

A Blue Print: elements of an ideal integration and cooperation in Central and South-Eastern Europe

15th Inter-Parliamentary Meeting
on Renewable Energy and Energy Efficiency
Vienna

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Julian Popov
Fellow, European Climate Foundation

Energy Union Communication on South East Europe

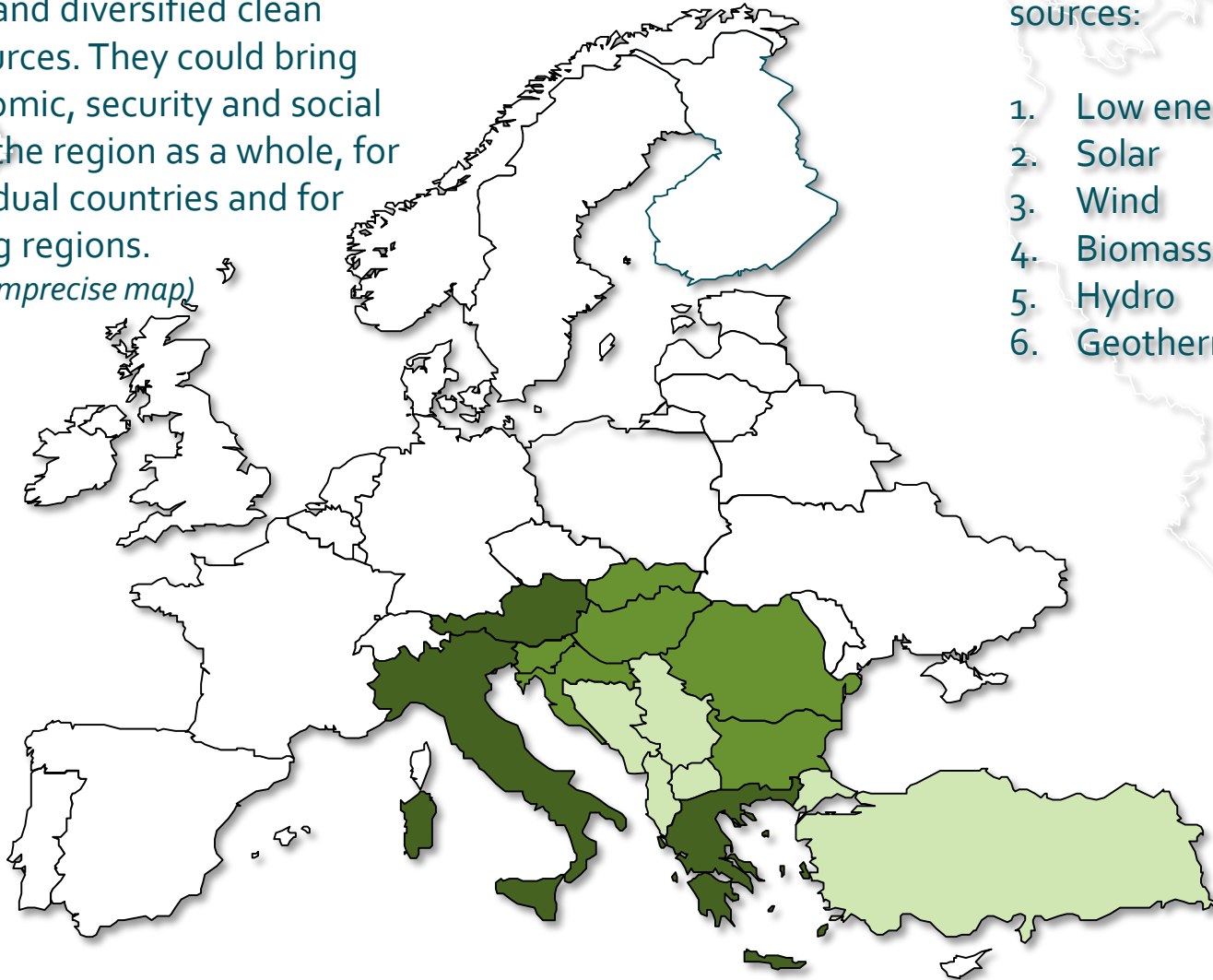
“Given its particular vulnerability, there is a need to improve cooperation, solidarity and trust in the Central and South-Eastern part of Europe. Dedicated cooperation arrangements would help to accelerate the better integration of these markets into the wider European energy market which would improve the liquidity and resilience of the energy system and would allow full use of the region's energy efficiency and renewable energy potential. The Commission will take concrete initiatives in this regard as an urgent priority.”

Brussels, 25.2.2015

South East Europe offers key potential for a future European Energy Strategy

South East Europe has significant, economical and diversified clean energy resources. They could bring strong economic, security and social benefits for the region as a whole, for all the individual countries and for neighbouring regions.

(apologies for imprecise map)



Six high potential energy sources:

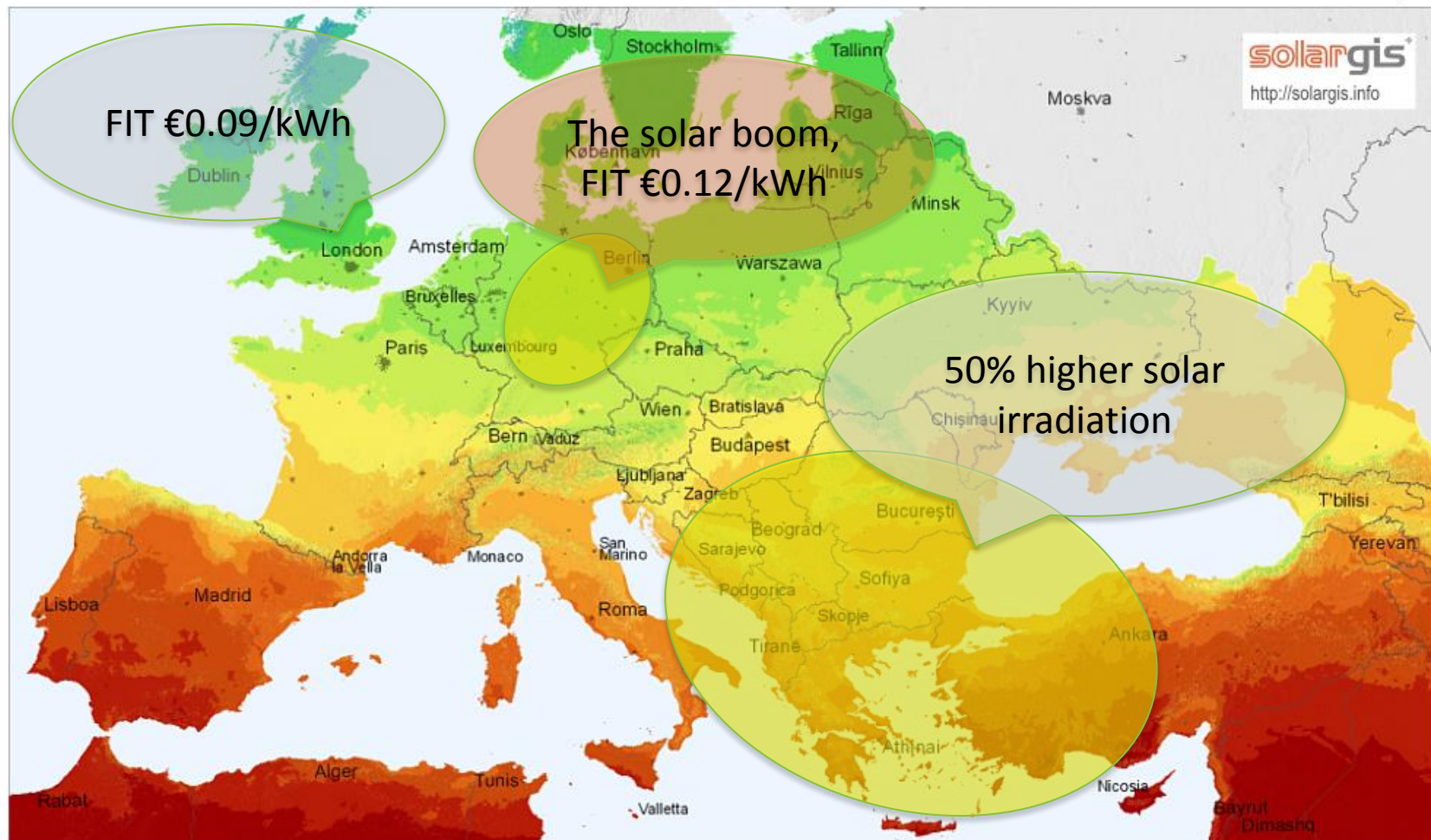
1. Low energy efficiency
2. Solar
3. Wind
4. Biomass
5. Hydro
6. Geothermal

The solar case – North vs South

Germany is the largest European producer of renewable energy but South East Europe has 40-60% higher solar capacity

Global horizontal irradiation

Europe



Average annual sum (4/2004 - 3/2010)



0 250 500 km



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SDG&E's James Avery on
the Promise...

NEXT ARTICLE
How Utilities Could Use
Virtual...



Could Southeast Europe Be the Next Growth Market for Energy Storage?



Many believe that pumped storage and batteries can help the region improve its grid infrastructure.

Mike Stone
March 2, 2015

Aggregated RES potential of South East Europe

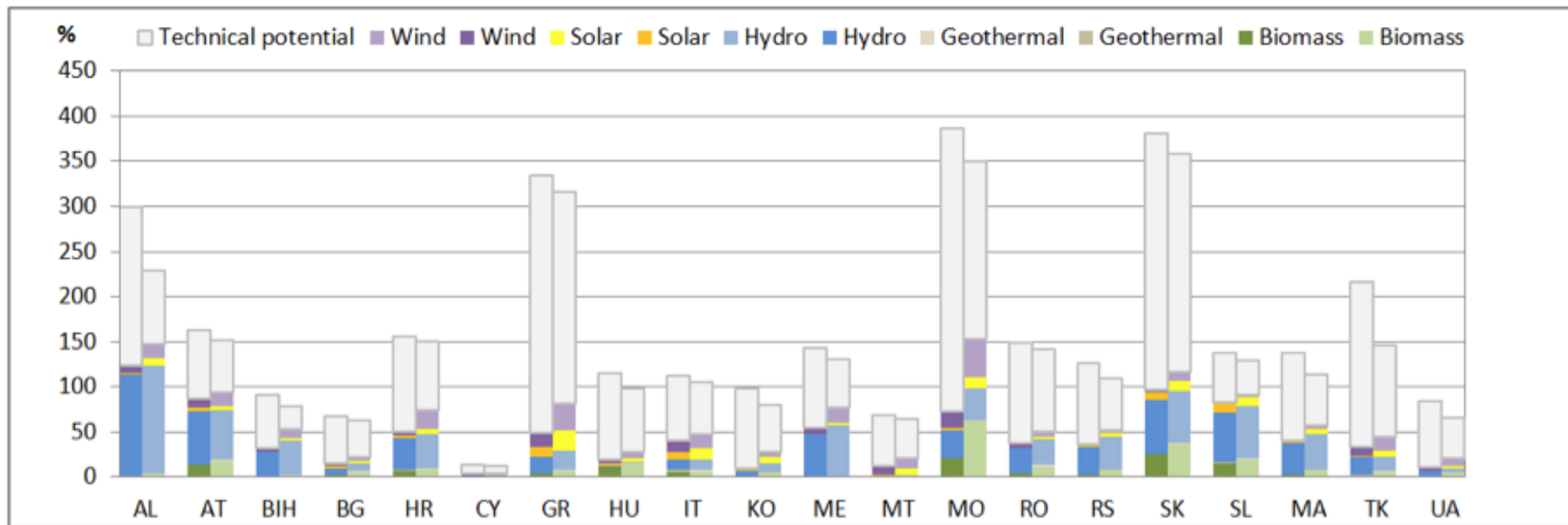


Figure 45: Aggregated RES-E potentials of SEE as share of national gross electricity demand

Source: Energy Economics Group, Vienna Technical University

Interconnection levels for electricity in 2014

Member State	Interconnection level (%)
Member States above 10% interconnection	
AT	29%
BE	17%
BG	11%
CZ	17%
DE	10%
DK	44%
FI	30%
FR	10%
GR	11%
HR	69%
HU	29%
LU	245%
NL	17%
SI	65%
SE	26%
SK	61%
Member States below 10% interconnection	
IE	9%
IT	7%
RO	7%
PT	7%
EE ⁴	4%
LT ⁴	4%
LV ⁴	4%
UK	6%
ES	3%
PL	2%
CY	0%
MT	0%

Source: ENTSO-E, Scenario Outlook and Adequacy Forecast 2014

The common view of the SEE energy profile

European energy infrastructure priorities
for electricity, gas and oil



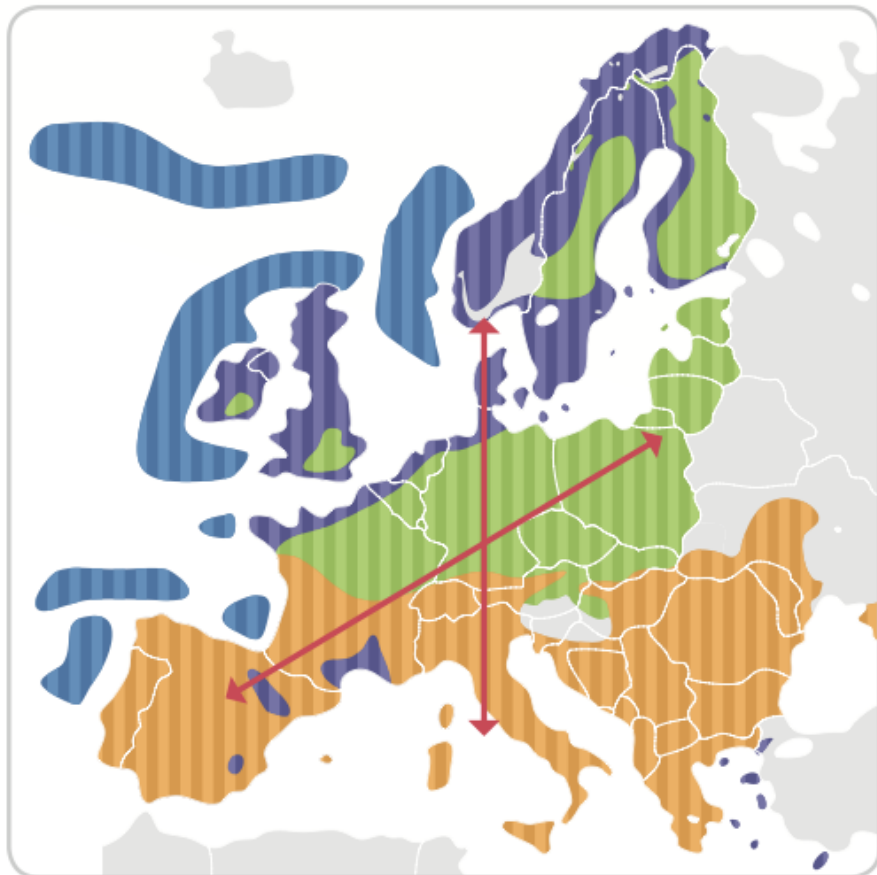
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- Gas
- Electricity
- Electricity and gas
- Oil and gas
- Smart Grids for Electricity in the EU

Southern
Gas
Corridor

The current vision for the European power superhighways

Renewable Energy Sources (RES) development by 2050:



Wave energy Wind energy Electricity Highways 2050
Bioenergy Solar energy

Based on:

- South – North RES axis
- High RES development in Spain
- Energy independence of the Baltic states
- Independently developed North Sea Grid

This vision does not take fully into account the SEE RES potential and the EU accession process

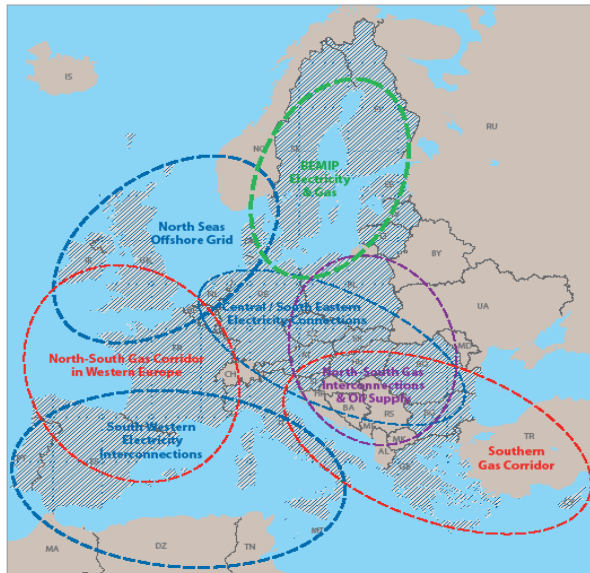
Changing the European energy infrastructure map

The view of South East Europe as a gas corridor only ignores the significant indigenous clean and economically viable energy potential of the region.

The wrong EU energy infrastructure map

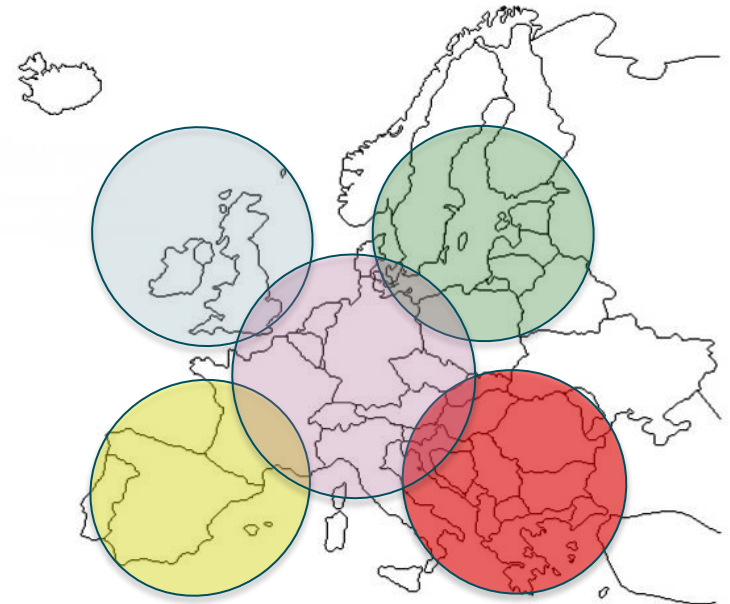
The right kind of map (regional grid integration)

European energy infrastructure priorities for electricity, gas and oil

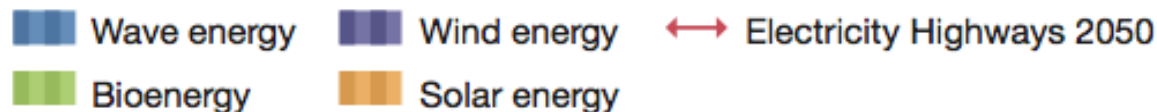
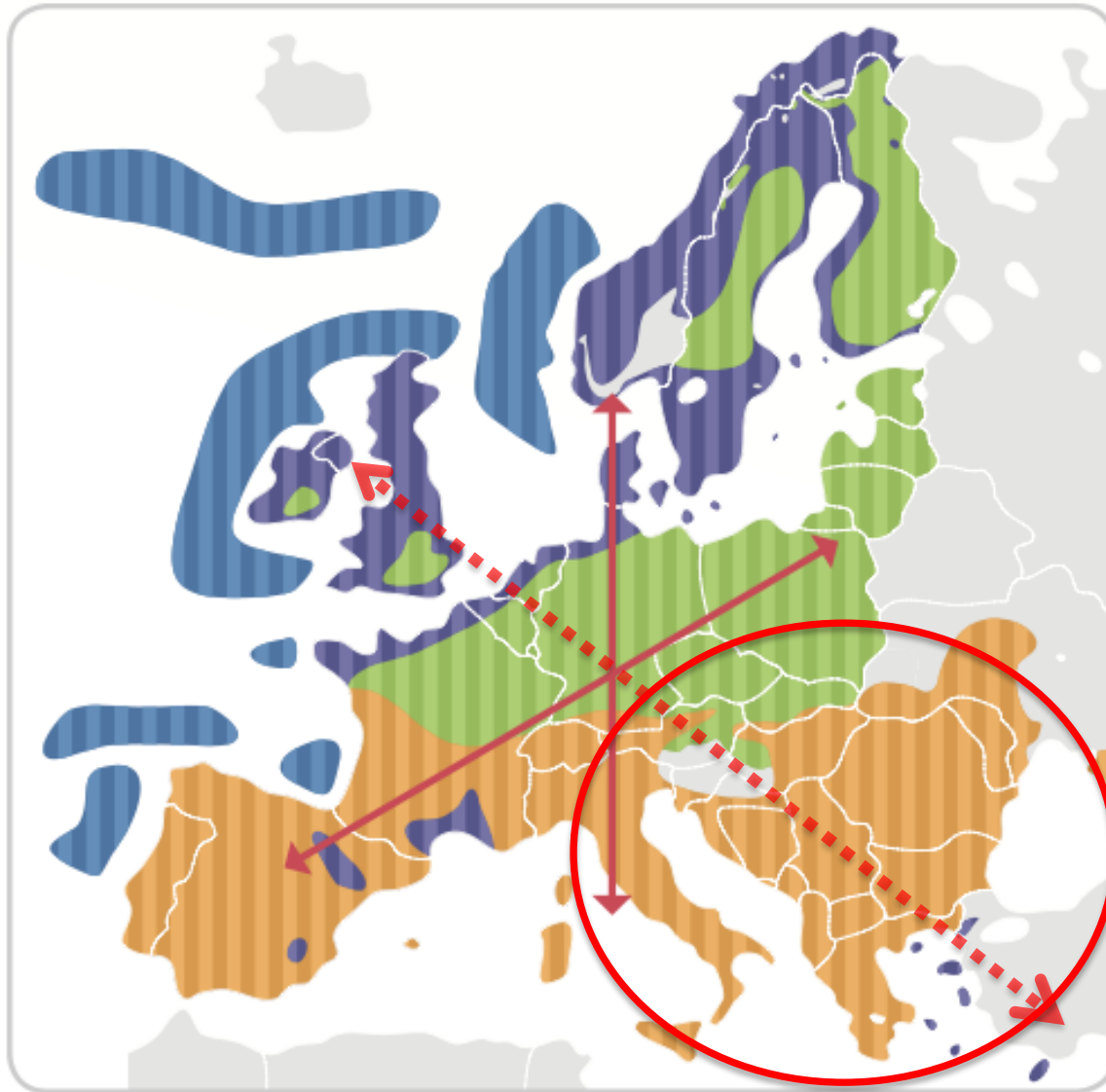


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Renewable Energy Sources (RES) development by 2050:



The missing link



SEE electricity corridor

SE-NW electricity corridor:

- Should be a key scenario for capturing the SEE indigenous energy potential.
- Could connect the EU with Turkey and beyond
- Strengthen the regional and EU energy security

Energy Union and South East Europe

Key relevant texts in the Energy Union Communication

South East Europe – high vulnerability and potential

- Given its particular vulnerability, there is a need to improve cooperation, solidarity and trust in the Central and South-Eastern part of Europe [.....] allow full use of the region's energy efficiency and renewable energy potential....

More transparency on gas supply

- An important element in ensuring energy (and in particular gas) security is full compliance of agreements related to the buying of energy from third countries with EU law [...] the Commission will review the Intergovernmental Agreements Decision ...

Increasing energy efficiency in the buildings sector

- Heating and cooling is the largest single source of energy demand in Europe and the majority of Europe's gas imports are used for these purposes. Huge efficiency gains remain to be captured with regard to district heating and cooling, which will be addressed in a Commission strategy.....

Key issues to be resolved

- Lack of regional infrastructure concept
- Lack of regional market concept
- Fluid geographic definition – Western Balkans & Turkey?
- Ad hoc coalitions and governance initiatives
- Politicising of public administration
- Trust is low and difficult to build
- Mind shift 1 – from national to regional and further
- Mind shift 2 – gas in realistic perspective
- High level internal and external (mainly Russia but on only) political and corporate resistance

What to do?

1. Persistence
2. Channelling existing research
3. Build high level political coalition
4. Advocate stronger role of the Commission
5. Strengthen role & interaction of the regulators
6. Increase transparency
7. Bridge the EU border
8. Bring Turkey and Western Balkans in

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