



Introduction

The outputs from the press conference of the České sdružení regulovaných elektroenergetických společností (ČSRES - Czech Association of controlled electric energy companies) are the main theme of this issue of the Czech Wind Energy Association Newsletter. The press conference was held on July 1 and was dedicated mainly to renewable energy sources.

According to ČSRES there are persisting reasons which led the distribution companies to stop issuing positive statements on the connection of uncontrolled renewable sources in the middle of February. The Association however informs that the technical limits of the transfer and distribution network are not the only limitation brought by the uncontrolled development of "some" renewable energy sources. Due to the rapid increase of the photovoltaic output installed this year the subsidy for the purchase of energy from the renewable energy sources shall not cover the real costs of the support. A part of the contribution will have to be paid from the own resources of distribution companies which are obliged by applicable legislation to ensure the support payment for the energy production from renewable energy sources.

Unfortunately, in this respect wind turbines are still "put in one bag" with photovoltaic plants although redemption prices for the energy generated from these sources are on the opposite ends of the redemption price range for energy from renewable sources. The level of installed output is also rather different and the difference will even increase towards the end of the year. It is interesting that the operators of distribution and transfer network register significant outputs of planned wind turbines (see charts no. 1 and 2).

It follows from chart no. 1 that the expected real installed output of wind turbines should be 458 MW by December 2010. In the Czech Republic we have currently installed wind turbine output totalling to 196 MW which means that according to ČSRES the output should be more than double by the end of the year. Even the biggest optimist, from people experienced in the wind energy industry in this country, would not expect that.

Other interesting outputs from the press conference of ČSRES include the expected development scenarios of the expenses to support wind and photovoltaic plants and their projection in energy price. It is clearly seen in chart no. 3 that wind turbines participate by only 6 % in these expenses. Similar ratio for wind turbines can be expected at additional costs which are specified.

Applications as per May 31, 2010 (chart no. 1)

Applications as per May 31, 2010	Total of approved applications as per May 31, 2010	Contract on connection made as per May 31, 2010	Draft of contract sent to investor as per May 31, 2010	Positive statement so far without contract as per May 31, 2010	Already installed in the grid as per May 31, 2010	Expected output in the grid at the end of 2010 (installed and new outputs together)	
		MW	MW	MW	MW	MW	
ČEZ	Wind	1 352	374	0	978	168	434
	Photovoltaics	2 648	1 233	0	1 415	232	1 253
E.ON	WIND	270	6	6	259	18	24
	PHOTOVOLTAICS	1 525	817	257	450	311	1 170
PRE	WIND	0	0	0	0	0	0
	PHOTOVOLTAICS	59	0	0	59	2	42
ČEPS	WIND	737	0	200	537	0	0
	PHOTOVOLTAICS	66	30	0	36	0	30



Total no. of applications	WIND	2 359	380	206	1 774	186	458
	PHOTOVOLTAICS	4 298	2 080	257	1 960	545	2 495
Total Wind+Photovoltaics (Pinst)		6 657	2 460	463	3 734	731	2 952

Applications in progress (chart no. 2)

	Applications	Total of approved applications	Contract on connection made	Draft of contract sent to investor	Positive statement so far without contract	Already installed in the grid	Reasonable estimate of installed output in the grid as per 12/2010	
		MW	MW	MW	MW	MW	MW	
	Total no. of applications	WIND	2 786	780	0	2 006	185	303
		PHOTOVOLTAICS	5 277	1 572	137	3 568	487	1 682
31.1.2010	Total Wind+Photovoltaics (Pinst)		8 063	2 352	137	5 574	672	1 985
	Total no. of applications	WIND	2 503	422	0	2 081	186	
		PHOTOVOLTAICS	4 834	1 876	262	2 696	500	
31.3.2010	Total Wind+Photovoltaics (Pinst)		7 337	2 298	262	4 777	686	
	Total no. of applications	WIND	2 429	389	0	2 040	186	
		PHOTOVOLTAICS	4 485	1 912	230	2 343	514	
30.4.2010	Total Wind+Photovoltaics (Pinst)		6 913	2 301	230	4 383	700	
	Total no. of applications	WIND	2 359	380	206	1 774	186	458
		PHOTOVOLTAICS	4 298	2 080	257	1 960	545	2 495
31.5.2010	Total Wind+Photovoltaics (Pinst)		6 657	2 460	463	3 734	731	2 952

Source: ČSRES press conference on July 1, 2010



Economic management – total costs of the support of wind and photovoltaic plants in the Czech Republic in 2010 – 2013 (chart no. 3)

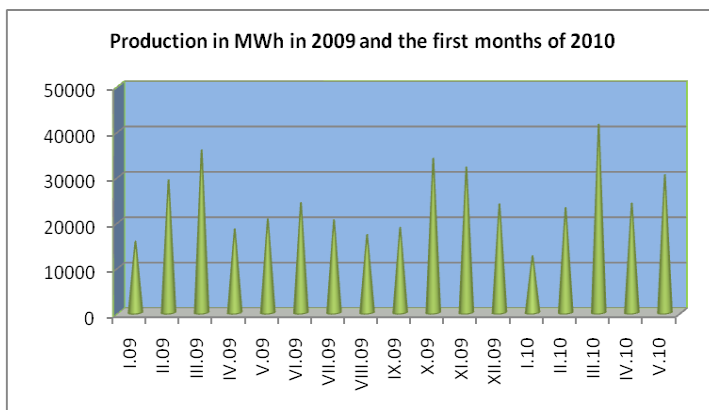
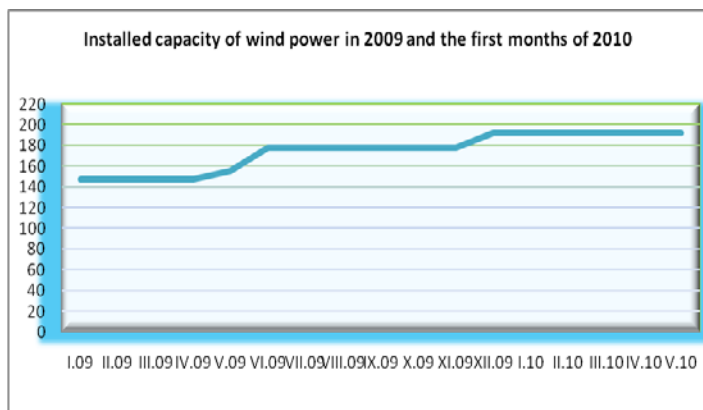
Direct costs for energy redemption from photovoltaic plants 74,4 %

Direct costs for energy redemption from wind turbines	6,0 %
Costs to ensure additional PpS	6,5 %
Costs of forced investments	2,4 %
Costs for additional regulation energy	10,7 %
Total gross costs	100,0 %
Total gross costs in millions CZK	866 000

Source: ČSRES press conference on July 1, 2010

Statistics

From the viewpoint of statistics we quote the total installations and the production of wind turbines in 2009 and 2010 in this issue of the Newsletter.



Information on complete results is available at ww.eru.cz in the section Electricity, Statistics, Annual reports on operation.



News - Legislation

Changes in the Code for operation of transfer network (PPPS) and Code for operation of distribution network (PPDS)

In Newsletter no. 5/2010 we informed you about preparations of amendments to the Code for operation of transfer network (PPPS) and Code for operation of distribution network (PPDS).

Energy Regulatory Office discussed the comments received on the relevant documents within the specified deadline and on June 7, 2010 approved the changes in both the Codes. The amendments came to effect on following dates:

- ▶ ČEPS, a.s. – June 11
- ▶ ČEZ Distribuce, a.s. – June 10
- ▶ PREdistribuce, a.s. – June 15
- ▶ E.ON Distribuce, a.s. – June 23

The Codes including the approved amendments are published on the websites of the relevant companies (except E.ON Distribuce) Amendment no. 1/2010 on PPDS particularly specifies the evaluation of applications for connection as for free capacity in the grid and brings higher and more detail requirements on the equipment of production plants with protective mechanisms and devices enabling remote control of the plant by the distribution network operator.

The comments of the Czech Wind Energy Association on the specification of procedures according to the amendment of Regulation no. 51/2006 Sb., on the terms and conditions for the connection to the grid, have not been accepted.

Amendment of the Energy Act

On June 22, 2010, the Ministry of Industry and Commerce submitted another much bigger amendment to Act no. 458/2000 Sb., the Energy Act, for discussions among the departments. The main reason is the necessity to implement European legislation, namely Directive no 2009/72/ES on the common rules for internal market in electricity and canceling Directive 2003/54/EC.

For electricity producers the new legal amendment can mean particularly the re-introduction of state authorization for the construction of electricity producing plants which was canceled almost a year ago (by Act no. 158/2009 Sb., taking effect on July 4, 2009). Newly, the necessity to acquire state authorization for construction of a plant should also cover sources over 1 MW from renewable sources, i.e. all wind turbine projects, if we count on the installation of today the most common 2MW technologies.

Moreover, the state authorization is conceived in the proposal without any legal entitlement, which means that it will not be possible to examine the reasons why it was not granted and any appeal will be impossible. The concept is based on the previous legislation, however it is in conflict with the implemented directive which requires that the applicant is always notified about the reasons for rejection, which must be detached and well-grounded, and especially the applicant must have corrective measures available.

Although the Czech Wind Energy Association was not invited to comment the amendment, we have tried to use our remarks at the Ministry of Industry and Commerce. Depending on available news, we will inform you about the proceeding of the amendment through the legislation process.

Priorities of new government members

On July 13, 2010, Czech president Václav Klaus appointed the new government headed by the Prime Minister Petr Nečas. The ministries important for our field are headed by Mr. Martin Kocourek (ODS) - the Ministry of Industry and Commerce and Mr. Pavel Drobil (ODS) – the Ministry of Environment.

In an interview for the daily E15 on July 26, 2010, Martin Kocourek commented among others the question of renewable energy sources: *"The renewable sources have, of course, future in the Czech Republic. Firstly, it is one of the alternatives how to adjust our energy mix, secondly, we are obliged by the European Union to use renewable sources. However, we have to realize that the possibilities of renewable sources are not endless. They are limited by our geographical location and by other factors. If we are able to reach thirteen percent of renewable sources in our energy mix in 2020, it will be the maximum of our possibilities. It would be very difficult to adopt any other obligations.* (more at www.e15.cz; www.mpo.cz)

Also Pavel Drobil mentioned energy industry as one of priorities to which he is going to pay attention and which he introduced at the press conference on July 22, 2010. According to his statement, the Ministry of Environment wants to support effective and environmentally sustainable forms of renewable energy sources in the field of energy industry. It does not want to support any renewable sources, but biomass, bio-gas stations and some heat pumps, on contrary the state should not subsidized photovoltaics and wind turbines (more at www.mzp.cz). Both the Ministers agree about the necessity to support nuclear program and to finish the construction of the Temelín nuclear plant.



Organized events

Because it is the time of summer holidays we do not provide any list of organized events in this issue.



projekt podpořila
Zelená energie