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EVENTS, CONFERENCES

The fourth Global Wind Day in Poland and worldwide



The celebrations of the Global Wind Day in Poland started before the official celebrations on 15 June. During the preceding weekend, on 12 and 13 June, during the Maritime Days in Szczecin, hundreds of people could see an actual, almost 50-metre wind turbine blade and visit an ecological tent to learn many fascinating facts about wind power, ask a question to representatives of the Polish Wind Energy Association or use electricity production simulator to learn how much energy a wind farm produces in given conditions. Colourful gadgets distributed to all interested in the wind power sector attracted significant attention.



On 15 June large, 6-metre inflatable wind turbines were built in many points around Warsaw, to Mark the location of discussion points concerning wind power issues. A meeting was held with Secretary of the State in Ministry of the Environment, Mr. Stanisław Gawłowski and media representatives in front of the Sejm and a wind turbine. During the meeting the Minister expressed his support to wind power and the use of renewable energy sources.

Furthermore, a press conference was held that day in Szczecin. During the conference PWEA President, Mr. Jarosław Mroczek presented the representatives of the local media the latest data concerning the wind power market in Poland and Europe and discussed its future development perspectives.

The Global Wind Day is coordinated by European Wind Energy Association (EWEA). 210 events in 26 countries around the globe were held on 15 June, including for the first time in Venezuela, Argentina, Norway or Canada. Visitor's days on onshore and offshore wind farms, numerous works hops, conferences, competitions, sports competitions and other event were attended by almost one million participants. More information about the Global Wind Day in Poland and worldwide is to be found at www.psew.pl and www.globalwindday.org.



PWEA ACTIVITIES

Press conference on NREAP

A press conference presenting the position of the Polish Wind Energy Association concerning the National Renewable Energy Action Plan published by Ministry of Economy was held on 10 June in Warsaw.

PWEA applies for rejecting the draft National Renewable Energy Action Plan (NREAP)

The public consultation of the draft National Renewable Energy Action Plan (NREAP) lasted until 7 June. The essence of the NREAP is to present the feasible trajectory for the development of the use of renewable energy sources by 2020 and for the fulfillment of the EU's Directive 2009/28/EC on the promotion of the use of renewable energy sources.

In PWEA opinion a number of solutions proposed in the NREAP leads to a very serious doubt or actually fear concerning the Poland's capacity to meet its commitments towards the European Union concerning the share of renewable energy sources in the total energy consumption in year 2020 at the level of 15%.

In accordance with PWEA, the draft NREAP is a document that does not meet the requirements laid down in Directive 2009/28/EC and specified in detail by the European Commission and contains numerous mistakes and inconsistencies. Actually, it requires to be developed once again. The document lacks implementation instruments (schedule of works and expenditures), in particular support schemes that would allow Poland to reach the proposed 15.5 percent share of RES energy in final energy consumption in 2020.

PWEA is of the opinion that the most significant flaw of the document and the most likely source and reason of its other flaws is the weakness or even lack of analytic part. The NREAP does not use tools appropriate for planning works (simulation models, scenario methodology, questionnaire methodology, foresight, etc.). The presented scenarios, including the recommended renewables development trajectory until 2020, lead to many doubts and are not credible; furthermore, it is difficult to see an attempt to cost-optimize the trajectory.

Such an approach of the authors caused particular parts of the draft to be incoherent or even contradictory. **The best example is the proposed total share of biomass in each of the final markets, which significantly differs from the balance of its resources. Both values demonstrate very high deficit of biomass, what is very important, for in accordance with the authors of the NREAP it is to contribute as much as 80% of total green energy in 2020.** Counting the demand for biomass from RES technologies and their role on the final markets for heat, electricity and transport, one finds that 8753 ktoe is required to fulfill the target. **This means a shortage of 1810 ktoe (more than 21 050 GWh) of energy biomass, which is an estimate error almost twice as high as the total amount of energy planned for wind power and more than ten times higher than the planned target for geothermal sources.** Lack of any source materials or data attached to the draft NREAP

does not allow for full assessment of the discrepancies and errors in the document. However, if further analyses confirm the conclusions pertaining to the overestimation of the share of biomass in green energy production, this would mean that the document has to be rejected in full due to erroneous basic assumptions.

In accordance with PWEA, the share of particular green energy carriers in transport in 2020 may also be astonishing. **Here we also see an overestimation of the use of biomass resources through complete omission of the possibility to use electricity in transport (electric vehicles).** The question why the document does not discuss green electric transport, already starting to develop in Poland, and which is well-established in strategic documents in other EU countries, remains unanswered. Such an approach is irrational, for in accordance with Directive 2009/28/WE „green” electric propulsion is counted two and half times more towards the national target than transport biofuels. Bearing in mind that the biofuels structure for 2020 not only does not include green electricity, but also actually does not include biofuels from lingo-cellulosic material and waste (in accordance with Directive 2009/28/EC double-counted towards the national target), there exists a fear that the diverse renewable energy resources in Poland will be used in an irrational way and that the illegitimate pressure towards the use of biomass will lead to additional economic and environmental costs.

Another example of total disregard to economic analysis and lack of cost-optimisation of the proposed RES development scenario may be seen in basing the CO₂ reduction targets for Poland on modernisation of the coal-based power sector to adapt the industry to the requirements of the ETS Directive concerning the community greenhouse gas emissions trading scheme. The cost of such modernisation, estimated at € 100 billion, could be significantly decreased had the authors of the NREAP displaced even a small proportion of coal energy with RES electricity. In such case there would be no need to manipulate figures to prove legitimacy of the proposed solutions, for instance by underestimating actual emission factors of power blocks displaced by renewable energy sources by 30% (the NREAP assumes 700 kg/MWh).

PWEA is of the opinion that the numerical data presented in the draft NREAP indicate the authors' aspirations to formally and mechanically fulfill the requirements of Directive 2009/28/EC, in particular the European Commission's guidelines concerning the required NREAP template rather than to make an actual attempt to reach a final outcome in accordance with the principles of science and to discuss its determinants and consequences. Lack of feasibility analysis of the proposed scenario for implementation of requirements of Directive 2009/28/WE and its true costs actually disqualifies the document.

Having regard to the above, PWEA applies for rejecting the draft NREAP in full and developing it again.

Full PWEA opinion concerning the NREAP is available at www.psew.pl

European Economic Congress – Katowice, 31 May – 2 June

PWEA President, Mr. Jarosław Mroczek participated in the „Energy – renewable energy sources” panel during the European Economic Congress (*Europejski Kongres Gospodarczy*) 2010, the largest business event in Central Europe, attended by approximately 4000 guests and almost 700 speakers, including the most important representatives of the policy, business and science world.

Participants of the panel discussed the EU’s achievements and requirements in the area of renewables, the Polish experience, ambitions and priorities, as well as the issues related to the stability of the power system. Main barriers to RES development and project financing were also discussed.

„Wind energy. How to invest in renewable energy sources?” conference

Mr. Jacek Tukaj, PWEA specialist, participated as a speaker in the „Wind energy. How to invest in renewable energy sources?” conference organised by Rzeczpospolita daily journal. The conference was held on 25 May in Warsaw. Mr. Tukaj presented a paper entitled „Wind power development in Poland by 2020 – a vision”.

LAW AND POLICY

Draft Transmission Grid Code

The Transmission System Operator (TSO), in accordance with the TSO’s Announcement dated 11 May 2010, ended on 25 May 2010 the consultation procedure for the draft Transmission Grid Code. The TSO developed the new draft with the intention to adapt the TGC to the requirements of the new Energy Law provisions, effective since 11 March 2010. Due to numerous changes affecting the wind power sector, Polish Wind Energy Association actively participated in the consultation procedure.

The draft TGC subject to consultations comprises of three parts: (i) TGC – General part, (ii) TGC – Conditions for grid use, traffic management, operation and development planning (TGC – Operation) and (iii) TGC – System balancing and congestion management (TGC - Balancing).

Due to the end of the consultation process, pursuant to Article 9g(7) of the Energy Law the TSO on 11 June 2010 submitted for approval to the President of the Energy Regulatory Office the TGC together with the TSO’s report from TGC consultations, including information on comments submitted by system users and the procedure for their implementation. The TGC submitted to the President of the ERO for approval, together with the report, have been on the day of publication of this information published on the TSO’s website at www.pse-operator.pl.

Source: PSE Operator

MARKET

Greenpeace: energy revolution would bring 8.5 million jobs

An energy revolution, basing on shifting towards renewable energy, would create 8,5 million jobs in 20 years, had the governments abandoned subsidising fossil fuels – Greenpeace report demonstrates.

"Investing in new jobs instead of dirty and dangerous fossil fuels would not only strengthen economic growth, but also prevent catastrophic climate changes" – states the report developed together with European Renewable Energy Council (EREC).

Annual market for renewable technology could – in accordance with Greenpeace – grow from today's \$100 billion to \$600 billion in 2030. Currently renewable industry employs approximately 2 million people. The report assumes reduction in greenhouse gas emissions by 80 percent until 2050, compared to the 1990 level, and an increase in the share of renewable energy to 95 percent.

As stated by the report's co-author, Greenpeace representative for energy, Sven Teske, this is an ambitious scenario and many countries do not declare such targets. EU committed to reduce its emissions by 20 percent to 2020. USA President Barack Obama would like his country in that period to reduce emissions by 17 percent compared to the 2005 level.

Source: PAP

DONG Energy acquired a credit for a wind farm

DONG Energy signed with the European Investment Bank (EIB) an agreement for financing construction of the London Array offshore wind farm, to be built along the UK shore.

The EIB will grant the Danish company a credit amounting to GBP 250 million. The first stage of the project comprises of a 630 MW wind farm, to be commissioned in 2012.

DONG Energy owns 50 percent of shares in the project. Apart from the Danish company, project shareholders also include E. ON (30 percent) and Masdar (20 percent).

Source: CIRE.PL

The share of electricity produced from renewable electricity sources in 2009

The Energy Market Agency announced that total production of RES electricity in 2009 amounted to approximately 8.6 TWh, with total energy sales to final consumers at the level of 113 TWh. Those figures demonstrate that the shortage of RES electricity required by all energy suppliers in 2009 to satisfy the obligation to purchase that energy without the need to pay substitution fees amounted to approximately 1.2 TWh. The obligation for 2009 was 8.7% of total energy supply.

The Energy Market Agency announced that had the demand for energy not decreased in 2009 and maintained at the level of 118 TWh, the shortage of RES energy would have amounted to approximately 1.7 TWh, similarly as one year before. This means that the increase in RES installed

capacity to date is lower than assumed during determination of mandatory RES energy purchase levels – in particular that the RES support scheme assumed continuous increase in energy demand.

Additionally, most of RES energy is produced in large, system power plants using co-firing technology. Co-firing of biomass with coal in system power plants and CHP plants currently yields 4.2 TWh of electricity in Poland. Hydro power plants produced 2.4 TWh. Wind amounted to 1 TWh of electricity. The remaining amount of RES-E was produced from biomass and biogas combustion in small sources and industrial CHP plants.

Source: The Energy Market Agency

EWEA predicts a strong European market for wind turbines in 2010

The European Wind Energy Association (EWEA) released on June 14 its forecast for wind power installations in 2010. It expects 10 gigawatt (GW) of new wind power capacity to be installed in the EU during 2010, taking total installed capacity by the end of 2010 to almost 85 GW - an increase of 13%.

Last year – a record year for wind power installation – saw 10.163 GW of new wind power capacity installed, constituting 39% of all new power capacity installed in the EU that year. Total installed wind power capacity by the end of 2009 was 74.767 GW.

“We predict another strong year for wind turbine installations in Europe, repeating the high level achieved in 2009,” said Christian Kjaer, CEO of EWEA. *“What is encouraging is that, unlike in 2009, the 2010 results consist of orders placed after the start of the financial crisis. This shows continued and strong investor confidence in the technology.”*

“It is too early to say whether, for a third year running, there will be more wind energy capacity installed than any other electricity generating technology, but it is clear that wind energy will be competing for the top spot with new gas power plants,” added Kjaer.

2010 will see more installations in offshore wind power, with up to 1 GW of new capacity expected to be installed during the year compared to 577 MW installed in 2009.

EWEA expects France and Italy to again install around 1 GW each in 2010. The expected decline in installations in Spain will be more than compensated for by a doubling of installations in the new member states – led by Romania and Bulgaria - and significant growth in the UK, particularly offshore. Germany is expected to be the largest market this year, closely followed by the UK.

Source: EWEA

Results of application submission round under competition no. 2/POIiŚ/9.4/2010

160 subsidy applications totalling PLN 3 181 billion were submitted under the application submission round under competition no. 2/POIiŚ/9.4/2010, ended on 31 May 2010. Submitted projects include 65 wind power projects, 63 biogas projects, 18 biomass projects, 5 solar projects, 5 hydro projects and 4 geothermal projects. Micro-entrepreneurs submitted 82 subsidy applications; 19 were submitted by small enterprises, 20 by medium enterprises, and 38 by large enterprises. The above values will be verified upon the formal assessment stage.

Source: Ministerstwo Gospodarki

Largest wind farm in Europe commissioned in Romania

The largest wind farm in Europe, located in Romania on the Black Sea coast, started producing green energy. The 600 MW wind farm is worth €1.1 billion.

The Fantanele Wind Farm, located 50 km from the largest Romania's port and holiday resort - Constanca, has been connected to the national grid operated by Transelectica. Five turbines already feed energy to the grid; further are to be commissioned in the weeks and months to come. 114 out of 139 planned turbines have already been installed. Construction of further 101 turbines is planned in the nearby town of Cogealac. The entire investment will amount to €1.1 billion, being the largest foreign investment in the Romania's history.

Source: Wnp.pl

CMOH report: The Potential Health Impact of Wind Turbines

At the end of May 2010 Chief Medical Officer of Health (CMOH) of Ontario released a report entitled "The Potential Health Impact of Wind Turbines", prepared in response to public health concerns about wind turbines, particularly related to noise. The report presents a synopsis of existing scientific evidence on the potential health impact of noise generated by wind turbines.

Main conclusions from the report:

- *While some people living near wind turbines report symptoms such as dizziness, headaches, and sleep disturbance, the scientific evidence available to date does not demonstrate a direct causal link between wind turbine noise and adverse health effects.*

- The sound level from wind turbines at common residential setbacks is not sufficient to cause hearing impairment or other direct adverse health effects. However, some people might find it annoying. It has been suggested that annoyance may be a reaction to the characteristic “swishing” or fluctuating nature of wind turbine sound rather than to the intensity of sound.
- Low frequency sound and infrasound from current generation upwind model turbines are well below the pressure sound levels at which known health effects occur. Further, there is no scientific evidence to date that vibration from low frequency wind turbine noise causes adverse health effects.
- Community engagement at the outset of planning for wind turbines is important and may alleviate health concerns about wind farms.
- Concerns about fairness and equity may also influence attitudes towards wind farms and allegations about effects on health. These factors deserve greater attention in future developments.

Full report available at <http://www.health.gov.on.ca>

Source: PWEA

MEMBERSHIP

Currently PWEA has **86** corporate members, including 29 sponsors and 57 ordinary supporting members. Furthermore, PWEA has 76 ordinary members – individuals.

We invite all subjects operating on the wind power market in Poland to join us.

a) Supporting members:

Taiga Mistral Gestion changed status from sponsor to ordinary supporting member.

Jeleniogórskie Elektrownie Wodne Sp. z o.o., a sponsor, changed the name to **TAURON Ekoenergia sp. z o.o.**

LM Glasfiber Poland Sp. z o.o., a sponsor, changed the name to **LM Wind Power Poland sp. z o.o.**

Neolica Polska Sp. z o.o., an ordinary supporting member, changed the name to **EDP Renewables Polska sp. z o.o.**

b) New ordinary members:

Grzegorz Cieślak as a representative of Dong Energy Power A/S.

Łukasz Hudyka as a representative of Falck Renewables plc

Monika Kiziukiewicz-Grudka as a representative of Gamesa Corporacion Tecnologica, S.A.

Marcin Nawrocki as a representative of Contino Wind Sp. z o.o.

GENERAL ASSEMBLY OF PWEA MEMBERS

An Ordinary General Assembly of Polish Wind Energy Association Members was held on 10 June 2010. The Assembly granted the Board vote of approval and approved the Action Plan for year 2010. Due to the expiry of the two-year term new elections to PWEA Authorities were held.

Mr. Jarosław Mroczek has been re-elected PWEA President.

Freely elected Vice-Presidents:

Mrs. Anna Paślawska-Misztal and Mr. Krzysztof Prasalek

Vice-Presidents – representatives of sponsors:

1. Antonio Castro - Martifer Renewables S.A.
2. Grzegorz Cieślak - Dong Energy Power A/S
3. Stefan Ebeling - Sevivon Sp. z o.o.
4. Adrien Fouchet - Nordex Polska Sp. z o.o.
5. Andrzej Gromadziński - Eolfi Polska Sp. z o.o.
6. Ziemowit Iwański - GE Energy GmbH
7. Andrzej Jastrzab - GDF Suez Zielona Energia Sp. z o.o.
8. Tadeusz Kierys - Domrel Biuro Usług Inwestycyjnych Sp. z o.o.
9. Monika Kiziukiewicz-Grudka - Gamesa Corporacion Tecnologica, S.A.
10. Marian Kokoschka - E.ON Climate & Renewables Central Europe GmbH

11. Kenneth Kolvits - Vestas
12. Andrzej Konarowski - Acciona Energy Poland Sp. z o.o.
13. Tom Kozera - CEZ Polska Sp. z o.o.
14. Michał Kozłowski - Polish Energy Partners S.A.
15. Lech Kuleszyński - Iberdrola Renewables Polska Sp. z o.o.,
16. Johann Nather - RP Global Poland Sp. z o.o.
17. Adam Pantkowski - Vortex Sp. z o.o.
18. Jesús Poyo Terrero - EnBW Erneuerbare Energien GmbH
19. Jacek Roman - EPA Sp. z o.o.
20. Michał Siembab - EWE zielona energia Sp. z o.o.
21. Marek Sierżęga - LM Wind Power Poland Sp. z o.o.
22. Sławomir Sikorski - AC Prim Sp. z o.o.
23. Pedro Silva - CJR Polska Sp. z o.o.
24. Christoph Sowa - Enertrag AG
25. Piotr Spaczyński - Spaczyński, Szczepaniak i Wspólnicy sp. k.
26. Tadeusz S. Staszewski - Vattenfall Poland Sp. z o.o.
27. Grzegorz Szymczak - Gamesa Energia Polska Sp. z o.o.
28. Małgorzata Wójcik-Stasiak – TAURON Ekoenergia Sp. z o.o.
29. Mirosław Ziółkowski - RWE Renewables Polska Sp. z o.o.

Audit Committee Members:

1. Tomasz Adamczyk
2. Grzegorz Skarżyński
3. Adam Stadnik