



## *Reflection Group*

### **ManagEnergy Reflection Group Minutes of the 13<sup>th</sup> Meeting**

**October 20, 2006**

**IEEEA (Executive Agency), Place Madou, 1, room ARC (4th floor)**

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#### **Agenda**

- 9.30 Welcome, minutes from the last meeting, agenda  
(Roman Doubrava, excused), Ralf Goldmann
- 9.45 News from the Commission  
Andre Brisaer, Pedro Ballesteros, R. Bailey
- 10.15 Sustainable Energy Week - 29/01/2007 to 04/02/2007 in Brussels –  
Programme, MERG role, workshop(s) organization  
(Pedro Ballesteros) – discussion
- 11.30 Best European Local Energy Action competition  
STEM representative (Anders Berglind) - discussion
- 12.15 MERG presentation at European Conference of Municipal Energy  
Managers (Roman Doubrava – excused \_ Ralf Goldmann)
- 12.45 Lunch
- 14.00 Action on NMS – final paper presentation  
(Roman Doubrava – excused \_ R. Goldmann)
- 14.45 Presentation of new MERG members (Romania and Slovenia)
- 15.30 Co-operation with EnR - discussion
- 16.00 Future of IEE programme – final paper presentation  
Ralf Goldmann, Boris Papousek
- 16.30 Election of MERG chairman and vice-chairman for 2007
- 17.00 AOB (AER participation in MERG, Presentation of MERG at BISE forum  
in Riga, other requests to join MERG, next meeting etc...)

## **1. Introductions and Welcome**

Ralf Goldmann welcomed attendees to the meeting on behalf of Roman Doubrava, who is unable to attend, and in whose absence he agreed to act as chair of the meeting.

The minutes of the previous meeting were agreed subject to three minor changes.

Bill Gillett echoed Ralf's welcome on behalf of the Intelligent Energy Europe Executive Agency. He explained that they currently have around 45 staff in the Madou building and are recruiting additional employees today, so he is unable to stay for the meeting itself. Since the agency was established they have helped around 15 new Energy Agencies set up, around half of which are in the new member states. He hopes that the meeting will also be able to hear about the new Intelligent Energy Europe 2 programme, on which the executive agency expects to work closely with DG-TREN. The agency would also welcome ideas on how Energy Agencies can be established in communities where the Commission is unable to fund them.

## **2. Update from the Commission**

André Brisaer then gave an update on work of DG-TREN. The Commission's new Energy Efficiency Action Plan was issued only yesterday: it carries the subtitle "Realising the Potential". Officially it is a communication from the Commission and has no formal legal status, although the Commission will be expected to report back on implementation. None the less, like all such ('COM') it has been signed and adopted by the College of Commissioners, and not simply submitted by Mr Piebalgs, and so it shows the level of support he has for encouraging energy efficiency. It is still an open question to what extent the document will be supported by Council (who gave a somewhat negative initial response, whereas the preceding Green Paper (consultation document) had been formally welcomed by the European Council at the end of 2005) and by Parliament (who are likely to take a much more positive stance). The Council of Ministers will formally consider the document on 23 November, but their initial response has been based on a general concern about the level of new initiatives being introduced by the Commission and to remind the Commission of the need for subsidiarity.

The Energy Efficiency Action Plan lists ten priority actions: none are specific to local action, but local actors are crucial in several. In the annex of proposed measures there are more concrete examples of how local action can support the aims of the plan. Priority action nine (energy efficiency in built up areas) envisages that a "Covenant of Mayors" will be created by the Commission bringing together a permanent network of the Mayors of up to 30 of Europe's largest and most pioneering cities in the field of energy. However these cities will not just be capital cities, but will include other important cities that have fostered innovation in energy efficiency.

The Court of Auditors is currently looking at the Intelligent Energy Europe programme especially the Community added value of actions that it has funded.

More elements of Intelligent Energy Europe 2 have now been finalised. The programme will run for the seven years from 2007-13 but each year the specific actions to be funded will be refined. This is likely to make the programme more flexible than under the previous framework as each year's work programme will stand alone. However the first year's work programme will only incrementally deviate from the previous format - there

will still be a focus on three streams comparable to SAVE, ALTENER and STEER. Ralf Goldmann asked if there would be advance warning of changes to the actions, to help people plan their projects well in advance. André Brisaer responded by noting that the changes may be guided by the level of funds becoming available and growing as the programme progresses - for example, there are no replication funds in the first year. As each year's funding will be bigger than one before, but the number of administrators will not increase in the same proportion, there will inevitably be a tendency towards larger projects. Replication projects will be much bigger than current average IEE funded projects.

The meeting discussed the effect of including replication projects. It was noted that the definition at the moment has been taken from the dissemination stream of THERMIE (in the 5th framework). Boris Papousek asked whether replication would be in capacity building, in testing innovative approaches or instruments, or in physical technologies. He considers the first two to be most important. Pedro Ballasteros added that the Commission is going to be preoccupied with the results, the output, and the performance indicators. He also noted that replication projects will fund the installation of measures for the first time so that they will be bigger projects than in the existing IEE programme, but more similar in size to those under FP7. The meeting also hoped that replication actions would be permitted to cover pre-existing intellectual property rights in the same way that it could pay for capital equipment.

Ian Byrne asked if it would be possible to bring in a fully funded partner from a similar earlier IEE Project, in order to learn from their experience. This would be analogous to the way in which at one time new Energy Agencies were expected to have an existing agency as a sub-contractor to share their expertise. Pedro Ballasteros indicated that this was unlikely, as almost all IEE2 projects will have some element of replication, and all consortia would be expected to have at least some more experienced partners.

Gerard Magnin stressed the need to bring in local actors but that there were not always enough bodies with the skills and capacity to become involved in all projects under IEE2. André Brisaer urged those putting together projects to keep in mind the added community value. Summing up, Ralf Goldmann thanked André and Pedro for their advice, and asked for a continuing dialogue between DG-TREN and the reflection group members to ensure that IEE2 gained maximum benefit from the funds available.

### **3. Sustainable Energy Week**

Pedro Ballasteros explained that one element of the Sustainable Energy Europe campaign is to hold an annual conference, but that the managers of the campaign believe it would be better to give space to others to run events, creating a sort of "shopping centre" of events. By hosting many events in one location this would also save on travel time and costs for participants.

Institutions taking part will include:

- The European Commission (DG-TREN)
- Managenergy
- European Parliament (through the Energy Globe awards)
- The Council, and in particular the Presidency, in the RES policy conference
- Energie-Cités (who will run a parallel event in Grenoble)
- EREC

CEMR, the Council for European municipalities and regions  
The Italian government  
Eurelectric  
The Committee of the Regions  
FEDARENE

Pedro Ballasteros said that he wished to consult the meeting on three elements:

1. Coordination, to avoid overlap between the content of events
2. Topics for the plenary and parallel sessions of the Managenergy event
3. The contents of the MERG workshop

Title of workshop  
Content  
Co-ordinator

Managenergy has provisionally booked the plenary room for Thursday 1st February in the morning and will be able to offer small rooms to organisations wishing to run events in parallel. At the moment it looks as if the afternoon will consist mainly of one workshop by MERG and a second workshop on energy education. Workshops may hold up to 100 people and be spread across a maximum of three rooms. There are also a number of small rooms that can hold up to 20 people and could be used for example for a meeting of national agencies.

Workshops could focus on a single theme, for example solar energy. MERG members were keen to avoid too many PowerPoint presentations and would like to keep workshops more interactive. Grzegorz Wiśniewski thought that events about finance would prove most attractive but that these were already being run by other groups. Boris Papousek said that people would only attend the MERG workshop if it offered something that is of value, for example on the implementation of the buildings directive, showing how local Energy Agencies can better develop their services and how they can learn from other agencies. Grzegorz Wiśniewski stressed that MERG should select a small number of topics first - it cannot just issue a general call asking for presentations from Energy Agencies.

The basic theme of the Managenergy conference is to explore ways in which national, local and regional Energy Agencies can help implement the Energy Efficiency Action Plan. It will also address the needs of local actors in relation to Intelligent Energy Europe after 2008. The group observed that this is very similar to last year's title which was not seen as being attractive to many Energy Agencies as being too inward-looking. For example many UK Energy Agencies did not attend the event.

After some discussion, the suggested title was "**Global Energy Crisis: Local Energy Solutions - Opportunities for Local Actors in implementing the Energy Efficiency Action Plan**". The theme of the workshop run by MERG will be "**Marketing Strategies for Local Energy Actors**".

#### **4. Best European Local Energy Action Competition**

Anders Berglind explained that STEM have collected over 400 case studies of local energy action. Most case studies describe single actions involving the only one energy actor, not a wider consortium. These have already been evaluated by STEM on a

technical basis and the 10 highest scoring ones have been identified. For each of these a short case-study (three pages maximum, in PDF format) and an Excel data sheet will be collated and circulated to all MERG members. With the exception of any member that has participated in one of the short-listed case-studies, each member will be asked to score all the case studies, giving marks out of 10. STEM will then add up the scores to provide a winner who will be awarded a certificate, and possibly a statuette or something similar, in the Sustainable Energy Europe awards ceremony. The award may be given out by the chairman of the reflection group, or by a high profile person, such as Mr Piebalgs.

### **MERG presentation at European Conference of Municipal Energy Managers Co-operation with EnR**

Both items were deferred until the next meeting.

## **5. Presentations from the New Member States**

### ***Presentation from Slovenia***

Dr. Vlasta Krmelj Director of the Energy management and Local Energy Agency in Slovenia gave a short presentation. She noted that the Energy law (1999) is in its final preparation phase and covers energy policy, energy market, energy supply and RUE. There will be the establishment of the National energy agency and an Eco fund – money for eco-credits and subsidies.

At local level, local government should have their development plans in accordance with the National energy policy and they have to adopt Local energy concept for at least 10 years.

The National Energy Programme (2004) provides a strategy for safe energy supply and utilisation. As part of its implementation there will be a national network of advisors – once or twice a week for two hours for individuals – free, limited money for subsidies for individuals but after a difficult application procedure, some money for RES for electricity subsidies, and actions to promote RES and RUE.

Local activity is limited as Slovenia has around 200 municipalities, most of them are very small where the local authorities have only a mayor and one or two staff as the entire public administration. There are no energy legislation or programmes at a local level; there are some aims in environmental and spatial plans but only in few the biggest municipalities. Inevitably this causes difficulties, even where municipalities already have an energy concept, it is but more or less on the paper rather than leading to action. Awareness among local authorities about energy issues is difficult to raise – there is no common strategy and not enough money. Any profits from activities in RUE and RES in the public sector go back into the general budget – profits are not seen or retained for use in further activities.

In contrast, industry is quite well motivated for RES and RUE. Individuals do not see a benefit as the investment costs are very high, electricity is still quite cheap, there is no money for reconstruction and special problems in flats – bad measurement systems and no data about public buildings.

Slovenia has a relatively large number of advisors (good and not so good). However some good practices are not advertised and there is no overall PR strategy. Much of the

knowledge is at an academic level but not implemented in practice yet energy issues are not covered in the school system.

Four Local energy agencies have been established: Upper Podravje region, Pomurje region, Koroška and Saleška region, North Primorska region, with two more in the negotiation process: Lower Podravje region, Dolenjska region.

It is planned that a Consortium agreement will be signed later in 2006, planning common activities, but the relationship between the agencies and local authorities is not clear. Some Municipalities in regions signed letters of interest in establishing agencies but have not prepared the budget lines, and there is widespread uncertainty about the time after "EC time". Individual agencies have also found it hard to understand instructions from EC about direct and indirect costs, and have suffered from a long period of waiting for EC action in the first phase.

In conclusion, local agencies in Slovenia are very important players at local and regional level, much needed and useful, and have the energy to overcome organisational difficulties but need help to solve financial uncertainty. Dr Krmelj ended by thanking the meeting in advance for help from tutorial agencies in the programme implementation.

### ***Presentation from Romania***

Camelia Rață, the Executive Manager of ABMEE, the Energy and Environment Management Agency of Brașov Romania gave a presentation about the current situation in the field of energy efficiency in her country. (The full presentation will be circulated with these minutes.) There are a National Agency – Romanian Energy Conservation Agency which has 15 branches in main cities, six Local Energy Management Agencies (plus one currently under negotiation) and the Romanian Network of Energy Cities.

The Romanian Agency for Energy Conservation is the specialized national body active in the field of energy efficiency, controlled by the Ministry of Economy and Commerce, with funding from its own income and subsidies granted from the State budget. It was established in 1990 after the ADEME model. It implements large scale energy efficiency projects and also manages the Environment Fund – first government fund in the field of energy efficiency.

The first local Energy Agency to be set up in Romania was the one in Iasi. At present, the EU funding has ended and the Agency is self-sustainable. ABMEE – the Brasov EMA was the second Agency to be set up. In November the funding will stop and the Agency must find means to continue functioning. SPME was set up as a Regional Energy Agency covering the entire county of Harghita. This is different from the other agencies because all of them are local. The three year funding ends in 2006 for SPME. Three more agencies were set up in 2006, while another is negotiating for financing. At present there is no network of EMAs in Romania, but as the number of agencies increases the establishment of such a network is needed.

Orase Energie in Romania - OER (The Romanian "Energy Cities" Network) is a non-governmental organization, gathering 37 members, important municipalities interested in improving the energy efficiency in public services (district heating, public lighting, water and gas supply, waste collection and storage, local transportation, etc.) and in promoting renewable energy and protection of the environment. The OER network is a useful tool for disseminating technical and commercial information with regards to equipment,

technologies and policies in the energy field. Mayors represent city members and it has been a member of Energie-Cités since 1997.

This year the Brasov Municipality became the new president of OER. The mayor of Brasov will appoint a new executive manager and the secretariat will move to Brasov as well. There is a need for training of staff that can strengthen the capacities of agencies. Without it, and in the current situation in the country, where energy efficiency is not a main topic on the agenda of the decision makers, all efforts to create self-sustainable bodies in this field are useless.

### **General Discussion**

Alex noted that there are three different Slovene structure and that there are four in Ireland. With so many different legal and funding structures in existence, he suggested that this could form a useful topic for discussion in January.

Camelia Rață identified that in order to secure funding for the period after the end of EC funding, staff in her agency were having to work two hours a day on non-EC work, and so were having to refund some money to the commission.

There was also a general concern that many Energy Agencies are too closely tied to municipalities. Although this will normally guarantee match funding in the EC funded period, it reduces the ability to work with the private sector and take on new people to undertake more general projects.

In the ensuing discussion about new member states:

Finland would like work more closely with new member states, but is uncertain exactly what support they need most.

There is a significant barrier in transferring technical know-how to new agencies, if there is no immediate benefit for the partner transferring the knowledge and they can at best receive only 50% funding for the work involved.

There can also be problems for new member states in obtaining match funding.

Grzegorz Wiśniewski suggested that the paper about new member states should also be presented to DG-Regions, as it has important points about inter-regional cooperation. The paper perhaps focuses too much on Intelligent Energy Europe and should consider Interreg as well.

It was **agreed** to send a short additional paragraph to Roman Doubrava for integration into the document before its final submission.

## **6. IEE2 - Improvements in the coming calls**

Boris Papousek and Ralf Goldmann were thanked for their efforts in preparing the document and for turning it into a shorter highly focused paper that should be easily understood by the Commission. It was **agreed** formally that the paper should now be submitted. It was also **agreed** to ask STEM (or Katy Hall) to place it on to the Managenergy Website.

## **7. Election of chair and vice chair**

Grzegorz Wiśniewski had been the only nomination received for the position of vice-chair. He was elected unanimously.

Grzegorz Wiśniewski thanked the group and said that he would do his best to promote the interests of Energy Agencies and other local Energy actors at a European level. A particular focus would be on helping new members of the group and new Energy Agencies in general.

Ralf Goldmann was formally proposed as chair of the group and he also was elected unanimously.

Ralf Goldmann thanked the group for their continuing confidence in him. He noted that in the first half of 2007 Germany also has the EU presidency and he will use that concurrence of events to help raise the profile of MERG and energy efficiency.

## **8. Any Other Business**

AER (Assembly of European Regions) had formally requested to join MERG. This had been discussed briefly in Pezinok, but at that time we were concerned that the limitation on funding of the group to 25 members could "freeze out" other genuinely local players. Ian Byrne suggested that they could be accepted on the basis that they would fund themselves.

It was noted that AER has a very broad remit - wider than, for example, CEMR - and extends to cover all the Council of Europe countries (35). Rex Bailey said that he did not see either finance or their broader remit as being a problem, as the average attendance at meetings is still significantly below 25 and the Commission is happy to work with bodies representing the wider European area. Grzegorz Wiśniewski saw AER as a potentially good partner as they are less likely to be in competition with other members of MERG (as EnR may be on occasion).

It was **agreed** to invite them as an observer to the next meeting and to discuss ways of possible cooperation.

It was also **agreed** to invite a representative from Croatia to attend as an observer, noting that they cannot yet be formal members or financed to attend meetings.

Rex Bailey reminded members that changes to contact details must be sent to Katy Hall at CPL before 15th November if they are to be included in the annual handbook distributed in the Sustainable Energy Week. She would also welcome receiving details of any other local agencies that may have been established, even if they are without direct EU funding. Rex was asked to contact Katy so that she could send out national lists to each of the MERG representatives.

Date of next meeting: to be confirmed, probably in the EU Sustainable Energy Week.

The meeting was declared closed at 1540.

**Annex: Attendance List (alphabetical order):**

(for contact details see Managenergy Reflection Group homepage)

		<u>Organisation and country, if representing national association</u>	
AA	Anne Ahtiainen	Turku Energy Agency	Finland
PB	Pedro Ballasteros	DG-TREN	EC
RB	Ronald (Rex) Bailey	DG-TREN: unit D3	EC
AB	Anders Berglind	STEM (Managenergy)	(Sweden)
ABr	André Brisaer	DG-TREN (item 1 only)	EC
IWB	Ian Byrne	Assn of UK Energy Agencies/MKEA/NEF	UK
GDO	Giuliano Dall'O	RENAEL	Italy
RG	Ralf Goldmann	Berlin Energie Agentur	Germany
AG	Alex Grassick	Cork Energy Agency	Ireland
PK	Pim Koegler	Council of European Municipalities & Regions (CEMR)/Province of Groningen	(Netherlands)
VK	Vlasta Krmelj	Energetska agencija za Podravje	Slovenia
ML	Maud Leloutre	FLAME Network	France
GM	Gerard Magnin	Energie-Cités	(France)
AM	Anna Michou	Anatoliki SA	Greece
FN	Fred Nordstrom	NENet	Sweden
BP	Boris Papousek	Energieagentur Graz	Austria
CR	Camelia Rață	ABMEE, the Energy and Environment Management Agency of Braşov	Romania
ZN	Zeno Winkels	Delft Energy Agency	Netherlands
GWi	Grzegorz Wiśniewski	Instytut Energetyki Odnawialnej	Poland

The Intelligent Energy Europe Executive Agency kindly hosted the meeting, and William Gillett and staff members from the Agency were present for part of the meeting.

Minutes written by Ian Byrne.