

## **Briefing on Czech NECP**

This briefing was prepared by Czech NGOs (Centre for Transport and Energy, Hnutí DUHA - Friends of the Earth Czech Republic, Greenpeace Czech Republic, Frank Bold Society). Moreover, it contains comments provided by business associations (Chance for buildings promoting energy efficiency of buildings and Solar association). The comments were submitted to the Ministry of Industry and Trade (MOIT) as a part of consultation process on the NECP draft launched on December 21, 2018. The briefing focuses on the following aspects of the NECP:

1. Content of the NECP (targets and measures)
2. Consultation process

### **1. Targets and measures**

#### **1.1 The GHG target**

According to the Oeko Institute [study](#), the EU as a whole should reduce greenhouse gas emissions by at least 55% by 2030 if it intends to achieve the 1.5 Celsius degree target. For the Czech Republic, this means that in sectors not included in the emissions trading system, emissions should be reduced by at least 31% by 2030 instead of the planned 14%. The NGOs therefore required an adjustment of the national target to reduce greenhouse gas emissions in sectors not covered by the EU ETS to at least 31%.

#### **1.2 The RES target**

Whereas in 2017 RES produced 9,6 TWh of electricity in the Czech Republic, the goal for 2030 sets out an increase of only 0,7 TWh to 10,3 TWh per year. The Czech State Energy Concept predicts that RES will produce 15,1 TWh of electricity in 2030. Some sources (such as documents from the Czech energy producer CEZ) predict, however, that RES could produce as much as 22 TWh.

The suggested national target for RES for 2030 (20.8 %) does not respect the potential of RES that the Czech Republic can realize by 2030 and the NECP expects that the development of RES should stagnate for at least 5 more years. The NGOs therefore required an adequate national target of at least 24% and the start of the development of RES immediately after the amendment of the law on the renewable sources support. This lack of ambition is mirrored in the the proposed new form of regulation for supported energy sources which is likely to fail to provide stable incentives for the development of RES capacities. The proposed support measures imply possible sudden changes in conditions every three years (scope, restrictions of specific types of

RES, etc.), including the possibility that no renewable source will be supported in the given period which will cause considerable unpredictability and instability.

The NECP furthermore significantly underestimates the potential for solar PV between 2020-2030 by excluding it from future RES auctions. The proposed document seems to suggest that the national RES share can be reached with a minimal growth in the solar PV sector and that the current support mechanisms (investment support for rooftop PV) are enough to support the growth of PV in the Czech Republic.

### **1.3 The Energy efficiency target**

In terms of consumption, the NECP operates with the lowest energy efficiency gains possible without clear substantiation. The most recent energy efficiency Realistic scenario provided to the MOIT by the Šance for budovy association shows that twice as much energy savings can be achieved between 2020 and 2030 compared to the MOIT estimates.

### **1.4. Energy communities not present in the draft**

The role and importance of energy communities (municipal and civic RES projects) is completely omitted by the NECP proposal. This is in stark contrast to the European directive promoting the use of energy from renewable sources. The document does not mention neither the definitions nor the importance and role of these communities in the future energy policy.

### **1.5 Key decarbonisation measures missing**

The draft NECP does not contain concrete measures that have been already adopted by Czech government (such as in the State Energy Concept or in the Climate Protection Policy) and are key in achieving emissions reductions. These are for example:

- 1) Introduction of carbon tax, which should have been implement by the end of 2018. This is a key measure to ensure reduction of emissions in households. Its omission also threatens to shift emissions from ETS sectors to non-ETS sectors and thus fail to meet the -14% target by 2030 under the Climate Action Regulation.
- 2) Disadvantage the separate production of the brown coal electricity in giant power plants (with a typical efficiency of 30-40%), and prefer the use of coal in the combined heat and electricity production in the heating plants (with a usual efficiency of over 60%).

The NGOs furthermore recommend to explicitly ban exceptions from the air pollution limits for the coal-fired power plants and the obligation to meet the minimum efficiency

of energy production from coal while a phase out date for condensing coal-fired power plants in the Czech Republic should be set. The new limits must be met by these sources as of August 2021 or go into a restricted regime (operation up to 60 days per year) or possibly shut down (in many cases the State Energy Concept counts with the closures as it envisages a reduction of 73% of brown coal consumption by 2040). According to a recent [study](#), this would not pose any risk to the electricity supply (the Czech Republic is one of the largest world exporters of electricity, shutting down obsolete coal-fired power stations would mean a drop in exports, but still a positive balance), nor the stability of the grid.

## **2. Consultation process**

The association of environmental NGOs Zelený Kruh (Green Circle) communicated to the MOIT in January, that the very short period and bad timing for sending comments (10 working days over Christmas holidays) as well as the fact, that the ministry has not announced the publication of the draft officially and published the document in an obscure and hardly accessible part of the ministry's website, represent a breach of the Regulation on the Governance of the Energy Union, the national law on EIA and the Aarhus Convention.

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