

INTERVIEW - Bulgaria's Wind Production Capacity To Rise Six-Fold Within 10 Years

SOFIA (Bulgaria), November 12 (SeeNews) - The Bulgarian Wind Energy Association (BWEA) expects wind power production capacity in Bulgaria to rise up to six times over the next decade, its chairman said.

"We think that it is realistic that investors will create and put into operation new wind production facilities which will increase Bulgaria's wind production capacity to 2,000-3,000 megawatts in the next five to ten years," the chairman of the supervisory board at BWEA, Kenneth Lefkowitz, told SeeNews in a recent interview. At the moment the country's wind power capacity stands at about 500 megawatts.

Lefkowitz said he sees solar energy production capacity reaching several hundred megawatts in the medium term, and added that biomass is the green energy source with biggest growth potential in the country.

As part of the development the local wind energy sector Lefkowitz expects Bulgaria to begin producing some equipment for wind power production as well.

"I think it would be natural and reasonable that there would be at least production of turbine towers in Bulgaria. Bulgaria has a competitive advantage in metallurgy and towers are made of metal, so it would be quite natural to produce them."

According to him, a major challenge for investors in wind energy projects in Bulgaria is the country's constrained grid capacity.

"There are very concentrated wind resources in northeastern Bulgaria and a very weak grid there. The area is served by a single circuit, which is already overloaded, and this is why there are projects that are built and not connected and also projects that are built and connected but they are not able to sell their full capacity."

The reason why this problem, as well as many others in the sector, remains unsolved is the Bulgarian power grid operator NEK's resistance to restructuring, he added.

"The market suffers from a very strong inertia from the past - it is very hard to do any change of the way NEK operates and there is also strong resistance to change of the existing generation facilities, for example [the coal-fired power plant] Brikel."

As a partial solution to this problem Lefkowitz pointed to bigger transparency regarding NEK's operations.

"Nobody knows what contracts NEK has signed and with whom. The display of such contracts is essential in order to understand the real magnitude of a given problem and then to start to think about how to do something about it. We work actively for such transparency to become a legal obligation for NEK and any other electricity distribution company."

Another problem for the wind-energy market he sees in the fact that the feed-in tariffs for renewable energy in Bulgaria are set on an annual basis. This, Lefkowitz said, makes it very hard for project developers and their bankers to predict the long-term development of their projects.

He also emphasized the need for stricter rules regarding the sustainability of wind energy projects.

"There need to be not only clear rules, but also rules that allow for a sustainable pace of development. Projects really need to go through a fair amount of scrutiny from the government authorities - both environmental as well as technical scrutiny."

Bulgaria has enough resources to develop a strong renewable energy sector, Lefkowitz said.

"If you look at the energy choices Bulgaria has to make in order to replace old capacity - renewable energy is not much more expensive, and an energy mix with a significant contribution of renewables can actually be cheaper for Bulgaria in the long term," Lefkowitz concluded.

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