



Introduction

The main event of the month was “Den otevřených dveří větrných elektráren” (Wind Park Open House) organized on the occasion of Global Wind Day throughout the world, in Europe as well as in the Czech Republic. By this Open House the Czech Wind Energy Association (ČSVE) joined the celebration of the Global Wind Day (www.globalwindday.org) organized by the European Wind Energy Association (www.ewea.org). ČEZ Green Energy (Zelená energie Skupiny ČEZ) and Česká pojišťovna were partners of the event. On June 12, 2010 wind turbines on 12 different sites as well as the OZE Information centre in Hradec Králové were open for public. The wind turbines were attended by more than 2000 people.

Global Wind Day organized by EWEA and GWEC opened wind parks in 26 countries of the world - in China, Argentina, Egypt, Australia and others. The total of 210 events were organized throughout the world. Europe celebrated the day by erecting a 29,5m long blade right on a square in the centre of Brussels.

On the occasion of Global Wind Day the European Wind Energy Association published their prognoses for wind energy installations in 2010. New wind turbines with 10 gigawatt output are expected to be installed in the EU in 2010, with the total installed output being raised to almost 85 GW by the end of 2010 – which is an increase by 13%.

Last year was a record year as for the wind turbine installations – 10,163 GW of new installed capacity, which form 39% from all newly installed sources within the EU in that year. The total installed output of wind capacity was 74,767 GW by the end of 2009.

ČSVE also participated in NAN meeting in Brussels in June which was organized by EWEA for the EU member states. As a result EWEA offered aid to support the wind energy industry in the Czech Republic.

Statistics

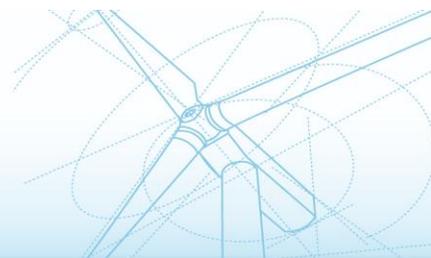
Comparison of production in two-megawatt wind turbines in 2008 and 2009

In the annual report of the Energy Regulation Office for 2009 there is an apparent shift in the size of installed wind turbines because according to new rules only results from producers with installed output over 1 MW are published instead of former 0,5 MW.

In the category which is represented the most at the Czech market, i.e. in the wind turbines with 2 MW output which were in operation during the whole year 2009, it is possible to notice that when the production – capacity factor is calculated against the total installed output it has not almost changed, in 2008 the value was 25,27% and in the following year 25,09%, which was not significantly influenced even by the increase of output by 14 MW.

However big changes were in the power distribution of wind flow. Moderate increase of capacity factor was reported in the area of Krušné hory, on the contrary big falls in last year's production were reported at wind turbines in Vysočina and in Morava as a whole. The first position is still held by the wind park Drahany, however it was this wind park which reported the biggest decrease in production totalling to 800 MWh which means 4,7 % of capacity factor. The last position is again taken by the wind turbines in the area Gruna – Žipotín the capacity factor of which reaches only 20% of the output of Drahany wind park.

*You find the information on complete results at www.eru.cz in the section *Elektřina, Statistika, Roční zprávy o provozu (Electricity, Statistics, Annual operation reports)*.*



Redemption price development for wind-generated electricity

Year	2005	2006	2007	2008	2009	2010
Redemption price in CZK/MWh	2600	2460	2460	2460	2340	2230

Price comparison for electricity in the Czech Republic – Guaranteed redemption or production price

Source	Price 2009 in CZK/kWh	Price 2010 in CZK/kWh
Photovoltaic plants	12,79	12,15
Wind parks	2,34	2,23
Nuclear plants	0,9-1,2	0,9-1,2
Coal plants	1,5-2,5	1,5-2,5
Water plants	2,70	3,00
Biomass plants	4,49-2,57	4,58-2,63
Biogas from BPS (biogas stations)	4,12 and 3,55	4,12 and 3,55
Price of power electricity	1,98	1,71

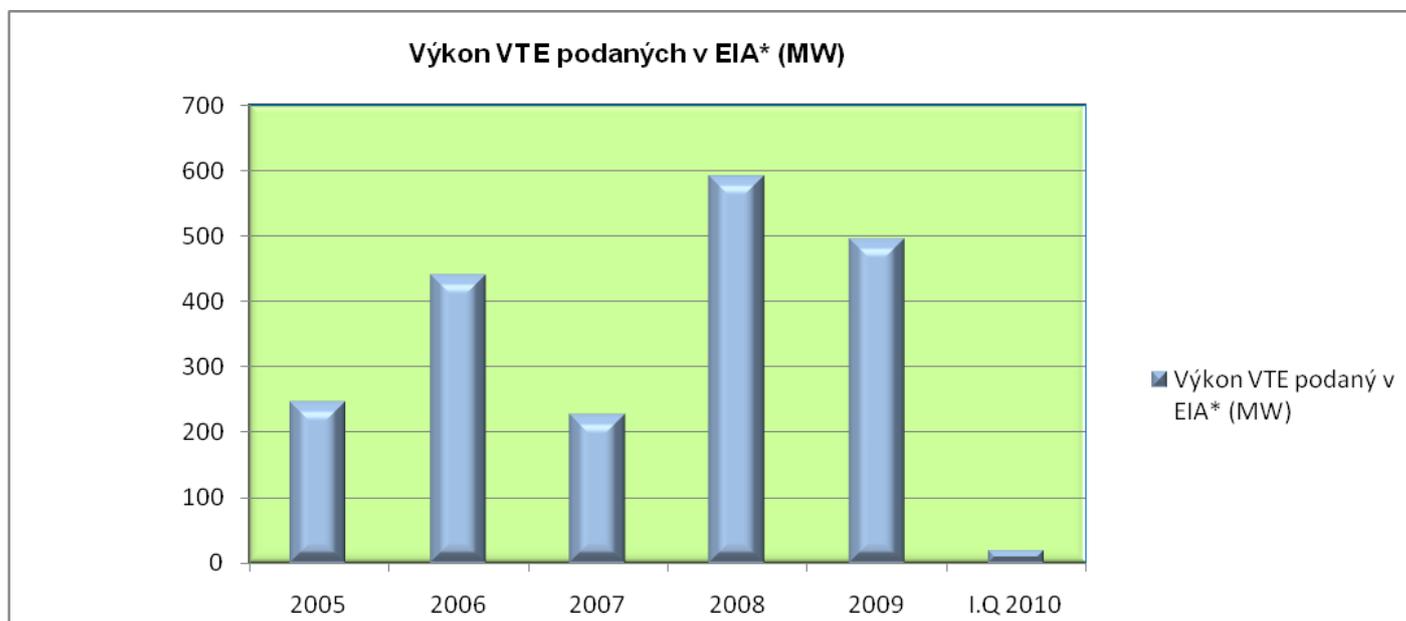
Source: ERU and ČEZ

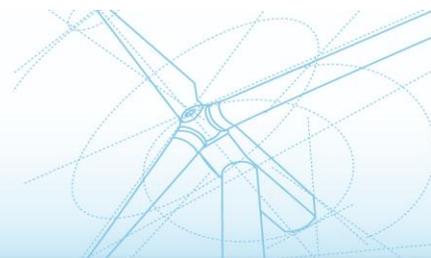
It is obvious that wind turbines are today the cheapest from all new sources.

Output of wind turbines included in the EIA process

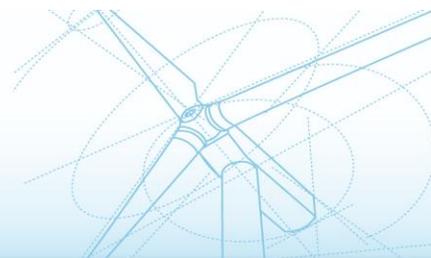
Year	2005	2006	2007	2008	2009	I. half-year 2010
Output of WP submitted in EIA* (MW)	246	439	227	591	494	20

* A project is calculated only once, at the first submission, although it was withdrawn in the meanwhile and submitted again in the same form.



**News - Legislation**

- In this issue of Newsletter we will comment in detail the proposal of the new act **on the promotion of the use of energy from renewable and secondary sources and from the combined high-efficiency production of electricity and heat and amending some other acts (act on supported energy sources)**, which was sent by the Ministry of Industry and Trade in May to be commented by other resorts.
- We remind that the proposal of the new act is based on the duty of the EU member states to implement Directive of the European Parliament and the Council no. 2009/28/EC on the promotion of the use of energy from renewable sources in their legislation by December 5, 2010; besides the support of energy production the Directive also supports heating/cooling and energy in transportation from renewable source.
- The proposal of the new act brings several changes into the existing system of support for the electricity production from renewable sources from which we would stress especially following:
the duty to redeem the electricity produced from a renewable source is transferred from the operator of the regional distribution network or transportation network to an electricity trader specified by the Ministry of Industry and Trade for the particular territory; the registration and financial statement of the support for the electricity from renewable and secondary sources as well as the financial statements of green bonuses in cases when the electricity is consumed or sold by the producer will be performed by the energy market operator instead of current operators of transportation and distribution networks. The support system should exclude photovoltaic power plants located on agricultural land and forest land (despite temporarily exclusion from agricultural land portfolio (ZPF) and forest land portfolio (PPLF)) and also production plants not meeting the specified minimum efficiency which is currently governed by Regulation no. 150/2001 Sb. only for selected technologies (e.g. steam turbine, gas boilers, co-generation units; 22% efficiency of photovoltaic panels was also discussed, however the amendment has not been yet passed). Although the principles for the calculation of redemption price remain the same, i.e. 15-year investment return should be guaranteed when stipulated technical and economical parameters are met and the possibility to reduce the redemption price for new installations for the next year has 5% limit which does not apply in case that the economic return of the investments falls under 11 years, the proposal of the new act should introduce a limit for redemption price and green bonuses regardless these principles, namely in the maximum amount of CZK 6 /kWh. Market mechanism should be partly applied on the production of electricity from renewable sources, namely in the duty of the producer of the electricity from renewable sources to pay the energy trader price for the amount of electricity supplied in the relevant hour in case the daily energy market reaches a negative price (note: a negative price has not been yet reached at the Czech energy market). The support in the form of green bonuses as extras to the energy market price will be further divided into three modes, namely annual, monthly and hourly mode. The support in annual green bonus mode corresponds to the existing system of green bonuses, the amount of which is specified for a calendar year in advance by a price decision of the Energy Regulation Office (Energetický regulační úřad). For the monthly and hourly bonus modes only the procedure specifying their amounts shall be modified, while wind turbines will be allowed to use only hourly green bonus mode (as well as the photovoltaic power plants with installed output higher than 100 kW and plants producing energy from other than renewable sources with installed output higher than 1 MW).
- In our opinion the most disputable issue is the connection of the support pursuant to the proposal of the new act with the National Action Plan (Národní akční plán) about which we informed you in the last issue of Newsletter.
- Directive 2009/28/EC binds the member states to ensure that the stipulated share of energy from renewable source in the gross energy consumption, as well as indicative portions stipulated for two-year intervals, were observed as minimum. For the Czech Republic it means to ensure that by 2020 the share of energy from renewable sources reaches 13% at least in the gross final consumption of electricity and energy for heating/cooling and transportation.
- The proposal of the new act on the supported energy sources however stipulates that in case that for a given type of renewable source the expected production according to the National Action Plan is reached in a specified year, no support will be stipulated for new installations of the given renewable source. The operators of the transportation and distribution networks should be obliged to assess the conformity of the project with the National Action Plan and when the installation limits for particular types of renewable sources are exceeded in the given year, such plants will not be guaranteed the preferential connection to electricity network.
- Based on what has been mentioned, the National Action Plan as well as the proposal of the new act understand the annual progress in installations and production for particular types of renewable sources as a maximum which can be reached with the support provided. A result of the system may be that if one type of renewable source is insufficiently developed, the missing portion will not be substituted with another type because that type would be over the plan and would have to work without support and thus it may also happen that the obligatory portion of renewable sources will not be reached in the final consumption in 2020.
- Czech Wind Energy Association has submitted several essential comments to the proposal of the new act on supported sources and if possible it is going to monitor their settlement as well as other proceedings concerning the proposal in the legislative council of the government and in the subsequent legislative process about which we are going to inform you according to available facts. During the summer we are going to make the updated version of the proposal available at our webpage in the section Legislativa.



Organized events



The results of the photo competition “Take a picture of a wind turbine”

From May 20 to June 30 the photo competition “Take a picture of a wind turbine”, organized on the occasion of the Global Wind Day by the Czech Wind Energy Association, was going on at the social network FACEBOOK. 90 photographs applied for the competition and they can be all seen in the section Fans' photographs at the facebook page of ČSVE. The following three are the most successful from 10 awardees.

List of the first three awardees:

- 1.st rank and the camera Olympus Mju 5000 + football ball go to Petr Pokorný
- 2.nd rank and the gift voucher for sports equipment worth CZK 2000 + football ball go to Vlasta Zapletalová
- 3.rd rank and the gift voucher for sports equipment worth CZK 1000 + football ball go to Martin Tuška

Training and seminars - education

In the last month of the school year, there were plenty of seminars given on wind turbines. First, we have prepared a lecture for the student of the secondary school of commerce. Then we had a big half-day training for the workers of Lipka on renewable sources and wind turbines, including the work with the model wind turbine. At the end of the month we paid attention to vocational schools. We gave lectures at secondary schools of electrical engineering in Brno, Kounicova street, in Jedovnice and in Prostějov. The students from Prostějov were so much interested that an excursion was quickly organized for a bus full of students to visit the wind park in Drahany. We also did another excursion in the wind park for students from the grammar school in Jevíčko. June was very active as for the industry promotion.

If we summarize the period from January to June this year, the Czech Wind Energy Association organized educational events for about 500 attendants:

- 1 lecture for elementary school, precisely pupils of 5th class
- 6 lectures for grammar schools and secondary vocational schools
- 1 lecture at Charles University
- 2 comprehensive seminars for teachers
- 1 full day presentation of wind turbines on the occasion of Earth Day.



Open House



