

## Barents Euro-Arctic Energy Working Group Workshop: "Energy Efficiency and Renewables; Possibilities and Challenges for Russian Municipalities" Arkhangelsk 11 May 2011

## Background

In most Russian cities and municipalities, there is a significant potential for increased energy efficiency in municipal buildings such as schools, hospitals, kindergartens, offices, apartment buildings, etc. Furthermore, the energy costs constitute a substantial part of the Municipal budget.

Profitable economic savings can also be achieved by introducing renewables at boiler plants in district heating systems, and by renovating the heating systems and adopting present day solutions and technologies.

Reducing the energy consumption and increasing utilisation of renewables will also reduce the emissions to the air from district heating systems. This can also have a significant impact on stabilizing energy tariffs for the local population, preventing energy poverty and improving local energy security.

Through a number of international programmes in Russia, it has been confirmed that there are several barriers preventing the development and implementation of energy efficiency programmes in Municipalities. Part of them was removed by new legislation and standards in sphere of energy efficiency.

But still remain barriers lack of local awareness, capacities and skills within the Municipalities – about possibilities and benefits of energy efficiency and renewable and how to develop, finance, implement and operate new projects. The capacities and skills on how to develop a medium and long-term strategy with corresponding short-term action plans for energy efficiency and introduction of renewables in the Municipal sector is also limited in most municipalities.

In November 2009, a new federal law on "Energy Saving and Energy Efficiency Improvements and on amendments to other legal acts of Russian Federation" was approved. According this new law:

- budgetary organizations shall reduce energy consumption not less than 3% per year during 5 years from 2009 energy consumption level;
- regional and municipal authorities, state companies, budgetary entities and regulated companies shall develop energy efficiency programmes;
- energy audits shall be carried out in all state and municipal entities till 31<sup>st</sup> of December 2012;
- etc.

This puts a lot of additional obligations to municipalities, with no additional funds provided, and lacking the capacities and skills to handle this new challenge.

## Workshop

The above provides the rational why the Barents Euro-Arctic Energy Working Group could organise a Workshop in Arkhangelsk on **"Energy Efficiency and Renewables; Possibilities and Challenges for Russian Municipalities"**, focusing on the practical possibilities and results already achieved in the region.

## **Target Group**

The main target group for the Workshop is decision makers in Russian municipalities in Northwest Russia, local energy experts, consultants and project developers and representatives of banks and financial institutions that can provide financing for local projects on energy efficiency and renewable energy.