



## Just transition in Slovakia Incentives and motivators

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Learn more: bankwatch.org







## Lignite combustion will end in 2023

Inefficient underground mining;

 approx. EUR 100 million annual subsidy in the prices of electricity;

- rising EU ETS prices;
- air pollution very high SOx and NOx emissions
- threat of new mining field for local spa
- decrease of approx. 5% of Slovakia's GHG emissions
- New vision for the region local working groups since January 2018



### Lessons learnt

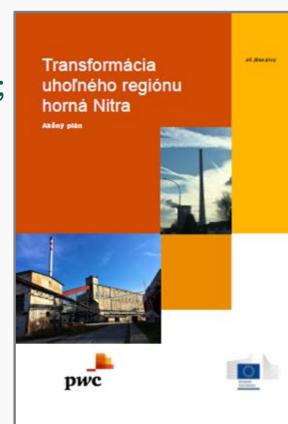
- Connecting local, regional, national and EU levels
- Clear deadline for fossil fuel phase out helps
- Dedicating expert capacities is crucial, i.e. Heating solutions;
- Calls for projects should include:
  - EU funding priorities / rules, such as: the Energy efficiency first principle; contribution to EU climate and energy targets
  - clear deadlines and further steps
- Pressure on "Quick wins" does not bring diversity and quality





## Incentives for more sustainable heating

- Requesting proper EIA process:
  - cummulative impacts of fossil gas including methane leakages;
  - assessment of other EE and RES solutions;
- Memoranda of understanding ➤ Action Plan ➤ Ministry annually reporting:
  - ✓ reducing energy needs in buildings and distribution systems connected to the district heating;
  - ✓ increasing the share of energy from renewable sources to fully replace fossil gas by 2034;
  - ✓ the use of energy facilities owned by energy communities,
    citizens/prosumers and municipalities to increase energy efficiency.

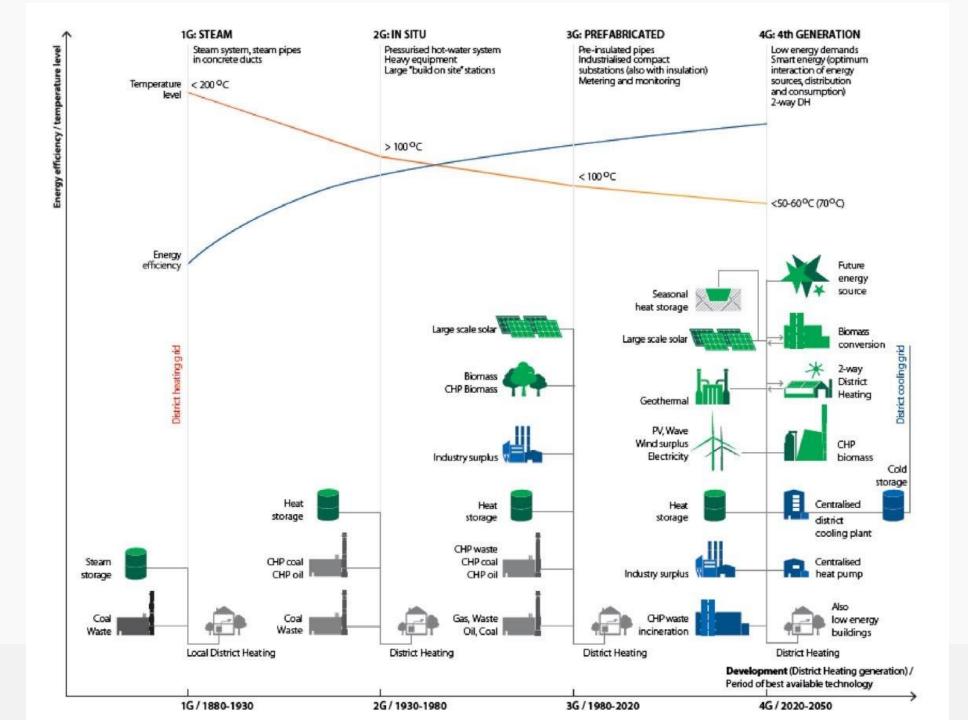


## Incentives for more sustainable heating

- Municipality decreases energy prices and participates in profit-making (51% share of the energy company; 49% coal mining company)
- Expert studies outlining more sustainable options:
  - ✓ Renovation of buildings energy savings : 60% in apartment houses; 35% in public schools;
  - ✓ Modernisation of heating pipelines: additional approx. 10 % energy savings potential;
  - ✓ Removing 12 km of heating infrastructure 12%-20% energy savings (confirmed already) = dividing the district heating into three smaller systems

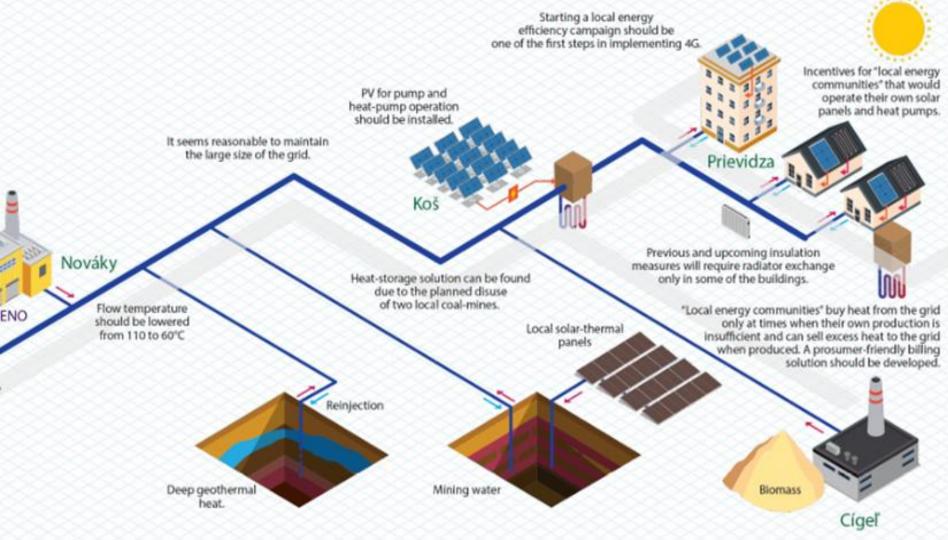






Source: 4GDH, Lund H. et al.

# Our 2<sup>nd</sup> phase - 4G district heating



- low flow temperature (~60 °C)
- reduced energy demand
- several sources based on renewables
- seasonal and day-to-day storage (mines)
- power-to-heat (mining water)
- 2-way systems (prosumers, surplus heat)
- smart energy system
- future energy sources (f.e. surplus heat from hydrogen production)

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### **Future milestones**

- **Decreasing heat demand** (building renovation) 60 % appartment houses; 30% schools;
- connection of existing biomass plant the grid 2023 (company PTH during 1st phase)
- **deep geothermal energy** until 2025 need to know if it is possible (permits, spa) then start planning
- mining water use until 2025 (competence of HBP source of 15 °C water + seasonal storage)
- **zoning plan** finding possible areas for solar fields, alternatively storages
- heat transport plan modernisation of distribution system, then continuously improving accordingly
- heat supply, smart heat management and storage plan depends on other factors (until 2030)
- dynamic heat production and demand development plan controlling and monitoring the process continuously

## Activities to make our solution a reality

#### **LOCALLY**

### 1. Capacity building

- For all subregions in Slovakia: Regional sustainable energy centres (EUR 16 million in NECP already)

### 2. Business involvement

- Close cooperation with energy experts

### 3. Municipality involvement

- Capacity building
- Renovation of public buildings
- Territorial planning

### 4. Feasibility study

- JASPERS assessment

#### REGIONALLY

- Documents of development of region
- Territorial planning

### **NATIONALLY**

- 2050 national climate neutrality model
- -NECP
- --TJTP / Action plan for Upper Nitra
- Prosumers 'legislation

#### INTERNATIONALLY

- Aalborg University students
- Just transition community

# Thanks for your attention!

**More information:** <a href="https://www.just-transition.info">https://www.just-transition.info</a> juraj.melichar@bankwatch.org

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based on a decision of the German Bundestag