

EL-EFF REGION

WP 2: Regional summary report

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Overview Table

Region of: South Bohemia		Year	Remark/Explanation
Electricity consumption <u>Households</u> (domestic sector)	860,475GWh	2005	without electric heating
Electricity consumption <u>Service Sector*</u> (commerce & trade & public sector)	189,752GWh	2005	
Electricity consumption <u>Industry**</u>	1 173,565 GWh	2005	
Electricity consumption <u>other sectors***</u>	135,904 GWh	2005	agriculture, fishing, forestry, traffic
Total Electricity consumption in the region	2 359,6 GWh	2005	
Total Energy Consumption in the region	12 268,33 GWh	2005	
Share of electricity in total energy consumption	19,23 %	2005	
Data on the region			
Number of inhabitants	627 766	2005	
Number of households (most recent data)	245 850	2005	
Number of 1-person householders (most recent data)	50 696	2005	
Number of 2-person householders (most recent data)	80 965	2005	
Number of 3-person householders (most recent data)	58 571	2005	
Number of 4 or more-person householders (most recent data)	55 618	2005	
Number of households (predicted for 2010)	264 060	2010	
GDP	5 413,62 mil. Euro	2006	(12.4.2007) 1 EUR = 27,965 CZK
GDP/inhabitant	8 623,62 Euro	2006	(12.4.2007) 1 EUR = 27,965 CZK

* Electricity consumption of subjects with more than 20 employees

** Electricity consumption of subjects with more than 20 employees

*** Electricity consumption of subjects with more than 20 employees (incl. transport)

Source: Czech statistical office

Introduction

Short description of the region

The Region of South Bohemia is one of the 14 regions in the Czech Republic. It covers an area of 10 057 km² (12.8% of the state). The population is about 630 thousand people. It is situated in the area which is not very rich in raw materials; there are almost no energy resources. The mining of gravel-sand, stone, brick clay, and ceramic clay, limestone and graphite prevails. The industrial production consists especially of food and drink processing. Other important industries are production of vehicles, machinery and appliances, and also the textile and clothing industries. The forests, which take up one third of the total area, form an important natural treasure. The agricultural sector is one of the most important ones. It focuses on plant production, mostly on growing cereals, oil plants and potatoes. In animal husbandry, the breeding of cattle and pigs prevails. Fishpond cultivation has a long tradition in South Bohemia. The entire business sector in the South Bohemian Region is comprised of 144 000 entities, where nearly three fourths of these entities are sole traders. The region participates in creating only 5.4% of the gross domestic product which, however, amounts to 87.8% of the national average when recalculated per 1 inhabitant. The South Bohemian Region is becoming an important tourist and recreational resort. The travel industry has been the fastest growing industry in the region in the last few years.



Existing regional energy policy targets (especially energy efficiency):

The most important part of the regional energy policy targets is Act No. 406/2000 Coll. on Energy Management. This act defines the State energy concept for the period of 30 years. The document of Regional energy concept is based on this act and is worked out for the period of 20 years. The document of Regional energy concept is elaborated for the Regional Authorities and Municipal Authority of the Capital city Prague and municipal authorities of other statutory cities and towns.

Regional energy policy consists of:

- analysis of energy demand development
- analysis of energy sources and energy use possibilities
- evaluation of RES and secondary energy sources use and of CHP plants
- evaluation of potential of communal wastes energy use
- evaluation of technically and economically available energy savings due to the more efficient energy use
- solution of regional energy economy including the reasons and measures proposal which is applicable/usable for the institution that orders the elaboration of Regional energy concept.

- replacing the unfavourable heating sources, guarantee of sustainable development in the region
- growth of RES use
- energy consumption reduction and growth of energy efficiency
- losses reduction and increase of networks reliability, renewal and efficient networks progress
- increase of number of CHP plants, residual heat use
- increase of public awareness of the RES and energy efficiency

At the same time as the State energy concept there has been elaborated the National programme of energy management and the use of renewable and secondary energy sources.

The partner organisation:

The Association of Energy Centre Ceske Budejovice (ECCB) is an energy consulting centre.

ECCB focuses mainly at the efficient use of energy and the increase of renewables share in the total energy consumption. ECCB makes efforts to increase the public interest in the above mentioned subjects and it provides the applicants with a quality and updated information, among others also by means of energy consulting service.

ECCB was established with the support from the Commission for the Co-operation of Upper Austria and South Bohemia in 1998. Its activities are supported by respective regional authorities and Association members. The Association board consists of representatives of regional authorities and of the Association members.

ECCB has since its establishment implemented many projects on the local, national and international level (mostly in the framework of EU programmes), as the seminar and excursion organizations, various energy studies, specific energy efficient implementations, educational brochures edition and organizing the school competitions.

ECCB cooperates with significant partners from the Czech republic and from abroad. The main partner organization is the O.Ö. Energiesparverband (ESV) from Upper Austria. ECCB and ESV cooperate in various projects benefiting from the opportunity of the experience exchanges from the energy sector between the Upper Austria and South Bohemia.

Electricity consumption in households

Households	Number of households in South Bohemia	Average annual electricity consumption of households in South Bohemia in kWh (without domestic hot water and heating)
1-person household	50 696	1 349
2-person household	80 965	2 123
3- and more person household	114 189	2 866

Source: Czech Statistical Office

There are about 245 850 households in South Bohemia (2005). Number of households predicted for 2010 is 264 060.

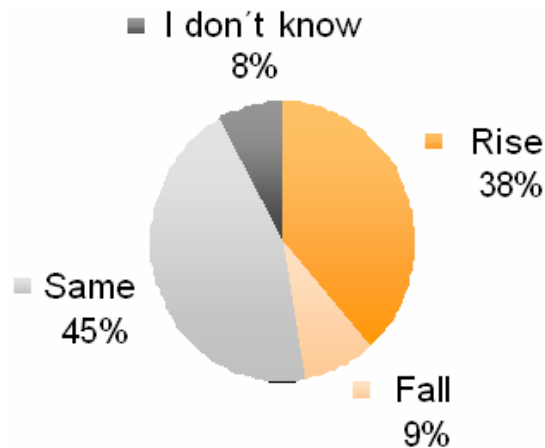
Electricity consumption in households in two recent years:

Year	Electricity consumption in the region ⁺ MWh	Out of this households - in MWh	Share %
2005	11 868 178	3 748 353	31,58
2006	12 075 297	4 294 973	35,57

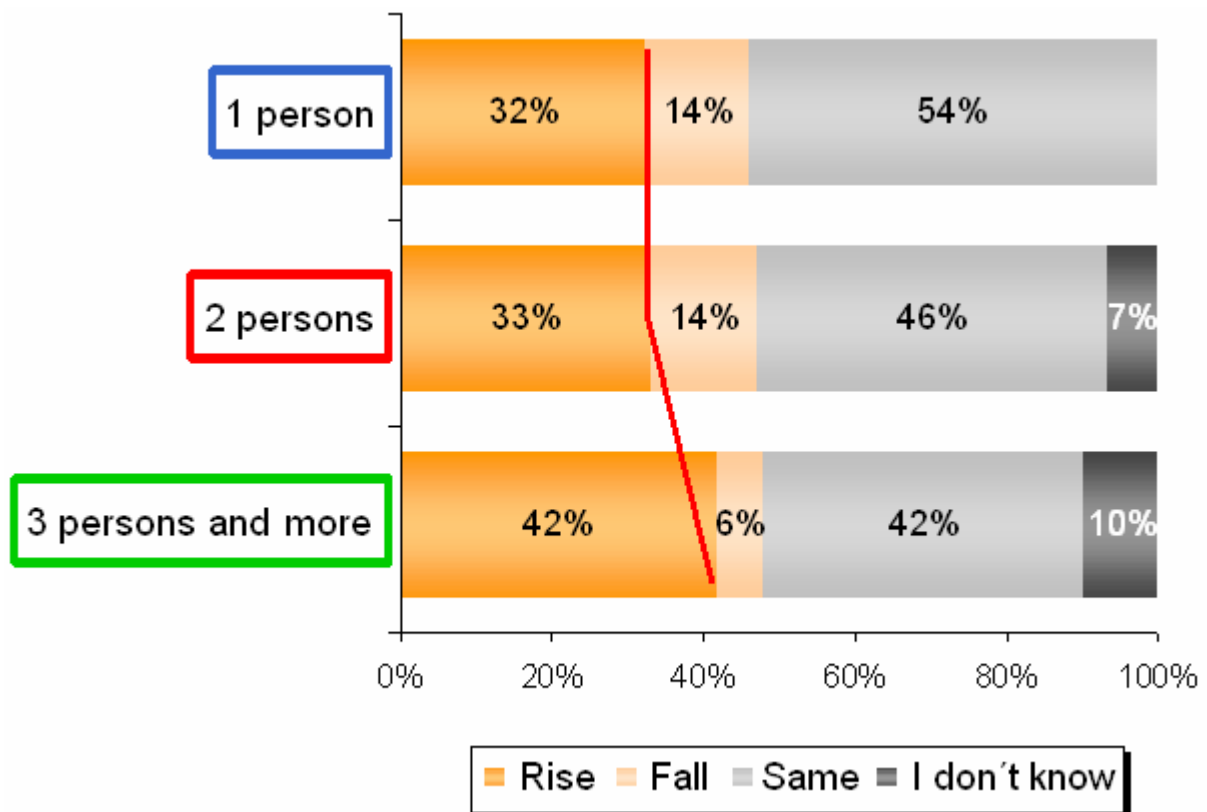
+ Region South Bohemia, + Region Vysočina; source: E.ON

The graphs describe the tendencies in electricity consumption in South Bohemian households. The consumption increases most of all in the 3 and more person households. This may be caused by children. Care of them requires more frequent use of many appliances e.g. washing machines, ironing etc. When the children are older, other appliance e.g. computers, CD-players etc. are required. The decreasing trend is observed especially in 1-person households. In these household live most of all retired people with low incomes which could make them think more deeply about the electricity consumption and its reduction. Another interesting result is the ignorance of 10% of 3 and more person households to the energy consumption trends in their homes. 10% is a rather high number. This lack of information about the consumption can be caused by the fact, that many people living in such households are in productive age, earn enough money and are not forced to save electricity=money.

Electricity consumption trends in households in South Bohemia



Electricity consumption trends in households (in reference to some socio-demographic characters)



The main reason of growing electricity consumption in households is most probably the increasing number of house appliances. In this situation of steadily growing electricity consumption, using of energy efficient appliances and other energy saving measures are recommended.

There are following attempts and efforts to reduce the consumption in South Bohemia:

- Energy labelling connected with the awareness campaign. This campaign explains the meaning of energy labels of appliances and the influence of the correct choice of appliance on the electricity costs.
- Leaflets and brochures about the possibilities of RES use
- Articles in the press, expert lectures and seminars.

Consumption of electricity from RES (concerning following list) is promoted:

- solar-thermics for domestic hot water supplying and heating
- photovoltaics for direct electricity production
- small hydro power station restoration and constructing
- wind power plants constructing
- constructing of biogas power stations (using produced biogas for electricity production)
- CHP plants from new and current sources
- solar-thermic and photovoltaic systems installations subsidies
- setting up the feed-in tariffs for electricity from RES with a long-term guarantee
- obligation to buy the electricity from RES

The most motivating factor is the steadily increasing electricity price, which makes the consumer look after other sources.

Another suitable measure of electricity consumption reduction would be a different system of subsidies for RES use. The amount of subsidies should not be calculated from the amount of financial investment but from the real achieved savings.

It would be also very helpful to subsidize the RES use in cases, which haven't been financed so far and which are very financially demanding. Let's name e.g. renovations and constructing of SHP stations, constructing of wind power plants, constructing of biogas plants with electricity production and CHP plants constructing.

Very important part in the process of choosing a new appliance plays the energy label. About 75% of the South Bohemian population is influenced by the labels when buying a new appliance. 68% of population considers using of energy efficient appliances as the most effective energy saving measure.

It is obvious that without the promotion and emphasis on the necessity of consumption reduction and without information of consumers through the energy label, leaflets and advertisement in the media the rise of electricity consumption in households would be even higher.

Electricity consumption in the service sector and public (tertiary sector), SMEs

Electricity supplier considers under the notion of the services sector the electricity consumption of the public sector and the services sector (shops, schools, health care institutions, culture houses etc.). The common name for this part of consumers is a „tertiary sector“.

Jihočeská energetika company used to be the electricity supplier for the South Bohemia. This company ceased its existence on 17th August 2005 and the E.ON. company has become a new supplier. The electricity supply is shared by the E.ON Energie company and the E.ON Distribuce company. E.ON company supplies not only South Bohemia but also the Vysočina region.

Presented total electricity consumption is for both regions. Independent supplies for the particular regions are not monitored by the supplier.

According to the supplier, the electricity consumption in the services sector in two last years was as following:

Rok	Total electricity consumption MWh	Share of tertiary sector MWh	Share in %
2005	11 868 178	2 293 130	19,32
2006	12 075 297	1 825 210	15,16

Reduction of tertiary sector electricity consumption results from the above mentioned data. Reasons of reduction are not monitored.

Tertiary sector is from the point of view of electricity consumption the third most significant sector. However, its electricity consumption compared to the industry and households develops differently and it has descending trend. But many tertiary sector objects that are owned by the state have not satisfying energy conservation results because of neglected maintenance and old technical equipment. Renovation of those objects will claim big investments, because there belong school buildings, office buildings, culture houses and health care institutions.

Trend of consumption reduction is supported by the Act n. 406/2000 Coll. on energy management, that beside others obliges the verification of public sector and services buildings (with the consumption above 1500 GJ/year) with the energy audit from the latest date of 31th December 2003. Audits include also the measures of electricity consumption reduction by the modernizing of technical and technological equipment in the audited buildings. The audits were elaborated and since then the proposed measures have been implemented (depending on the financial possibilities).

With the regard to above mentioned need of investments, it does not seem realistic to reach some more significant electricity consumption reduction in this region in the next five years. On the contrary, consumption growth can be expected due to new planned buildings (shopping centers, office buildings, social treatment houses etc.)

Electricity consumption in industry

According to the supplier, the electricity consumption in the industry in two last years was as following:

Rok	Total electricity consumption MWh	Share of industry MWh	Share in %
2005	11 868 178	3 678 730	31,0
2006	12 075 297	3 927 943	32,5

Data include two regions – South Bohemia and Vysočina

The industry remains a second main electricity consumer. Although many big industrial companies reduced or even ceased their production, the industry electricity consumption slightly grows and it is due to a number of new businesses.

South Bohemian structure of consumers is quite specific and different from the state average. The reason for a lower consumption is the industry structure. There are in the region no energy intensive sectors (metallurgical industry, building industry etc.).

Due to the Czech industry revitalization programme that is targeted on state economy dynamic growth it can be expected that the reduction trend of the electricity consumption of the GDP production will continue. The total consumption will grow though, but only slowly and it will depend on the GDP development.

In accordance with the global trends, we can expect that due to the civilisation development the electricity consumption share in the total industry energy consumption will grow.

Legal measure to the electricity consumption reduction in industry is the Act n. 406/2000 Coll. on energy management and the corresponding documents. This act was basic for the elaboration of the State energy concept that expresses the state targets in energy sector and the elaboration of the National programme of energy management and the use of renewable and secondary energy sources.

The Act further implies energy efficiency (especially heat energy), energy intensity of buildings, CHP production, energy labelling and energy audits.

This Act does not contain any regulations for the industry energy consumption neither for its reduction. The only incentive with the influence on the electricity consumption reduction is its price. But this incentive is not sufficient, because the energy price is calculated into the final price of products. In this way, the electricity consumption and its reduction do not get satisfactory attention.

Regularly announced grants are an important impulse for the electricity consumption reduction. For the period of 2007-2013, there has been launched the "Operational Program Enterprise and Innovations – Ecoenergy" that follows the former "Operational Programme Industry and Enterprise". The programme aim is to motivate entrepreneurs activities in the field of RES use, energy consumption reduction and reduction of energy intensity of buildings.

In the electricity area the programme targets:

- new installations for the production and distribution of electricity from renewable and secondary energy sources
- renovation of existing installations with the purpose of use of renewables and secondary sources
- modernizing of existing installations to increase their efficiency

- modernizing, renovation and losses reduction of the electricity distribution
- waste energy use in the industry
- to increase the energy efficiency via CHP.

Another programme is the Operational programme Environment. This programme as for the electricity area implies subsidies for:

- implementation and renovation of electricity production from RES (PV, SHP, WP, CHP)
- various energy conservation measures (use of measuring and regulation appliances, waste energy use).

Electricity prices & market liberalisation

	Price per kWh in Euro ¹⁾	Year	Remark
Typical electricity price household including all taxes (<u>not</u> "special" tariffs for domestic hot water/heat pumps/electric heating etc.) + 1,394 Euro/month ⁴⁾ + circuit breaker charge	0,1248	2006	Tariff D02d
This price consists of:			
- Energy costs	0,0488	2006	
- Grid charges	0,0679	2006	
- Charges/levies for green electricity/CHP etc	0,0012	2006	
- VAT	19%	2006	
- Other taxes (CO2 etc.)	None	2006	
- Others:			
- Fix charge	0,0014/month	2006	
- Electric input charge	0,786-5,039/MWh	2006	
- Price for system services	0,0066	2006	
- Price for the operator of electricity market	0,0002	2006	
Typical electricity price household + circuit breaker charge	0,1179	2005	Tariff D 02
Typical electricity price household + circuit breaker charge	0,1319 (1.1.-30.4) 0,1287 (1.5.-31.12.)	2004	Tariff D 02
Typical electricity price household + circuit breaker charge	0,1237	2003	Tariff D 02
Typical electricity price <u>service sector</u> (price range for commerce & public sector), including all taxes + circuit breaker charge	0,0876	2006	Tariff C 03d
Typical electricity price <u>industry</u> (price range), including all taxes	-	2006	The price is arranged by the agreement between electricity supplier and consumer
Relevant special tariffs (e.g. heat pumps, electric heating)			
- Storage heating + 1,394 Euro/month ⁴⁾ + circuit breaker charge	HT ²⁾ 0,135 LT ³⁾ 0,0452	2006	Tariff D 25d
- Storage heating + 1,394 Euro/month ⁴⁾ + circuit breaker charge	HT 0,0695 LT 0,0447	2006	Tariff D 26d
- Combined heating + 1,394 Euro/month ⁴⁾ + circuit breaker charge	HT 0,0735 LT 0,0558	2006	Tariff D 35d

- Electricity heating + 1,394 ⁴⁾ Euro/month + circuit breaker charge	HT 0,0723 LT 0,0567	2006	Tariff D 45d
- electricity for heating pumps + 1,394 ⁴⁾ Euro/month + circuit breaker charge	HT 0,0735 LT 0,0568	2006	Tariff D 55d
Electricity charge in weekend time	HT 0,1860 LT 0,0535	2006	Tariff D 61d

1) 27,980 CZK=1 EURO (24.3.2007)

2) HT – low tariff (electricity price in daily time 6:00 a.m. – 10:00 p.m.)

3) LT – high tariff (electricity price in night time 22:00 p.m. – 6:00 a.m.)

4) Fix payment – obligatory for all households

Source: E.ON, ERO

Electricity prices development has had a growing trend in recent years. This trend is obvious e.g. from the comparison of electricity prices for households:

Year 2006: 0,1048 Euro/kWh + fix charge 1,179 Euro/month + electric input charge = 2,001 Euro/month, 3x25 A

Year 2007 0,1128 Euro/month + fix charge 1,358 Euro/month + electric input charge = 2,037 Euro/month, 3x25 A.

Similar tendency is observed also in the service and industry sector.

Steadily growing prices influence electricity consumption most of all in households. In spite of this fact the rising tendency prevails in our region. This is caused by demand on house appliances. Many new appliances are bought in the household e.g. washing machines, fridges, internet connections, air condition etc. This is typical especially of 3 and more person households.

At the moment, there are three main electricity traders in the Czech Republic:

E.ON energie a.s

Pražská energetika a.s.

ČEZ Prodej s.r.o.

Each of these traders operates in particular area (region) with particular distribution low voltage networks and the other traders do not enter this area.

Liberalization of electricity market was carried out in several steps under the Act Nr. 458/2000 Coll. The electricity market was opened step by step (for consumers as well as for traders) in following phases under the law No. 458/2000 Coll.:

1) Since 1st January 2002 - for final customers, whose electricity consumption overtook 40 GWh in 2000 and for licensed electricity suppliers/traders with installed electric power over 10 MW.

2) Since 1st January 2003 - for final customers, whose electricity consumption overtook 9 GWh in 2001 and for licensed electricity suppliers/traders.

3) Since 1st January 2004 – for final customers whose electricity take-off place is equipped with process measuring instrument of electricity consumption except for households.

4) Since 1st January 2005 far all final customers except for households.

5) Since 1st January 2006 for all final customers.

Since 1st January 2006 the electricity market is completely opened for all customers including households.

The final electricity supplier is obliged to supply the electricity for households and other small customers for fix prices, which are set up by the ERO (Energy Regulatory Office). These prices are fixed every year. Differences in the electricity prices for households are not significant.

E.g. electricity price - charge D 25d, approved by the ERO for the period: 1.1.2006 - 31.12.2006

Supplier		E.ON	PRE	ČEZ
Price in Euro per 1 MWh	High tariff	134,994	130,0911	142,9692
	Low tariff	45,2348	46,6683	46,3874
Circuit breaker		Month charge in Euro		
Circuit breaker over 3x20 A to 3x25 A		2,9664	3,1472	3,0196

There are rather unimportant differences in the electricity prices in the low tariff as well as in the high one by any suppliers. The electricity prices differences are partly compensated by the charge for circuit breaker electric input. You can choose the electricity supplier only once a year. Small consumers including households have a chance to choose the supplier with the best bid, however due to the unimportant price difference the costs will probably not change significantly.

Stakeholders

ČEPS is a point-stock company operating Transmission System (TS) of the Czech Republic by law (it is a part of the CEZ Group). ČEPS is responsible for the operation of transmission system facilities and the dispatch of generation within the Czech Republic, as well as for parallel operation with the power systems of neighbouring countries via cross-border tie-lines under UCTE rules.

The CEPS transmission system is part of the Czech power supply system, which links major entities operating within the power supply system and across which the majority of cross-border exchanges are carried out. The CEPS transmission system comprises 38 substations of 420 kV and 245 kV located at 30 transformer stations, along with 2,900 km of 400 kV lines and 1,440 km of 220 kV lines. Two 123 kV substations and 105 route kilometres of 110 kV lines are also part of the transmission system.

ČEPS is a licensed Czech transmission system operator according to the provisions of Act No. 458/2000 Coll. The Company provides safe and reliable electricity transmission for users of the Czech transmission system within European interconnected power systems.

It provides technical management of system services such as power-frequency control and voltage and reactive power control, and is responsible for the availability and efficient use of power reserves.

ČEPS provides the consumers of the transmission systems services and the price for individual services is being set up by ERO.

In South Bohemia the company Jihočeská energetika, a.s. (JČE) used to be the only electricity distributor and the only regional company operating the transmission system.

In 2005 the company Jihočeská energetika a.s. ceased its existence and new companies were founded, which took over the regional electricity supply in the region of South Bohemia.

E.ON Česká republika, s.r.o.

E.ON Energie, a.s.

E.ON Distribuce, a.s.

E.ON took over the majority shares in electricity and energy regional suppliers Jihočeská energetika (South Bohemia) and Jihomoravská energetika (region Vysočina). After this change also the new E.ON administration was established. Because of these changes it is very complicated to compare the present electricity consumption with the electricity consumption data before these changes.

Other important organization which influences the electricity consumption is the Energy Regulatory Office (Energetický regulační úřad - ERÚ). This office influences the final energy prices for all consumers.

The Energy Regulatory Office (ERO) was set up as at 1 January 2001 under Act No. 458/2000 on the Conditions for Business and State Administration in the Energy Industries and on Amendments to Certain Laws (hereinafter "the Act") of 28 November 2000, as an administrative authority for regulation in the energy sector.

ERO fixes price decisions for the electricity and related services. In accordance with the Price decisions electricity price lists for households and SMEs are produced Under Act No. 458/2000 coll.

Only subjects awarded with licences which are the key prerequisites for doing business in the energy sector can be the electricity supplier. At present there are only 268 licence holders in the Czech Republic and out of this only 7 licence holders in South Bohemia. The most important one is E.ON, other important licence holders are Energetické centrum s.r.o. Jindřichův Hradec, heating plant operator. Other suppliers are small network electricity consumers, who supply other consumers with energy, most of all in rented buildings and places

Selection of the "second sector" - Agriculture

Agriculture, forestry and fish farming are traditional South Bohemian economy sectors. South Bohemian region is typical of landscape, which consists of forests, field, meadows and ponds. This regional character plays an important part in the preservation of the rural areas, country (villages) renewal and their in-coming economical growth. 7% of the employed persons in South Bohemia work in the sector of agriculture. Approximately 11 % of the whole agricultural production of the Czech Republic is produced in this region.

Agriculture, forestry and fish farming influence significantly the environment and the health of the population as well as the growth of the tourism in this region. In total the area of 4966 km² is farmland (this area represents 49,3 % of the total area of South Bohemia). Despite the fact that the total area of the farmland has declined a bit in recent years, this natural trend has not effected the agricultural character of the region very much. Certain areas of arable land are becoming smaller and the total area of meadows and pastures are growing especially in the marginal areas (districts of Prachatice and Český Krumlov). This is caused by the extensive farming in these districts. In the field of agriculture, the production of vegetables the growing of cereals, oil plants and fodder plants as well as potato production is very significant. With regard to livestock production, cattle and pig breeding is most represented. There are about 700 farmers' cooperations and about 5400 private farmers currently in South Bohemia. Forests take up one third of the total area of the region which is about 374 000 ha. (South Bohemia is the most forested region in the Czech Republic). 4% of the region is formed by water surfaces (half of the total water surfaces of the whole Czech Republic). The total area covered by over 7000 ponds where fish are bred amounts to approx. 31 000 ha. There are also 8000 other water reservoirs e.g. dams. Very important are most of all the touristic and water economical functions of these ponds and water reservoir. They keep water in the landscape and reduce the flood danger. Half of the fish production of the Czech Republic is realised from these ponds.

Despite the fact that, this sector represents a big share of the regional economy, its electricity consumption is decreasing. This decrease is caused by the liquidation of big agricultural farmers' cooperations, whose electricity consumption was higher, because of their size and the amount of agricultural products. These large agricultural units were partly substituted by the private farmers with insufficient equipment and processing technologies.

The South Bohemian electricity consumption structure differs from the Republic average. Electricity consumption of the agricultural sector represents 8,5 % - of the total electricity consumption of the whole industry consumption and only 6,7 % of the total regional electricity consumption. The consumption trends are determined by the next development of this sector, which is very effected by the entrance into EU. –

Electricity consumption in agriculture

Electricity consumption in agriculture:

Year	Electricity consumption in the region MWh	Out of this in agriculture MWh	Share %	Remark
2005	11 868 178	611 481	5,15	+
2006	12 075 297	638 178	5,28	+

+ Region South Bohemia and region Vysočina; source: E.ON

The decrease of electricity consumption in the agriculture is probably caused by the reduction of the two agricultural areas production.

Year	farmland hectares	in index %	Cereals harvest tonnes	in index %	Meat production tonnes	in index %
2003			576 239		67 331	114,28
2004	170 869	100,00	873 063	100,00	58 915	100,00
2005	168 924	98,86	736 451	84,35	58 060	98,54
2006	158 648	92,84	580 312	66,47	57 983	98,42

+ Region South Bohemia

The cereal harvest reduction is caused by the decrease of its sales and decrease of the number of cattle herds. One of the most important trends (as a result of alternative fuels production) is increase of farmland and harvest of oil plants (instead of other crop-plants).

In the time period of 5 years fuel consumption and energy consumption stagnation or only a very slow growth is foreseen. With the support of the state programmes and EU programmes, agriculture could become also a biomass producer and supplier (fast growing trees, straw etc.)

Summary/conclusions

Electricity consumption rises obviously in all sectors. Despite this fact the energy/electricity savings potential is not used sufficiently (energy intensity of the Czech Republic is twice higher than in other EU states). The causes could be often found in insufficient financial investments in the introduction and application of modern, energy efficient technologies for system measuring and regulation.

In household sector the most influential regulation measure is the price of electricity consumption. Because of steadily growing electricity prices efficient appliances are preferred when buying new ones. Also the energy labels are often used for finding the information about the energy efficiency of the appliance.

In industry the energy price is counted towards the final price calculation of the products. Waste or uneconomic use of energy is consequently taken over by the customer. There is missing an obligatory legislative act, which could solve the necessity of electricity consumption reduction. Price motivation seems to be insufficient. Attention is not paid to the electricity consumption and to its reduction possibilities adequately.

Energy policy targets referring to electricity are exact defined only in the field of RES-electricity. The national government passed the document State energy concept of the Czech Republic in March 2004. This document focuses on setting the long-term targets and priority of energy policy of the Czech Republic for the period to year 2030 and mid-term period to year 2010. One of the targets is support of electricity production from the RES (8% of total national electricity production in 2010). However the use of RES is in our region on a low level (as well as in the whole area of our republic). The largest share in the electricity production from the RES represents the biomass combustion, mostly waste wood and operation of 200 small water power stations. The biogas, wind potential and solar energy are used marginally.

To achieve the energy policy target in the field of RES-electricity production, large financial investments are necessary. E.g. the ČEZ group intends investment of 30 billions CZK (1,072 billion Euro) into the RES in the period of 30 years. Out of this 20 billions CZK (0,714 billion Euro) are supposed for the wind power plants construction. Installed output of the wind power plants could get over 100 MW. The attention is also paid to the water plants and electricity production from biomass. In 2020 higher electricity production from RES by 7 GWh compared to the current state is estimated.