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Interview with Mr. Miroslav Vrba, Chairman, Energy Committee of the Czech Republic



*Mr Miroslav Vrba,
Chairman, Energy
Committee of the Czech
Republic, Member
Committee of WEC*

What items are currently on the energy industry agenda in the Czech Republic?

There are a number of topical issues: the new Energy Policy of the Czech Republic, the energy security, the interest in construction of new units of gas-fired and nuclear power plants, the increase of power generation from renewable sources. Above all, there is the public's increased interest in energy issues. In the past, energy topics only appeared in mass media when reporting negative news, such as a sharp increase in the price of electricity, but now, energy discussions feature daily in newspapers, on the radio and on television. This is largely thanks to the 'Paces Commission', which was set up by the previous government more than three years ago. At that time, Professor Paces was the Chairman of the Czech Academy of Sciences, and was appointed by the then Prime Minister to head a special commission for assessing the future energy needs of the Czech economy. Members of the commission were experts from different fields of the energy industry, as well as economists and transport specialists. As a result of the commission's work, energy issues have become a "general public affair" and the mass media now strive to provide more accurate and complete information.

What would you consider to be the 'burning' energy issue in the Czech Republic right now?

It is the boom of photovoltaic power plants which started

about a year ago. Although the geographic position of the Czech Republic is far from suitable for these plants, the falling price of photovoltaic panels juxtaposed against the inflexibly set, extremely high feed-in purchase price, has resulted in a speedy installation of 600 MW of new photovoltaic power plants in one year - not only on roofs, but also in fields and open spaces. Despite the repeated appeals of energy experts and the Energy Regulatory Office, it was only in the spring of this year that the Parliamentarians approved an amendment to the Act to support renewable sources of energy, enabling a reduction in the purchase price from one year to the next by more than 5 %. Politicians only "got scared" by the figures which showed how much the Czech consumers will be paying as part of their electricity bill to the owners of photovoltaic power plants; this higher cost is the result of the Government's obligation to support renewable energy through "subsidies" to the PV power plant owners. And this extreme price will remain at the same level for 20 years after the grid connection of the plant!

What do the Government plan to do about it?

The legal rights of those investors who are already grid-connected or will manage to connect by the end of 2010 have to be honoured. From 2011, a reduced purchase price should apply, although it needs to guarantee to new investors a 15-year return of investment in photovoltaic power plants. A draft of the new law supporting renewable sources of energy, not only electricity, is ready. The current system will be changed. Today, electricity must be purchased from the operators of networks to which power plants using renewable sources of energy are connected. They, however, are not allowed to sell it on – a ruling that was pushed through by Green activists via the Ministry of Environment a few years ago. And the Parliamentarians of that time added further to the proposed scheme that the purchase prices must not decrease by more than 5 % from one year to the next. It is now up to the new Government and Parliamentarians as to when the new, corrected rules will be passed.

'The Congress Review' by Dr. Hisham Khatib, 2007 Global Energy Award Laureate

The theme of the 21st World Energy Congress in Montreal provided a framework to address the four major challenges facing the energy community, global leaders and the general public. WEC has made a strong commitment to responsible energy consumption by analysing these fundamental challenges. The four challenges, which have been termed the four 'A's – **Accessibility, Availability, Acceptability, Accountability** – have become WEC's core values. Each of the four days of the Congress focused on one of these major challenges.

Day One: Accessibility The first day focused on the need to manage the planet's growing energy demand. It is becoming increasingly obvious that future energy consumption simply cannot continue at the rate of growth witnessed in recent years around the world. Moreover, nearly two billion people today have no access to reliable energy supplies for their basic needs, a situation that can no longer be ignored. Demographic and economic growth in emerging economies will absorb most of the global energy system's additional capacity. Responding adequately to this growing demand will pose major challenges. The recent slowdown of the global world economy may bring temporary respite, but the challenges are still imminent.

The plenary of the first day was addressed by leading energy specialists including Danial Yergin (HS CERA) and Khalid Al-Falih, President of Aramco (Saudi Arabia). Yergin stressed the long lead time of energy systems and correspondingly said that change is going to be slow and lengthy. This coincided with Al-Falih's view that fossil fuels will continue to dominate the world energy scene for decades to come.

Energy poverty was also stressed: at present, over one and a half billion people do not have access to electricity. Two billion have no access to commercial forms of energy and a further two billion only limited access. Adequate supplies of energy, particularly electricity, are essential for sustainable development, especially those of low income developing countries.

Day Two: Availability The Earth's primary energy sources have not changed significantly since the energy events of the 1970's. Fossil fuels still constitute the main basis of our energy supply. Recent concerns about climate change and production of conventional oil in the next ten to twenty years are challenging traditional thinking. These and other similar issues require a re-assessment of supply potential of the different energy sources already....**READ THE FULL REPORT:** http://www.worldenergy.org/news_events/world_energy_congress/default.asp

WEC Notice

'On Global Climate Change', by Jekabs Barkans, Diana Zalostiba: A publication dedicated to the 85th anniversary of the Latvian Member Committee of WEC.

'As we know, the problem of global climate change is now the focus of attention around the world. It is linked to the issues of environmental protection, which are, in turn, so intricate that sometimes doubts can arise when searching for the essence of the problem. This of course is not sustainable: in reality, there are good grounds to think that the problem can be solved if we use the existing factual information available.

This publication therefore discusses factors such as global temperatures affected by cosmic scale processes on the Sun; conditions of global heat equilibrium dependent on the amount of heat reflected from the Earth; convection channels in the atmosphere. Essentially, it is noted that the climate change conundrum has a fundamentally scientific character.'

The Latvian Member Committee hopes that this book will be of interest to the wide circle of WEC members and invites you to download it in PDF format at the following link:

<http://85.254.195.140/images/stories/arhivs/2010/Barkans2.pdf>

WEC Agenda

We invite our members to attend the following events:

October 25; Rome, Italy

- 'Carbon Capture and Storage deployment: a significant contribution to a low emission energy future'

- Conference organised by WEC Italia

- Contact: giovanna.ruggeri@wec-italia.org

October 26; Ankara, Turkey

- Conference on Biofuels

- Organised by WEC Turkish Member Committee

- Contact: wectnc@tr.net

October 28; Bucharest, Romania

- Romanian National Committee Conference: 'Increasing Oil & Natural Gas Extraction Rate from Deposits'

- Conference organised by WEC/ RNC and PETROM SA

- Contact: ghbalan@cnr-cme.ro

November 19; Zagreb, Croatia

- HED 19th Forum: Energy Future Vision 2050

- Organised by Croatian Energy Association

- Contact: bjelavic@eihp.hr

For further events and more details, please check the Events page on the WEC website...

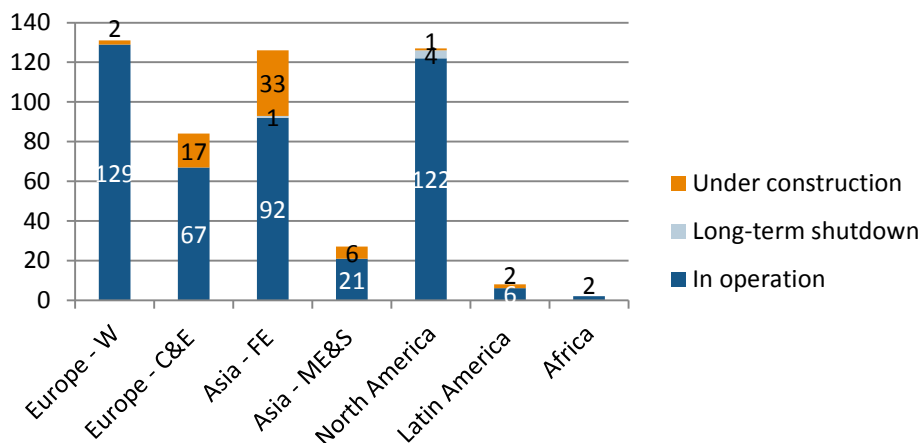
Inside Insight

Trends in nuclear electricity production and capacity

Nuclear electricity production has grown almost continuously since the nuclear industry's inception. The reasons for its growth are: new capacity installation, uprating of operating plants and energy availability improvement. From 1975 through 2009 global nuclear electricity production increased from 326 to 2556 TWh; installed nuclear capacity rose from 72 to 373 GW(e)/year.

Nevertheless, the global nuclear electricity generation has declined slightly in recent years. Different trends of installed capacity and energy production indicate that since the beginning of the 1990s, when the construction of new units slowed down, the utilization of nuclear capacity has become more efficient; however this trend has been halted in last years.

While Asia and Eastern Europe continue to expand their installed capacity by constructing new nuclear power plants, North America and Western Europe benefit from power uprates of existing units and the extension of reactor's operating licenses.



'Reactors by region' (Source: WEC Committee on Performance of Generating Plant, 2010 report)

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