



Henrik Forsgren
Director, Public Affairs

Göteborg Energi AB

Vision – ”A sustainable Gothenburg society”



Göteborg Energi is owned to 100 % by the City of Gothenburg (like many other utilities in Sweden).

	2013	2012
No. of employees	1 174	1 173
Financial result, MEUR	78	57
Turnover, MEUR	769	773
No. of customers	App. 300.000	App. 300.000
Production, electricity, GWh	701	668
Distribution, electricity, GWh	4 666	4 720
Sales, district heating, GWh	3 812	3 876
Sales, gas, GWh	1 124	945

Göteborg Energi – from a gas producer to a full-range energy company

1846:

City gas

2014:

- Electricity distribution n/w
- Electricity supply
- District Heating and Cooling
prod. & distr. & sales
- Gas distr. & sales
- Biogas production
- Services
- Communications
- Research & Development



Conditions for Swedish DSOs

Legal initiatives on different levels:

- EU:
 - Network Codes
 - Energy Efficiency Directive (EED)
 - Water Framework Directive
- National / Nordic:
 - A Nordic Electricity Market
 - Subsidised micro produced electricity
 - Regulation of revenues for energy networks (electricity / gas)
 - Construction regulation defavorises district heating
 - Limiting legislation for companies owned by cities
 - Fossil free transports in 2030

Network Codes

Two main questions to be answered:

- Analysis of consequences for the Swedish society, electrical network, its industry and future competitiveness.
- Analysis of consequences for DSOs.
Only DSOs talk to customers.
Which role will aggregators play ?
Which economical consequences will NC give to DSOs ?

Answers to be translated into "basic Swedish", i.e. in terms of costs, competitiveness and employment, and communicated.

The Energy Efficiency Directive

Sweden does not plan to introduce white certificates ->
Supported by Göteborg Energi.

Energy analyses of companies > 250 employees ->
Supported by Göteborg Energi.

Increased demand for energy services thanks to the EED ->
Göteborg Energi already has a long tradition in this field. A business opportunity.

Individual measuring of energy consumption in general is right, but:
No Swedish actor accepts individual measuring of heat in blocks of flats.
This is neither economically correct, nor fair with respect to tenants.

There is a governmental proposal to prohibit fixed parts on the electrical suppliers' bill to customers. -> Göteborg Energi does not agree, since electrical suppliers act on a free, competitive market.

Water Framework Directive

With the ever increased demand for intermittent electricity (wind & solar), there is also an increased demand for balancing power.

Hydro Power is one of the best balancing power production sources.

Not all EU M.S. have hydro power production.

With the Water Framework directive, parts of the hydro power capacity is questioned. (All power plants should re-apply for legal approval.)

This Directive does not affect Göteborg Energi directly, but it is important for Sweden.

National / Nordic initiatives (1)

- Nordic Electricity Market
 - Only the supplier to interface the customer.
 - Customers and suppliers to act on a larger market.
 - Information management will be crucial (National "Data hubs").
 - The Nordic dimension has faded away.
 - Delayed time schedule.
- Subsidised micro produced electricity
 - * Initial proposal: 6 cEUR tax reduction / kWh produced.
 - Max 30,000 kWh / customer / year.
 - Possibility to sell surplus kWh to supplier for an agreed price.
 - * Recent assumption: All microproducers to register as commercial actors i.e. to pay taxes and VAT.
 - Final decision in autumn.
 - >Most likely, a low interest for micro produced electricity.

Nordic / National initiatives (2)

- Regulation of revenues for network companies
The NRA wants to impose stricter control of network companies' revenues (electricity & gas). Longer term, decreased incomes.
The NRA acts as a the "market" counterpart, since networks are natural monopolies.
- Construction regulation defavorises district heating.
The construction authority talks about "bought energy" instead of "used energy". Different energy performance construction rules, depending on the heat source.
- Companies owned by cities should follow a special legislation; geographical restrictions, market restrictions....
Legal processes are ongoing.

Fossil free transports in 2030 (National #3)

A governmental initiative.

Investigation in 2013.

The report is now out for consideration (until 19th May).

Important to support new solutions, e.g. biogas.

Could give new business opportunities for energy companies (electricity & bio gas).

To be continued.....

Conclusion: The energy market is dynamic.

- Stable (?) energy prices
- Shale gas
- Sometimes, expensive renewable energy
- Increased demand for balancing power
- Different national energy policies (Germany, UK, Poland....)
- Transformation of the transport sector
- Politics
- A "firework" of legal initiatives on various levels.



Can we make a difference ?

Of course we can !

Thank you for the attention.

www.goteborgenergi.se