



ESHA Member Newsletter 04

December 2012

Foreword

Dear members and supporters of ESHA,

With being in the busiest period of the year, we took the liberty to provide you with a double edition of this newsletter covering ESHA's activities for the months of October and November 2012. On request of some of our members, we are now including a longer section of the Policy part.

Please welcome with us ESHA's new policy trainee Mr Dory Moutran who supports our political activities.

Happy Christmas and a successful New Year 2013,

Your ESHA Secretariat

Policy

- **Participate in ESHA's Friday Skype policy chats!** – Your favourite weekly policy activity takes place every Friday from 2PM to 3PM. It is open to all ESHA members. Its purpose is to allow you to share (regularly and informally) some policy news and concerns with other members and the staff. The chat is also a tool to help the staff to shape ESHA's future positions. If you wish to participate, please send your Skype details to [Oliver Jung](#). The following topics are planned for the coming weeks: support schemes, water concessions and the internal electricity market, the economic potential of SHP, the positive impacts of SHP on water and the follow-up to the Water Blueprint. Feel free to propose new discussion topics, by sending an email to [Oliver](#) in advance.
- **Environmental policy – EC Water Blueprint adopted** – [The Blueprint to Safeguard Europe's Water resources](#) was adopted on the 14th of November 2012 by the European Commission (EC). Although ESHA and its members were very active in the prior consultation process, this new important policy document is clearly an expected move in the wrong direction for the hydropower sector, which is considered to be one of the main sectors responsible for the expected failure to reach good water status in Europe by 2015 (i.e. the objective of the WFD). As a consequence, the EC is planning a series of measures to correct the situation. Some of them include directives not being legally binding, not having a "one size fits all" approach and being implemented at national level – which is one of the mere positive aspects of this paper. The following measures can have an impact on the hydropower sector:
 - Fish passes and fish lifts should become a standard practice not only for new plants but should progressively be introduced in existing infrastructure;
 - When there are plans to make significant new changes to water bodies, a Strategic Environmental Assessments (SEA) should be made in addition to the Environmental Impact Assessments (EIA) for specific projects, which means that the location of dams and possible alternative renewable energy sources development would be examined in the national and regional plans;
 - Green infrastructure (defined as a valuable alternative to classical grey infrastructure (dams)) would be promoted to retain water, support biodiversity and soil fertility, and prevent floods and droughts, through policies and EU financial support (2014-2020 Multiannual Financial Framework MFF);
 - Member States should increase integration across water related policy areas, including energy. The EC proposes to develop CIS guidance on natural water retention, by 2014, to facilitate this integrated approach;
 - The EC acknowledges the lack of definition of "ecological flow" to be problematic. Hence, the EC proposes to develop a guidance document in the framework of the WFD CIS by 2014 (also refining water accounts);
 - Member States should improve water monitoring [could this become a new task for the hydropower sector?];

- The EC wants to further push for water pricing and water metering. It has already started infringement procedures against nine Member States for their narrow interpretation of the concept of water services and will continue enforcing the action. In addition, the EC will develop another CIS guidance document on the methodology to assess the costs and benefits of water measures by 2014. The EC will also try to make water pricing/cost recovery an ex ante condition under the Rural Development and Cohesion policy funds;
- The EC considers that there is a high untapped potential for water efficiency in the main water-using sectors, including energy production. Hence, the EC proposes to develop a common EU methodology for setting water efficiency target, to be agreed under the CIS process by 2014;
- Some cross-cutting solutions are also proposed by the EC: streamline reporting and statistical requirements, set-up and use of a CIS peer review system for RBMPs, review of a country's specific recommendations on water.

As a reaction to the Blueprint, ESHA has started to reinforce its presence in the CIS workshops and relevant events. ESHA will also support its members in necessary national lobbying activities and regularly meet with DG Environment for a close monitoring and follow-up. ESHA will also lobby the European Parliament who will issue a report on the Blueprint.

The Blueprint and related documents such as the 3rd Implementation report of the Water Framework Directive: River Basin Management Plans 2009-2015, the Review of the EU policy on water scarcity and droughts, and other relevant EEA documents are available [\[here\]](#). For any requests on this issue, contact [Oliver](#).

- **Environmental policy - New sites added to Natura 2000** – Six out of nine biogeographical Natura 2000 regions – the Alpine, Atlantic, Boreal, Continental, Mediterranean and Pannonian regions – have been updated in November 2011. This can have an impact on hydropower activities. More information available [\[here\]](#).
- **Energy policy -European internal energy market** – On the 15th of November 2012, the European Commission presented a [Communication](#) assessing the state of play of the internal energy market, to be completed by 2014. The Communication encourages Member States to step up efforts, highlighting the benefits of a truly integrated European market for citizens and businesses. The document also identifies the need for further action in a number of areas including consumer protection, enforcing the existing rules and investing in the modernisation of energy infrastructure. This Communication calls for a liberalisation of concession rights. As it mentions on page 8: *“The Commission will press public authorities ensuring that concessions, e.g. for hydro power generation facilities, storage facilities or the operation of distribution grids, are awarded in full compliance with Treaty principles and EU secondary legislation. The most appropriate way should be to put these concessions out to tender on a nondiscriminatory basis, using open instruments such as auctions. The Commission intends to assess the adequacy of the existing regulatory measures for achieving this goal.”* ESHA will carry out necessary lobbying activities at EC and EP level to limit negative impact on our members. Together with the Communication, the EC is launching a [Public Consultation on delivering a more coordinated approach to generation adequacy and security of supply in the internal electricity market](#). The questions also refer to support schemes and storage development. ESHA will reply to this consultation by the 7th of February 2013. If you wish to contribute to ESHA's position, contact [Oliver](#).
- **Economic aspects – Interesting study** – The Center for European Studies (CES), the research center of the European People's Party (EPP), the largest European center-right political force has published the study *“Green Energy, Green Business: New Financial and Policy Instruments for Sustainable Growth in the EU”*. It provides interesting content to feed ESHA's position on support schemes and alternative financing mechanisms. It also refers to [a report from 2010](#) where it appears that electricity from (small) hydropower is more costly than from wind or biomass! Any comments welcome!
- **Ever heard of “moveable hydroelectric power plants”?** – Find out more by visiting the website of the [WISE project](#) (the water knowledge portal) and typing “hydropower” in the search engine. You will find also interesting information on policy and RTD experiences, projects and guidance.

PR & Communication

- The ESHA Secretariat developed **new policy sheets**, intended to be used as communication tools for lobbying activities. There are four different sheets: a general one (light blue), a sheet mentioning energy aspects (dark blue), a sheet mentioning environmental aspects (green) and a last one focusing on the economy (brown). These sheets were printed in a small quantity to allow for regular updates. If you wish to order some of these sheets, please contact [Oliver Jung](#). The next step will be special mugs which will be presented during the December GB in Brussels.
- ESHA attended several events organised by the European Water Association (EWA), the European Commission's Strategy Coordination Group and the European Parliament's Water Group with regards to the implementation of the WFD and the **Blueprint to Safeguard Europe's Water resources** (see above),
- Martina Steinkusz had been invited as a speaker at the **EIF 2012 in Ankara**, to talk about hydropower investment possibilities. New contacts and knowledge has been gained, especially on the Turkish market and with the outlook for *hidroenergia 2014* in Istanbul.
- To present the recent hydropower developments in the European small hydropower field, Oliver Jung has been invited to speak at the **REF 2012 in Kiev**. Interesting contacts were made for futures activities.
- Dirk Hendricks had given a video conference at the **SEE HYDROPOWER in Rome**. With the aim of partnering up and strengthening the South Eastern hydropower market, Dirk presented different tools for development such as the Roadmap and free database from the Stream Map project and cooperative possibilities through the RESTOR Hydro project.
- This year during **HYDRO 2012 Bilbao**, ESHA was present with a booth. Together with ESHA's new member Aravis SA, an investment workshop has been organised.
- **Facts and recommendations on SHP presented to Members of the European Parliament** – In line with its communication priority, ESHA briefly presented the challenges faced by the SHP sector to MEPs participating in the EUFORES Advisory Committee on the 14th of November 2012.
- During an EP **Working Breakfast: Hydropower Energy - Supply for a Future Europe 'Hydropower Energy'** organised by SME Europe on 28 November 2012, Martina Steinkusz has presented the Roadmap and some issues and projects ESHA is currently working on.

EU Projects

- In the framework of the project **stoRE**, the **Advisory Board** met on 27 November 2012 in Brussels. Following this meeting, Oliver and the stoRE project team have organised a **Policy Promotion Breakfast at the European Parliament** on 28 November 2012. More than 30 persons attended. Among them were several MEPs.

Membership Opportunities

- **IEE Call 2013**: The Secretariat invites ESHA members who are interested in a joint application for 2013 to submit project ideas, please contact [Dirk Hendricks](#).
- Martina Steinkusz attended the **Envirotech & Clean Energy Investor Summit** in London, from 7 - 8 November 2012, an event supported by ESHA and BHA. To get a general list of participants interested in hydropower or receive a special discount to have access to the [NewEnergyWorldNetwork](#) for investment opportunities, sources of funding, customers and partners, get in contact with [Martina](#). The offer for a one year subscription costs 230 Euro and will be valid until 20 December 2012.
- **Highlight your events** on ESHA's [event calendar](#)! Please provide [us](#) with the event name, place, dates and website link.
- Check out the schedule and curriculum for the [Post-graduate Course in Sustainable Hydropower for 2013](#) in Vienna.