

INEVITABLE TRANSFORMATION

The 2019 Energy Transformation Forum was the first in a series of conferences implemented by the Prof. Krzysztof Źmijewski Association for Efficiency.



The 1st debate on the optimal rate of energy transformation

Due to the ongoing key changes affecting the transformation process of the energy sector, i.e. the consequences of EU Directives and the directions of national strategic documents (Energy Policy, National Energy and Climate Plans), the current challenges must be addressed in a systemic way. As emphasised by those who participated in the Forum's debates – both the government and representatives of the sector – energy exerts a huge influence on Polish industry and building the competitiveness of the national economy at large.

The official opening was presented by Minister of Entrepreneurship and Technology Jadwiga Emilewicz. Speakers at the opening included Małgorzata Zielińska, Undersecretary of State in the Ministry of Investment and Economic Development, and Waldemar Lagoda, Deputy Director of the Electrical Energy and Heating Department of the Ministry of Energy. We need to remember, as Minister Emilewicz stressed, that there is still a lot of ground to cover when it comes to energy transformation in Poland. Our energy resources are based on coal, which was not our sovereign decision, but as a country we are not afraid of taking up the challenge of a fair energy transformation.

JADWIGA EMILEWICZ, Minister of Entrepreneurship and Technology:

In terms of energy transformation, Poland has a lot to cover. Our energy resources are based on coal, but this was not our choice. That is why fair transformation is the basic condition for us... At the same time, we have to conduct an intercultural dialogue, as we know that some countries are planning to increase their climate goals. The energy industry is responsible for the majority of emissions in Europe, which is why the plan assumes an increase in energy efficiency and attempts at establishing a circular economy. Poland is not a typical European country in this respect, so the Ministry of Entrepreneurship and Technology is working on the National Low Emissions Strategy, which will specify the objectives and scenarios for our energy transformation. Achieving zero emissions seems difficult, but we are gradually pushing in this direction with offshore energy and prosumer energy. Prosumer energy is important, as it is going to contribute to achieving the renewable energy objective for 2020 and help fill in the blank spots on Poland's energy map, while reducing greenhouse gas emissions. To summarise, as a country we are not afraid to take up challenges in fair energy transformation.

MAŁGORZATA ZIELIŃSKA,**Undersecretary of State in the Ministry of Investment and Economic Development:**

The Ministry of Investment and Economic Development manages the Infrastructure and Environment Operational Programme, which has earmarked PLN 12 billion for this purpose during the current EU financial period... Both the Polish government and the EU have chosen to protect the climate and clean air. The negotiation procedure is progressing at a rapid pace and all signs suggest that low-emission energy sources will be preferred. The so-called Juncker Plan will also be continued, involving at least EUR 500 billion worth of financial resources for public and private investment projects. The Ministry of Investment and Economic Development is the managing body of the Connecting Europe Facility – a financial instrument which supports development in three fields: transport, energy and telecommunications networks. This facility also involves large amounts of money for the energy sector.

WALDEMAR ŁAGODA, Deputy Director of the Electrical Energy and Heating Department of the Ministry of Energy:

The Ministry of Energy has a hugely important role to play in the process of energy transformation. It also involves building awareness that the Polish economy is looking at significant development opportunities. These opportunities could be explored in the sustainable transformation of the energy sector. The Ministry attaches a lot of importance to the work on creating Poland's energy strategy, considering that the energy sector is the key element of a working economy and Poland's security. Two strategic projects have been consulted during the last six-month period: the Energy Policy of Poland until 2040 and the National Energy and Climate Plan for 2021-2030. Ensuring the effective and permanent energy transformation requires a clear vision and a long-term strategy featuring plans for specific actions both in various sectors and across the economy. This also involves allocating funds to priority investment areas to facilitate the modernisation and transformation of the Polish energy sector. For over a dozen years the energy sector in Poland has been under the constant influence of climate-related, technological and business trends. Such rapid development is a huge challenge, but it also opens up a number of growth opportunities for Polish businesses, regions and economy. The evolution of the Polish energy sector has already begun, and its continued transformation will require wide-ranging investments in the generation capacity and transmission infrastructure of electrical energy, heat and gas in the energy storage system, energy efficiency, and also



JADWIGA EMILEWICZ,
Minister of
Entrepreneurship
and Technology

investments fostering the low-emission growth of industry, transport and construction. Our activities in the coming years should focus on ensuring energy security, and guaranteeing stable and reliable supplies of fuels and energy, while fostering the continued and sustainable economic development of the country.

During the 1st debate on the optimal rate of energy transformation, **JACEK KOŚCIELNIAK, Vice-President of the Management Board of Energa S.A., said:**

The Energa Group has chosen the path of developing renewable energy sources and further diversifying its product base, and it occupies a strong position in this field, with a push to boost it even further. In addition to wind farms, hydroelectric energy will be another major field of investment. Several weeks ago a new Przykona wind farm project began operation. This 30MW farm is located in a former brown coal open cast mine (Adamów). Taking into account the potential of the area designated for the wind farm, there are also plans to build a solar power plant with energy storage in this location in the future. This project forms part of the revitalisation of post-industrial areas with the use of green energy. At the same time, Energa keeps investing in coal assets to comply with BAT conclusions and to gain time for transformation, which involves developing renewable energy assets.

Involvement in green energy and electromobility was also discussed by **JÓZEF WĘGRECKI, Vice-President of the Management Board of PKN Orlen S.A.:**

Orlen has two major objectives: developing the petrochemical and energy sector. When it comes to electromobility, charging stations are being installed all over Poland and other low-emission energy sources, such as hydrogen, are being considered. Our energy networks in cities are designed to charge 20 million cars, so hydrogen should also be an important element

of low-emission transport. The production of hydrogen will cover areas based on traditional fuel (petrol, diesel), which will be dwindling. In terms of broadly-understood renewable energy sources, speaking of energy generation, we must remember that coal currently makes up 80% of our energy mix, but this will gradually change. Technological progress in photovoltaics and wind turbines is so rapid that it will soon become a green and inexpensive alternative for the market. Orlen sees the opportunity of using Polish energy sources, such as biogas, and is exploring the possibility of building biogas plants across the country – a plan is under way.

Both debates demonstrated that energy transformation is inevitable. The Ministry of Energy emphasised that for more than a dozen years now the energy sector in Poland has been influenced by climate-related, technological and business trends, and that the focus in the coming years should be on ensuring energy security, and on guaranteeing stable and reliable supplies of fuels and energy, while fostering sustainable economic development. An important part of the discussions was to demonstrate that Poland will not be excluded from the development of renewable energy sources and that this country will be increasingly able to afford green investments. As an energy consumer, Polish industry wants to be more and more eco-friendly to keep up with international competition. During the discussion it was stressed that conventional energy and renewables must be more effectively aligned to achieve success at the respective stages of the transformation process.

According to the debate's main conclusion, which was also expressed by its organiser – Rafał Czaja, President of the Association, we should do everything we can to turn energy transformation into an opportunity to develop the sector and the whole economy.

Source: The Prof. Krzysztof Żmijewski Association for Efficiency