

The workshop report

Stakeholder Workshop Report

“The bioenergy villages take the next steps!”

Göttingen, Germany, Nov 30th 2007

Introduction

The workshop in Göttingen was the second CA meeting with stakeholders of the processes for developing new bioenergy villages, to which the host district invited others within the scope of its “Bioenergy Village Forum“. In all candidate villages, feasibility studies are now available. Important steps have already been taken in these villages; further implementation is now being pursued collectively.

A CA meeting with the project manager and the project partners also took place beforehand which was tailored towards strategy discussion and workshop preparation. Several of the basic conditions and the important need for clarification were discussed. The CA six-step project was also presented.

The goal of the workshop was to:

- specify current and possible future conflicts;
- obtain new information on selected problem areas;
- find common solutions; and
- prepare for the next action steps.

The expectations of the participants:

The 25 participants (from agriculture, administration, environmental associations, science, planning and residents/operating companies) made the point that a lot has been done in the district in recent months, but that the basic economic conditions have changed, too. On the federal level, the amendment of the Federal German Electricity Feed-In Act is due as is an act on the production of “renewable heat“. In connection with the production of biomass, nature conservation requirements and sustainable cultivation methods are being discussed.

Information

What are the basic conditions precisely? What do they mean for the realisation of bioenergy villages in the district? How can the villages and future operating companies react to them –

how can they safeguard and collectively minimise their risk, on the one hand, and continue to actively shape their future on the other hand?

These were the issues and possible conflicts as specified by the stakeholders.

A brief, important initiative with regard to **three selected topic areas** was given:

1. New Federal German Renewable Energy Act 2008:

With the new Federal REA 2008, the following foreseeable changes for biogas will come about:

- greater support of small installations;
- support of biogas from liquid manure, reduction of the “NaWaRo” bonus in the case of „corn-only“;
- increase and tightening of the Combined Heat and Power bonus;
- open issues: nature conservation bonus and minimum crop rotations (cross compliance!)

2. Scenarios for the district: possible basic commodity – and energy price developments

If the price developments of recent years are perused with regard to agricultural products and basic commodities, very different influences can be seen as taking effect. However: even in the case of 50% additional costs for the substrate, the revenues for the bioenergy villages are still good when higher oil prices (70 instead 50 c/l) are also assumed.

3. Nature conservation requirements

If the requirements of nature conservation are to be satisfied, several conditions - alongside location issues - need to be taken into account for biogas substrates:

- wider crop rotations;
- more plant types; and the
- use of material from landscape conservation.

This partly involves higher costs. How much is nature conservation “worth” to us? – a consensus between providers and suppliers is necessary in this regard.

Further questions and discussion

Does the new Federal Renewable Energy Act benefit us or does it contain dangers for the economic operation of our installations?

It can be shown that, in the case of a 3% margin and a customer density of 70% (heat customers), an installation can – according to calculations based on average levels - be operated economically and the new REA entails positive effects (see attachment).

Will a federal act on renewable heat bring about new additional advantages for us?

These regulations will not bring about an additional economic advantage for the district of Göttingen.

What further support measures could be used?

The federal state of Lower Saxony has passed support guidelines for community local heat plans (setting up of networks), which could be drawn upon.

Will there be sufficient biomass at affordable prices in the future?

At first glance, the prices on the global market make the decisions of potential biomass suppliers with regard to medium/long-term contracts more difficult. However, the model calculations show that high substrate prices are economically realisable even in the case of high oil prices.

What nature conservation demands need to be made and who will pay for them?

A wider crop rotation and the use of more plant types, for example, need to be taken into consideration. These represent minimum demands; the whole spectrum of requirements from the perspective of nature conservation cannot yet be covered.

Is good technical practice in agriculture sufficient in order to meet the new requirements?

There is too little know-how about the sustainable cultivation of energy crops – greater communication of knowledge is needed in this regard.

Are all the important players on board?

It may be helpful for local nature conservation authorities and associations as well as local representatives and representatives from agriculture to come together to share their experiences with regard to water protection control and the perspectives for FFH protection areas.

Which strategy will lead us to the right solution?

Use of synergies. Approaching the federal level (Environment Minister) with a model suggestion.

Can new customers be acquired on the grounds of climate protection?

Previous experience shows that this is rather not the case.

Group session results

The number one priority is the concern regarding increasing customer density in the villages. This is the key economic point of departure. All further discussions also foregrounded one specific aspect: village inhabitants and project management are hoping for a positive development in terms of social cohesion within the region, alongside economic initiatives. This also requires that farmers of the region along with the energy suppliers become more integrated in the community and contribute accordingly.

A further point of importance seemed to be the issue of nature conservation and biodiversity. The economics of land utilisation by the cultivation of energy crops should not lead to disadvantages for people or the environment (soil).

The following arrangements (recommendations and action plan) were made:

- The first priority is the realisation of and increasing of the number of connections in the villages (customer density);
- it is an initiative of the district, together with nature conservation associations, farmers and interested villagers, to examine selected areas from the perspective of nature conservation concerns and to determine criteria;
- dissemination of knowledge with regard to the cultivation of energy crops – starting immediately in the new villages – will be undertaken; and
- submission of a model initiative to the Federal German Environment Ministry will be considered.

Conclusions and external recommendations

The economic feasibility is apparent under various basic conditions and can be accomplished - also in the case of additional requirements.

A possible conflict – as can arise between the conditions of biomass cultivation and nature conservation concerns – can be resolved through regional deals and agreements.

On the basis of a regional agreement it could also be arranged that the farmers receive a bonus for added performance with regard to nature conservation (use of material from landscape conservation, wider crop rotations, other plant types), which is then passed onto the customers ("green" heat).

The new regulations of the draft for the Federal REA amendment 2008 promote continuation of the preliminary plans for investments in the bioenergy villages as well as agreement with the farmers on moderate, long-term prices for biogas substrates and wood.

The advantages of higher value added and of climate protection could be realised together by means of involving citizens as investors in, and customers of, sustainable energy.

Participants

The participants list was made available to the project manager and interested participants.

Contact persons for further enquiries: Uwe R. Fritsche, u.fritsche@oeko.de

Bettina Brohmann / Katja Hünecke, k.hünecke@oeko.de

Our work is supported by the EU Commission: www.createacceptance.net
