

Round-table recommendations
"Establishing the grounds for normative and legal regulation of alternative energy as a tool to strengthen Russian energy safety"

State Duma, room 830 n, 23rd March 2010 15:00

Participants of round-table on "Establishing the grounds for normative and legal regulation of alternative energy as a factor to strengthen Russian energy safety" mark the following:

In the modern life energy safety issue becomes one of the most important compounds in state national security. Global hydrocarbon stocks are running low therefore the broader usage of renewable energy sources is gaining more and more importance.

Alternative energy becomes a factor for innovative development in the world in particular it leads to forming a new technological platform for energy and heat generation, increases energy efficiency, creates new working places and increases the quality of people's life - environment gets better, industrial disasters like Chernobyl and Sayano-Shushenskaya are eliminated.

For Russia strategic goals in using renewable energy sources and local fossil types include:

- rational decrease of non-renewable fuel & energy resources consumption in order to save hydrocarbon for the coming generations;
- decrease environmental impact of fossil and energy activities; provide stable heat- and electricity supply to decentralized consumers and remote regions where fuel is delivered seasonally (Far North areas and likewise);
- decrease costs for remote fuel delivery and refine regional energy policy.

For Russia it's topical that alternative energy development will allow keeping the necessary export level of hydrocarbon saved which is really important for the state budget.

Threat with all diversity of alternative and renewable energy sources their large-scale industrial usage requires state and public supporting measures at least during the first stage as well as improving legal support and creating a legal environment that will contribute to their wide use.

Some measure upon renewable energy development as well as upon energy efficiency and conservation are taken in Russia on federal, regional and local levels. But so far there has been no edifice management that is in tune with this energy sector importance for the country.

The RES development as well as energy efficiency and conservation is hindered due to the lack of efficient strategy, specific programs, promotion and supporting system and necessary static observations and control mechanisms. The corresponding normative and legal base is not established.

Coal and carbon remain the major strategic resources for Russia's social and economic development for the many coming years. But the fact that coal and carbon resources are limited as well as the scale and speed of their depletion prompts to take the necessary measures to keep up with the global trend of massive alternative energy development.

There at the round table participants **recommend**:

Federal Assembly of Russian Federation:

1. Activate legislative activities in developing renewable energy sector, ensuring energy efficiency and energy resources save-up.
2. Continue legislative activities in the frame of CIS InterParliamentary Assembly, InterParliamentary Assembly of Euroasian economic community and Parliamentary Assembly upon Arranging a Collective safety agreement to develop national model legislation in order to harmonize and unify national legislation of the countries participating in the aforementioned international organizations in the field of renewable energy, energy efficiency and energy conservation.

Government of Russian Federation:

In order to improve a system for state regulation on RES usage and systematize the legislation in this area:

- develop a draft federal law upon renewable energy usage;
- develop a package of necessary changes to the current legislation that would promote local energy sources and RES development and provide it to State Duma for consideration.

Ministry of Energy of Russian Federation:

Speed up activities preparing:

- a draft Decree of the Russian Government Decree "Upon the order of setting the premium to the equilibrium wholesale market price when identifying the price of electric energy produced by qualified RES stations";
- a draft Decree of the Russian Government upon criteria and order of issuing federal subsidies to compensate the costs for technological connection of the generating units with <25MW capacity ranked as qualified and functioning upon renewable energy sources. These compensations will be issued to those who have ownership rights upon these units or upon any other legal basis.

In order to fulfill the RES promotion mechanisms the following should be authorized:

- 1) Changes to the Regulations upon electrical energy (capacity) wholesale market during transfer period; Regulations of electrical energy retail market during the transfer period of electrical energy reforms as well as Basis for electrical and heating energy prices establishing that stipulate the order of using price premium and the top-priority losses reimbursement by RES energy.
- 2) Enactments setting the order of applying budget stimulation measures to RES usage.

Russian Federation subjects:

To optimize regional energy policy and improve local environment it is necessary to assist in fulfilling economically feasible pilot projects that would operate on RES and local energy resources.