

Response to PC on Treatment of Losses by Network Operators
From: Wolfgang Irrek, Wuppertal Institute
Date: 18/07/08 16:10

Dear Mrs. Geitona,

Please find attached our analysis of transformer losses in the electricity distribution grid and our suggestions for improvements of the current regulation schemes. In Chapter 4.1.2, you will find an overview table how regulation schemes treat network losses based on the data and information we have received during the EU project "SEEDT". However, we are not fully sure if all the information is still up to date.

You will find further information on this project at <http://seedt.ntua.gr/>.

In chapter 4.1.2, you will also find some comments and suggestions on your questions, just focusing on distribution transformer losses.

In short:

Additional regulations in existing regulatory schemes are urgently needed to remove existing disincentives and to set incentives for investment in energy-efficiency distribution transformers. Life-cycle analysis shows that the energy saving potentials of energy-efficient transformers are substantial and are economical in principle. However, they are not economical from the perspective of electricity distribution companies in many EU countries due to the existing regulation.

For example, in the coming incentive regulation in Germany, loss energy costs are treated as durably not influencable cost element. This means that loss energy costs can be passed on to consumers entirely. On the other hand, investment costs are subject to the cap.

Yours sincerely,

Wolfgang Irrek

Dr. Wolfgang Irrek Phone: ++49/(0)202/2492-164 (-129)
Co-Director Fax: ++49/(0)202/2492-198
Research Group 2 "Energy, Transport and Climate Policy"
Wuppertal Institute for Climate * Environment * Energy
Science Centre North Rhine-Westphalia
Address: Döppersberg 19, D-42103 Wuppertal, Germany
P.O. Box: Postfach 10 04 80, D-42004 Wuppertal, Germany

Email: wolfgang.irrek@wupperinst.org
www.wupperinst.org

Masterstudium Umwelt Management - www.UMIB.de

Wuppertal Institut fuer Klima, Umwelt, Energie GmbH;
Sitz der Gesellschaft/Registered Office: Wuppertal, Germany;
Registergericht/Registered at: Amtsgericht Wuppertal, Germany;
Eintragungs-Nr./Registration no.: HRB 7619;
USt.-ID Nr./VAT ID No.: DE 121 091 633
Kaufmaennische Geschaefstfuehrerin/Business Manager: Brigitte Mutert-Breidbach
Vizepraesident/Vice-President: Dr. Manfred Fishedick
Aufsichtsratsvorsitzender/Chairman of the Supervisory Board: Staatssekretaer/State
Secretary
Dr. Michael Stueckradt

email scanned by Ikarus ContentWall

filename: mailbody --> clean

filename: mailbody(html) --> clean

filename: SEEDT D6 Final_June2008.pdf --> clean

filename: mailbody(html) --> clean

SCANMODULE: IkarusT3 vdb: 18.07.2008 13:01:54 (71117) version: 1.1.18.0
