The role of **Energy Efficiency Agency**

in the energy sector of the Republic of Moldova



Chişinău, 2012

Energy Efficiency Agency

Sector review

- The Republic of Moldova is highly dependent on energy imports;
- 94% of the energy consumption is covered from import;
- Very high energy intensity (roughly 3 times over UE average).

The lack of own resources and high energy intensity sets the energy efficiency and renewable energy sources as a top priority.



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Sector challenges

- Lack of own energy resources (natural gas, oil, coal);
- High energy intensity and poor energy efficiency;
- Low level of renewable energy sources utilization;
- Fuel mix deviation from the optimal one (the imported natural gas prevails);
- Non-uniform location of electricity generation capacities on the territory of the Republic of Moldova creates considerable supply-demand imbalance (poor generation capacity on the right bank of Dniester River, where the electricity generation covers only 30% of the consumption);
- Advanced level of wear and tear / obsolescence (circa 60-70%) of the equipment installed at the power plants, transformer substations and high voltage transmission lines, distribution networks;
- Insufficient investments in the energy sector.

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Legal and institutional framework for promotion of EE and RES

- **1. Law on renewable energy** (No. 160 as of July 12, 2007)
- **2.** Law on energy efficiency (No. 142 as of July 2, 2010)
- **3.** Energy Community Treaty accession as of May 1, 2010;
- **4. Energy Efficiency Agency** created by the Government Decision No. 1173 as of December 21, 2010;
- **5.** Energy Strategy until 2020 to be updated by the end of 2012;
- **6. National Program on Energy Efficiency** (GD No. 833 as of November 10, 2011)
- **7.** Energy Efficiency Fund to be put in place soonest.



The *Energy Efficiency Agency* status :

- **state authority** in the field of Renewable Energy Sources

according to art. 13 of the Law on Renewable Energy No. 160 of 14.07.2007

- **public authority** in the field of Energy Efficiency

according to art. 8 of the Law on Energy Efficiency
No. 142 of 02.07.2010



Energy Efficiency Agency

Mission of the Energy Efficiency Agency

The Agency, as a central public authority and the focal point in the field of energy efficiency and RES, has the mission to:

- -manage the activity in the energy efficiency and renewable energy sectors:
- -ensure the implementation and reach the objectives set out in the national energy efficiency and renewable energy programs and coordinate the actions in these fields;
- -ensure the implementation of the legal framework in the field of energy efficiency and renewable energy.

The Agency shall promote the concept for efficient use of energy and development of renewable energy sources based on advanced, state-of-the-art technologies.

EEA role in the field of EE and RES

Implementation of the government policy:

- •Participation in elaboration of draft legal acts, including technical regulations and standards;
- •Participation in developing national programs and action plans;
- Developing pilot projects;
- •Advising central and local authorities on improving the energy efficiency and use of renewable energy sources;
- •Approving projects in the field of EE and RES financed from the state budget and Energy Efficiency Fund;
- •Coordinating the programs and action plans developed by local authorities, international institutions and organizations;

Developing comprehensive knowledge base and information database:

- Taking stock of existing knowledge, activities and opportunities;
- Developing a reporting system and an extensive database;
- Developing regulations and methodologies for energy auditing;

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EEA role in the field of EE and RES

Networking and Communication

- •Cooperates with international organizations, institutions and networks in the EE and RES field;
- •Consults with experts from academia and industry;
- •Disseminates information on EE and RES, including legal framework, financing opportunities and mechanisms;
- •Provides consultancy and information to ESCOs, energy managers, legal and natural persons, which are active in this field;
- •Organizes seminars, conferences and exhibitions for promoting the energy efficiency measures and use of renewable energy sources;

Training

•Approves training programs and courses for experts, energy auditors and managers

The National Energy Efficiency Program 2011-2020

The National Energy Efficiency Program (NEEP) sets the priority policies and actions which shall be implemented during 2011-2020 in order to meet the challenges emerged as a result of energy prices increase, dependency on imported energy resources and the impact of the energy sector on climate change.

Implementation of the NEEP shall be ensured through National Energy Efficiency Action Plan (NEEAP) and National Renewable Energy Action Plan (NREAP), to be newly approved every three years.

The NEEP shall be updated once in a three years period or, if necessary, according to the technical advancement and amendments operated to EC Directives.

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The National Energy Efficiency Program 2011-2020

Sectors covered by NEEP:

- Energy transformation/conversion sector:
 - 1. investment stimulation; 2. cogeneration promotion; 3. promotion of RES;
 - 4. losses reduction, etc.
- Industry sector:
- 1. investment stimulation; 2. promotion of the use of energy-efficient equipment/technologies; 3. promotion of RES; 4. promotion of energy labelling, etc.
- Constructions sector:
 - 1. energy consumption reduction; 2. private sector stimulation, etc.
- Transportation sector:
 - 1. biofuels promotion; 2. promotion of energy efficient tyres, etc.
- Public sector:
 - 1. energy consumption reduction; 2. promotion of energy efficient street lighting systems; 3. public awareness raising/growth; 4. promotion of energy labelling, etc.

NEEP provides for the following general objectives to be reached by the Republic of Moldova:

- reducing the primary energy consumption by 20% until 2020;
- reducing the GHG emissions by 25% until 2020;
- increasing the share of renewable energy sources in the overall energy balance from 6% in 2010 up to 20% in 2020;
- increasing the share of biofuels to at least 10% in the total amount of fuels used in 2020.

Institutional capacities

as per Law on EE No. 142 as of 02.07.2010 and NEEP GD No. 833 as of 10.11.2011



Key professional groups:

- 1. Energy managers
- 2. Energy auditors
- 3. Energy inspectors
- 4. Independent experts certified for issuing energy performance certificates for buildings so called "Building evaluators"
- 5. Certified installers



Regulated by EEA

Energy managers



As per Law on EE:

Article 9. AEE's Responsibilities

- g) Provides consultancy and information to [...], *energy managers*, [...];
- m) Approves training programs for [...], *energy managers* developed by authorized and accredited educational institutions;

As per NEEP:

Chapter VII, Section 2, a)

LPAs shall appoint energy managers with higher education degree in energy, which shall be responsible for planning and monitoring of implementation of energy efficiency improvement measures and use of RES in the territory (district).

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Energy auditors

As per Law on EE:

Article 9. AEE's Responsibilities

h) Authorizes legal entities and individuals entitled to carry out energy audits;

Article 11. Energy Audit

(1) The energy audit shall be carried out by <u>licensed energy auditors</u> in accordance with the Regulation on energy audit, approved by the Government;

Article 12. Authorization of Energy Auditors

(1) The status of an <u>authorized energy auditor</u> shall be assigned to individuals and legal entities in accordance with the Regulation on the authorization of energy auditors, approved by Government;

As per NEEP:

Chapter VII, Section 2, b)

Ministry of Economy together with EEA shall create a high quality energy auditing system, aiming at identification of potential measures for energy efficiency improvements for all types of final consumers.



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THANK YOU!

Mihail STRATAN

Director General