

Energy Efficiency and Renewable Energy



NVE
International
Section

Advisory services in support of program and project developments and implementation.

Background:

The EEA Grants are funded by the EEA countries, namely Norway, Iceland and Lichtenstein as a contribution to reducing economic and social disparities in the European Economic Area and to strengthening of bilateral relations. As a result of negotiations, it was decided that funds would be distributed to 15 EU countries in Eastern and Southern Europe, - to be spent on 32 different program areas. In the Memorandums of Understanding (MoU) with the individual countries the actual allocation is determined, including which among the 32 areas will benefit. In the MoU it is also determined which Norwegian authorities will be the DPP for the countries' respective programs.

In Bulgaria NVE is the DPP for a program covering renewable energy and energy efficiency. In addition, NVE is also the project partner in a related, so-called pre-defined project. This will deal further with the establishment of a well functioning electricity market within the framework of EU regulations; - a follow up to work undertaken earlier by MEET and NVE.



The Bulgarian Parliament

Activities:

The work in the first part of 2012 was mostly related to preparatory activities in connection with negotiations and programme development. Preparation of a draft program for the energy efficiency and renewable energy initiative progressed well and helped building a good working relationship between MEET and NVE. The draft program was completed February 2012 and was submitted to FMO. After that there have been meetings and discussions on indicators, bilateral funds and other parts of the proposal. The program agreement was signed in May 2013.

The program is divided into 4 areas: a) Small hydro power plants in water supply systems; b) Measures for energy efficiency in public buildings; c) Biomass plants producing wooden chips and pellets, and; d) Competence building for state and local officials regarding energy efficiency and renewable energy (modest part of budget).

The pre-defined project on electricity market design will be built on phase I of the project financed by grants from the former EEA financial mechanism (ref. project description in the 2010 Annual Report). The recommendations from this project were aimed at initiating a project to establish a national physical market for electric power sales in Bulgaria. The project will start up as soon as plan, budget and activities are agreed with NVE and the project application approved by the program operator. The concluded phase I and subsequent discussions identified that establishing a power exchange based on the Day Ahead Market concept would benefit greatly from a market coupling with Romania.

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Visit of Bulgaria's energy ministry. Fuel from biomass to Oslo Airport Gardermoen district heating systems



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Overall Project Data

Client: Financial Mechanism Office (FMO) of EFTA. FMO controls the EEA Grants funds on behalf of the Ministry of Foreign Affairs, Norway. The regulator, SEWRC, is client for a predefined project under the program.

NVE Mandate: NVE is Donor Program Partner (DPP) to the Program Operator (PO) in Bulgaria, MEET. NVE is also Project Partner (PP) to the PO on a predefined project under the program.

Contract Value/ Duration: Program budget of € 13,260,000 is at the disposal of the PO. NVE's expenditures as DPP are covered by a separate contract with FMO. For the predefined project NVE's expenditures are covered by the project budget. Program and project periods last until early 2016.