

# Russian wind energy calm

*Renewable energy sources are still considered "uncompetitive" by the Government.*

*Independent Newspaper (Nezavisimaya Gazeta), 31.05.2010 / Anatoly E. Kopylov - Ph.D., vice president of Russian Association of Wind Power Industry (RAWI).*

Nowadays, wind energy is Russia's foster child. It is invisible; its production volumes are ridiculous: total wind power capacity of all existing power generating facilities in the country is less than 10 MW. For comparison, there are more than a dozen countries where 1000 MW of wind power are installed annually. They introduce annually 100 times more than we have in total.

And after all, renewable energy development is the foundation of not only industry modernization but the entire economy, science and industry. Modern wind power installations are reliable, withstand peak loads, and are involved in system control.

A new stage of Russian wind power development is possible only in case the government launches the renewable energy development support system and wind energy in particular. Worldwide, conventional power energy has been and still is subsidized. To understand this phenomenon scale: till now about 230-250 billion dollars that is annual subsidies all over the world in the field. According to the International Energy Agency, the amount of subsidies to the Russian traditional power industry is approximately \$ 40 billion annually. There are some other figures, for example, according to "Troika Dialog" company only subsidies of GAZPROM are estimated at about \$ 70-100 billion. No fair competition with conventional energy can't be under such conditions.

However, the thing is not about "competition". To achieve the indicators specified in Government resolution № 1-p dated January 8, 2009, in the industry must be invested 3 trillion. rub. This amount includes investors funds, tariffs premiums and grid connection compensation payments.

In November 2007, amendments to Federal Law № 35 on Power Sector were adopted. These amendments for the first time in our country history constituted special conditions and support measures for RES-Based Generating Facilities, namely - the State's consent to pay premium to the RES market price and grid connection compensation. These are the key measures defined by the government. Defined, but still unrealized.

The Head of Section of State Energy Policy and Energy Efficiency Department of the Ministry for Energy, Nikolay Sviridov, referred at the hearings at Russian State Duma that the Ministry's policy on RES is "balanced". On one hand, Mr. Sviridov is sure that Russia "is not in the backyard" of renewable energy development, but he also recognizes that, taking into account the subsidies given in conventional energy sector, renewable energy "remains uncompetitive."

Government resolution № 1715-r dated November 13, 2009 determined the New Energy Policy of Russia for the period up to 2030. This document makes a dual impression in terms of Russia's renewable energy development prospects analysis. On one hand, Renewables are mentioned as one of the key elements of Russian energy future development. On the other, they are mentioned very humble. In particular, RES are not named directly in goals and objectives of strategic energy development.

When it comes to talking about the new generation in the Strategy and regional preferences of technologies & development of generation in the country, none of the RES-based technologies are mentioned, except large hydropower plants. Consequently, we are forced to make a conclusion that in reality the authors don't consider renewable energy in the country strategic energy development. Moreover, it makes this strategy fundamentally different from all known national and international action plans of energy development, where renewable energy is one of the main strategic development avenues.

RES, with the exception of large hydropower, are clearly not among strategic priorities of the Ministry of Energy of Russia. Therefore, it is expected, that in paragraph 1 of section 8 "Expected results" of the approved strategy, renewable energy development is not even mentioned as a separate goal and expected result. So it still stays unclear how the government intends to reach its own target (Government resolution № 1-p dated January 8, 2009) of 4,5% RES share in energy balance by 2020 without large HPPs?