Economic and society benefits exceed the costs of CHP support scheme in Slovenia



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Cogeneration Roadmap for Slovenia published

A concrete target for the future development of the high efficient combined heat and power production (CHP) in Slovenia was published today. It was developed through a process of discussion and exchanges with national energy experts in the context of the European funded project CODE2¹. Moderate recent cogeneration development with around 125 MWe of new installed capacity in 300 CHP units with a 450 GWh yearly electricity generation mainly in district heating and services proved the economic potential and benefits of cogeneration in Slovenia. Following the prepared Cogeneration Roadmap up to 500 MWe of the additional economic CHP potential exists, especially in industry and all together cogeneration could contribute close to ¼ of the electricity and heat demand till 2030.

To reach this target the report calls for action on:

- Fast revision of the CHP support scheme and establishing a long term stable incentive framework
 for cogeneration is a key precondition for further development of cogeneration after the stop of
 current successful scheme in September 2014. Fast and effective transition to the new CHP
 support scheme based on tendering procedure should be the first preference with needed
 simplifications for the micro CHP units.
- Establishing of the sustainable heating and cooling planning in Slovenia with setting clear heating
 mode priorities would enable efficient operation and development of the existing district heating
 systems and other efficient heating alternatives. Conscientious implementation of
 Comprehensive assessment of the potential for high efficient cogeneration and district heating
 and cooling till the end of 2015 prescribed by the Energy Efficiency Directive (EED) could
 significantly contribute to this goal.
- Total CHP electricity generation could be increased for up to 2,6 TWh to 3,7 TWh in all economic sectors with more than 20% share of the renewable generation till 2030.
- The outcome for energy and environment policy would be more than 2 million tonnes of CO₂ emission reduction and 3 to 5 TWh/a of primary energy saving till 2030. Cogeneration could contribute up to 50% of the set indicative national target of primary energy savings in the year 2020.

The Combined production of Heat and Power (CHP) is a key element to make energy generation in Europe more efficient and climate friendly. By developing National Cogeneration Roadmaps for 27 EU Member States plus the EU as a whole, the CODE 2 project highlights the barriers still remaining for CHP in Europe. The roadmaps look at the policy framework, market conditions and awareness around cogeneration in Europe and propose a way forward for the sector that contributes to Europe's 2020 and 2030 energy and climate goals.

Roadmap implementation in Slovenia would have several positive effects on the development of new energy services, manufacturing of CHP technology, new jobs creation, increase of competitiveness and other significant benefits for the whole economy in the sensitive period of a sustainable economic crisis recovery.

¹ The CODE2 project is co-funded by the Intelligent Energy Europe Programme of the European Union

The CODE 2 project is delivering its final results this year and they are being published on the project website (www.code2-project.eu). CODE 2 is co-funded by the European Commission's Intelligent Energy Europe programme.

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For more information please contact:

Stane Merse, Jozef Stefan Institute

Tel: +386 1 5885 250 Fax: +386 1 5885 377 Email: <u>stane.merse@ijs.si</u> Dr Fiona Riddoch, Managing Director

Tel: +32 2 772 8290 Fax: + 32 2 772 5044

Email: fiona.riddoch@cogeneurope.eu



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