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Assessment of the Czech National Energy and Climate Plan in regards to the impact of climate change and general environmental aspects

May 2019

1. General situation

For the past ten years the Czech Republic has experienced strong anti-renewables sentiment following a politically poorly managed “solar boom” in 2010.
Even today the Cezch government is hesitant to commit to RES playing a significantly stronger role in the future, for several reasons:

- fear of being voted out in case of pro-renewables policies
- a strong fossil lobby (coal in particular)
- the desire to build new nuclear power stations
- there has been talk of coal-capacity mechanisms

There is also a strong lobby for 1st generation biofuels (in this case rapeseed), which currently takes up about 100 times the area currently used up by large-scale PV power plants. The current government plans to rely heavily on 1st gen biofuels even in the near future.

The Ministry for Industry and Trade is currently also preparing amendments to two laws that will determine the future of renewable energy in the country: the Energy Law and the Law on Supported Energy Sources.
Both documents contain several policies that - if implemented - would represent obstacles to an effective development of further RES in the Czech Republic, and in our opinion sabotage meeting Czech climate targets.
The proposed Energy law omits regulations that would allow large-scale energy storage to be permitted in combination with renewable energy sources. **At the same time, the draft law excludes photovoltaics from future RES-auctions.** In our opinion this is to stifle the growth of renewables in general, since solar is currently the cheapest option in many countries, and other RES are not as well suited to the Czech climate (wind, small hydro) as photovoltaics.

The Czech Republic is aiming for a future energy mix, that relies heavily on nuclear power, and some renewables, but also on CO2-emitting energy sources (e.g. coal) up until 2040.

Over the past years we are feeling the effects of climate change in our country, that primarily manifest themselves through periods of drought. Given that the energy sources the country wants to rely on require enormous quantities of water for cooling or for crop growing (biomass), any future energy mix should include solar PV, given that it is not water-intensive and on the contrary helps to shade soil and according to several studies helps retain water.

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The government does not pursue a strong pro-environmental or pro-renewables line, which results in state institutions being hesitant to undertake any steps that would lead to a rapid growth in renewable energy.

2. Assessment the Czech National energy and climate plan

The Czech Solar Association has the following reservations:

1) The current goal defined by the draft document for 2030 is 20,8%. The government has repeatedly publicly stated, that this current goal was calculated quickly and simply using the targets for 2020 and calculating a simple proportion for 2030. We do not believe this is how the government of an EU member state should conduct itself when setting energy and climate targets.
Almost all the new RES share is to be achieved in the heating and cooling as well as transport sector, with very little new RES in the electricity sector. The reason for this is arguably the desire to "squeeze every last drop" out of biofuels.

We suggest raising this goal to between 22%-28%, based on technical and economic potential for RES in the Czech Republic. The difference should be achieved by a growth in the renewable electricity sector.

The draft document itself - in chapter 1.1.1.1.3. - describes the negative effect of the energy sector on the environment, and climate and air quality in particular. There is a clear motivation to increase the RES share in the electricity sector if only to increase air quality in the Czech Republic. In sharp contrast to this, the proposal outlines no real growth in this area at all. Whereas in 2017 RES produced 9,6 TWh of electricity in the Czech Republic, the goal for 2030 sets out an increase of only 1 TWh to 10,6 TWh. However already in 2017 RES accounted for 9,6 TWh of electricity produced. The Czech "Updated State Energy Concept" predicts that RES will produce 15,1 TWh of electricity. Some sources (such as documents from the Czech energy producer CEZ) predict that RES could produce as much as 22 TWh. It is therefore absolutely realistic to demand a higher RES share, which would also have positive effect on other areas, such as reducing the negative impact on the environment and preparing the grounds for e-mobility (using electricity from RES as opposed to fossil fuels).

2) Even this extremely low growth of the RES share in the electricity sector will not be reached if we exclude solar energy from taking a significant role in the future energy mix. If solar power is limited to small installations, we do not believe the Czech Republic will meet even the very unambitious goal it has set itself and have to rely on heavy polluters in the future.

3) The current draft does not include specific measures to facilitate the uptake of power purchase agreements. In more and more countries, the solar energy market is driven by corporate PPAs.

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In a recent study, we have calculated the economic and technical potential for PV on buildings (rooftops and building-integrated PV) as well as brownfields (excluding arable land). Until 2030 the Czech Republic could install at least 1 GWp of solar energy and thus contribute to lowering CO2 emissions in Europe and aiding the energy transition. However under the current NECP and with the accompanying law changes that are currently being proposed, this potential will go unclaimed.

[redacted]

Czech Solar Association
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