



Energy savings in the new EU Member States: The Czech experience

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Economic changes in the energy sector between 1990 and 2007

1990 – 1993 Phase One – changes started

- Transition of the country's economy to a market economy
- The country's currency, CZK, became freely convertible
- Partial deregulation of prices
- 1993: Czechoslovak federation split to form the Czech Republic and Slovak Republic

Economic changes in the energy sector between 1990 and 2007

1994 – 2002 Phase Two – changes carried out

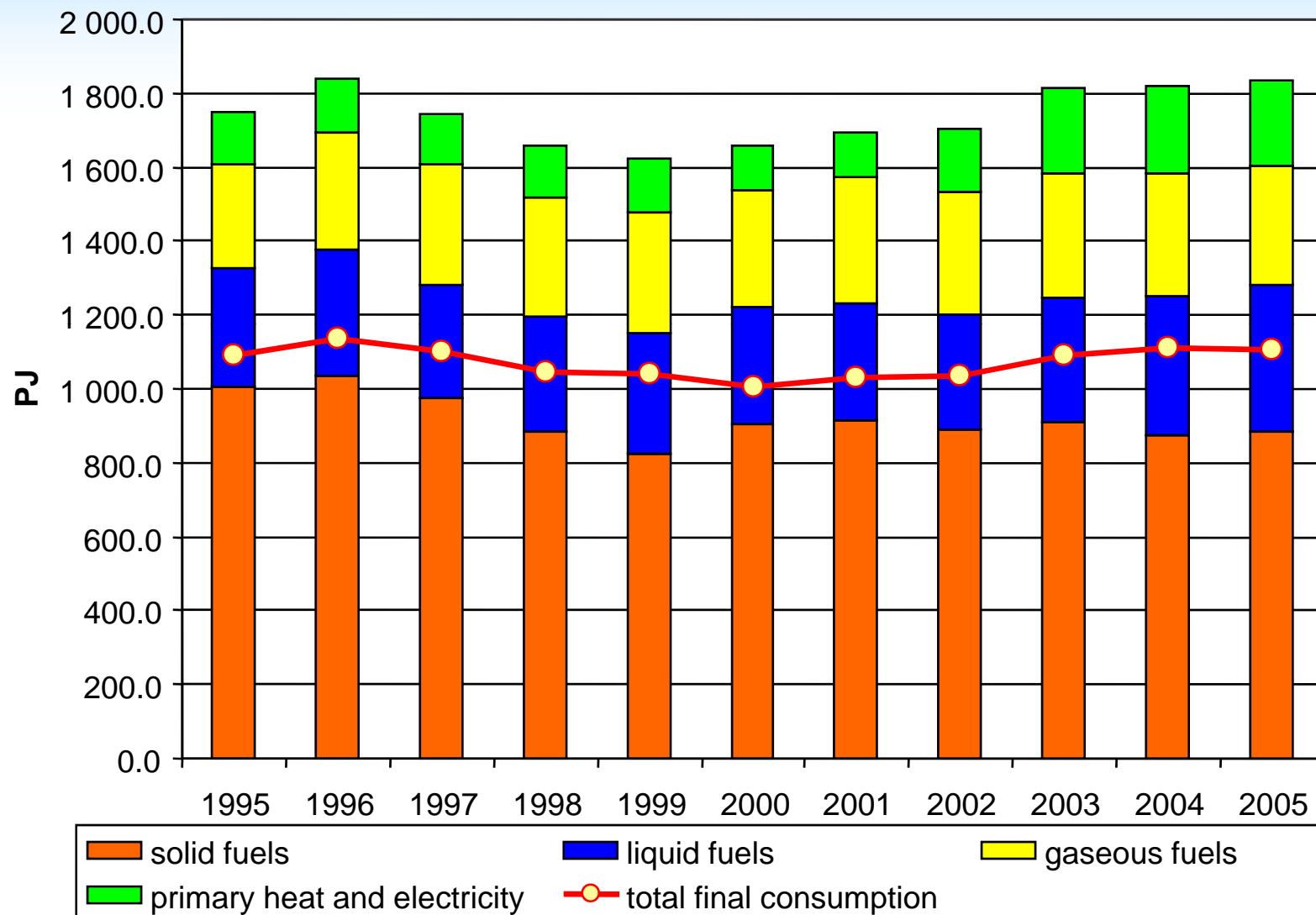
- Public limited companies emerged in the gas industry
- Governmental subsidies to support capital investment projects for bringing natural gas to municipalities
- Energy prices gradually rising
- Full application of market economy principles in the gas industry
- Elimination of cross subsidies (household prices subsidised at the expense of prices to the industrial and commercial sectors)
- Privatisation of gas companies started (1995) and completed (2002)
- Legislative changes – a new Energy Act, harmonisation of legislation with the EU's *acquis*

Economic changes in the energy sector between 1990 and 2007

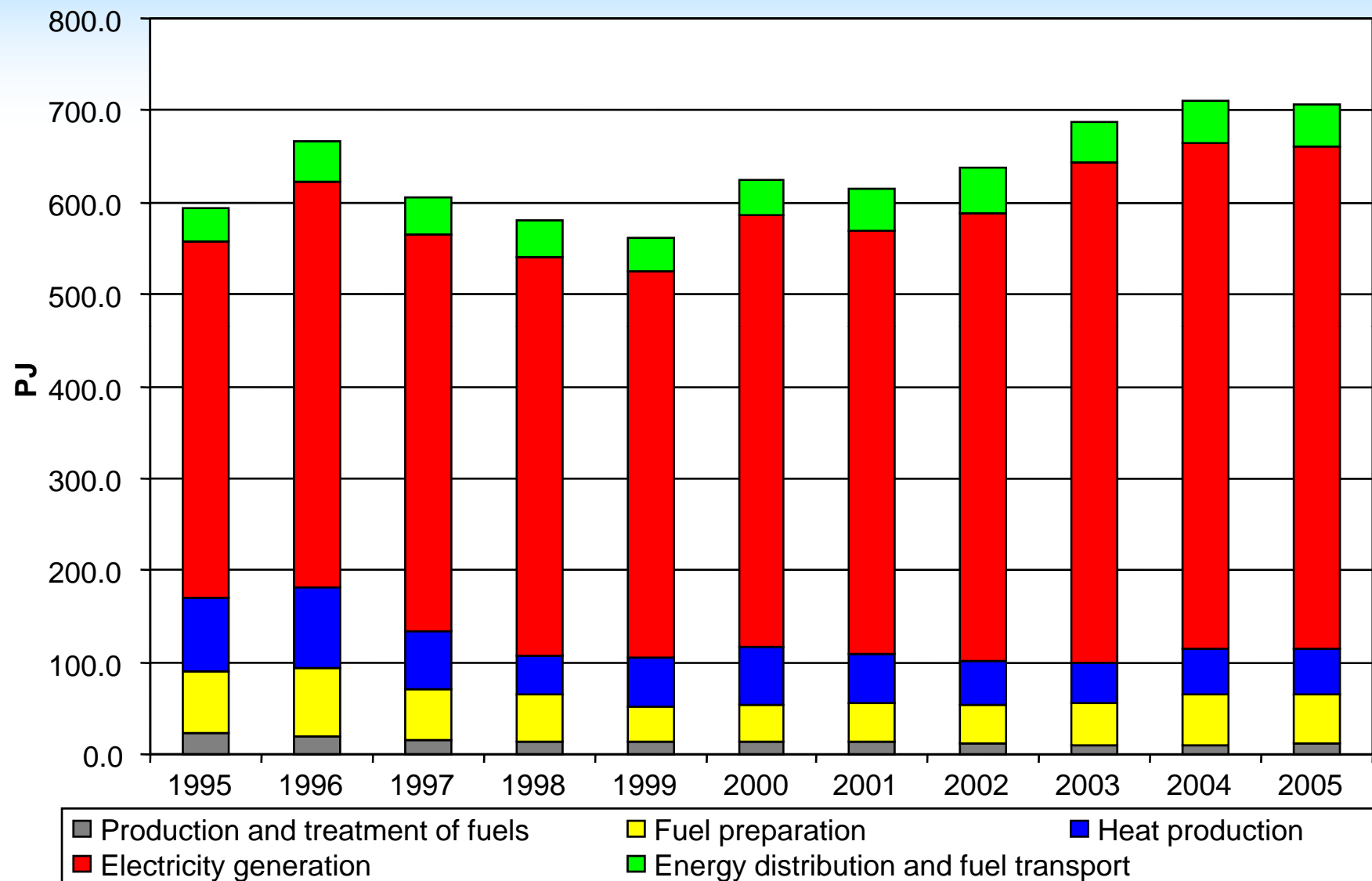
2003 - 2007 Phase Three – changes stabilised

- Full application of the EU legislation in the energy sector, accession to the EU
- Fully-fledged operation of the Energy Regulatory Office
- Preparations for, and opening of, a liberalised gas market
- Economic relationships in the gas industry are fully comparable with those in the other EU Member States

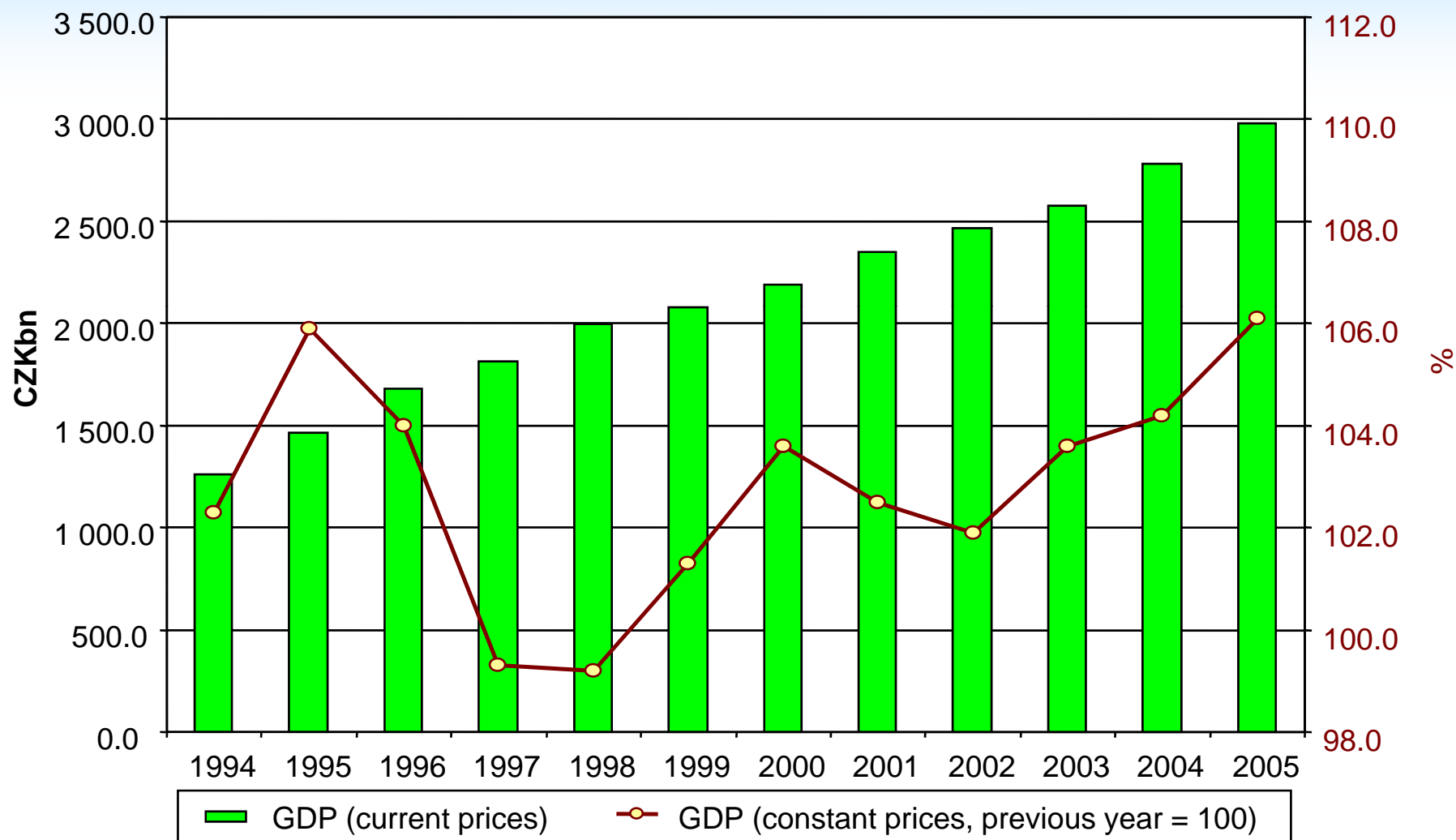
Energy Balance



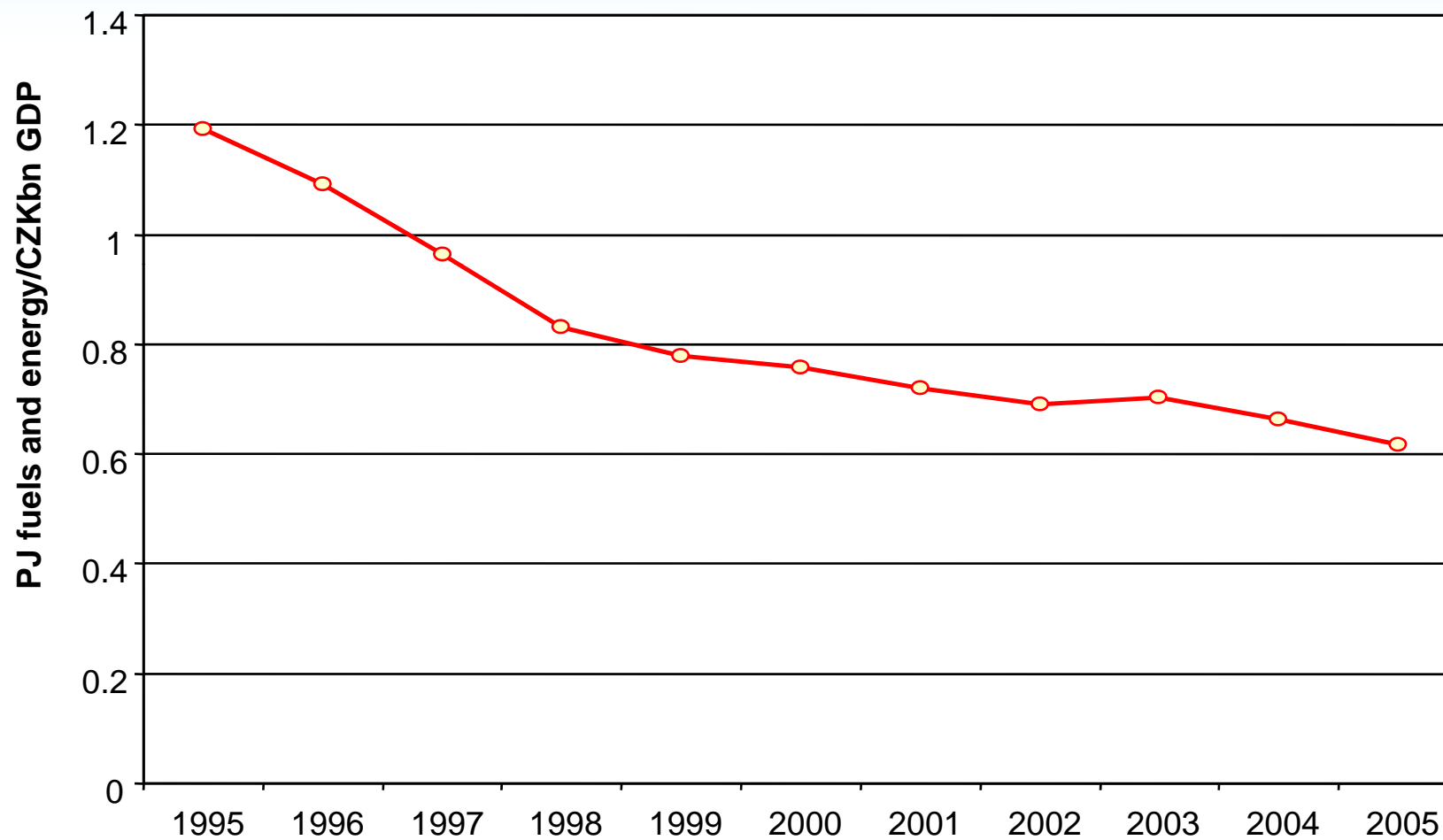
Fuel transformation



Development of the GDP



Energy intensity of GDP creation

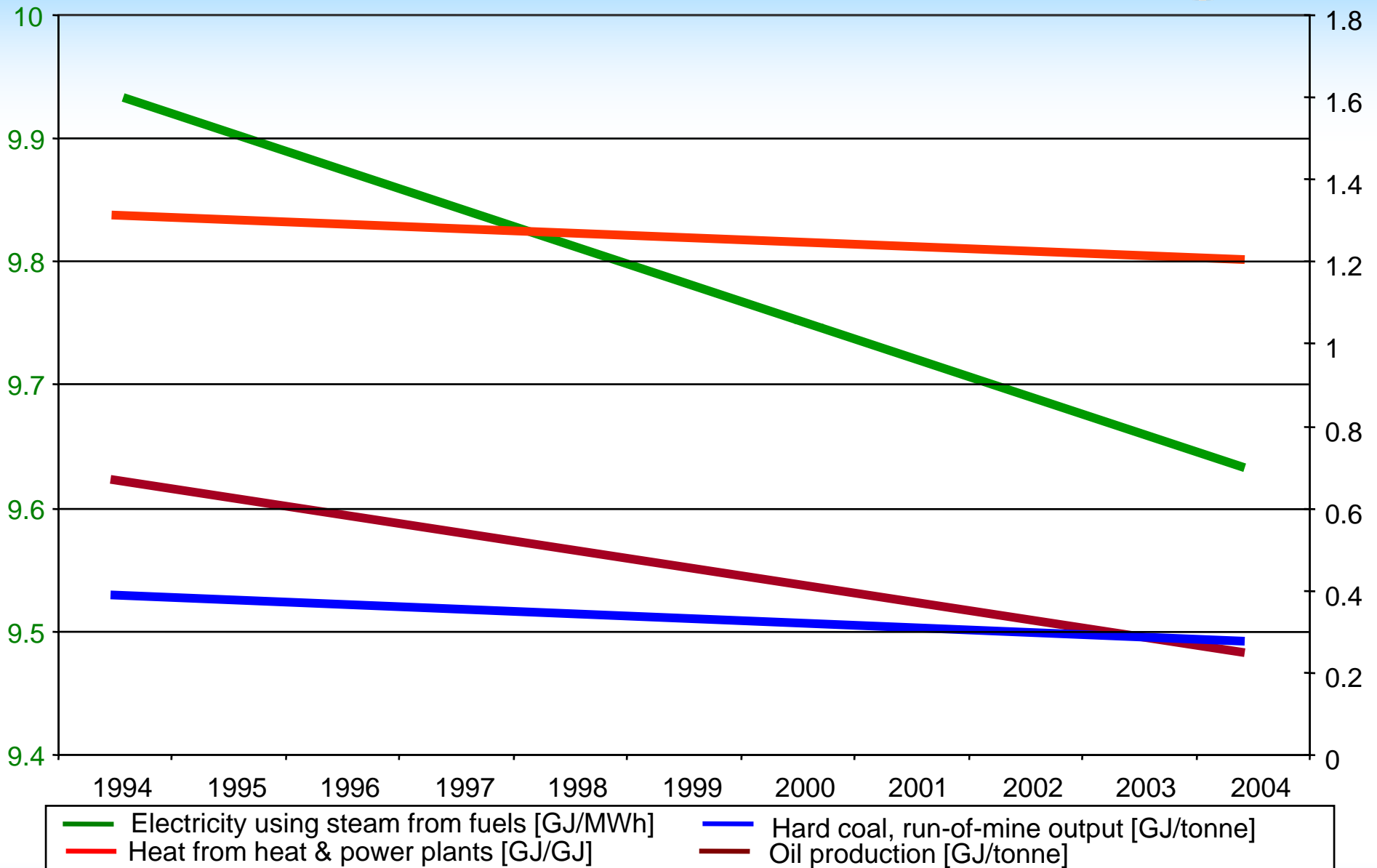


Reducing the energy intensity of GDP creation

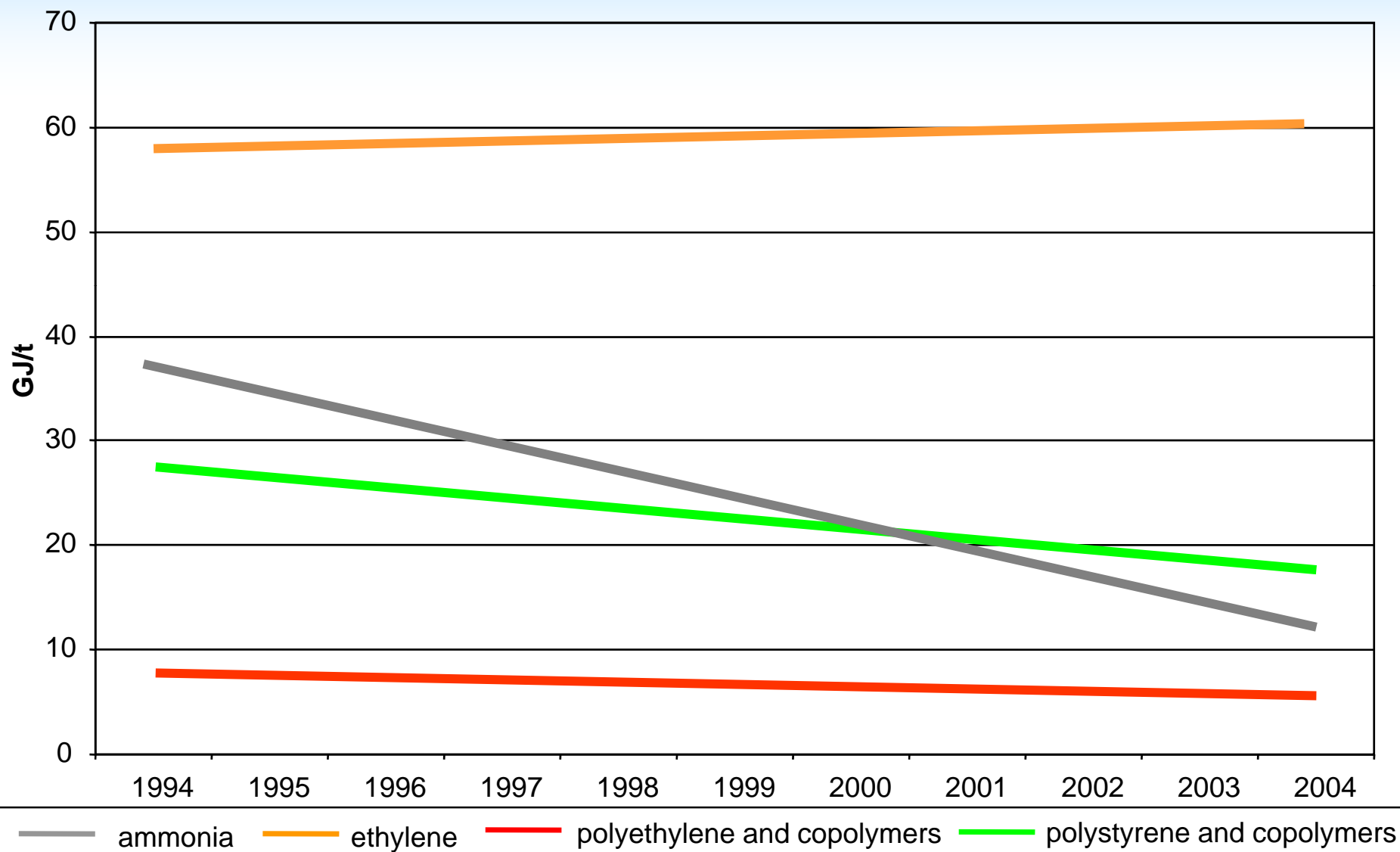


- Gas price hikes have resulted in a more economical behaviour of consumers in all sectors of the economy
- Technological changes in industry in favour of less energy intensive processes
- Change in households' behaviour
- Investments in energy savings have become more effective
- Preference for energies with a higher efficiency of energy transformation (the share of gas has grown, the share of solid fuels has decreased)

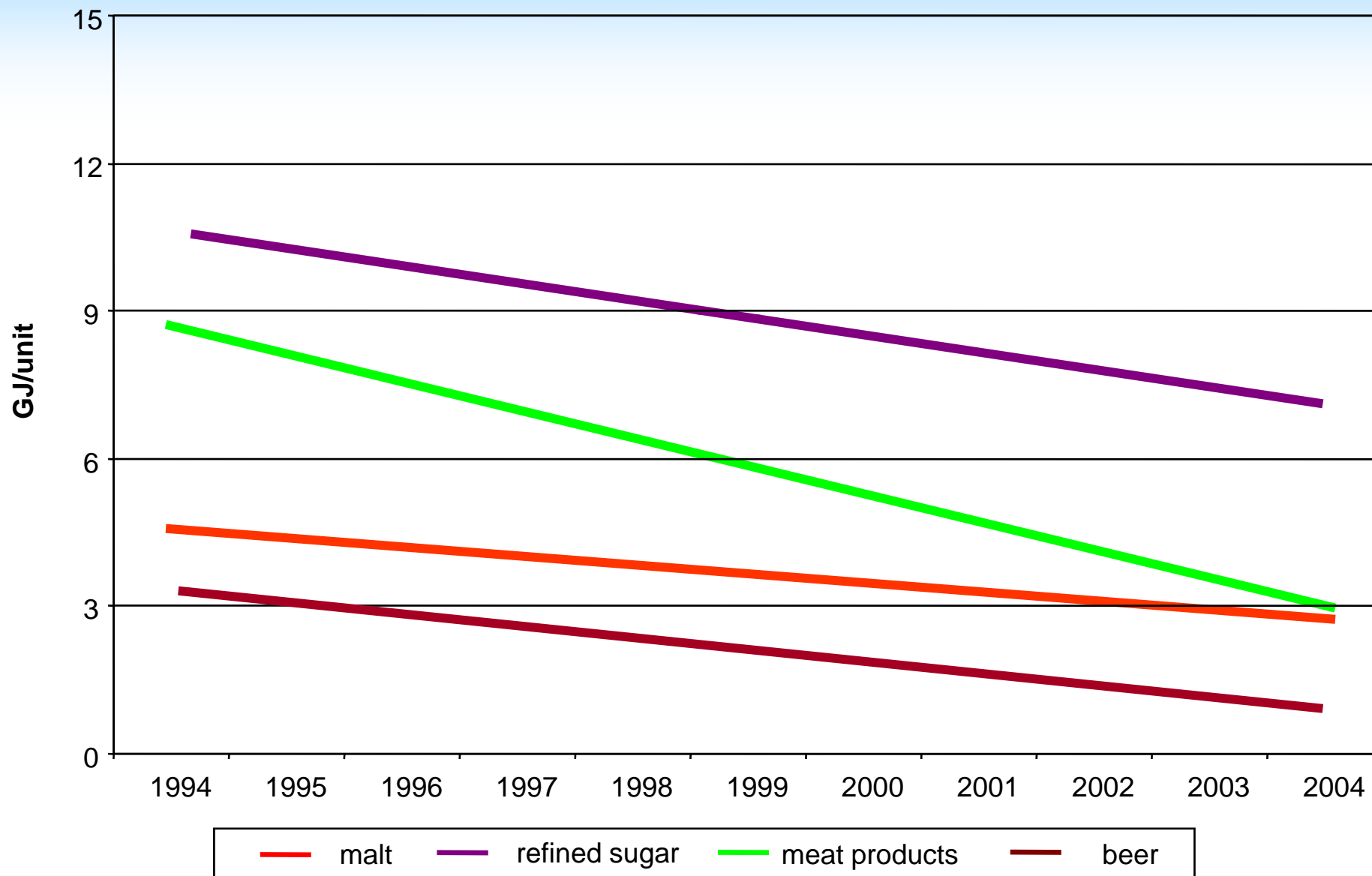
Energy intensity – the energy sector



Energy intensity – the chemical industry



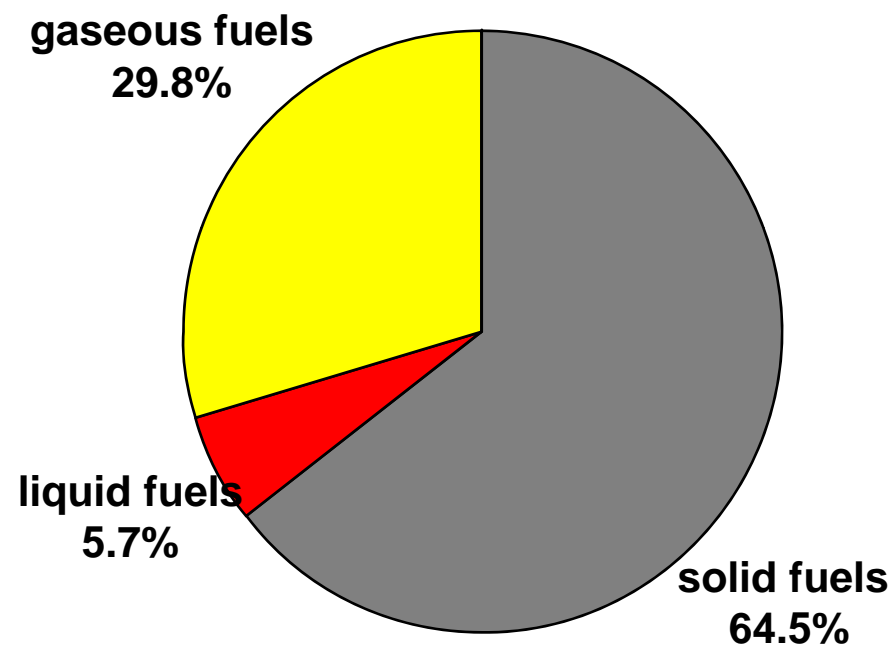
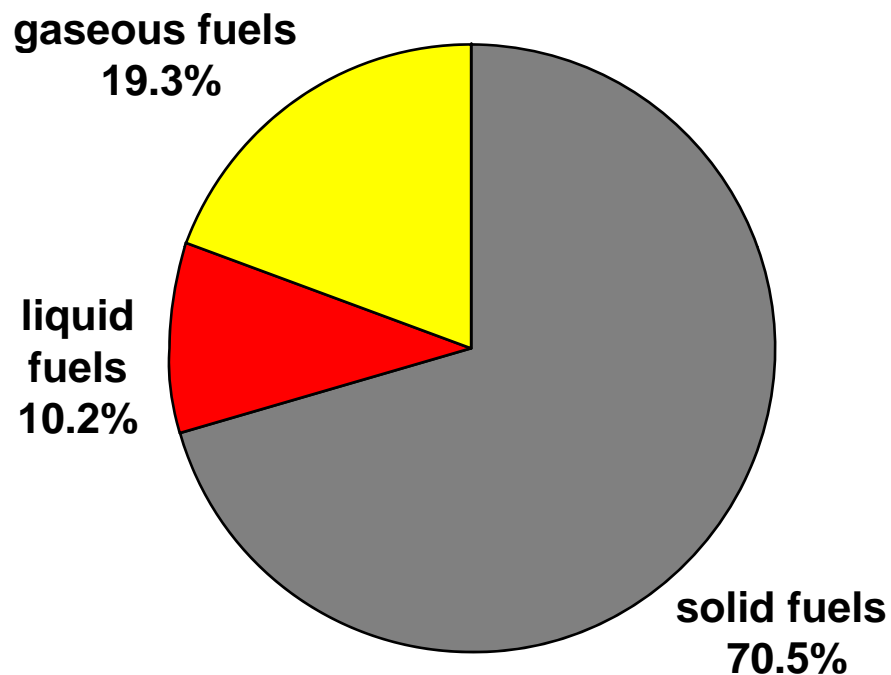
Energy intensity – the food industry



Fuel consumption – heat production

1995

2004

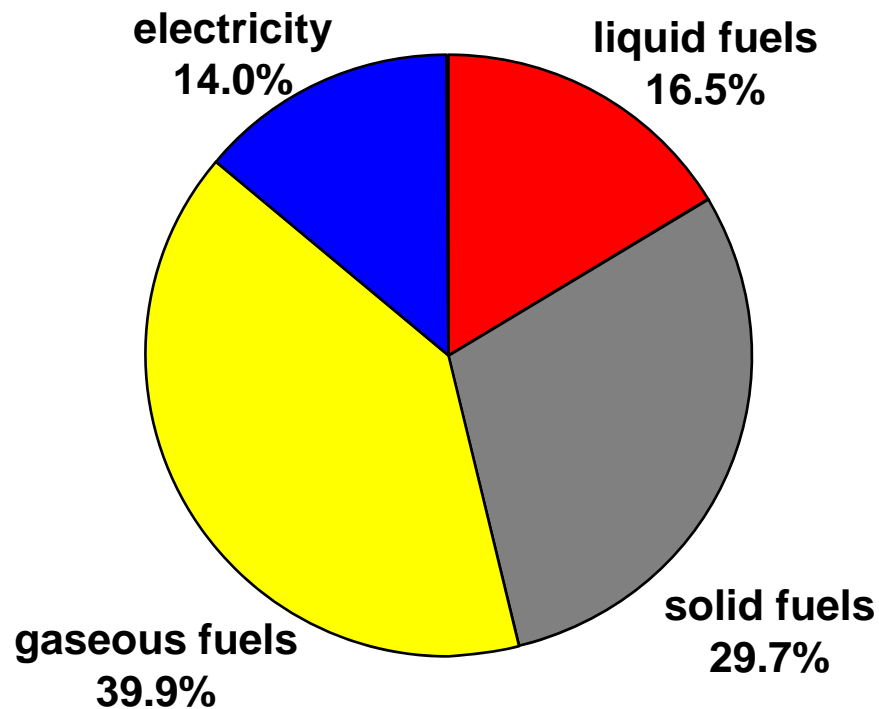


Total consumption: 78,803 TJ

Total consumption: 50,510 TJ

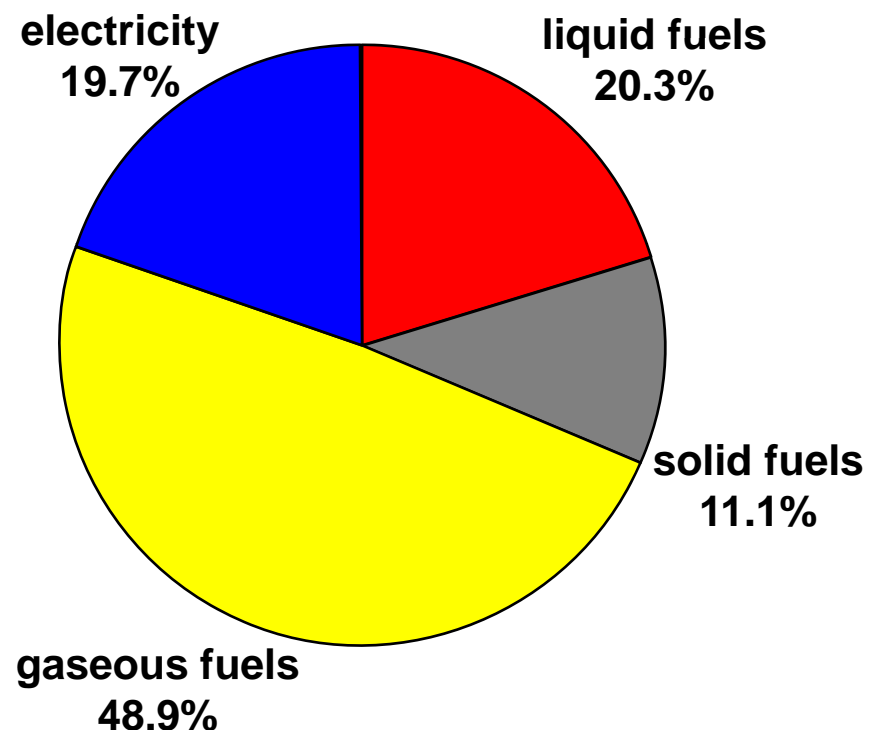
Pattern of fuels – the food industry

1995



Total consumption: 36,407 TJ

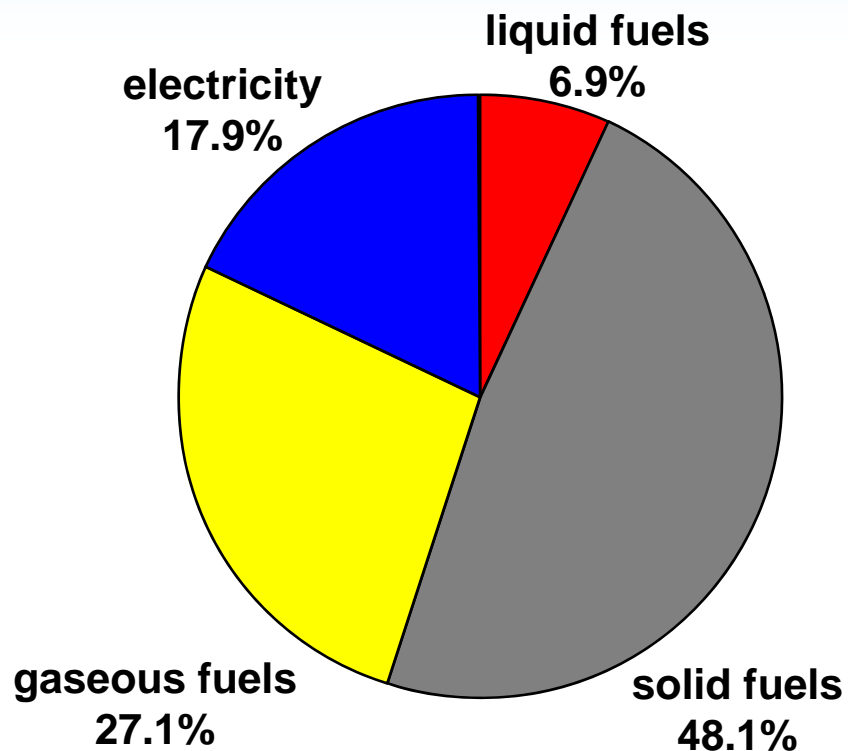
2004



Total consumption: 28,595 TJ

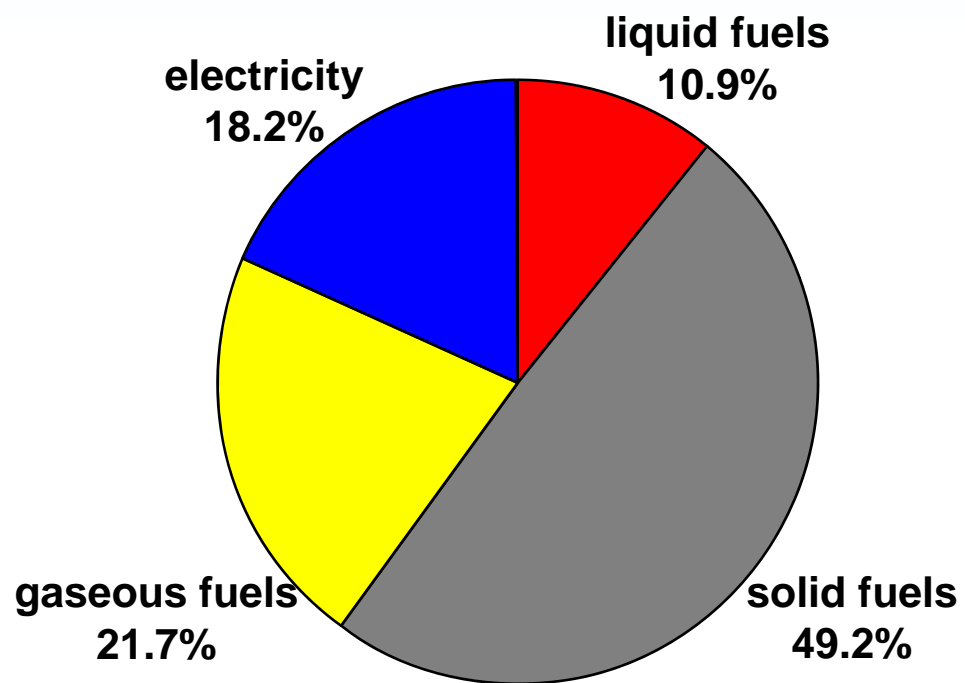
Pattern of fuels – the chemical industry

1995



Total consumption: 38,768 TJ

2004



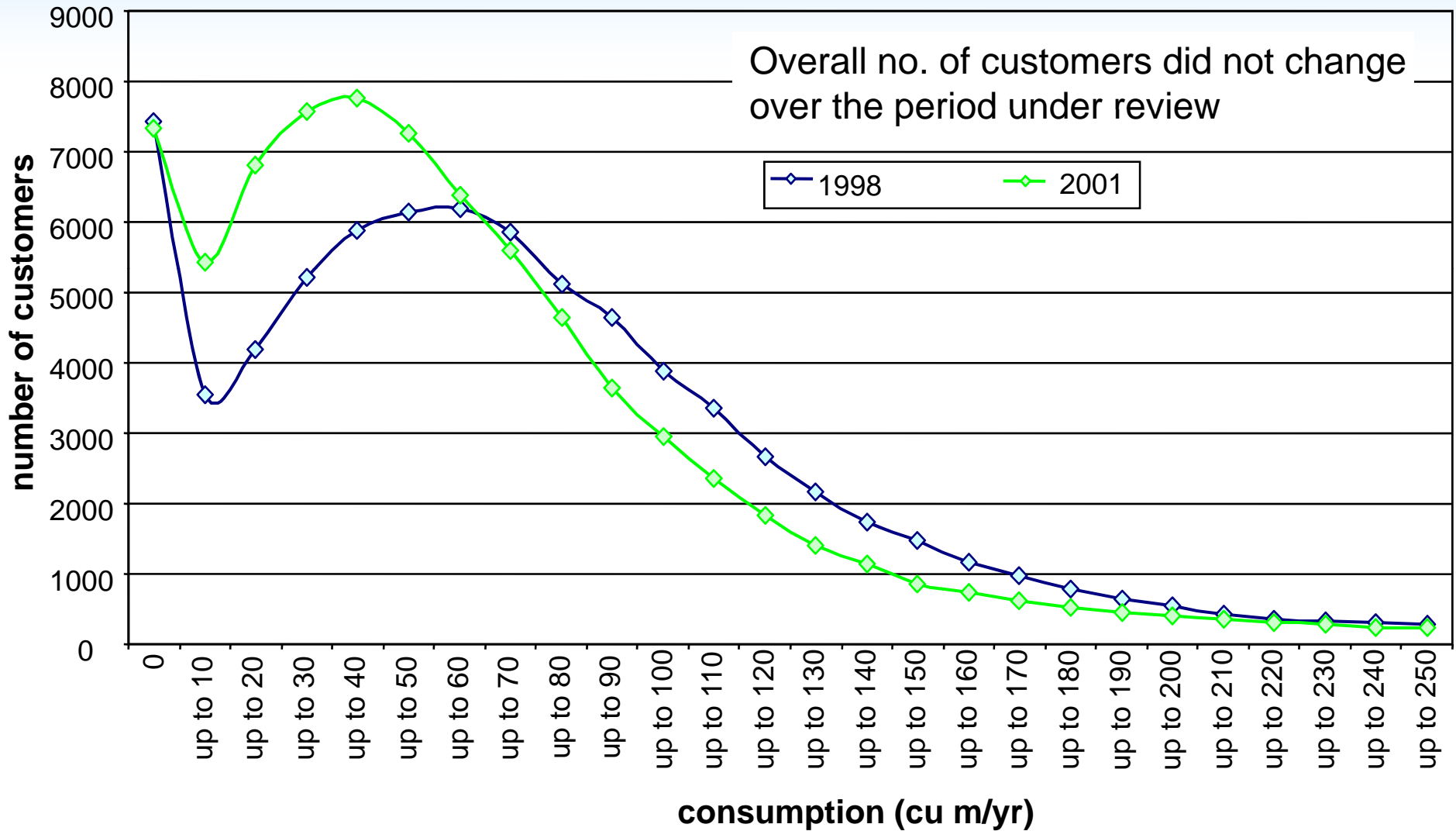
Total consumption: 76,566 TJ

Changes in the household sector between 1995 and 2005

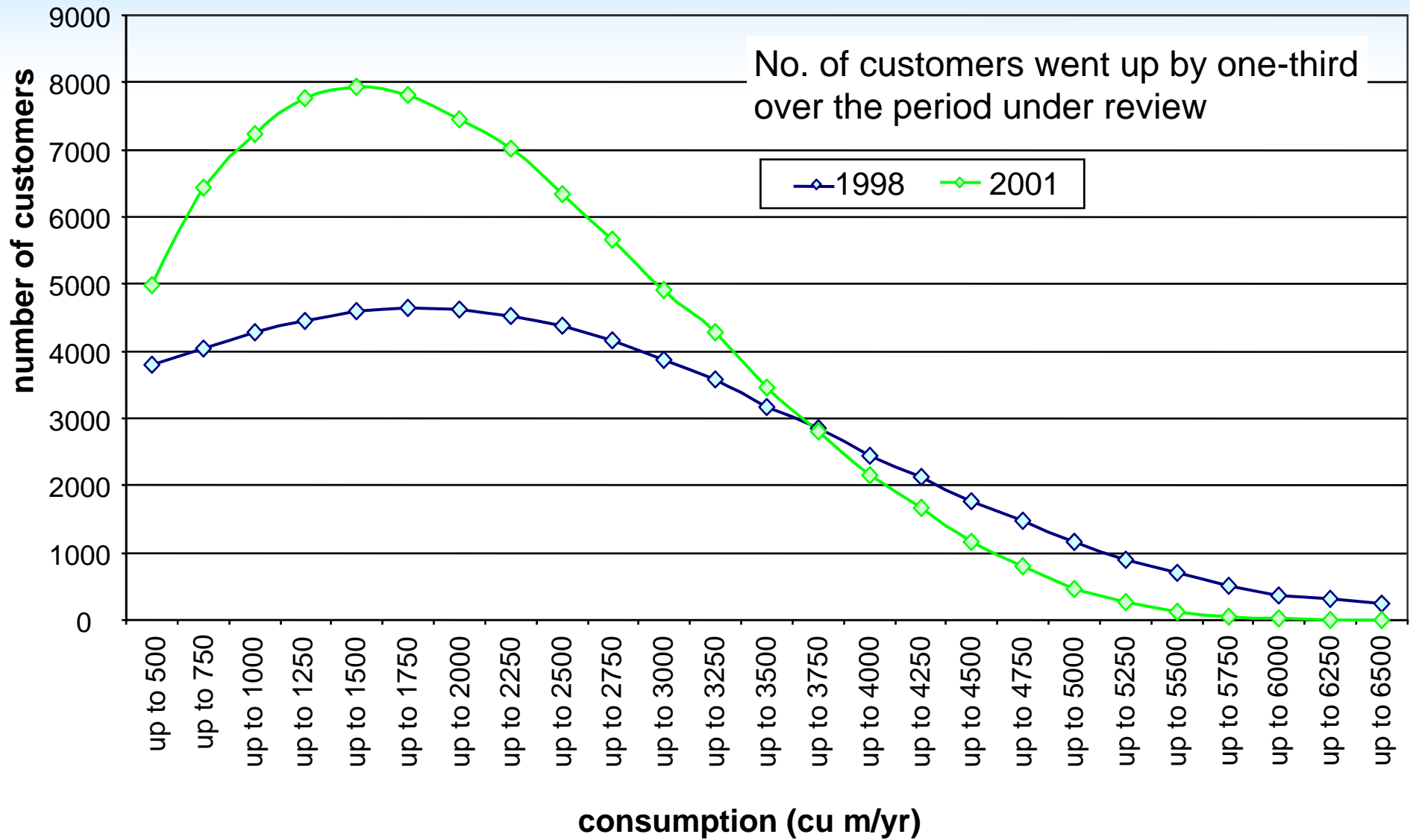


- Gas price up by 230%
- Investments in heat loss reduction in residential buildings
- Indoor temperature of heated space lower by approximately 3°C
- Better availability of more efficient appliances
- Space not occupied permanently no longer heated to the usual temperature (only heated to the necessary minimum)
- Gas consumption in a standard (average) household (detached house) decreased annually by about 2.5% from 1995 to 2005

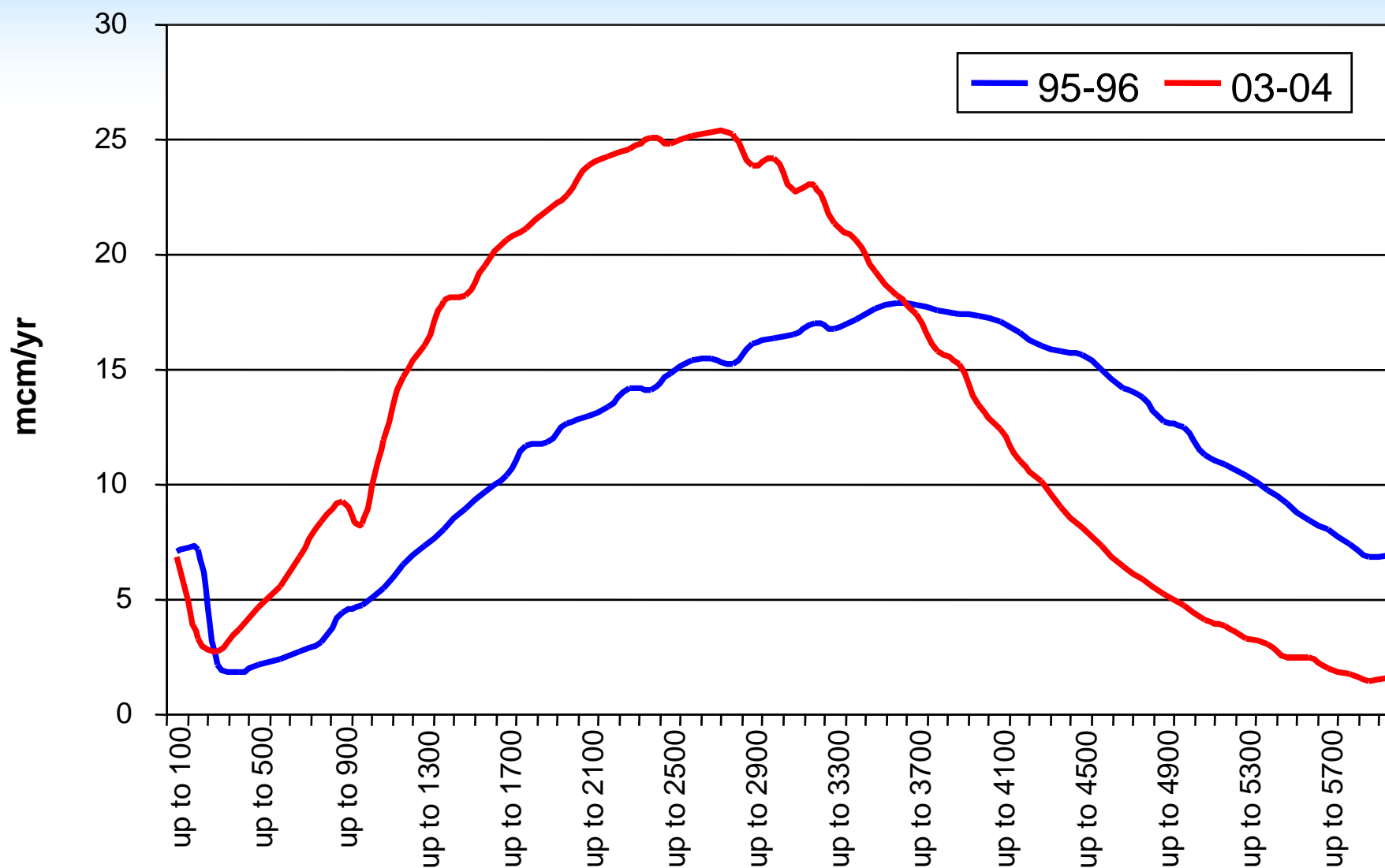
Number of STP's customers taking up to 250 cu m/year



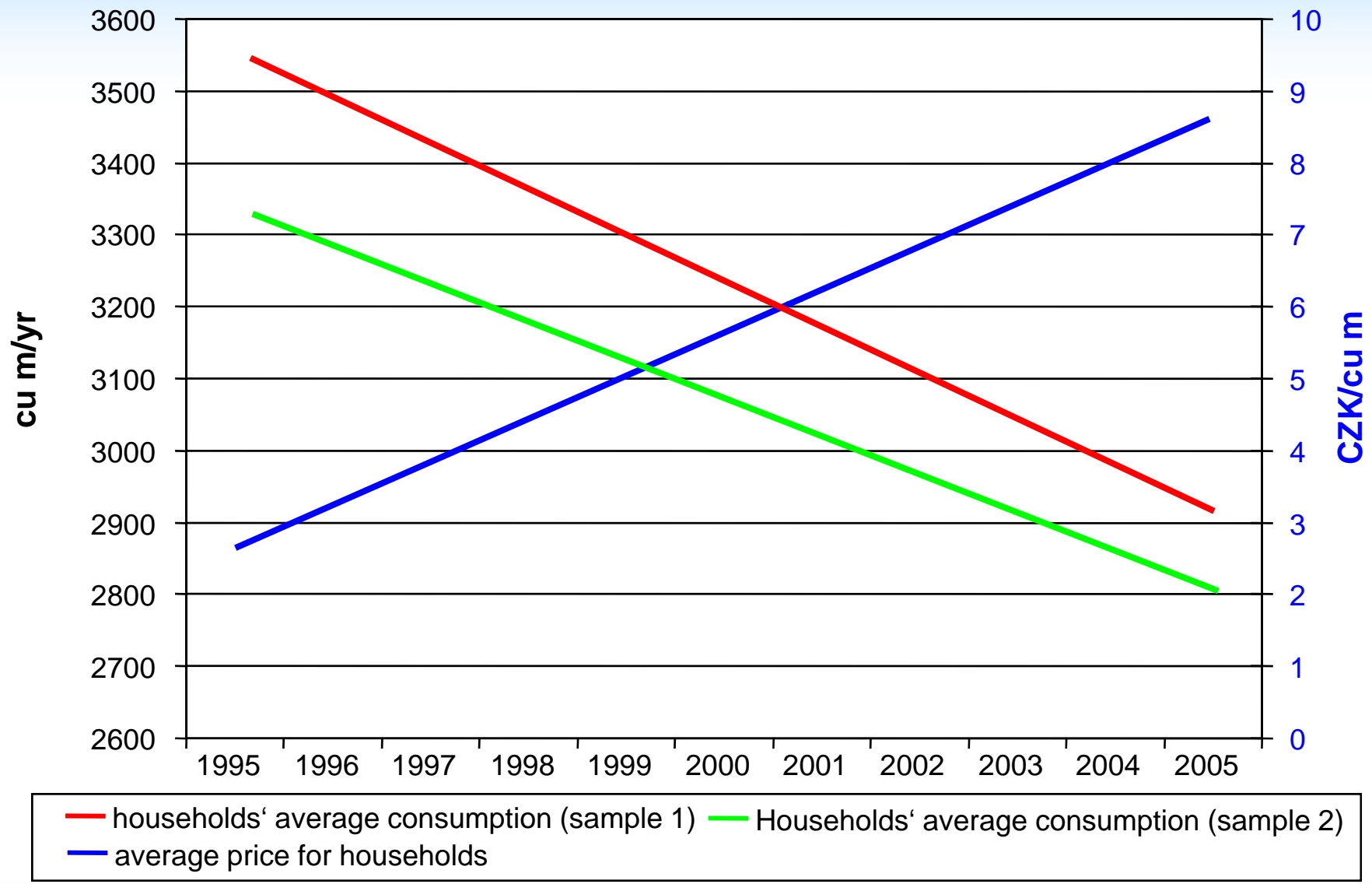
Number of STP's customers taking 500 to 6,500 cu m/year



Household category's consumption at JMP – by bands



Households' average consumption adjusted to average ambient temperature



Boiler sales, households

