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Deliverable D2.4- Regional review report - MALOPOLSKA

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1. Introduction

This document covers the deliverable D2.5 of the COOPENERGY project.

The deliverable is submitted either in English (5-10 pages in an electronic format) or in National language with a 2-3 page summary in English.

Each COOPENERGY regional partner is responsible for delivering this document for its own region.

2. COOPENERGY

The main goal of COOPENERGY is to foster the development of collaboration models in sustainable energy planning between the regional and local public authorities to lead the transition towards low carbon communities and regions.

COOPENERGY aims to mobilize eight (8) regional public authorities to work hand in hand with the local authorities and demonstrate their collaboration by developing Multi-Level Governance (MLG) models that support the creation of mutually beneficial Sustainable Energy Action Plans (SEAP) at regional and local levels and the development of joint actions in energy planning for the successful implementation of SEAPs.

In complement to cooperation in strategic regional energy planning, three (3) **themes of collaboration** were identified as key cross-cutting pillars for the successful definition and implementation of the MLG models. COOPENERGY will focus on these collaboration themes:

- **Financial instruments**
- **Modelling, planning and monitoring tools for decision making**
- **Awareness raising and stakeholder involvement instruments**

3. Overall context in sustainable energy planning

Achieving sustainable energy solutions often requires the development of a number of interrelated measures such as a change in land use, sharing of sustainable energy resources or development of new financial models. Therefore, successful implementation will require coherent and concerted energy planning to bring all the differing strands together at regional and municipality levels. This could include additional support for the development of:

- infrastructure planning at a spatial and network level (covering more than one public authority or region) such as renewable energy networks
- cross boundary renewable energy resource supply chains e.g. wood fuel biomass
- natural resource use planning and conflict management
- comprehensive monitoring of energy use and GHG emissions at regional and local levels to inform development of local SEAPs and business cases
- development of innovative financial mechanisms supporting local actions

Successful implementation is further complicated by the fact that regional SEAPs are often part of a wider plan or strategy involving a greater number of stakeholders, and a longer plan development time. It is therefore imperative at the outset to develop a firm multi-level governance basis for action.

4. Main purpose

Each regional partner will perform an **analysis of the situation in its region** with regards to the implementation of MLG models in **sustainable energy planning** and provide recommendations for further improvements to the planning processes.

It will:

- Analyse if the local and regional needs are addressed in the regional SEAP by interviewing the regional authority and a number of municipalities (at least 3 per region).
- Identify areas of potential conflict for each stakeholder and propose a mapping of inconsistencies.
- Identify the drivers to provide a comprehensive business case for the definition of ambitious regional SEAPs.
- Assess if the financial instruments are planned and approved.
- Provide recommendations for improving the regional SEAP in terms of methodology for its revision as well as priority areas.

The report of the review analysis will be discussed with the regional authorities and serve as basis for COOPENERGY activities.

5. Regional situation in energy planning

5.1 General information:

Background: regional authorities in Poland

Regional Board and Regional Council (Sejmik): Regional authorities in Poland are elected local government bodies to govern each region in Poland. Councils have responsibility for delivering a large range of strategic services which cover all areas of the region such as roads, transport, education (part of schools) , health system, culture institution and economic development of the region.

➤ Energy planning responsibilities at regional level

Please indicate the areas of responsibilities of your regional government in relation with energy. Please indicate (YES/NO). If YES please describe.

- Public buildings (schools,..): Yes, regional authorities have responsibility for its own public buildings, which are their own offices, hospitals, culture institution (theatres, philharmonic, museums, etc), some schools and other like Balice Airport
- Public transport: Regional authorities are responsible for regional rail transport (organize, finance).They Have the opportunity to influence planning policy, for example by working collaboratively with planners to maximise sustainable public transport opportunities in developments and developing travel plans for services across the region which encourage use of public transport. Local transport schemes are also carried out by municipalities.
- Energy network infrastructures (planning, operation,.): No, regional authorities has not real influence for energy infrastructure. Operation of energy networks are largely privately owned by energy companies and national energy operators (PSE). Local energy schemes such as district heating schemes are influenced or implemented by the municipalities (or owned by them companies). Planning applications for new developments and energy networks are a local authority responsibility (master planning), who supervise and approve new developments according to building and environmental laws.
- Local energy production (planning, authorisation, operation,..): No, it's responsibilities of regon authorities, however they have opportunities to promote

for example renewable energy, energy efficiency and deliver special funds for that purposes.

- Energy and GHG monitoring: No, this is carried out nationally by the Malopolska Voivodship Inspector for Environmental (it's state administration), but Malopolska has Regional Plan for Air Protection.
- Land use and spatial planning: Regional authorities prepare Masterplan of the Region, but the most important are municipal master plans. Counties and municipalities are responsible for local planning and building regulation.

➤ **Regional SEAP and Covenant of Mayors:**

What is the name of the "regional SEAP"?

- Regional Energy Plan of Malopolska.

When was it established?

- Plan was created between 2011-2013 and was approved in summer 2013. REP covers period 2014-2030. REP is "only" regional policy in energy planning and shows instruments and possible funds for achieving of climate targets. It some kind of guidelines how to use regional funds in future.

Does it need to be revised, if yes when?

- Not yet, but REP will be evaluated on a regular basis.

Are there any Covenant Of Mayors coordinating structures in your region? Please describe.

- Yes, Association of Polish Cities and Polish Network Energie Cités (PNEC)

How many CoM signatories are present in your region?

- 2 (two) (Niepołomice, Raciechowice)

5.2 Cooperation between national and regional levels:

To what extent are National public authorities involved, support or can influence energy planning activities at regional and local levels?

- Apart from changing national policy and funding mechanisms which can influence planning at local level, there is a strong emphasis on 'localism' in the Poland, meaning that the responsibility, resource and co-ordination of energy planning is done at local level.

- State Government have a series of targets in relation to energy which have been set out through their National Energy Policy or EU regulation.
- Government is still working on special regulation in energy sector as Renewable Energy Law.

Are there any collaboration processes in place between the National and Regional levels that support the design and/or implementation of the regional and local SEAPs? This could include for instance setting up a regulatory framework supporting a joint definition process, a joint awareness raising campaign, a national level financial instrument supporting regional level investment. Please describe

- Local governments (municipal) are responsible for preparation of Plan of electricity, heating and gas fuel delivery., but is not SEAP.
- Only few regions have own regional energy policy.
- National level collaboration is focused on regulatory instruments (Office of Energy Regulation which is responsible for tariffs).
- National Fund for Environment Protection and Water Management has special financial instruments for renewable energy investments and energy efficiency.

5.3 Cooperation between regional and local levels

➤ **Content of the regional SEAP**

What are the 3 main sectors targeted by the “regional SEAP”? (e.g.: building retrofitting, sustainable mobility,..)

- The Regional Energy Plan of Malopolska is focused on three targets:
 1. Reduction of energy use
 2. Increase of renewable energy production
 3. Improving of Malopolska citizen knowledge in energy efficiency and sustainable development

With regards to energy specific activity the three highest priorities are:

1. Housing and building retrofitting
2. Renewable Energy deployment
3. Supporting businesses to reduce their energy use (Low Carbon Economy) – innovative investments in SME

What is the level of recommendations/actions at regional level/joint actions between regional and local levels, proposed within the regional SEAP?

- The REP is based on cooperation between region and municipalities. The role of region is initiative and financial support for counties, municipalities. The region will be a leader in joint actions and projects.

Does the regional SEAP include an estimated budget for implementing the recommendations/actions?

- Yes, but it's preliminary budget. The region is still working on strategic documents for next few years and REP will be adapted to them.

Does the regional SEAP provide recommendations or measures for addressing interrelated measures such as a change in land use, sharing of sustainable energy resources or development of new financial models?

- Yes, but is rather list of recommendations

Does the regional SEAP provide recommendations for implementing joint sustainable energy planning tools between the regional and local levels (see COOPENERGY pillars)? If yes, please specify.

▪ **Financial instruments**

- Yes, the region is working on special fund for support of REP targets. It will be dedicated for local governments, SME and housing communities. Presently regional authorities has own Fund of Air Protection and Water Management which deliver financial support for local authorities, SME and citizens of Malopolska (for example for change of coal stove)

➤ **Modelling, planning and monitoring tools for decision making**

- Yes and no, In Maloposka we have system of development observation but it's not focused on energy issue. MAES is working on system of energy planning and monitoring , but it's on initial phase. Presently, region received data from national services (statistic, inspectorate of air protection, etc.).New system will be based on "energy officers" in each municipalities. They will be responsible for planning and monitoring process in energy issues
 - **Awareness raising and stakeholder involvement instruments.**
- Yes, the REP includes priority actions for awareness raising of Malopolska citizens and includes directions of activities in this field

➤ **Regional SEAP design and approval process:**

What was the process followed for designing the "regional SEAP"?

- The strategy was developed through extensive stakeholder engagement including workshops and meetings. The original strategy was reviewed against local and national priorities and drivers to ensure it was still fit for purposes and updates made as required. Once completed the strategy went out for public consultation and responses integrated into the final version.

How was the regional public authority represented and involved?

- The regional authority (by MAES) led the process. Marshal of Malopolska established a special team working on the plan. The team consisted of experts, regional and municipal officials, NGO's and business representatives .

How were the local public authorities represented and involved?

- Local authorities have own representatives and they took part in the public consultation.

Were other regional stakeholders represented and involved during the design process?

- Yes, business, NGOs and other institution (Office of Energy Regulatory, etc.)

What were the different phases followed for designing the “regional SEAP”? How long did it take?

- External review of previous strategy and identification of priorities - diagnosis
- Stakeholder analysis and engagement
- Workshops and drafting of plan
- Stakeholder consultation
- Updating draft
- Initial approval of Regional Board
- Public consultation
- Final draft
- Approval of Regional Board

Time taken: approximately 2 years from initial review to sign off.

Was the National level involved?

- Only through the participation of representatives of the Energy Regulatory Office

What was the process followed for approving the “regional SEAP”?

Who approved the regional SEAP within the regional authority?

- Regional Board

Did any local public authority representatives approve the regional SEAP?

- No

Did any other regional stakeholders approve the regional SEAP? If yes, please specify.

- No

Were there any communication activities implemented following the approval of the regional SEAP? If yes, please specify who was involved?

- Yes, The REP was presented by representatives of Marshal Office and MAES on many meetings, conferences and forums.

➤ **Needs of local and regional public authorities**

This section is based on the feedback from regional and local public authorities.

Discussion on the rep was carried out during the public consultation, meetings and conferences with the participation of local authorities. The following are the most important conclusions, Rep., despite the adoption still is consulted

Question 1: In your case, what are the benefits and dis-benefits of implementing a collaboration process in sustainable energy planning between the regional and local levels? Please identify and discuss at least 3 benefits and 3 dis-benefits.

BENEFITS

- A coherent system of planning - to achieve synergies in operations - joint planning to make the best use of resources (financial, personal, etc.)
- Financial support for activities related to energy policy - regional funds allow for the implementation of the activities for which local governments could not afford
- Political support for the region as regards of energy plans will allow the improve of local solutions
- Knowledge of the best practices

DIS-BENEFITS

- Because it is the first energy plan in Malopolska partners do not see significant disadvantages joint planning

Question 2: Considering the existing regional SEAP, what are the potential conflict areas or inconsistencies (due to the lack of cooperation) that could prevent its successful implementation? Or prevent the implementation of the local SEAPs? Please provide details about the targeted area, reasons for the potential conflict and inconsistency.

- REP is too general and does not apply to local conditions
- Different development of municipalities – regional plan regulations may hinder the implementation of specific plans for local communities
- All levels of local government (region, county, municipality) are independent – political targets can be different in all partners – it will prevent cooperation

Question 3: What recommendations would you like to suggest improving the cooperation in sustainable energy planning between the regional and local levels?

- More cooperation in initial phase
- Detailed analysis of the local conditions
- Different possibilities of financial support (different activities)

6. Synthesis

6.1 SWOT analysis sustainable energy planning situation within your region

Strengths	Weaknesses
<ul style="list-style-type: none"> • The intellectual potential of the region - an innovation in the energy and renewable energy <ul style="list-style-type: none"> Strong academic centers in the Malopolska region offers great potential opportunities for education professionals in the field of modern technology used in power generation and energy production with particular emphasis on renewable energy sources • The SME sector <ul style="list-style-type: none"> Strong and innovative businesses are a significant development potential in the field of renewable energy and energy efficiency • Existing renewable and alternative resources to be used as energy sources (biomass, hydro, geothermal , waste) <ul style="list-style-type: none"> The region does not use the existing biomass resources , including lack of a system such as the use of uncultivated land for energy purposes. Also, due to environmental constraints are not fully exploited the potential energy of rivers in the region. The rich geothermal resources provide opportunities to local use for energy purposes. At the same time due to legal regulations concerning waste there is great potential in terms of their future development . • High potential of the region to improve energy efficiency <ul style="list-style-type: none"> The implementation of pro-efficiency solutions (passive construction and energy efficient thermo- , energy- 	<ul style="list-style-type: none"> • Energy consumer region <ul style="list-style-type: none"> The deficit of the electricity produced in Malopolska to the energy that is consumed is about 5800 GWh per year (data for 2011) • Overwhelming power generation from hard coal <ul style="list-style-type: none"> The main fuel for energy production in Malopolska is hard coal (about 80%) used to produce electricity and heat. • Low awareness of energy <ul style="list-style-type: none"> Both for the residents, businesses and local government can be said low awareness of energy both in terms of issues related to the efficient use of energy (savings) and the use of renewable energy sources. • Low use of renewable energy <ul style="list-style-type: none"> Only about 7% of energy produced from renewable sources, mainly by hydropower company.

<p>efficient industrial technologies) will allow more efficient management of power consumption and heat generation , resulting in a reduction in specific fuel</p> <ul style="list-style-type: none"> • Best Practices in the region (Raciechowice , Wierzchosławice , registration form etc.) Municipalities and companies that are currently the leaders in the use of renewable energy sources (eg solar energy) and energy efficiency support the use of the above-mentioned technologies and confirms the benefits to be gained local governments, citizens and businesses 	
<p>Opportunities</p> <ul style="list-style-type: none"> • Development of distributed energy Popularization and support (technological, financial) distributed energy installations creates the possibility of building market aimed at meeting the needs in this field, and thus can be an instrument for stimulating the region's economy, particularly in terms of the development of SMEs. • State policy in the field of renewable energy The development of renewable energy through the development of new and better conditions to promote investments in renewable energy and related to raising energy efficiency and simplifying investment procedures • EU funds Estimated investment support system cleaner and renewable energy sources in the next programming period • Rapid technological change in the energy In this respect, the attempt to build a home business of energy, especially in the area of distributed 	<p>Threats</p> <ul style="list-style-type: none"> • Inconsistent regulatory system Functioning legal, conflicting rules , too many administrative procedures restrict the development of energy , especially when it comes to energy distributed . • Low in creating opportunities for local energy policy At present, local government has a very limited impact on the creation of energy policy in their region. This is due to the non- systemic and legislative solutions and the lack of tools for the implementation of energy policy in the communities . • Limited funding opportunities Lack of financial resources in the budgets of municipalities , municipal debt , the lack of a support system for a variety of potential investors and lack of specialized organizational structures in local government effectively impede the implementation of pro-efficiency measures and investment in renewable energy. • Transmission losses

	Depreciated as transmission lines in the power system and high transmission losses in heating systems
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6.2 Recommendations for collaborative sustainable energy planning based on results of regional SWOT-analysis

Recommendations for improving of energy planning in Malopolska (base on public participation and local government interview):

1. Set up a system for planning and monitoring of energy production and consumption in the region, counties and municipalities
2. Creating of energy officer positions at the municipal level and the county is responsible for:
 - a. Monitoring and data collecting
 - b. Participation in the planning of the municipality
 - c. Evaluating of county and regional plans
3. The Region should be a leader in activities in the field of energy efficiency and renewable energy sources – regional authorities should be a partner in joint actions
4. Coordination of the master planning for energy supply
5. Co-financing of investment in communities of local significance
6. Creating a system of support for energy policy
7. Set up a system of professional education in the field distributed power generation