the purchased vehicle is a hybrid car, a EURO 6 emissions standard vehicle or emits less than 100g/km CO₂. The programme’s overall budget amounts to RON 140 million (approx. € 31.29 million), and will altogether distribute 20,000 vouchers.

Read more (in Romanian): http://www.afm.ro/rabla_autovehicule.php
Read more (in Romanian): http://www.afm.ro/rabla_autovehicule_legislatie.php
Slovakia

Energy Generation

Additional funding for Mochovce NPP approved

On 8 April 2014, the Slovak utility company Slovenské Elektrárne (SE), the state and the Italian energy company Enel agreed to provide an additional funding of € 400 million for the completion of the third and fourth units of the Mochovce nuclear power plant, SE’s spokeswoman Jana Burdová has told the Slovak Press Agency SITA. After the initial budget of € 2.8 billion had already been increased by € 600 million, the total investment for the two additional reactors is now being raised to € 3.8 billion. SE explained that the additional investment would mainly be required to implement further security measures. The two 440 MW units should be commissioned in 2014 and 2015. Originally, however, the deadlines were the end of 2012 and autumn 2013.

Slovenia

Horizontal Measures

*Slovenia commemorates World Earth Day with various actions*

In light of the World Earth Day (22 April) an entire week (20 April – 26 April) was dedicated to topics mostly centered on waste management, nature preservation and emission reduction. The main coordinator of the events was the Development centre of the Heart of Slovenia, while the Ministry of Agriculture and the Environment as well as the Ministry of Infrastructure and Spatial Planning were both actively involved. Among the presentation on 23 April 2014 the various support schemes available in Slovenia were presented and the attendees discussed the many barriers that hamper further/faster development of green growth (namely bureaucratic obstacles, slow progress, public awareness).

On another similar public debate on this topic on 22 April 2014, organized by the Faculty of Economics of the University of Ljubljana, the Minister for Environment Dejan Zidan expressed the need for an “body who would coordinate climate change mitigation and adaptation policies on a horizontal level” (Remark of the author: Slovenia already had a similar body which was dissolved in 2011: Government Office of the Republic of Slovenia for Climate Change; the Ministry of Agriculture and the Environment took over some of its tasks). The minister also emphasized the many damages incurred by climate change as well as addressed an appeal to the public that they themselves decide on a daily basis which transportation means to use, what energy source to use or whether they eat local or imported foods – thereby allowing every single individual to make his or her own contribution to a lower carbon imprint.

In addition to the official press statements and aforementioned public debates the national media prepared a series of story contributions over the week on associated topics and interviews with experts – among others with the Slovenian European Commissioner for Environment Janez Potocnik.

*Read more (in Slovene):*
http://www.mko.gov.si/si/mesjevno_srediste/novica/browse/1/article/12447/7321/38751e7707bd87a4e87c71b5f4d9f1/
http://www.mko.gov.si/si/mesjevno_srediste/novica/browse/1/article/12447/7323/8f60a7fd33966509cece421693767e6fa/
http://www.mko.gov.si/si/mesjevno_srediste/novica/browse/2/article/12447/7317/2c2d528da4f3eb5a45f3ae10ff9338a/

Renewable Energy

*Referendum for the contruction of the first wind farm in Slovenia*

The local community councilors of Divaca (Southwestern Slovenia) have decided on their session on 9 April 2014 that they will carry out a consultative referendum on whether or not to build a wind farm of about 40 wind turbines along with the European elections on 25 May 2014.
The wind farm, which is planned by the company VEPA, is already in the process of being integrated into the national spatial plan. In the past, wind turbines received heavy opposition in the affected communities (especially from the local environmental groups); however, it is expected that the opposition should be lower now, as it has been proposed that local communities will be offered a permanent annuity which will amount to 20 percent of the profits from the sale of electricity from the wind farm. The results of the referendum will not be binding due to its informative nature, but would give great signal for further development of wind power in Slovenia.

So far only a single wind power plant has gone into operation in Slovenia (in 2013) – past attempts to use potential sites in Slovenia’s Karst Region (in the SW Part of the country) have encountered numerous barriers causing investors to withdraw from their planned projects.


**Energy Efficiency**

*New public tender for energy efficiency measures*

On 28 April 2014, the state-owned company E3 launched a public tender for the award of grants for financial incentives for projects aiming at providing energy savings among final customers. The Addressees of the tender are municipalities, companies and other business entities domiciled in the Republic of Slovenia. The deadline for the submission of applications is 6 June 2014.


*Extension of the Public Call (50PO13)*

The Slovenian Environmental Public Fund (Eco Fund) has extended the public call for loans for environmental investment of corporations and sole proprietorships (50PO13). The initial plan foresaw the call to be closed by 30 March 2014. Nonetheless, due to the fact that more than € 15 million funds from the allocated € 24 million are still available, the call was extended until 30 June 2014. The fund also announced that a new public call is in preparation with the same goal. The call will open after the 50PO13 closes in order to ensure environmental investors with a continuous influx of soft loans.

Read more (in Slovene): [http://www.mko.gov.si/si/medijsko_sredisce/novica/browse/2/article/12447/7313/f415cc54ab7b8455298a74c63e913d52/](http://www.mko.gov.si/si/medijsko_sredisce/novica/browse/2/article/12447/7313/f415cc54ab7b8455298a74c63e913d52/)

**Taxation**

*Biofuels no longer eligible for tax refund*

Due to the finance consolidation efforts of the Slovenian Government, biofuels will no longer receive the tax benefit that they had to date. During its session on 10 April 2014, the Government decided that the tax relief for biofuels - which foresaw an exemption/reduction of the excise duty on biofuels blended with fossil fuels in order to promote the use of biofuels -
shall be abolished. With the tax benefit traders of petroleum products were compensated for the higher costs connected with the purchase and production of biofuels.

Spain

No important developments identified in April 2014 regarding climate or energy policies.
Sweden

Horizontal Measures

The government set a course to reach climate targets

On 3 April 2014, the government published a proposal for a Climate Roadmap 2050 (Klimattärdplan 2050 – strategi för hur visionen att Sverige år 2050 inte har några nettoutsläpp av växthusgaser ska uppnås). It proposes a strategy for achieving the government's long-term target for Sweden with no net emissions of greenhouse gases in 2050.

The roadmap will include:

- proposition for appropriate interim emissions targets for the period 2030 through 2050;
- proposals for the design of effective control and monitoring of policies to achieve interim goals and vision;
- analysis of existing instruments and proposals for changes or introduction of new cost-effective and long-acting instruments, including economic instruments and incentives for community planning and infrastructure;
- explanation of the role of Swedish research and innovation in the area of climate change in order to strengthen Sweden as an industrial nation; and
- proposals on how the roadmap can be designed to be able to act together with an international regulatory framework and governance instruments at EU and international level.

Read more (in Swedish): [http://www.regeringen.se/sb/d/18617/a/237976](http://www.regeringen.se/sb/d/18617/a/237976)


Renewable Energy

Cancellation of 16.2 million certificates

On 1 April 2014, a total of 16.2 million certificates were canceled from the 2013 quota obligations under the common Swedish-Norwegian electricity certificate market. Sweden and Norway have the quota obligation as a common support scheme for renewable energy sources. Electricity suppliers, certain electricity consumers and energy-intensive companies are obliged to declare certain amount of certificates to the supervising authority (Svenska Kraftnät – TSO). The TSO then cancel the certificates on 1st April each year.

For electricity produced in 2013, a total of 16.4 million certificates in Norway and Sweden were issued, which means that the common electricity certificate reserves increased by 0.2 million certificates to a total of 12 million certificates. 12.3 million certificates were canceled in Sweden and 3.9 million certificates were canceled in Norway.

The consumer’s cost for renewable electricity lowest since 2006

On 11 April 2014, the Swedish Energy Agency published the information about the costs of support for renewable energy sources for the consumers. The price the Swedish electricity consumers pay for the expansion of renewable electricity has the lowest rate since 2006 and amounts to 2.7 öre per kWh (€ 3 per MWh). The cost of deployment of renewable electricity is one of the lowest in Europe.

Read more (in Swedish): http://www.energimyndigheten.se/Press/Pressmeddelanden/Konsumentens-kostnad-for-fornybar-el-lagre-an-pa-flera-ar/

Energy Networks

Lithuania and Sweden start building NordBalt power interconnection

The construction of the 450 km-long NordBalt power interconnection between Lithuania and Sweden has been started. The NordBalt interconnection will have a capacity of 700 MW (300 kV). The costs of this project amounts to € 550 million, of which € 131 million will be funded by the EU. The construction works should be completed by the end of 2015 or beginning of 2016.

Read more (in English): http://www.enerdata.net/enerdatauk/press-and-publication/energy-news-001/lithuania-and-sweden-start-building-nordball-power-interconnection_28105.html#sthash.eHrLKHNW.dpuf

Transport

Delay of the Biofuel Quotas Act

On 11 April 2014, the government announced that the Biofuel Quota Law (2013:984) (Lagen (2013:984) om kvotplikt för biodrivmedel) will not come into force on 1 May 2014 as it was planned.

The reason for this delay is the still awaited approval of the European Commission for the biofuel quota and proposed energy tax changes for biofuels. For the meantime, the current taxation rules for biofuels are extended. It is still unclear when the quota obligation Act will come into force.

Read more (in Swedish): http://www.energimyndigheten.se/Foretag/hallbara_branslen/Kvotpliktsslagen/
United Kingdom

Renewable Energy

*The UK Solar PV Strategy launched*

On 4 April 2014, the Department of Energy and Climate Change (DECC) launched the second part of the UK Solar PV Strategy. The first part – the UK Solar PV Roadmap, establishing the principles for solar PV deployment in the UK, was published on 8 October 2013 (see MPU Issue 7/2013). Building on those principles, the second part of the strategy indicates actions to be taken by both the Government and the solar sector in order to maximise deployment of solar PV in the UK. The document has its main focus on:

- small-scale roof-top projects (typically smaller than 4 kWp);
- mid-size projects on commercial, industrial and larger public and community buildings (between 50 kWp and 1 MWp);
- large-scale ground-mounted solar farms.

The second part of the strategy envisages deployment of 1 GWp of solar on the roofs of the government estate, including 24,000 schools across England and Wales. In 2014, roofs for the first 500 MW shall be already identified.

Moreover, DECC, Ofgem and the solar industry will look for ways to streamline and simplify the ROO-Fit accreditation for all installations exceeding 50 kWp to speed up the application process for the Feed-in Tariff.

Currently, the UK has an installed capacity of PV amounting to 2.7 GWp.

Read more (in English): https://www.gov.uk/government/news/the-uks-rooftops-to-become-power-stations

*Launch of the Domestic Renewable Heat Incentive*

After repeated delays, the domestic Renewable Heat Incentive (Domestic RHI) was launched on 9 April 2014. The Domestic RHI is a financial incentive, which is aimed at promoting the use of renewable heat in households. Eligible under the scheme are people that own the homes they live in, private and registered social landlords and self-builders willing to install the following renewable heat technologies:

- biomass boilers and biomass pellet stoves
- air source heat pumps
- ground source heat pumps
- solar thermal panels (only flat plate or evacuated tube).

To be eligible under the scheme, an applicant must carry out a Green Deal Assessment and receive an updated domestic Energy Performance Certificate (EPC). This has to be done prior to application.
Current Domestic RHI tariff rates per kilowatt hour renewable heat amount to 12.2p (approx. €ct 14.7) for biomass boilers and biomass stoves, 7.3p (approx. €ct 8.8) for air source heat pumps, 18.8p (approx. €ct 22.6) for ground source heat pumps, and 19.2p (approx. €ct 23.1) for solar thermal.

Read more (in English): https://www.ofgem.gov.uk/environmental-programmes/domestic-renewable-heat-incentive

First Contracts for Difference awarded

As announced by DECC on 23 April 2014, eight major renewable electricity projects totaling 4,548 MW have been allocated the first Contracts for Difference (CfDs) under the Final Investment Decision Enabling for Renewables (FIDeR) process (see MPU Issue 9/2013). The CfD scheme is a key element of the Electricity Market Reform currently being implemented in the UK (see MPU Issues 2/2013 and 9/2013). The winning projects include offshore wind farms (3,184 MW), coal to biomass conversions (1,065 MW) and a dedicated biomass plant with CHP (299 MW).

Under the newly introduced CfD scheme, generators and developers receive a fixed strike price for the produced renewable electricity for 15 years. Further CfDs will be available in autumn this year.

By 2020, the successful projects are expected to provide private sector investment amounting to up to £12 billion (approx. € 14.6 billion) and to support 8,500 jobs. Moreover, they could additionally produce 4.5GW of low-carbon electricity and also annually reduce emissions by 10 MtCO₂ compared to fossil fuel electricity generation.


£ 1.3 million funding to British companies to produce bioenergy from wetlands

On 17 April 2014, the Energy and Climate Change Minister Greg Barker announced that three British companies (AMW IBERS, Natural Synergies and AB Systems) have been allocated over £ 1.3 million (approx. € 1.6 million) to support innovation in turning reeds and rushes from wetlands into renewable power and heat. The winning project designs will be tested in three wetland areas in Somerset, Suffolk and Inverness.

According to the Department of Energy and Climate Change (DECC), sustainably derived bioenergy can potentially contribute to the UK’s energy demand by around 11% until 2020.


Guidance documents on biomass sustainability amendments published by Ofgem

On 1 April 2014, Ofgem published three guidance documents (Draft Renewables Obligation: Sustainability Audit - Guidance for Operators and Auditors; Draft Renewables Obligation: Sustainability Criteria; and Draft Renewables Obligation: Fuel Measurement and Sampling
Guidance) (see MPU Issue 10/2014). The guidelines incorporate biomass sustainability amendments outlined in the Renewables Obligation (Amendment) Order 2014 and the Renewables Obligation (Scotland) (Amendment) Order 2014 (both in force since April 2014). The Northern Ireland Renewables Obligation (Amendment) Order 2014 (NIRO 2014) has not yet come into force. The legislative amendments cover inter alia:

- Updated requirements for submission of annual profiling data (e.g. what information needs to be provided, by whom and by when).
- Reference to the Timber Standard. It is indicated when operators need to report against this standard.
- Amended bioliquid audit requirements.
- Introduced annual sustainability audit report for solid biomass and biogas (for generating stations with total installed capacity of or exceeding 1MW).
- Updated GHG calculations: GHG emissions for residues from sectors of forestry, arboriculture, aquaculture and fisheries only need to be accounted for from the process of collection.

Energy Efficiency

£ 88 million for local authorities under the Green Deal Communities scheme

On 2 April 2014, the Department of Energy and Climate Change announced a £ 88 million (€ 106 million) funding for 24 local authorities under the Green Deal Communities scheme. The scheme which was announced on 25 July 2013 allows local authorities to apply for funding to improve energy efficiency in households “on a street-by-street or area basis”, i.e. authorities will be responsible for selecting streets and areas having the greatest potential for improvements under the Green Deal scheme (see MPU Issues 4/2013, 9/2013 and 12/2014).

Transport

Electric trains will connect Liverpool and Manchester from December 2014

On 2 April 2014, the Department of Transport (DfT) announced that following a deal with Northern Rail, two electric trains will start running between Liverpool and Manchester from December 2014 onwards. “These electric trains will mean cleaner, quicker and more reliable journeys for thousands more passengers between Manchester and Liverpool, driving forward the economies of these two great cities”, Rail Minister Stephen Hammond said.

Government investments in the transport in the northern part of the UK are carried out under the £ 400 million (approx. € 481.9 million) North West Electrification Programme and the £ 600 million (approx. € 722.8 million) Northern Hub scheme.
Extra £2 million for more sustainable travel choices

On 17 April 2014, the Department for Transport announced extra £2 million (approx. €2.4 million) funding to nine transport schemes across England encouraging more sustainable travel choices. £609,000 (approx. €739,697) will be provided, for example, for a scheme in Tyne and Wear that encourages families to use push bikes to bring the kids to the school. Further £110,000 (approx. €133,607) will go to Worcestershire to continue a successful scheme that makes it easier to travel on foot and by bike in Redditch. Warwickshire will receive £92,000 (approx. €111,744) for a scheme that encourages both residents and tourists to make use of bikes and the town’s cycle facilities.

All successful schemes will additionally be supported by local contributions amounting to £1.6 million (approx. €1.9 million).

Adaptation

New government grant scheme for flood resilience launched

On 1 April 2014, the Department for Environment, Food and Rural Affairs announced a new government grant scheme for homeowners willing to make their homes more flood resilient. Eligible under the new scheme are people whose homes and businesses were flooded between 1 December 2013 and 31 March 2014. They may now apply for a government grant of up to £5,000 (approx. €6,000) through their local authority. Financed under the new scheme are measures such as flood barriers, replacement of doors and windows with water resistant alternatives, or moving electricity sockets to a safer level. Property owners can apply for the grant also retrospectively to cover the cost of already implemented measures.