



Distributed Generation - Future Energy Resources



Optimising the use of DG in the European energy system

Preparation for Brussels Workshop

A successful outcome from this workshop will be dependant on feedback from all participants at the meeting to the DG-FER project team.

The following contains some more information about the project and its findings and recommendations so far. Some key questions are highlighted and they are examples of what will be discussed at the meeting. Please also look at our home page www.dgfer.org.

The DG-FER PROJECT

The project has 8 tasks

- Task 1. Assessment of DG activities in Europe and comparing it with, among other things, what is happening in US.
- Task 2. Benchmarking different EU countries as regards DG activities and policies. An assessment of the competitive position of European manufacturers of DG equipment and services.
- Task 3. What value can an increased use of DG provide the European Union? As regards a future sustainable energy system and industrial growth, what would be the vision for DG in Europe in 2020? Which are the barriers that need to be overcome for this vision to become true?
- Task 4. Suggestion of the strategy and road-map for DG in Europe.
- Task 5. Liaison with three groups of stakeholders – manufacturers, energy companies and policymakers. Get their input.
- Task 6. Revision of strategic plan and roadmap
- Task 7. Establish an action plan based upon the revised plan
- Task 8. Dissemination of the results

The project will be finished in March 2004 and we have now reached Task 5 and this second workshop. The first was in early December 2003 and targeted manufacturers of DG equipment. This workshop is intended for utilities and other energy companies.

Results from Task 1 – 4 will be presented at the meeting and some of those are presented below for your review and further discussion at the meeting.

ITEMS FOR DISCUSSION

1. The definition for DG in Europe is suggested as

“Power generation equipment and systems used generally at distribution voltages and where the power mainly is used locally on site”

2. Although there is a lot of DG activity both on EU level and within EU States there is a lack of coordination within Europe compared to US.

Europe is comparatively strong on certain DG technologies such as piston engines and wind, but relatively weak on others such as fuel cells if comparisons are made with US research and development activity.

3. There is a big potential for DG in Europe and this can help Europe to get a more sustainable and reliable energy system. A first analysis shows for example that an increased use of DG has the potential to reduce energy cost by 25 % and emission by 40 % for new generation capacity.

The vision for DG in Europe is to have 160 GW installed DG capacity in 2020 compared to 45 GW today. This means 20% of totally installed power generation capacity in 2020 would be DG. This would be split between fossil-fuelled technologies and renewable energy.

4. There are three categories of barriers to DG in Europe. They are related to Interconnection, Economics and to Legislative issues. These will be discussed.
5. There is a need for focused and coordinated R&D work on the different DG technologies as well as on interconnection and control issues. What are the needs and how shall this be managed?

6. Important parts of the Road Map are

- Development of a EU electrical interconnection Standard for DG applications
- Review of utility practices associated with the interconnection of DG to ensure fair treatment of DG
- Co-ordinated approach to DG demonstration and validation
- An EU “DG Office” to be created to among other things be a focal point for implementation of the EU strategy on DG

I hope the above input will help us to get an active and fruitful workshop in Brussels.

Looking forward to meeting you at the workshop

Best regards

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