



## Japan Local Government Centre, London

### Monthly Report for April 2011 (Germany) – Local government calls for better framework to increase renewable energy sources

After the nuclear facility in Fukushima was severely damaged by the tsunami triggered by the most powerful earthquake in Japan's recorded history on March 11, as an immediate reaction the German government decreed a temporary switch-off for the seven oldest nuclear reactors in Germany. Apart from the big energy companies who run the nuclear reactors and have a clear interest in being able to keep them on line as long as possible, overall there is a strong presumption in favour of re-structuring the energy landscape in Germany and abandoning nuclear energy altogether. The previous Social Democrat-led government under Gerhard Schröder had already planned for the end of nuclear energy generation by 2022, and the agreement concluded in 2000 met with approval from large parts of the population. It was later overturned by the current coalition government but recent events in Japan have forced a re-engagement with the issue, which has also been reflected in election outcomes. On March 27, elections for the *Land* parliament took place in Baden-Württemberg and Rhineland-Palatinate. In both cases, the biggest winner was the Green Party which campaigned heavily on an anti-nuclear power ticket. In Baden-Württemberg, the party doubled their votes and will enter a coalition government with a Green minister-president – a first in Germany.

The local government representative organisations – the German Association of Cities (representing the large cities) and the German Association of Municipalities (representing the small and middle size cities) have together with the Association of Municipal Enterprises (VKU, Verband Kommunaler Unternehmen) issued a press release in which they welcome the decision by the government to re-think the decision on nuclear energy, and at the same time demand a restructuring of the existing federal energy strategy in order to establish a framework that is more supportive of increasing regenerative energy provision. The heads of the three associations declared: *“Local authorities and their municipal enterprises are well prepared for a restructuring of the energy system, and want to do their share regarding this important task. We believe that this is the chance we need to re-think the energy strategy and remodel it under the overall aim of climate protection to construct a modern, future-proof energy-system.”*

There is agreement that the energy supply of the future will rely less on centralised structures than is currently the case. The executive director of the German Association for Cities put it this way: *“Cities and their municipal enterprises are the natural partners for realising decentralised energy provision in the future. They are already investing to a great deal in advanced technologies and are increasing environmentally friendly energy provision, for example through combined power and*

*heat plants. In order to truly advance climate protection and increase renewable energy provision, we need a fair playing field in the competitive environment in which these enterprises have to operate, in particular compared to the big energy businesses. They had a big advantage through the federal government's decision to extend the running time of some nuclear reactors. The current debate offers the chance to improve the conditions for regenerative energy. We call on the federal government to make better use of what the cities and the municipal enterprises can contribute to dependable and safe energy provision."*

However, increasing use of renewable energy generation also demands the appropriate infrastructure necessary to achieve this. The executive Director of the German Association of Municipalities emphasised that in order to achieve a step-change in renewables, rules under planning law as well as in the 'Renewable Energy Sources Act' might have to be looked at again: 'We need thousands of kilometres of further aerial cables, power storing facilities, further gas power stations as well as modern coal-fired power stations. There must be open acknowledgement from politicians that such a large-scale shift to other energy structures is not achievable without further cost, and that planning processes taking decades are not feasible.' It is also of utmost importance that energy efficiencies in public as well as private buildings as well as within production processes are achieved.

The executive director of the Association of Municipal Enterprises believes that the energy concept of the federal government has the right aims, but that there are some problems. The originally intended extension of running time of nuclear reactors leads to the closing of the market and in doing so prevents necessary upgrading of the power producing plants as a whole. In this area improvements are necessary. Municipal enterprises are already investing more than 8bn euros in about 5,000 megawatts of electricity production, the equivalent of five medium-size power plants. A particular focus is on efficient gas-fired combined heat and power plants, which are making a contribution in reducing greenhouse gases affecting the climate. "In case the withdrawal from nuclear energy is accelerated and the necessary economic and planning conditions are put in place, our sector is going to invest further billions," was his comment.

However all three associations were united in emphasising that such an important area as energy politics can only be implemented in a long-lasting fashion if there is broad consensus within society. Local authorities and their municipal enterprises are ready to play an active role and contribute. However this is only possible if dialogue with all relevant actors takes place, therefore the associations call on the government to include them in the discussion right from the beginning.

The Federal Ministry for the Environment, Nature Conservation and Nuclear Energy together with the Federal Ministry of Economics and Technology have meanwhile presented a six-point plan to accelerate the aimed-for switch to renewables, which has been broadly welcomed.

*Any opinions expressed in this report are solely those of the author and do not necessarily represent those of JLGC or CLAIR.*