

## Barents Euro-Arctic Energy Working Group

### Workshop:

### **“Energy Efficiency and Renewables; Possibilities and Challenges for Russian Municipalities”**

**Arkhangelsk 23 September 2009**

#### **Background**

The industrial base and the local economy in the Russian Federation have during the last years developed and grown significantly. The financial stability of local private industries has made the later more financially independent and able to invest their own equity in small and medium scale energy efficiency or renewable energy projects. It has also made them much more attractive clients for Russian commercial banks and IFIs.

The strengthening of the industrial base and the resulting finances available for investment in energy efficiency and renewable energy projects has not been reflected in the municipal sector, where funding, or the lack of it, is still a barrier to project implementation.

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. Examples are the subsidised energy tariff structure, lack of metering and lack of mechanisms allowing savings from energy efficiency investments to be used to repay loans, or to be reinvested in new projects through for instance Municipal Revolving Funds. These barriers are normally connected to legislation and policy.

Another barrier is lack of local awareness, capacities and skills within the Municipalities – about possibilities and benefits of energy efficiency and renewables 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.

The above provides the rational why the Barents Euro-Arctic Energy Working Group organised this 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.

The main target group for the Workshop was 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.

## Workshop

The programme included 16 presentations, introducing Nordic co-operation on Energy Efficiency and Renewables and federal policy, priorities and requirements to energy efficiency and renewables in Russian municipalities. Most of the presentations were focusing on the practical possibilities and results already achieved through a large number of projects in the region (see enclosed Workshop Agenda).



*From left; Aleksey F. Vereschagin, Vice Governor of the Arkhangelsk Region. Johan Vetlesen, Norwegian Ministry of Petroleum and Energy and Co-chair of the BEAC Energy Working Group. Anatoly Lukin, Arkhangelsk Regional Administration and Co-chair of the BEAC Energy Working Group*

The Workshop was attended by 69 participants, of which 80 % from Russia (see separate list of participants).



All presentations (numbered as in the Workshop Agenda) can be downloaded from the homepage of the Nordic Council of Ministers ([www.norden.org](http://www.norden.org)), the Barents Secretariat ([www.barents.no](http://www.barents.no)) and the Arkhangelsk Oblast Energy Efficiency Centre ([www.aoeec.ru](http://www.aoeec.ru)).

At these sites, you can also find leaflets from a number of pilot projects previously implemented in Northwest Russia. A brief summary of the November 2009 Russian Federation “Law on Energy Saving and Energy Efficiency Improvements” is also provided.

## Workshop Agenda

9.00 Registration at big Conference Hall of Arkhangelsk Oblast Administration.  
Address: Troitskiy avenue 49, Arkhangelsk.

Part 1, Chairman: Johan Vetlesen, Co-chair of the BEAC Energy Working Group

Time	Title	Presentation by
10.00	Welcome/opening addresses	Aleksey F. Vereschagin, Vice Governor of the Arkhangelsk region Johan Vetlesen, Norwegian Ministry of Petroleum and Energy
10.10	1. Nordic co-operation on Renewables and Energy Efficiency	Jørgen Calundann, Chief Consultant, Danish Energy Agency
10.30	2. Federal policy, priorities and requirements to energy efficiency and renewables in Russian municipalities	Nikolay V. Sviridov, Deputy Head of Environmental Protection and Renewables Development Department, RF Ministry of Energy
10.50	3. Energy efficiency and renewables in Arkhangelsk, today's situation and future plans	Yury G. Trubin, Deputy Head of Forestry Department of Arkhangelsk region Administration
11.10	4. Energy Efficiency and Renewables in North-West Russia; results and lessons learned from long term Russian – Norwegian cooperation	Trond Dahlsveen, ENSI – Energy Saving International
11.30	<i>Coffee break</i>	
11.50	5. Municipal Energy Efficiency Planning – an efficient tool for sustainable development in municipalities	Victor Kotomkin, ENSI – Energy Saving International
12.10	6. Financing of municipal projects, what can be offered by NEFCO	Vitaly Artyushchenko, Investment Advisor, NEFCO
12.30	Questions/discussion	
13.00	Lunch (Pur-Navolok)	



*Nikolay V. Sviridov,  
Deputy Head of Environmental Protection and Renewables  
Development Department,  
RF Ministry of Energy*

Part 2, Chairman: Anatoly Lukin, Co-chair of the BEAC Energy Working Group

Time	Title	Presentation by
14.00	7. Carbon financing in the municipal sector: now and after Copenhagen	François Sammut, Senior Advisor, Econ Pöyry AS
14.15	8. How to reduce the energy consumption in existing buildings	Tore Wigenstad, Dr.eng, SINTEF Trondheim
14.30	9. Developing the renewable energy business in North-West Russia	Magnus Gustafsson, Professor, PBI Research Institute
14.45	10. Reconstruction of the boiler room at the Central district hospital and construction of heating networks in the town of Onega	Tamara Kononova, Chief Engineer, Arkhangelsk Regional Energy Efficiency Center
15.00	11. Finding investments and implementation of energy efficient projects in social sector in Arkhangelsk region	Anna Kulikovskaya, Technical Director, Arkhangelsk Regional Energy Efficiency Center
15.15	<i>Coffee break</i>	
15.45	12. Energy efficiency in Segezha Municipality	Yuri M. Anciferov, Deputy Major, Segezha Municipality
16.00	13. Energy Efficiency in Kirovsk Kindergarten – 10 years after	Victor Kotomkin, ENSI – Energy Saving International
16.15	14. Complex modernization of heating systems in social sector in the town of Kotlas of Arkhangelsk region	Tamara Kononova, Chief Engineer, Arkhangelsk Regional Energy Efficiency Center
16.30	15. Energy Efficiency and passive-houses in Tromsø. New technology implemented in the North.	Odd Carl Steinsvik, Architect, Steinsvik Architects, Tromsø
16.45	16. Wind power generation project in Murmansk Oblast	S.V. Korolev, Technical Director of “Windlife Arctic Power”
	Summary and Conclusions	



Tamara Kononova, AOEEC



Anna Kulikovskaya, AOEEC