

# Legislative changes for boosting renewables (focus on photovoltaics)

## Czech-Austrian Energy Expert Group (CZ-AT EEG)

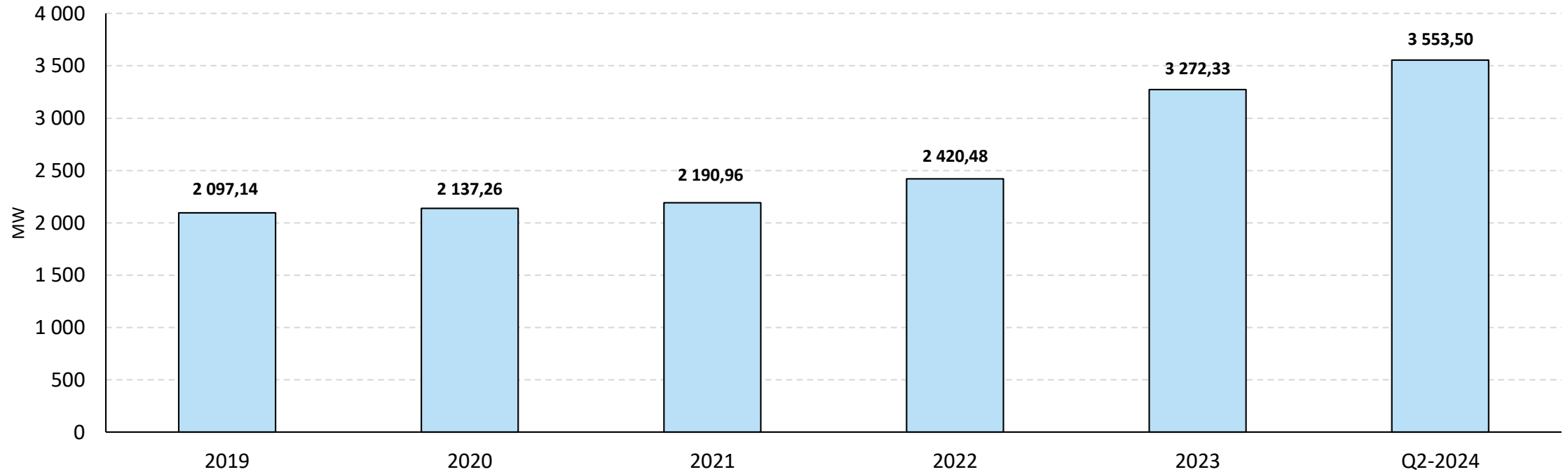
Czech Institute of Informatics, Robotics and Cybernetics

Tuesday 12<sup>th</sup> of November 2024



# Recent trends and development

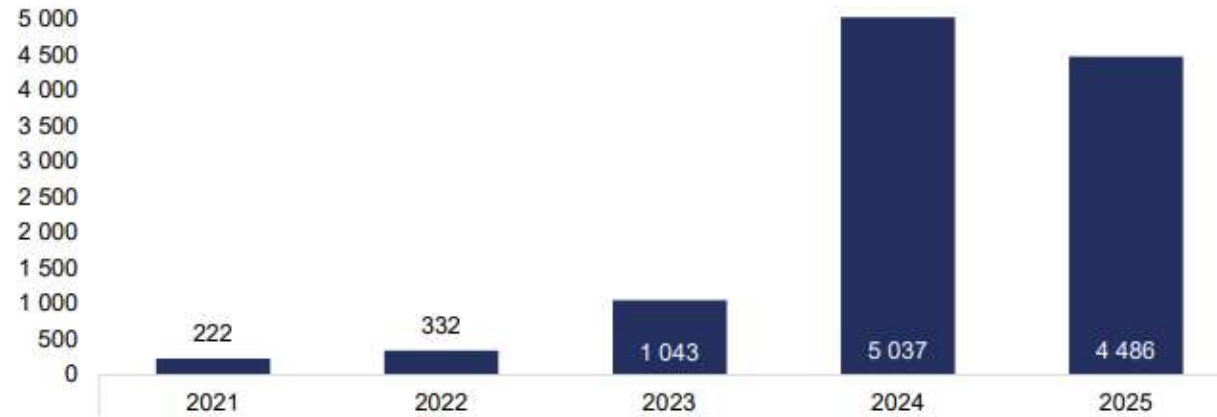
Total installed capacity (MW) in recent years



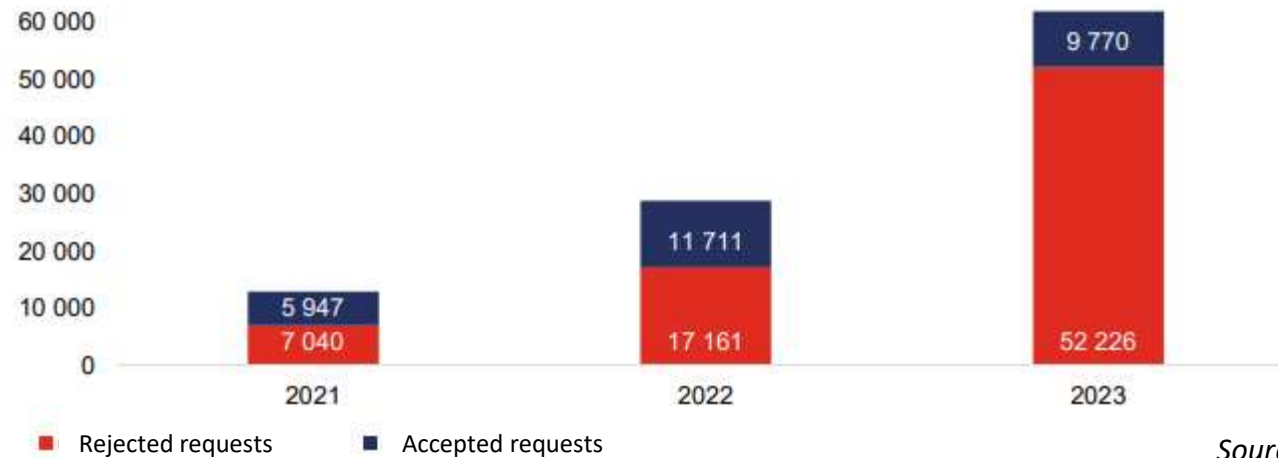
Source: Energy Regulatory Office

# Recent trends and development

Number of realized connections of electricity production plants for the period 2021–2023 and assumption implementation for the period 2024–2025 [MW]

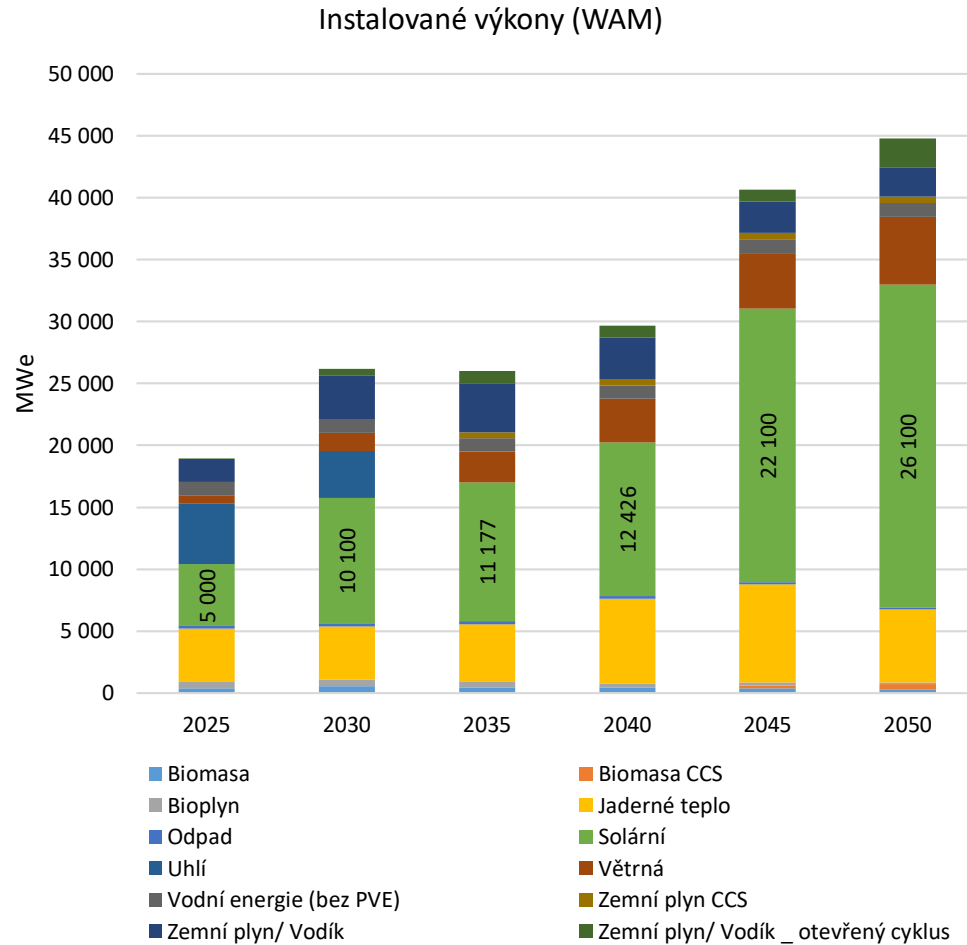


The number of rejected and accepted requests to connect power plants out of the total of applications received [MW]

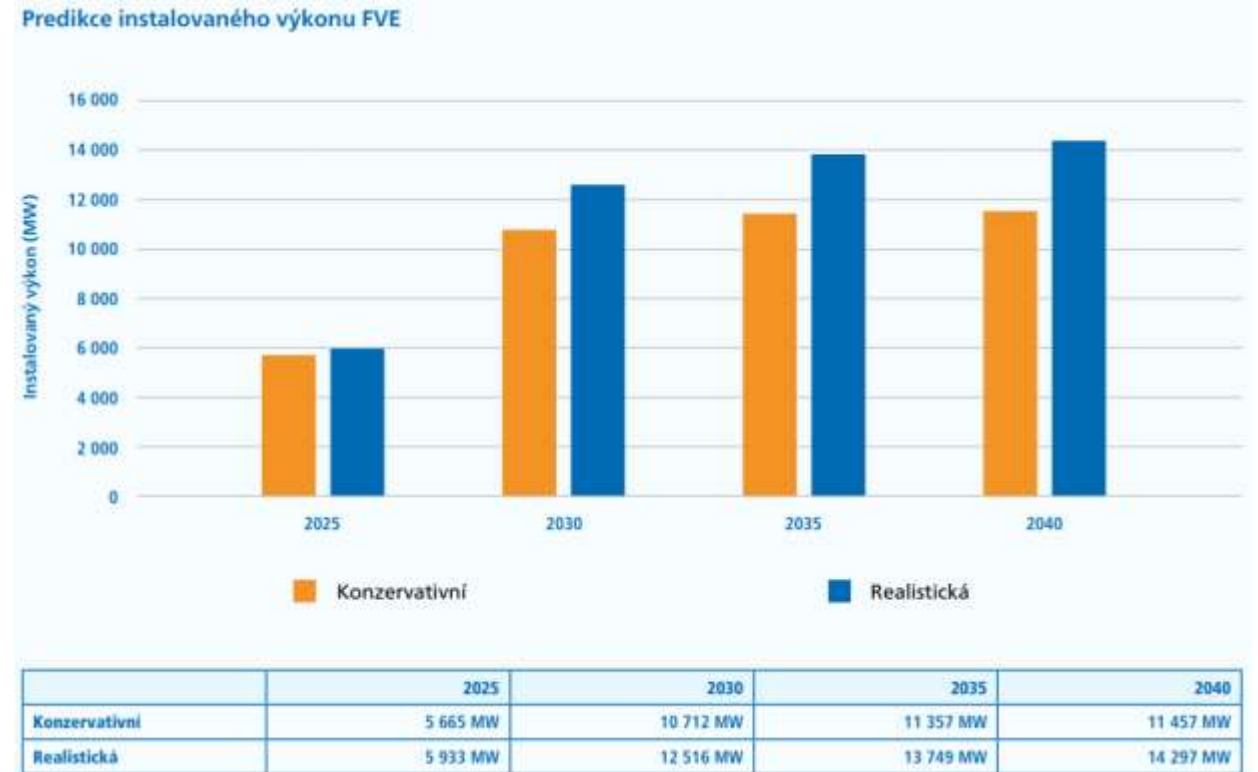


Source: Energy Regulatory Office ([link](#))

# Potential future development



Source: SEEPIA project



Source: Resource adequacy MAF 2023

# Key legislative measures for RES support

- ➔ **Act 19/2023 Coll.** aimed at simplification of legislative processes (the so-called "**LEX OZE I**") – in force from 24.1.2023
- ➔ **Act 469/2023 Coll.** focused on community energy and electricity sharing (so-called "**LEX OZE II**") – in force from 1.1.2024 (1.7.2024 for secondary legislation)
- ➔ Amendment to the Energy Act (and other legislation) focused on accumulation, aggregation and flexibility (so-called "**LEX OZE III**") – currently in legislative process
- ➔ **Act 334/1992 Coll.** on the protection of the agricultural land fund establishing definition of agrivoltaics – in force from 1.7.2024
- ➔ **Act on accelerating the use of renewable energy sources** – currently in interministerial comment procedure



# Other measures for RES support

## ➔ **Public funding**

- ▶ Investment support for photovoltaics through Modernization fund, Recovery and Resilience Fund, Operational program for Competitiveness and New Green Savings Programme

## ➔ **Enforcements of distribution grids allowing RES integration**

- ▶ Additional public funding for distribution grids

## ➔ **Power purchasing agreements (PPA)**

- ▶ Task force for identification of barriers for PPA and optimal framework

## ➔ **Research projects for framework for RES support**



# LEX OZE I (Act no. 19/2023 Coll.)

## „Lex OZE I“ (first part) – amendment to the Energy Act:

- ➔ **Amendment of the definition of electricity source** and the definition of conduct of business in the energy sectors so that the production of electricity from renewable sources electricity above 1 MW is in the public interest from the point of view of spatial planning
- ➔ Amendment of the provision authorizing customers to generate electricity for their own use without granting a license by increasing the **limit from 10 kW to 50 kW**
- ➔ Determination of the obligation of producers up to 50 kW to **comply with selected fire and other safety standards**, which are formulated in the ministerial decree prepared in cooperation with the Integrated Rescue System



# LEX OZE I (Act no. 19/2023 Coll.)

## "Lex OZE I" (second part) - amendment to the Construction Act

- ➔ **PV plants up to 50 kW do not require a zoning decision or consent:**
  - ▶ regardless of whether the PV plant is on the building or the land
  - ▶ the construction of a PV plant in the territorial plan of the municipality must not be excluded
  - ▶ for those located on an open area, the area must be demarcated in the municipality's territorial plan
  - ▶ it must not be a cultural heritage, conservation area, zone or specially protected area
- ➔ **PV up to 50 kW (on the roof) without notification and building permit:**
  - ▶ if it does not interfere with the supporting structures of the building
  - ▶ the way the building is used does not change
  - ▶ no environmental impact assessment is required
  - ▶ fire safety requirements are met
  - ▶ it is not a PV plant on a cultural heritage
- ➔ **Change in the definition of technical infrastructure in § 2 of the Construction Act:** electricity production plants from RES are considered technical infrastructure, i.e. like other public infrastructure buildings, they have a „simpler“ regime from the point of view of their spatial planning.





# Contents of the LEX OZE II Act (overview)

- ➔ **Transposition of EU legislation:** incorporating Energy community and Community for Renewable Resources into national legislation
- ➔ **Sharing of produced electricity**
  - ▶ Prosumer/active consumer (the definition is not established, but the institute is materially filled)
  - ▶ Energy communities
- ➔ Legislative framework for „**Power Data Centre**“ (so called EDC)
- ➔ „**Vulnerable**“ customer
- ➔ **Consumer Protection Amendments**



Source: <https://www.energiezamene.cz/komunitni-energetika>

# Contents of the LEX OZE II Act (overview)

## Prosumer/active consumer

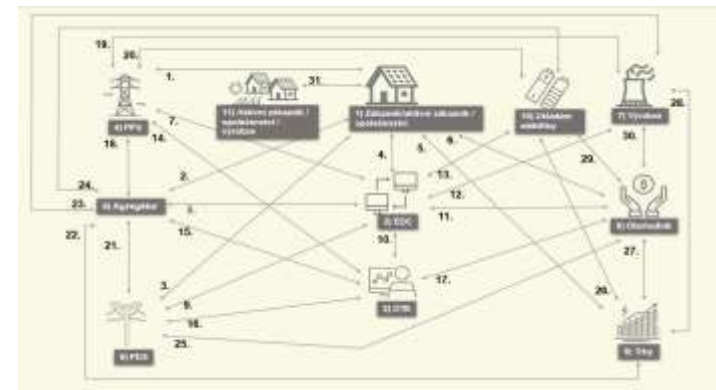
- A prosumer can share electricity with the **group of up to ten people** who produce energy together and share it among themselves. There is **no territorial restrictions**.
- A **typical example of such an active customer** is an individual who generates electricity on the roof of his cottage, but only uses it during the weekend and sends the generated electricity to his apartment in the city during the weekend.

## Energy communities

- The energy community will be intended for energy **sharing within larger groups**. Specifically, according to the law, there will be **up to 1,000 members**.
- Energy community will be able to share with each other the energy they produce from joint powerplants. Members of these associations will be able to be, for example, associations of unit owners, households, municipalities, schools, authorities or entire small businesses.

# LEX OZE III

- ➔ Transposition of all **remaining institutes of EU Directive 2019/944** on common rules for the internal electricity market.
- ➔ The main themes of the amendment are **accumulation, aggregation and flexibility**
- ➔ **Storage:** legal rules for storing electricity (energy) in the electricity grid
- ➔ **Aggregation:** a new type of trading based on combining supply and demand for electricity from multiple customers for the operation of the electricity network
- ➔ **Flexibility:** the authorization of smaller customers to participate in the needs of the operation (power balance) of the electricity network by offering to supply or take electricity



Source: Explanatory report on the draft law

# Acceleration zones

- ➔ The deadline for the transposition of EU legislation is **May 21, 2025**.
- ➔ In April 2024, the Czech government approved a procedure for the so-called **acceleration zones for renewable energy sources**.
- ➔ Following this, a **draft law on accelerating the use of renewable energy sources** was prepared in cooperation between the Ministry of Industry and Trade (MPO), the Ministry of the Environment (MŽP), and the Ministry of Regional Development (MMR). The draft is currently being reviewed to address feedback and comments.
- ➔ A **methodology for selecting areas for the accelerated deployment of renewable energy sources** has also been published ([link](#)).

# Public support for photovoltaic sources

## ➔ Modernization fund

- ▶ Program RES+ aimed at utility scale photovoltaic sources
- ▶ Projects until 2Q2024: 2 313 MWp

## ➔ Recovery and resilience fund

- ▶ Rooftop photovoltaic sources for business mainly for own consumption (including accumulation)
- ▶ Allocation: 5 billion CZK (increased to 7,5 billion CZK from REPowerEU)
- ▶ Projects with grant decision: as of 3Q2024: 4 576 projects; eligible cost: 16,581 billion CZK; subsidy: 6,144 billion CZK; installed capacity: 632,4 MWp; energy storage: 103,1 GWh.

# Public support for photovoltaic sources

## ➔ **Operational Program for Technology and Competitiveness (OP TAK)**

- ▶ Rooftop photovoltaic sources for business (1-50 kWp)
- ▶ Allocation: 1 billion CZK (with potential increase of allocation)
- ▶ Support through the National Development Bank (0,5 – 3 mil. CZK interest-free loans and subsidy element)

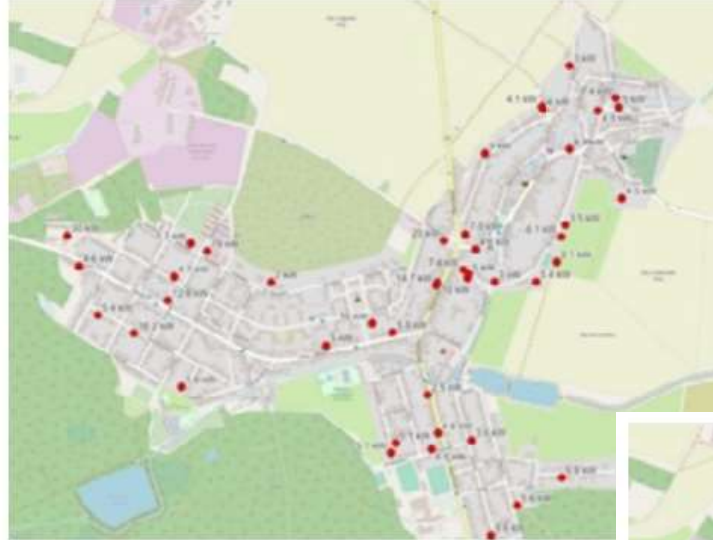
## ➔ **New Green Savings Programme**

- ▶ Rooftop photovoltaics for households

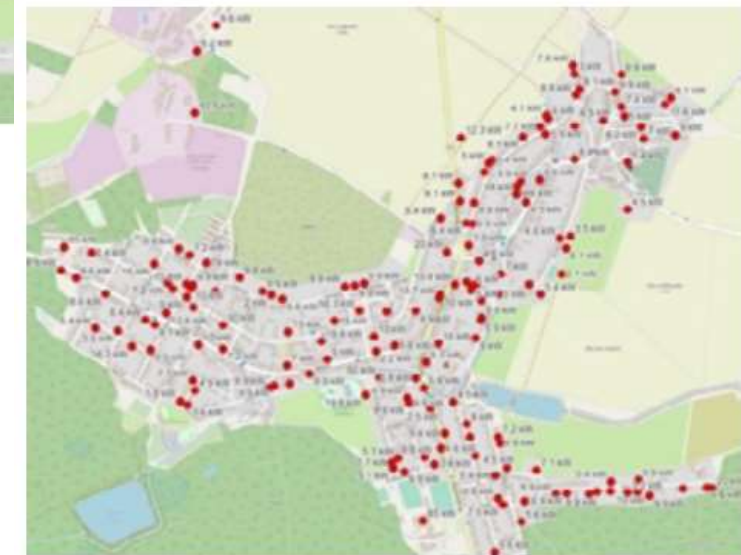


# Integration of renewable energy sources

Illustrative comparison of development of rooftop development

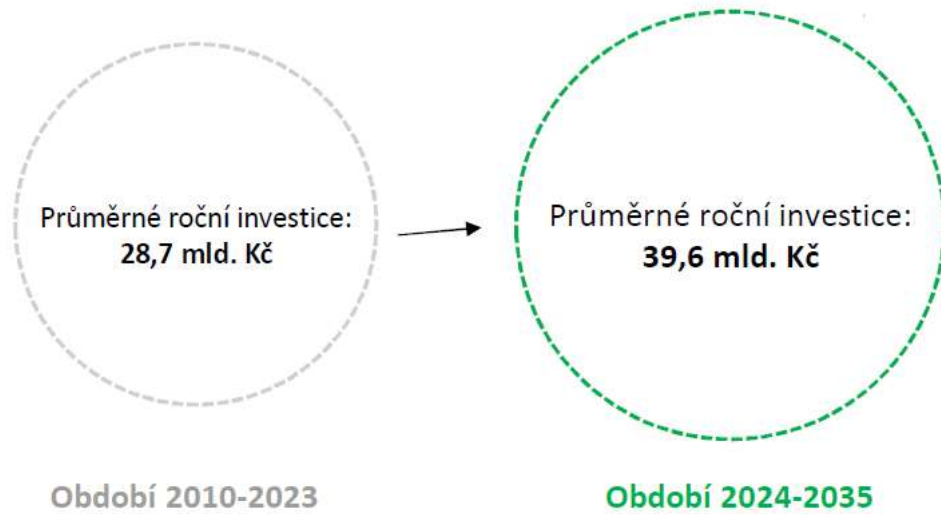


January 2021



April 2024

Expected increase of annual investment for transmission and distribution grids



# Measures with regards to RES integration

## ➔ Recovery and Resilience Fund

- ▶ Allocation of 6,7 billion CZK for reconstruction and modernization of distribution grids allowing smoother integration of RES
- ▶ Number of connected reforms – for example clear and transparent signal of free capacity (this information is to a large extent already available)

## ➔ Operational Program for Technology and Competitiveness (OP TAK)

- ▶ Allocation of 4 billion CZK for regional distribution companies for “Automated Meter Management – AMM“
- ▶ Funding (1 billion CZK) for modernization of local distribution grids





# Thank you for your attention



MINISTERSTVO  
PRŮMYSLU A OBCHODU

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