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Klagenfurt City
город Клагенфурт



Land Kärnten
Каринтия



Chernivtsy Region
Буковина



ЭНЕРГЕТИЧЕСКИЙ ПЛАН ДЛЯ ЧЕРНОВЦОВ



Chernivtsy Energy Plan



JUNE, 2001

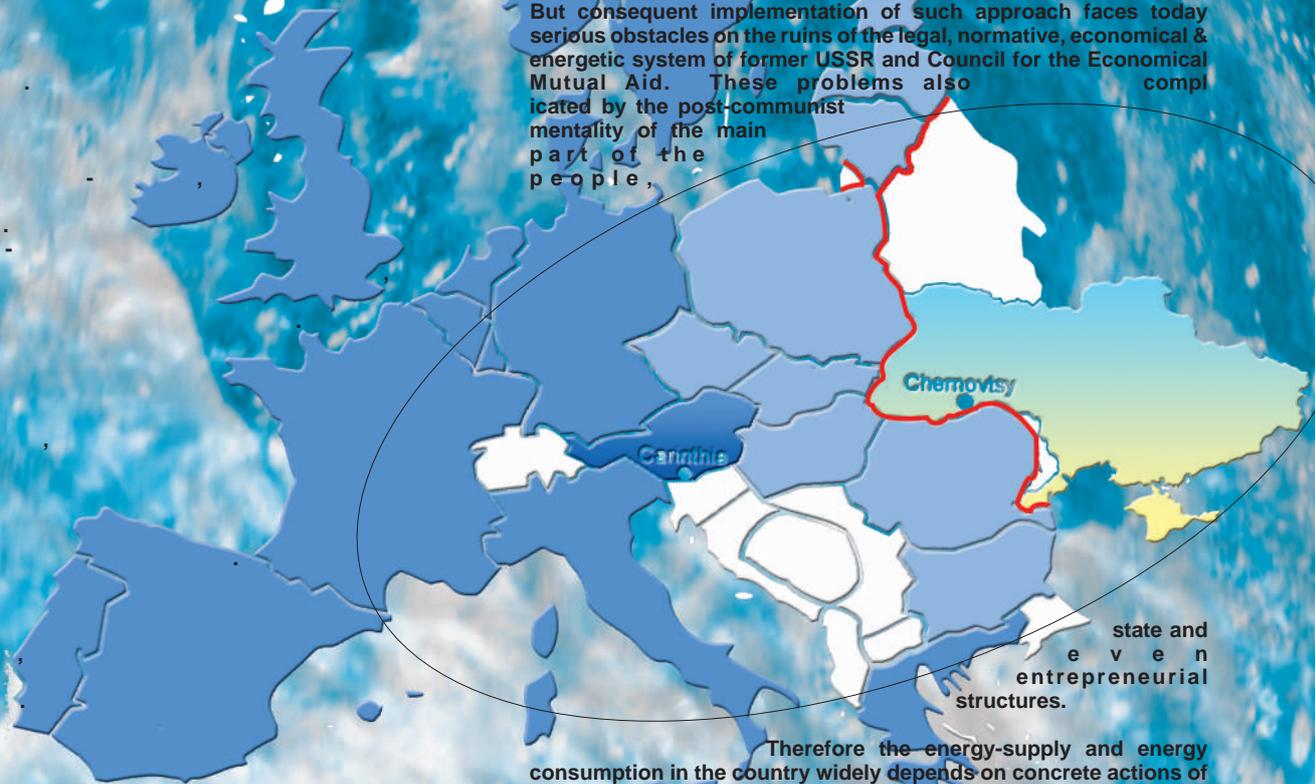
ПРЕДИСЛОВИЕ

FOREWORD

1998

In 1998 Ukraine joined the European Energy Charter. This step defined further development of its Energetic that should now combine the traditional centralised energy providing with the decentralised energetic market.

But consequent implementation of such approach faces today serious obstacles on the ruins of the legal, normative, economical & energetic system of former USSR and Council for the Economical Mutual Aid. These problems also complicated by the post-communist mentality of the main part of the people,



state and even entrepreneurial structures.

Therefore the energy-supply and energy consumption in the country widely depends on concrete actions of the enterprises and local authorities. And the following sustainable development of the Energetic will be defined by the conformity between their decisions & by the real peculiarities and possibilities of the regions.

For "regionalisation" of the Energetic in Western Ukraine expediently to use the experience of Austria and other countries which have common roots with former Crown Lands Galicia & Bukovina.

But the adoption of the European experience should be accompanied by the precise evaluation of real peculiarities & opportunities for this experience nutilisation in the certain energy systems, enterprises and communal services.

Therefore the main aim of the project was not only the development of Activity Plan for the Chernivtsy Region, but the revealing of more general mechanisms for the efficient collaboration in this sphere between Ukrainian regions as well as their neighbour Romanian & Moldovian Counties and European regions.

At that it's necessary to notice that the main file: Energy Production > Energy Supply > Energy Consumption > Energy Saving embraces all the manufacturing and expenditure spheres of state, communal & private enterprises and services

Therefore this project implementation simultaneously promotes development of the Sustainable Development Mechanisms for more wide range of economical problems in Ukrainian & neighbor countries regions.

Continuing the consequence of Bukovina - Carinthia common activities in the framework of the Euroregion "Upper Prut" under the TACIS Program, Chernivtsy Energy Plan (CEP) actually promotes to the unitary CEEC/NIS to work out the efficient Regional Policy and to develop the integrative processes along the future eastern borders of the European Union.

TACIS

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Introduction

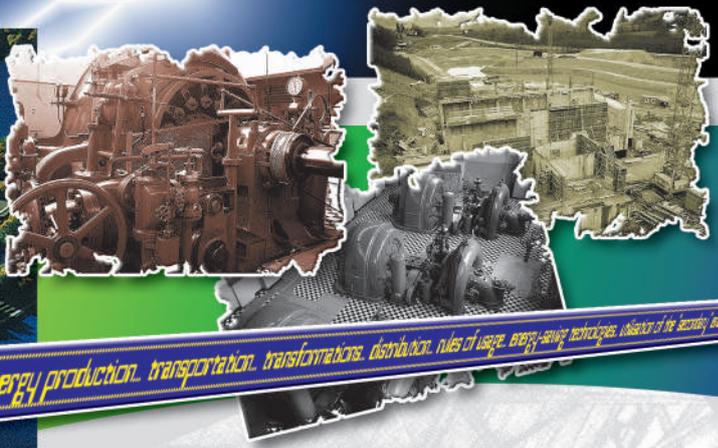
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6-years experience of Bukovina-Carinthia & Chernivtsy-Klagenfurt collaboration visually demonstrated two main peculiarities of regional development and of inter-regional co-operation in the border areas of the former USSR and Eastern European countries:

- the necessity to improve consequently their interior legal & normative base in all spheres of Economy and for cross-border co-operation as well as to harmonise it simultaneously with European & World approaches;
- the efficiency of the constant partnership established between administrative-territorial units of the neighboring CEE/NIS countries and – on the inter-regional principle – with EU states, where euroregions avowed as the most eligible form for such collaboration.

Euroregion "Upper Prut" consolidates Chernivtsy Region of Ukraine, Suceava & Botosani Counties of Romania and Belts & Edinets Counties of Republic of Moldova. It's territory is more then 29000 sq. km and total population is near 3 Mio inhabitants. Austrian Land Carinthia and Bavarian Bezirk Schwaben are official constant subregional EU partners of this Euroregion. CEP continued the consequence of TACIS projects (Ukrainian-Austrian "City-Twinning" "Concept of Water Supply for Chernivtsy" in 1996-1998 and Ukrainian-Austrian-Romanian "Cross-Border Co-operation" "Ecoprofit" in 1998-2000). All of them were oriented to realise the new model of the EcoEuroRegion as the basis for Sustainable Development and Tachnogenic & Environmental Safety of economical & social transformations in Euroregion "Upper Prut". This EcoEuroregion should be further extended into 3 other Euroregions on the western border of Ukraine.

The principal difference in understanding of the regional development objectives in the former socialist Eastern Europe versus EU has its roots in traditionally rigid centralisation of all the power on the State level. While in Austria and other EU countries the democratic development predetermined legible dividing of the rights, authority and responsibility (subsidiarity) between natural & legal bodies, communes, municipal, regional and state's structures.



primary energy-wares... their transportation... energy production... transportation... transformations... distribution... rules of usage... energy-saving technologies... utilisation of the secondary energy resources

Existent situation in the energetic sphere completely reflects these distinction.

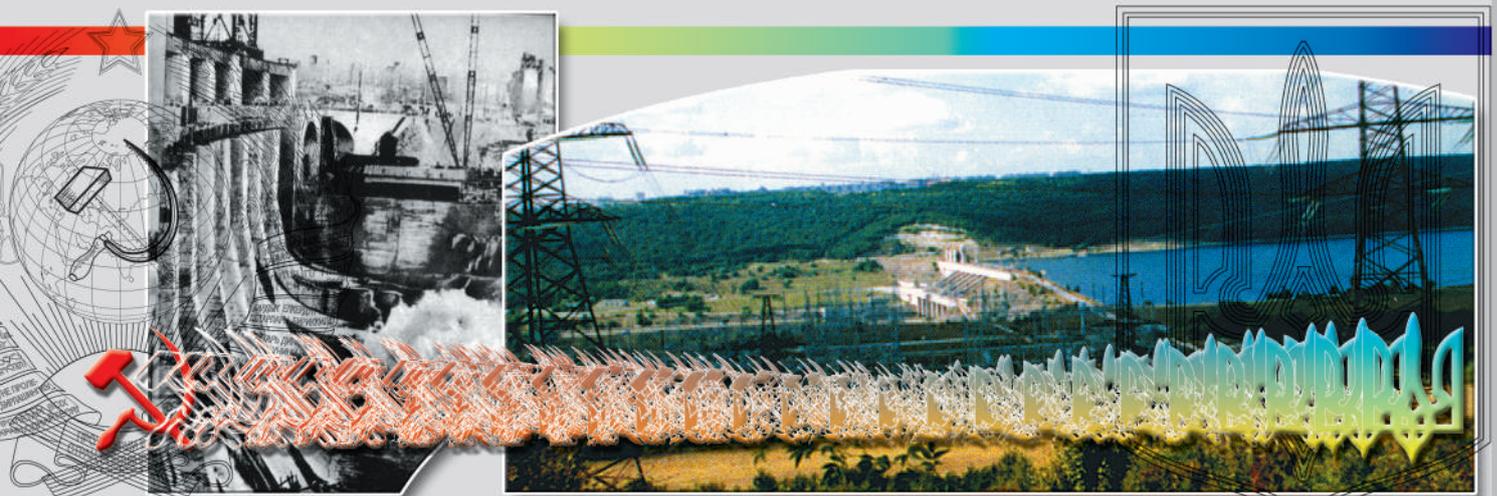
The foundation of the nowadays Bukovina's Economy was laid in the time of Austrian Monarchy when its energy supply was completely decentralised. It foreseen further competitive development of different energy sources (fuel electric stations, mountain rivers, wind & bio-mass usage and some later – small gas generators etc.) For the last 60 years the practice and mentality in this area was completely turned to the centralised electric system and gas networks with large power stations etc. And it wholly cancelled the previous approach.

After achievement of the independence Energetic Safety became one of the diagnostic factors for the further survival of Ukraine. It simultaneously defines by few causes:

- the main of them - is surely the power consuming per unit of production/service of all the Economy (It's unimaginable for western partners because is in 3-6 times, more than the same index of European analogues);
- also essential is the complete dependence of the Ukrainian energetic from the non-diversified primary energy sources, inherited from the USSR;
- these basic factors are additionally aggravated because the whole series of the energy transformations (primary energy-wares > their transportation > energy production > transportation > transformations > distribution > rules of usage > energy-saving technologies > utilisation of the "secondary" energy resources and the waste energy potential) are complete "closed" to the State Authorities, that blocks up regional approaches and private initiative in this sphere.

Substantially the roots for these causes are in many years (and for Eastern Ukraine & Russia – in many centuries) tradition of low prices (in comparison with world level) practically for all kinds of energy resources (as well as for all another - material, labour, intellectual etc.) The result - disregard of energy resources in total mentality both of manufacturers and of ordinary citizens.

Another determined aspect – is in also traditional declarative legal basis, when practically all the laws are not of direct effect, and their requirements are realised through the system of departmental narrow acts.



Owing to the destroying of the former soviet territorial-branch-wise system as well as to often changes of the management structure in Ukraine the efficiency of the legal & normative basis in the sphere of energetic became very low. For many energetic units (especially in the communal sphere) situation additionally aggravates whereas traditionally they were parts of the energy systems of large industrial, military and agricultural enterprises outside of the municipal infrastructure.. And the collapse of the former branch-wise management system and especially the change of the ownership (or final closure) of such enterprises generates today crucial problems for further functioning of the viable energy complexes.

One more peculiarity of the existent energy systems is the high degree of their capital assets depreciation as well as obsolete technologies and worse structure of the personnel security.

But in the same time this situation contains unique prerequisites for prompt renovation of all energetic complex if there will be establish the attractive investment climate.

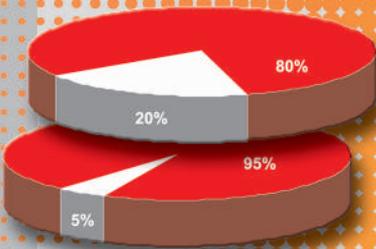
All the above mentioned unambiguously testifying to the barest necessity of radical change in whole energetic system, what is impossible without fundamental innovations. As the basis for these changes may be used the restructuring of energetics as well as implementation of new technologies & equipment in the existent enterprises.

From this brief review of the existent situation it's obviously that the basic level for systems improvement situates in the regions. Just here it's possible to optimise the functions of the State & Local control bodies, their number and relationships as well as their interaction with business structures in the field of Energetic. In the same time it's possible to track and optimise f the patten (balance) of the energy usage or each region, which is the real basis for the State Policy in the Energetic sphere.

Exactly therefore the Council of the Euroregion «Upper Prut» (that in March 2001 already established official partnership with the Province of Carinthia) defined among the main priorities «the development of the energetic infrastructure on the levels of State networks as well as for localised sources of energy».

THE ANNUALLY REDUCING EXPENSES FOR ENERGY-WARE IN CARINTHIA REACHED ON AVERAGE IN 1998 IN THE GROSS REGIONAL PRODUCT:
 - IN WHOLE ECONOMIC OF CARINTHIA - SOME MORE THEN 5%;
 - IN THE VALUE OF THE HABITATION EXPLOIT - SOME MORE 20%.

IN CHERNIVTSY REGION THE PROPORTION OF THE VALUE OF ENERGY-WARES IN PRODUCTION COST FOR MAIN GOODS & SERVICES REACHED IN 1999:



В среднем по Каринтии ежегодно сокращающиеся удельные затраты на энергоносители составили в 1998 г. в общей стоимости валового продукта:
 - в целом по экономике Каринтии: немногим более 5%;
 - в стоимости эксплуатации жилья: немногим более 20%.



- по предприятию тепловых сетей – 73%;
- for the heating network enterprise – 73%;
- по предприятию «Водоканал» – 45%;
- for the enterprise «Vodokanal» – 45%;
- по промышленности строительных материалов – 24-27%;
- in construction materials enterprises – 24-27%;
- по сахарной промышленности – 14-19%;
- in the sugar industry – 14-19%;
- по мясной промышленности – 18%;
- in the butcher's enterprises – 18%.

Comparative evaluation of opportunities.

Depending on foregoing causes the development of the Energy Plan based on the comparative analysis of the economical status, legal & normative base and the energy usage systems in two regions. The generalised recommendations on the legal & normative questions represented on the central double page of this brochure. This chapter dedicated particularly to the technical and economical aspects of such analysis.

The annually reducing expenses for energy-ware in Carinthia reached on average in 1998 in the gross regional product:

- in whole Economic of Carinthia – some more then 5%;
- in the value of the habitation exploit – some more 20%.

In Ukraine - as a result of the inconsequent economical transformations – quota of the power inputs increased more then 1/3. In Chernivtsy Region the proportion of the value of energy-wares in production cost for main goods & services reached in 1999:

- for the heating network enterprise – 73%;
- for the enterprise «Vodokanal» – 45%;
- in construction materials enterprises – 24-27%;
- in the sugar industry – 14-19%;
- in the butcher's enterprises – 18%.

Such difference in specific energy consumption makes evident not only the necessity to improve the legal & normative, economical and technical sphere of energy consumption, even without mentioning the environmental consequences of such economic structure.

Moreover it's necessary to change the mass mentality, what is indispensable condition for radical improvement of the described situation.

Hence, the Energy Plan has to be constructed under existent conditions by the principle of pilot-demonstrative projects. Each of them is aimed to solve the concrete task in certain area of economical activity. And it should simultaneously to show both to producers & customers the obvious advantages of realised innovations in comparison with stereotypes of extensive socialist economy ingrained in their mentality. On the other hand goals of the CEP look not like everyday laborious step-by-step improvement of the already developed energetic infrastructure. That is typical for the competitive society and operates under the transparent legal & economical market conditions.



Under the existent conditions Ukraine the system of necessary decisions should be conceived by the European partners rather as crisis activity program. It needs adequate measures in the management sphere, economical stimulus, social guaranties, incentives of manufacturers etc.

In general CEP system should combine the "survival" elements of the former centralised energy supply system with the decentralised technical & economical solutions for most "weak" energetic points in industry, agriculture, communal services and in private sector.

From such point of view co-operation with authorities and different enterprises of Carinthia in this project opened for the Ukrainian side few opportunities for:

- general comparison of two regional energetic systems which had common roots in the past. but later developed through 80 years by principally diverse scenarios;
- study and comparison the experience of specialised enterprises and corresponded structures of local, regional and state management as well as of the certain manufactures (services) which resolve their problems under the developed European Market conditions;
- the professional selection of the existent technical & economical solutions and/or the necessary adaptation mechanisms conformably to concrete issues and decisions which exist in the enterprises and in the regional structures of Bukovina;
- the joint working out CEP as a system of possible solutions with the simultaneous revealing of the necessary support means for their realisation from the regional & state authorities and thereafter from the European partners & international structures.

As a result of joint analyse of possible co-operation aspects Austrian & Ukrainian experts selected the following directions for further development in this project:

- comparative analysis of the legal & normative base for regional energetic development and working out the recommendation for its improvement;
- study of possible improvement of the State, regional & local management with simultaneous implementation of new approaches into the mentality of entrepreneurs and inhabitants;



- выявление конкретных технических решений, которые могут быть реализованы коммунальными службами, проектными и консалтинговыми организациями при строительстве и ремонте муниципальных сетей и сооружений, промышленных предприятий, жилых и общественных зданий;
 - совершенствование управления и эксплуатации транспорта в городах и трансграничных транспортных коридорах с целью сокращения удельных расходов горючего, негативных воздействий на окружающую среду и обеспечение устойчивого развития транспортной инфраструктуры в Еврорегионе;
 - последовательное внедрение энергосберегающих технологий на источниках, распределительных системах и у потребителей энергии по всем основным видам энергоносителей в регионе;
 - использование существующего потенциала предприятий региона для:
 - а) последовательной реализации оргтехмероприятий и технологий, повышающих эффективность выработки энергии, ее использования и утилизации вторичных энергоресурсов, внедрения современных систем контроля и управления в сфере энергоснабжения, проведения последовательной политики энергосбережения;
 - б) налаживания в регионе производства, ремонта и обслуживания оборудования и приборов для промышленной и малой энергетики путем установления долгосрочных партнерских отношений с ведущими предприятиями Австрии и других стран ЕС и привлечения соответствующих инвестиций;
 - оценка возможностей использования альтернативных источников энергии, включая отходы базовых отраслей экономики и природные ресурсы региона;
 - выработка рекомендаций для последующей реализации и расширения использования результатов проекта путем создания соответствующей региональной инфраструктуры и более эффективного использования возможностей поддержки со стороны европейских партнеров и международных программ.
- revealing the concrete technical solutions which can be realised by the communal services, designing & consulting institutions for construction and repairing the municipal networks, installations, industrial enterprises, habitable and public buildings;
 - improvement of transport management and exploitation in cities and transfrontier transport corridors aimed to reduce the specific depletion of fuel, negative environmental impacts and providing of the sustainable development of transport infrastructure in the Euroregion;
 - consequent implementation of the energy-saving technologies for the energy sources, distributive systems and customers of all kinds of energy-wares in the region;
 - the existent potential of the enterprises in region utilisation by means of:
 - a) consequent technical-organisational measures which will increase the effectiveness of energy production, usage, secondary energy resources utilisation, modern control systems implementation in the sphere of energy supply, carrying out consequent energy-saving policy;
 - b) establishment in the region new production as well as repairing & maintenance of the equipment and apparatus for the industrial & small (municipal) energetic in a way of long term partnership with leading enterprises in Austria, other EU countries and of attraction the appropriate investments;
 - evaluation of possibilities to use alternative sources of energy such as the wastes from the basic branches of region's Economy and some kinds of natural resources;
 - working out recommendations for the following realisation and widening of this project results through the establishment of the proper regional infrastructure and by the possible support from the European partners & international programs.



Legal-normative and economical premises for the project realisation

Analysis of the legal & normative base of Ukraine testifies wide enough that it reflects all the main elements of the energy usage starting from the atomic stations and till the alternative fuels. By its structure this base can be subdivided into the next main categories:

- international acts which Ukraine already joined or intend to join in the nearest time in the process of its integration into EU;
- legal acts nominated on the central double page of this brochure;
- governmental orders which regulate special aspects of energy usage or enforce provisions of the Laws and international acts;
- state & interstate Standards, norms, regulations, instructions etc. developed in Ukraine, inherited from USSR or accepted as the international ones, which regulate certain activities, parameters and another technical, technological & economical aspects of the energy production and utilisation;
- national, international, regional & local programs which plan and co-ordinate the development and realisation of the certain energetic directions in whole and for separate energy-ware, for instance, nuclear energy, energy saving, small (municipal) energetic, gasification, water supply etc.;
- special acts of ministries (departments), regional structures and local authorities which regulate separate questions in energetic sphere (construction of single installations, communications, tax concessions etc.).

On its volume and branching this Ukrainian system isn't concede to the Austrian one. But owing the above mentioned causes it has the following principal distinctions:

- because of absence of the state regional policy & authority subsidiarity this system aimed to realise technical and economical measures approved by the centralised order, and only to a small extent it takes into account the real interests of concrete performers for these solutions;

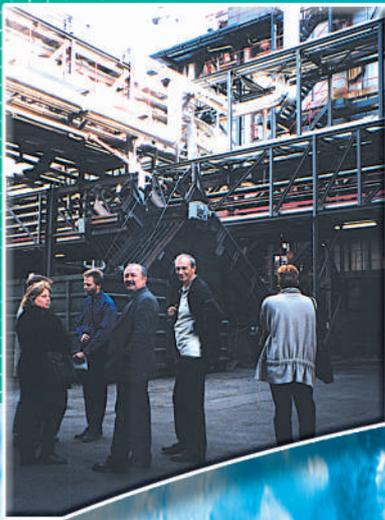


- in the same way are also constructed the financial & economical mechanisms for the Laws and Programs realisation, where the main costs sources are centralised (budgets, special funds and even credits);
- composed with the existent Ukrainian tax and custom policy such legal & normative base incapable to promote the efficient formation & utilisation of the capital, modern technologies & equipment for the resolution of the vital problems in the nowadays way;
- this system isn't flexible enough for accounting & proper reaction on the real ratio between economical and social aspects.

Therewith, owing to economical instability, the essential negative factor is the impossibility for long-term crediting of the innovation projects in the communal energetic sphere by the superannuating & insurance funds. Whereas in the western Economy such funds are traditional sources for the financing of such projects.

It's paradoxically, but all the above mentioned complications only underline the necessity for Bukovina to develop its regional energetic policy that should be defined by the following peculiarities:

- good conditions for utilisation of the hydro-energy of small mountain rivers (in the middle of XX century only in North Bukovina there was 11 small hydro-power stations);
- high potential of wind energy in the mountain districts;
- one the best in Ukraine indexes of so called «geo-thermal stair» in Carpathian Mountains;
- considerable accumulation of waste (biomass from agriculture, forestry, wood processing and other activities);
- perspective prognoses for further exploit of the existent oil & gas deposits;
- large amount of shale in the mountains that can become alternative source of energy and construction materials when equipped new technologies;
- the wide opportunities for energy-saving and «secondary» energy resources utilisation stipulated by already mentioned high energy capacity in all industries & services of former non-competitive socialist economy.



"Ecoprofit"

Previous projects shown the necessity for acquaintance with & borrowing the western experience not "in whole" but in the way of purposeful "point" stimulation the reconstruction of the certain elements of production, realisation of the priority technical-organisational measures, replacement of the concrete units etc. For this aim already in the project "Ecoprofit" were involved the top managers and technologists from different firms of various kinds of ownership, representatives of the Government (Cabinet and two profile ministries). It appreciably improved the efficiency of the project's results.

To realise these principles also for CEP, in this project actively collaborated the main specialists responsible for the energy supply & consuming together with the competent representatives of the energy services in the Region and City.

First division studied in details the differences in normative & legal base and in management systems for the regional energy utilisation cycles.

This study was aimed to define the consequent system of solutions and alternative energy sources acceptable for Bukovina. The manufacturers & designers was acquainted with modern technical solutions and means for energy-saving economy, construction and repairing. They studied the opportunities for replacement/reconstruction of the existent equipment & apparatus in concrete shops and services.

Owing all the above mentioned, on the preparatory stage and through the first modules of the project was constructed the scheme for development and further realisation of the Energy Plan shown on the next page.

On this scheme present not only those state, regional and local authorities, enterprises & scientific institutions which representatives immediately took place in the project. Also there are the structures where CEP will be extended on its further stages.

1952 - 1975
 " "
 1990 - 2001
 KELAG.



BINDER Joachim - born 1952 in Austria. Graduated Graz University in 1975 in specialty "Civil engineer". In 1973-1989 worked in Hydroenergetical Constructions Institute & other companies. In 1990-2001 in KELAG. At this time is Managing-director of Austrian company. Has publications.

1960 - 1985
 1989 - 1993
 1993-1997
 CENTRIC-AUSTRIA.



WEIHS Gerhard - born 1960 in Villach. In 1985 - PhD on philosophy and philosophy. In 1989-1993 postgraduate study of Environmental Engineering. Since 1993-1997 employed in Klagenfurt Environmental Department by the questions of ecological business, consulting and energy conceptions. Since 1997 Managing Director of CENTRIC-AUSTRIA.

1967 - 1941
 " " 1971 - 1992
 1992
 1990



WASSEMANN Guenther - born 1941 in Austria. Graduated Graz Technical Institute in 1967 in specialty "Technical engineer". In 1971-1992 technical expert of Electrotechnics, engine building, traffic and air pollution. Since 1992 - co-ordinator, Chief of Energy Department.

1990-1996
 2000 - CENTRIC AUSTRIA,



WACHTER Bruno - born in Austria. Graduated Graz Technical University in 1990 on specialty "Chemical engineering". In 1990-1996 assistant in Graz Technical University in the field of thermal based separation processes; PhD-degree in 1996. Since 2000 staff member of CENTRIC AUSTRIA, Responsible for co-ordinating international projects in the field of urban infrastructure and environmental technology.

1961 - 1985
 1988-1993
 1986-1992
 " " 1992 - 15"
 1999



HAFNER Wolfgang - born 1961 in Villach. In 1985 PhD in biology and chemistry. Since 1988-1993 post-graduate study in Environmental Engineering. In 1986-1992 employed in Department #15 "Environment and Technologies" of Carinthian Government; main working areas: ground water monitoring, CHCs-plants and CHCs-contaminations, environmental accidents and international project management. Since 1999 field manager for the coordination of environmental EU-projects. Project Leader.

1966 - 1985
 " " 1994
 15 " (



ZENKL Ernst - born 1966 in Klagenfurt. Graduated Graz University in 1985 on specialty "Chemical technologies", to get a PhD. Since 1994 employed in Department #15 "Environment and Technologies" of Carinthia Government (subdepartment of Waste Management). Expert in Industrial Waste Management and Waste Management Plans. In project - technical Expert.

1963
 " " 2000
 1997
 2000



KAMMERER Wilfried - born 1963 in Vienna. Graduated: 1996 in Graz University on specialty "Jurisprudence", in 2000 in Danube University on specialty "European Integration". Worked in Graz as lawyer, Since August 1997 Director of burgerservice der landeshauptstadt in Klagenfurt. Since 2000 Director of the INFO POINT EUROPE in Klagenfurt.

1983 - 1955
 " " 1985 - 1990
 1983
 -1990
 ILBAU. 1990
 KELAG



KESTENBERGER Gerhard - born 1955 in Austria. Graduated Graz Technical University in 1983 in specialty "Civil engineer". In 1985-1990 worked in Lybia (participated in different Energy projects). In 1983-1990 designer & manager in ILBAU Company. Since 1990 Chief of Planning Department in Austria KELAG Company (fuel and energy systems planning).

1958 - 1986
 " " 1989-1991
 1985-1987
 PHILIPS ELECTRONICAL COMPANY.
 1987 1994
 PHILIPS AUDIO PORTABLE. 1994



MUHLBACHER Erich - born 1958 in Austria. Graduated Montanuniversity Leoben in 1986 on specialty "Plastic engineering". In 1989-1991 management work in Malaysia and Bulgaria. In 1985-1987 designer in PHILIPS ELECTRONICAL COMPANY. In 1987-1994 Designer-manager in PHILIPS AUDIO PORTABLE Company. Since 1994 responsible person in Carinthian Government.

2000
 CENTRICAUSTRIA.
 1957 - 1983 1994
 1985 -
 1999
 1999



RAPP Margit - born in Austria. Graduated Graz University at Architecture faculty with focus on ecological architecture (low energy, solar) and town planning, practise in architectural offices specialised on solar architecture, redevelopment and timber construction in Graz, Vienna and Klagenfurt. Since 2000 staff member of CENTRICAUSTRIA, participant of Energy Project.

1956 - 1976
 1977 -
 1982
 ELIN
 1982



FINGER Christian - born 1957 in Austria. Graduated University of Vienna in 1989, University of Salzburg in 1994. In 1985-1999 work in Klagenfurt Private Company (real estate administration). Since 1999 consultant of Energy questions in one of Klagenfurt Energy Company.



SCHRODER Dieter - born 1956 in Austria. Graduated 1976 Technical School for electrical engineers in Vienna. In 1977-1982 worked in Vienna ELIN Company (refineries building). Since 1982 different appointments in Carinthian company (repairs electrical breakdowns).

24 1991
 1991
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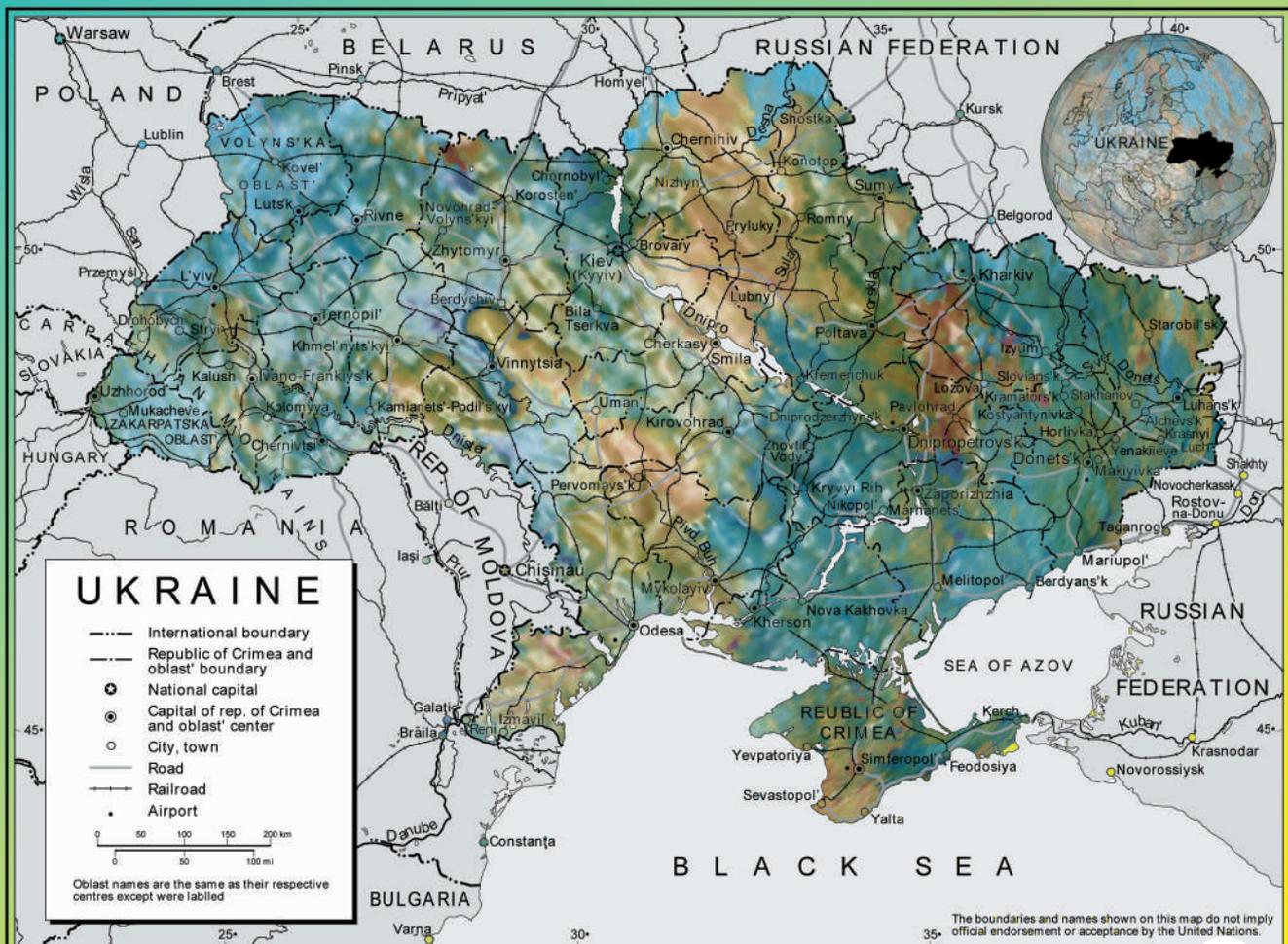
1993: 10.000 %, 1996: 40 %),
 1997

Ukraine – the former Soviet republic - became an independent state on August 24, 1991, immediately after the political coup that took place in Moscow. In December 1991, Ukraine, together with Russia and Belorussia, has become the founder of the Commonwealth of Independent States (CIS). Ukraine covers an area of 603.700 km² - this is nearly the same as that of France. It is the third largest republic of the former Soviet Union. The population of Ukraine makes up approximately 50 million people, of whom 34,5 million live in cities. The capital of the state is Kiev with a population of 4,6 million people.

The Ukrainian economy played a significant role in the former Soviet Union. It was the so-called «granary» of the Soviet Union and possessed approximately 20 % of all the mineral resources of the USSR. Besides, Ukraine has a well-developed industrial structure: mining, metallurgy, mechanical engineering, chemical industry, food processing, etc.

At present, the economy of Ukraine is in a difficult situation, which is closely connected to a crisis in the most significant industrial regions of the country. These economic difficulties were caused by the predominance of production processes requiring lots of energy and resources, also by the backwardness of technology, the break-up of the main economic ties with republics of the former Soviet Union, a drastic reduction of exports, etc.

In spite of this situation, it has in the last few years become possible to considerably reduce the rate of inflation (in 1993 : 10 000%; in 1996: 40%), to increase the volume of production, to conduct a monetary reform and to adopt a new Constitution. The year 1997 can also be considered as a year of stabilisation.



The current situation in the energy sector of Ukraine

The current energy situation is characterised by a dramatic decrease in productivity and a growth of energy consumption and energy costs.

From the moment of adopting its independence in 1991 onwards, several energy crises have taken place in Ukraine. In such crises, energy was supplied to the commercial enterprises only periodically, private households were even temporarily cut off, and the gas stations often were without petrol. The debts Ukraine had to pay to Russia for gas and fuel deliveries reached \$ 3 billion, the Ukrainian power stations acquired debts of about \$ 1,8 billion. At present, prices of imported oil and fuels are rising steadily.

In comparison with the economic figures of the western countries the power consumption of Ukraine is six times higher; only Russia has higher figures. The reasons for this intensive consumption are as follows:

- A high percentage of industries with an intense power consumption,
- Outdated technologies applied in production,
- High prime costs per unit of energy consumed.

Energy imports from Russia, Intense power consumption of industries

The energy supply industry of Ukraine has big impact on the development of all branches of the nation's economy. Thus, a crisis in this sector definitely accelerates a decrease in the production volumes of the Ukrainian heavy industry, as well as a reduction of the export trade with the states of the former Soviet Union.

Almost half of all energy needs of Ukraine are covered with imported fuels from Russia (import from Russia lies at 45 %). The natural gas extracted in Ukraine covers only 11 % of the overall needs, coal only 32 %. The nuclear power stations produce only 11.5 % of the overall electricity needs, hydroelectric power stations as little as 0.5 %.

More than 50 % of all industries need proportionally much energy. The metalworking industry uses up more than 50 % of the overall energy needed in industry, about 25 % are needed by the chemical and processing industries. The Ukrainian industry is specialised in energy-intensive production. Therefore, the government is trying to implement initial steps towards transition to less energy consuming manufacturing.

The municipal and communal economies consume 28 % of all the energy needed, all the office buildings approx. 9 %, the transport industry approx. 8 %, and the agricultural industry approx. 6 %.

Electric energy in Ukraine

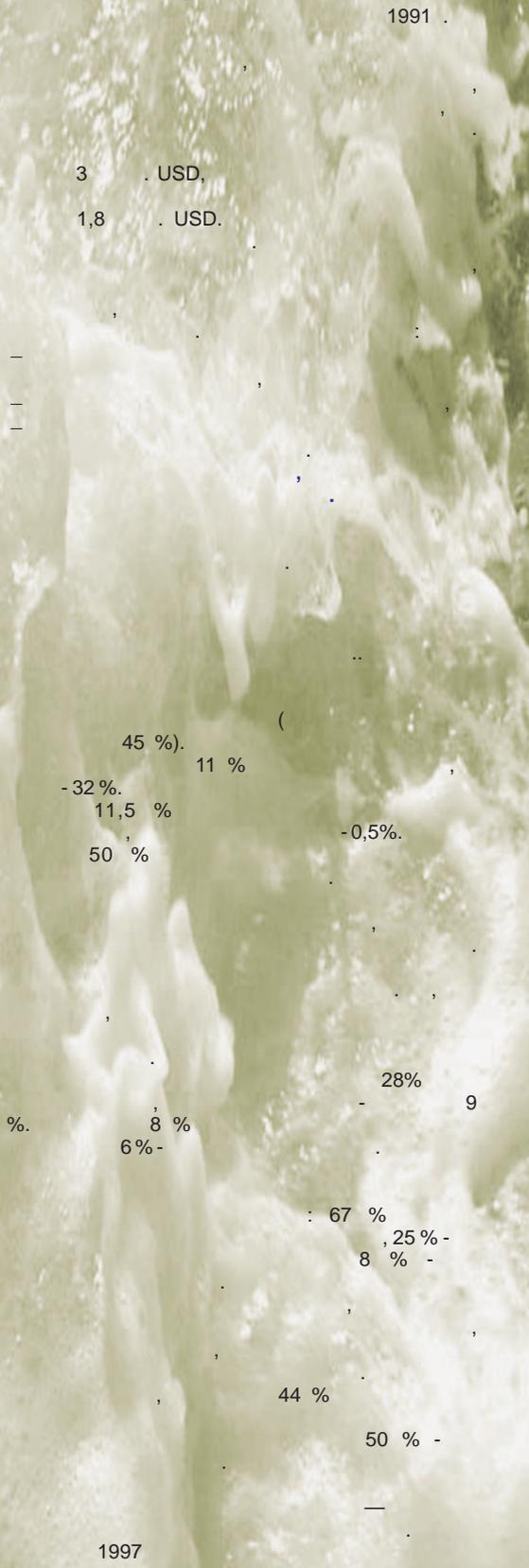
The overall amount of electricity produced by power stations in Ukraine is distributed as follows:

67 % of all electricity are produced by thermo-electric power stations,
25 % by nuclear power stations,
and 8 % by hydro-electric power stations.

57 % of all currently consumed electric power is produced by thermo-electric power stations.

Since the production of electric power, as well as productivity of thermo-electric power, are going down annually, the importance of imported energy is increasing. It is expected that in the future about 44 % of all electric power will be produced by nuclear power stations, and only about 50 % by thermo-electric power stations.

The increasing demand in electric power inside the country has reduced the exports of electricity, and thus limited the main source of currency earnings in Ukraine. The period since 1997 has been characterised by an increase in electric power consumption as a result of economic growth on the one hand, and the quick development of business activity, on the other hand.



Loamy soil, which are plentiful in Vyzhnytsya district, are used for brickwork, tile factories and pottery. Foxy and grey sandstone are used for building highways and wall facings. Different kinds of sand are extracted in villages of Zastavna district.

There are deposits of quartzite, slates (shale), cooking salt, mineral water springs such as «Izhevsk», «Matsesta», «Borzhom» and «Naftusya».

The landscape relief of the Chernivtsy region is characterised by mountains, rivers and lakes. According to peculiarities of its relief, the region can be divided into plains, foothills, and highlands. The northern plain occupies the country between the rivers Prut and Dnister, and lies within the limits of the Podol and Khotin height. The surface is partitioned by canyon-like picturesque valleys, rivers and ravines. In the middle part of the foothills, Chernivtsy height is marked out (537 m). About 25 % of the territory is occupied by the Pokutsko-Bucovynski Carpathians.

Monuments of archaeological and architectural importance are the Slavonic sites of ancient settlements from the 9- and 10- centuries, the Old Russian settlements from the 12- and 13- centuries, as well as many examples of religious architecture.

Bukovina has artistic businesses which produce carpets, embroidery, or wood items, which are especially developed in the central, south-western and western parts of the Chernivtsy region.

The Chernivtsy region is well suited for varied tourism, for elderly people and for winter mountain tourism, for recreational relaxation, as well as for balneal treatment.

There are 243 protected territories and natural reserves of the Nature Fund, including 7 game reserves, 8 nature reserves, a botanical and dendrological garden of the Chernivtsy National University, the Vyzhnytsya National Park and Storozhynets Dendrological Park, which are all of great national importance, and are part of a transnational ecology network in the Carpathian mountains (within the framework of a TACIS project), as well as 136 natural sights and 40 parks, which are horticultural beauty spots, and 39 further natural reserves of local significance. There are also nature protection areas in Luzhaiki, Stebnik, and Tsetsyno, an ornithological reserve in Darnytsya, as well as forest reserves in Lunka and Petrivtsi. Specially protected areas can also be found in Belka, in the caves Bucovynka, Zolushka/Cinderella, Balamutovskya, the Shylyvskiy forest and in the Tysoviy/Yew-tree ravine, which are all natural place of interest with a national status of importance.

Geological and geomorphologic formations in Northern Bukovina have a great aesthetic significance. Among them one can single out the Dovbush cave, the "Rich stone woman" and the "Black Dale" cliffs, as well as the Dnister river walls near the villages of Vasyliv and Zvenyachyn. The mountain ranges of the Bucovinian Carpathians create favourable possibilities for development of mountain climbing, mountaineering and tourism.

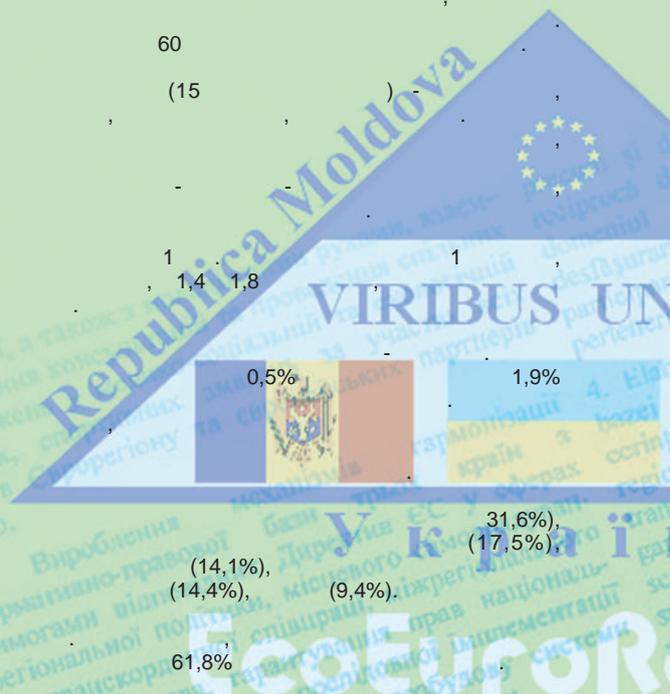
There are more than 70 rivers in the region which are longer than 10 km . They are part of the Dnister and Prut river basins. The rivers Dnister, Prut, Siret and Cheremosh form the basis of the primary river system in the region.

The vast forests in the region, the sources of wood and a lot of non-wood products, are also of great importance for the socio-economic development. They cover an area of 258 thousand ha. The main forest-forming species of trees are spruce, beech, fir, and oak. The average age of the plants is 60 years

The Northern Bukovina is also an extremely interesting animal kingdom, which houses more than 300 different species.

The mineral resources of the Chernivtsy region include deposits of mineral waters and curative mud. The geological texture and the tectonic conditions (especially in the southern parts) feature inexhaustible stocks of medicinal mineral waters of a varied chemical structure,

Euroregion «Upper Prut»



which can all be used for the treatment of diseases. There are more than 60 deposits of mineral waters known.

There are also an industrial bottling plants for table and medicinal waters (15 deposits) in Brusnytska, Kelmenchanka, Kreschatik, etc. Waters from the Brusnytske deposit are in popular demand, due to their composition of sulfur-hydrogen, sodium-carbonate, hydro-carbonate, chloride and sodium. These minerals determine their medicinal qualities.

Thus, the supply in natural recreational resources per 1 sq. km and 1 inhabitant is on average 1,4 and 1,8 times higher than in the rest of Ukraine.

The structure of the industrial branches in the region can be characterised as being part of the industrial – agricultural category.

0.5% of the industrial output and 1.9% of the agricultural products of Ukraine come from this region.

Changes that took place in certain sectors of industry have also had a significant impact on the general structure of the economy in the region.

The leading industries of the region are: the foodstuffs industry, with an overall share of 31.6 % in the total production volume, mechanical engineering and the metal working industry, with 17.5 %, the power generating industry, with 14.1%, the woodworking industry, with 14.4%, and the light industry with 9.4%.

Industry is characterised by a high concentration in the cities. The industrial enterprises located in Chernivtsy city produce more than 61,8 % of the overall industrial output.

The leading sector in the mechanical engineering industry is the production of oil-processing and gas-transferring equipment, in the woodworking industry it is the production of sawed timbers, plywood, and furniture, in the building materials sector it is the production of bricks, roofing felt, ceramics and reinforced-concrete items, in the light industry it is the production of sewn and knitted items, as well as cotton fabrics, in the foodstuffs industry it is the production of sugar, bakery goods, spirits, oil, meat, milk, canned fruits and vegetables.

Centre «EcoResource» (State Scientific and Technical Centre for inter-branch-wise and regional problems of the Environmental Safety and Resource Conservation) was constituted in 1994 by the Ukrainian Government & Chernivtsy Regional State Administration on the base of former Chair of Industrial Ecology and Resource Conservation in the University of Chernivtsy & the State Engineering Centre «Ukrecolgia»

Main by-law objectives of «EcoResource» are
 - researches, developments, working-out and implementation of the new mechanisms for industrial, municipal and life-activity wastes treatment on the inter-branches and regional levels;

- regional co-ordination & support for development of Small Energetic;

- the organisation function for the international structures on the base of Chernivtsy Region.

Centre «EcoResource» was one of developers of the New Ukrainian Law «On Waste» and the main developer of CIS interstate () & Ukrainian () Standards for Waste Management & Treatment

Under the orders of President & Government of Ukraine and Chernivtsy Regional State Administration EcoResource develops the main documents of the Euroregion «Upper Prut» & international projects. Now EcoResource is the co-ordinated organisation of the Euroregion's Working Commission for the EcoEuroRegion issues.



Schedule of the project

						Module	Description
	18	1999 . .)			(17 -	Opening Conference	A and UA experts in Tbilisi (Dec 17 - 18, 1999)
1	2000 . .)				(26 - 6	Module 1	A-experts 2 weeks in UA (April 26 – May 6, 2000) political meeting: Mr. Bauer, Governor of Chernovtsy Region, meets Mr. Schiller, Regional Minister of the Environment and Energy in Carinthia. The CEP project was identified as a very important project for both of the regions <ul style="list-style-type: none"> fact finding mission: screening of available data on energy supply & energy consumption in Chernivtsy.
1st	-	(25 – 27 2000 . .)				1st Thematic Seminar	A and UA experts in Bremerhaven (May 25 – 27, 2001)
2	23	2000 . .)	4		(29 -	Module 2	UA-experts 4 weeks in A (May 29 – June 23, 2000) <ul style="list-style-type: none"> demo of Carinthian energy supply system to UA experts: energy distribution, legislation, sustainable energy planning, tariffs and liberalization excursions to existing energy generation plants
3		- 6 2000 . .)	4		(10	Module 3	UA-experts 4 weeks in A (Sept 10 – Oct 6, 2000) <ul style="list-style-type: none"> continuation of demo of Carinthian energy supply system. intro to "method of balancing energy and emissions". demo of implementation of a sustainable energy plan (city of Klagenfurt). demo of the role of a local energy agency (EA in Klagenfurt).
2nd	-	2000 . .)			(5 - 7	2nd Thematic Seminar	A and UA experts in Horsens (Oct 5 – 7, 2000)
4	-3	2000 . .)	2		(19	Module 4	A-experts 2 weeks in UA (Nov 19 – Dec 3, 2000) <ul style="list-style-type: none"> application of the method of balancing energy & emissions to the Chernovtsy energy supply system (AT-experts give support to UA-experts)
5	9	2001 . .)	4		(22 -	Module 5	UA-experts 4 weeks in A (Jan 22 - Feb 9, 2001) <ul style="list-style-type: none"> identification of strong & weak points of current energy supply system in Chernivtsy. definition of priorities for further work. work on priority topics in several working groups (definition of appropriate measures). first draft of CEP – Chernivtsy Energy Plan.
6	31	2001 . .)	2		(17 -	Module 6	A-experts 2 weeks in UA (Mar 17 – 31, 2001) <ul style="list-style-type: none"> evaluation of proposed measures with respect to internal resources and external funding possibilities; second draft of CEP – Chernivtsy Energy Plan.
		(6 – 7 2001 . .)				Closing Conference	A and UA experts in Nizhny Novgorod (Apr 6 – 7, 2001)
7					(4 – 10 2001 . .)	Module 7	A-experts in UA (June 4 – 10, 2001) <ul style="list-style-type: none"> presentation of final version of CEP in the conference on 7th June, 2001 involvement of politicians +elaboration of final energy action plan (including inputs of politicians).

LEGAL & NORMATIVE ENVIRONMENT FOR CEP

2001
2030 .”

On the parliamentary hearing in April 2001 "Energetic strategy of Ukraine till 2030" development of the energetic was discussed only on the State level. Such approach didn't take into account regional peculiarities of energy production & consumption, which in Bukovina are different in comparison with the most representative regions of Ukraine. Therefore we analysed Ukrainian legal & normative basis for CEP realisation:

- a) in comparison with the Austrian one;
- b) with reference to the draft of the Concept of the Regional Policy of Ukraine.

From the table on the next pages you can see, that Austrian State Act aimed to order the subsidiarity for interactions between different levels of authorities and entrepreneurial structures, which are grown under the market conditions.

Ukrainian legal & normative acts comes only "top-down". And they take not much into account the real and unequal conditions & opportunities of different Regions. Hence, for CEP, as well as for any other regional project, it's necessary to utilise the main goal of the Austrian Legislation – to establish favourable conditions and to incite any enterprise and all other participants of the above mentioned energetic cycles in the region for proper activity.

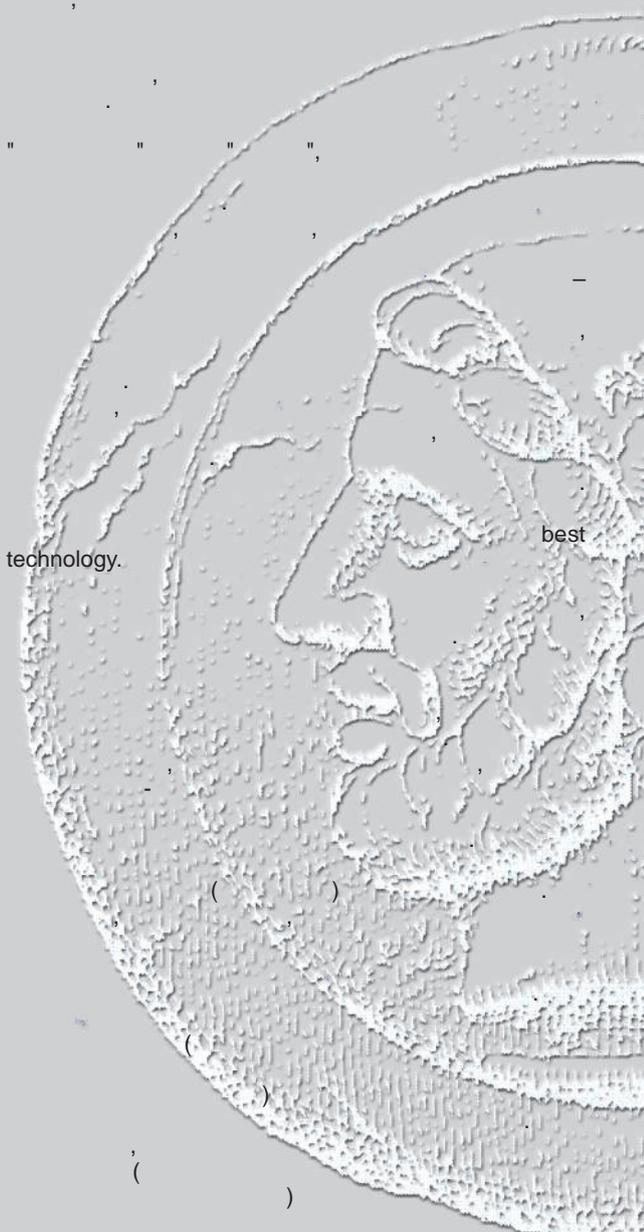
Evidently, that energy saving is the main priority both for Austrian and Ukrainian sides. But on the quantitative assessment we talk about the principally different categories. Austrian legislation stimulates the search of more & more perfect solutions by the principle of the "best technology". In our case it's necessary, first of all, to put a place in order and to realise the top-priority measures, which will appreciably reduce the expenses.

And then, on the following items the legal & normative basis should stimulate implementation of more & more perfect technologies, which will step-by-step approximate our energetic to the Western one.

In that way, from the CEP point of view, the development of legal & normative basis should stimulate business on all stages of Energy transformations in the Economy. At that the energy saving will become the main stimulus (and criteria) for this activity.

It's obviously that conditions, as well as the opportunities for such activity can't be the same in all Regions and for all business structures in such great country as Ukraine. Just therefore it's necessary to implement into Ukrainian Energetic (as for the vital branch of its Economy) the European experience of subsidiarity (dividing the rights & possibilities between all levels of authority and entrepreneurship).

It's clear, that through above mentioned causes, this introduction can't be simultaneously realised for all levels of authority and in all branches of Energetic (in Russian the introduction means penetration into resistant media). Here, as for other aspects of the Energy Plan, also will be purposeful to start from the pilot projects. It will make possible to work-out by common efforts all technical and economic details, as well as the normative & legal aspects for the following innovation processes in the Energetic of Ukraine.



Ukrainian Legislation in the energetic sphere

Austrian Legislation

<p>— : (01.07.94);</p>	
<p>— (08.02.95); (16.10.97);</p>	
<p>— (14.01.00). " "</p>	
<p>— 2010 . (. 15.05.96 191/96, . 20.11.00 1757)</p>	<p>- Elektrizit tswirtschafts- und -organisationsgesetz – EIWOG (07.07.98) (ELWOG).</p>
<p>— 17.01.96 100) (.</p>	
<p>— 31.12.97 1505) (.</p>	
<p>— 148). (. 05.02.97</p>	
<p>— (. 22.01.2001 47). (28.10.99</p>	
<p>— 307/262</p> <p>— () , (</p> <p>— " " 15.04.98</p>	
<p>— 58/45/91/73/51/23/10-538)</p> <p>— 09.04.99 27 (</p> <p>— (. 29.06.00 1039)</p>	

			26	
	8,2			- 2,2
	(27,1%			- 1,6
	(20,0%),			
-0,8	(9,3%),	- 1,2	(14,5%),	
		- 0,6	(7,4%),	
	- 2,2		(26,6%	
	- 1,6		(19,4%	19,1%),
	- 1,3		(16,3%),	- 0,4
	(5,3%).			
		64		
48		16		
			2000	
303,8			63,9	1,7
				21,3
9,0%				
		2000		
1,5%	272	1999		
				6,8%
				(
		2,7%.	2000	
			18,1	
17,7				
2000				
	263,9			204,3
	1999			
3,4%.				82,5
2000				- 51,6,
				- 30,9
		1999		
		21,6%,		- 31,3%,
	8,4%.			
1999	20,7		2	
			176	40
- 123		44		
				1,6%,
		26,2		15,2
			10,3	
	(10,1		40,0%	
	(11,7%),		(46,7%	
				(6,5%).
				1,4%
				1999
				2,8%
				(40,0%).
				- 41,8%,
	- 35,8%.			
	2000			134,5
				99%
		1,5		
			60,9	8,4
	116,0%			
2000			130,3	
		111,3		47,4
		28,2	(27,6%)	
	(74,2%)	1999		
				1999
123,0		19,5%		
01.01.2000	3,0	01.01.2001	22,7%	10,2
				1,5
		01.01.2001	5,3	
		2000		01.01.2001
15,4		1,5		11,2
	2000.			
		1999-2000		

Direct foreign investments in the region came from 26 countries of the world. Their total volume equalled \$8.2 million. The largest volumes of investments were made by : Italy - \$ 2.2 million (27.1 % of the total sum), Great Britain - \$1.6 million (20.0 %), Germany - \$ 1.2 million (14.5 %), Cyprus - \$0.8 million (9.3 %), USA - \$0.6 million (7.4 %).

Investors are mainly interested in the following industries: Woodworking: \$2.2 million (26.6 % of the total sum), the service industry and domestic trade : \$1.6 million (19.4 % and 19.1 %), the light industry : \$1.3 million (16.3 %), telecommunications \$0.4 million (5.3 %).

Foreign investments were made in 64 enterprises in the region, among them 48 joint-ventures, of which 16 are involved in active production.

In 2000, the hauling and transport sector transported 303.8 thousand tons of load, and covered 63.9 million kilometres, which is 1.7 times more than last year.

21.3 million people made use of public transport, which is 9% more, than for the corresponding period of the last year.

The volume of the turnover in goods, including public catering, of all registered enterprises including all forms of property and management, increased by 1.5 % and amounted to 272 million UAH in 2000, in comparison to the corresponding period of the last year.

The share of consumer services for the public made up 6.8 % of the total volume of the services rendered. The decrease in comparable prices made up 2.7%. In 2000, the population of the region received of consumer services worth 18.1 million UAH, of which 17.7 million UAH were paid.

In 2000, enterprises and organisations also offered paid services to the population for the sum of 263.9 million UAH, of which 204.3 million UAH were paid. Compared to 1999, the volume of paid services increased by 3.4%.

The turnover in foreign trade of the region amounted to \$82.5 million, including \$51.6 million from exports, and \$30.9 million from imports. Thus the volume of foreign trade turnover, as compared with the corresponding period of the last year, has increased by 21.6 %, including export by 31.3 %, and import by 8.4%. The positive trade balance made up \$20.7 million, which is almost 2 times more than for the appropriate period of the past year.

176 enterprises exported their products to 40 countries of the world, 123 enterprises imported goods from 44 countries. The volume of export of goods and services has increased almost by a third, and import has decreased by 1.6 %; the corresponding sums were at \$26.2 million and at \$15.2 million. Accordingly, the positive balance showed earnings of \$10.3 million.

Wood and wooden items dominate exports (\$10.1 million or 40% of the total).

The import structure features textiles (46.7 % of the total), machines and equipment (11.7 %), plastic and plastic articles (6.5 %).

The percentage of goods which were exported on barter terms made up 1.4 % of the total sum, compared to 2.8 % for the corresponding period in 1999, which is 2 times less. The biggest volumes of export on barter terms account for Germany and Russia (40% each). Among the goods, which were exported on barter terms, the biggest share is made up by wood and wooden products 41.8 %, by machines and equipment 35.8%.

Between January and July 2000, budget earnings from all sectors amounted to 134.5 million UAH or 99 % of the forecast figures. However, tax earnings stayed the same as in the previous year. Cash receipts increased by 1.5 times, as compared to the previous year.

Between January and July 2000, the local budgets received 60.9 million UAH, which equals 116% of the forecast ones. The forecast was exceeded by 8.4 million UAH.

In 2000, the Pension Fund had a budget of 130.3 million UAH in equity, and 111, 3 million UAH from the budget of the Pension Fund of Ukraine, which is, accordingly, 28.2 million UAH (27.6 %) and 47.4 million UAH. (74.2%) more than in 1999.

The Pension Fund financed pensions for the sum of 123 million UAH from its own funds, which is 19.5% more than in 1999.

As of 01.01.2001, according to provisional data, the deficit was reduced by 3 million UAH, as compared to 01.01.2000, or by 22.7 % and equalled 10.2 million UAH.

As of 01.01.2001, the still unpaid benefits to families with children amount to 5.3 million UAH, which is 1.5 million UAH less than at the beginning of 2000. The salary debts to employees working in the branches financed by the budget make up 15.4 million UAH, or 1.5 months, as of 01.01.2001, which is 11.2 million UAH less than at the beginning of 2000.

For the purpose of a gradual implementation of the state policy in the field of small businesses in the region, the "Integrated Program for Assistance to Small and Medium Businesses" for 1999-2000 was worked out and is still being implemented.

			11
	01.07.2000		9
789	2,2		543
223	1,5		
		33	
		(62,8%)	(31,7%)
	(78,4%),		
	(74,2%),		(72,7%),
	(65,5%),		
	(56,1%).	(60,3%),	
	()	11,7%	
1999			
	111,6	41%	
	7%		30%
	()		331,8
	19,8%		
		50%	
		1999-2000	
	127		
8	2000		16,7
	2000		
2000-2004			
		2000	
	2000		
4,26%		01.01.2001	
1,8	3,0	2000	
		1999	
		2000	2,0
	1,2	1999	

11 public organisations and unions have been registered in Chernivtsy, activities of which are aimed at supporting the various businesses and their activities. A "Centre for Small Businesses" was set up with the help of an international financing co-operation and is already in operation. This Bucovinian "Centre for Small Businesses" was established with the help of the Provincial Government of Saskatchewan (Canada), and offers educational programs for youths and businessmen, as well as legal advice and office services.

As of 01.07.2000, more than 9 thousand businesses were registered, including 789 private enterprises, 2,2 thousand small businesses, 543 collective enterprises, 1,500 small enterprises, and some 223 enterprises, which co-operate with foreign partners. Besides, about 33 thousand private entrepreneurs were registered.

Enterprises with collective (62.8 %) and private (31.7 %) ownership constitute the biggest part of the total number of small businesses. These small businesses have developed well in almost all spheres of economy of the region, but the greatest part of the small businesses operate in the field of public health services and physical training (78.4%), in trade and public catering, in general commercial activity aimed at market functioning (74.2 %), in real estate (72.7%), in science and scientific services (65.5%), in the service industry (60.3%), or in general industry (56.1%).

The share of small businesses in the total volume of production (work and services) makes up only 11.7%. Despite such a minor contribution to the total volume of production, small businesses of almost all branches increased their production volume. Thus, in 1999 the volume of production by small businesses amounted to 111.6 million UAH (works and services). Almost 41 % of the production volume are constituted by businesses in trade and public catering, 30 % - in industry, 7 % - and in construction. Small businesses sold produce (work and services) for a sum of 331.8 million UAH, which constitutes 19.8 % of the total volume of sold products in the region.

Small and medium businesses offered significant employment opportunities to the population. They created 50% of all new jobs.

While implementing the regional program of support for small business in 1999-2000, these businesses were given informational support, so that the infrastructure of the market improved considerably. The Chernivtsy Business Centre was set up under the support of the International Financial Corporation for the purpose of rendering business consulting and training services to its clients, also to inform them on the activities of national and foreign companies, and to grant aid in working out the business plans in order to set up one's own business. The centre also helps to find free sites, which are later offered to the businesses. Small businesses in Chernivtsy were granted 127 lots of non-residential municipal property on lease.

The public association "Green rural tourism in Bukovina" was set up in order to co-ordinate the efforts for the purpose of creating a favourable climate for attracting foreign tourists, and to encourage the further development of tourism. Tourist companies of Chernivtsy city presented themselves at the 6th International exhibition "Ukraine: Tourism and Relaxation", which was held from April 5 to 8, 2000.

A significant scientific potential is concentrated in the region. Here operate the following research institutes: the Institute of Thermo-Electricity of the National Academy of Science of Ukraine, the Chernivtsy branches of the Institute of World Economy and International Relations of the National Academy of Science of Ukraine, the Institute of the Science of Materials of National Academy of Science of Ukraine, the Chernivtsy branches of the Institute of Land Organisation and Use, the Kiev Institute of Automation, Scientific & Research Institute of Design & Reconstruction etc.

Higher education is offered by Chernivtsy National Yuri Fedkovich University, by the Bucovinian Medical Academy, the Chernivtsy Faculty of the Kiev Commercial and Economic University, the Bucovinian Institute of Finances and Economy, the Institute of Economy and Law, the Chernivtsy Faculty of the Kharkov State Polytechnic University, at which 16.7 thousand students study.

All organisational measures of the regional state administration in 2000 were aimed at the implementation of the economic program proclaimed in the Message of the President of Ukraine to the Verkhovna Rada (Parliament) of Ukraine "Ukraine: its way into the 21st century, strategies for economic and social development for 2000-2004". In addition, the provisions of the Action Program of the Cabinet of Ministers of Ukraine, called "Reforms for Wealth" and the program of economic and social development of the region for the year 2000, served as a basis.

Due to restructuring measures taken for the recovery of enterprises, and to the increase in production, as well as to an improvement of employment centres trying to find jobs for the unemployed, the official rate of unemployment has decreased notably since May, 2000, and is at 4.26%, as of 01.01.2001.

The amount of citizens benefiting from the measures of this active unemployment policy is increasing. In the year 2000, approx. 3 thousand unemployed people were recruited for public work, which is 1.8 times more as compared with 1999.

In order to increase the competitiveness of the unemployed, professional training courses, retraining courses and further education programs were offered to the people. In 2000, 2,000 people were involved in training, those were 1.2 times more than in 1999.

MANAGEMENT, EDUCATION AND SHAPING OF THE PUBLIC & PROFESSIONAL MENTALITY

In Ukraine and in Chernivtsy region exist system for professional training & public mentality shaping in the field of rational energy consumption and saving. This system includes special programs for education & retraining as well as regularly appearing printed media, television programs, etc.

However, on one hand it's absent consequent energy policy in the State & in the regions, and on the another – this fact is combined with post-socialist mentality of population. Therefore we have grave aberrance in awareness of population and nihilism of specialists on the matter that the improvement of the existent situation is near forthcoming.

The imperfection of the legal & normative base makes a stereotype of the chaotic character of the management in the Energetic. The tariff policy fluctuates between very complicated pay-off system and sharp social problems of real reimbursement for the utilised energy.

As a result the existing system of "propaganda" is not very effective, as it is not targeted at the final consumer. In particular, insufficiently elucidated certain energy saving measures, which can be carried out by a regular consumer and could be spread in the form of advertisements, exhibitions, etc. And therefore they are not enough known in the region.

In Austria, there are special organisations, for example the Klagenfurt Energy Agency, which perform such information tasks. Besides, the creation of public organisations must be encouraged, whose functions consist in advertising, giving advice and helping in the issues of energy saving, especially in relation to alternative sources of energy.

In Ukraine, it will be necessary to conduct such activities as advertising, consulting, and awareness-raising with the regular consumers, particularly on the issues acquiring a positive attitude towards the saving of energy on a large scale.

It's foreseen that CEP realisation should include "pedagogical" part which will develop in 4 main directions:

1. In the area of regional & local authority.

On the base of the existent (perspective) energy balances and the plans for energetic & energy-saving further expansion, it's necessary to reveal the "weak" places and to monitor them.

In the same way there should be retraced perspectives of the regional energy sources. For instance, in Bukovina there can be considered as perspective alternative sources of energy:

in the nearest time – wood & other bio-mass wastes; for medium-dated period - casing-head gas from oil deposits and as a long-time forecast – shale deposits in Carpathian Mountains or the peat gasification.

For existent problems resolution there should be enlisted consulting structures, introduced privileges, putted out proposals to tenders etc.

As an essential element of the regional & local energy management systems should be used the "administrative resource" – certification, accreditation & licensing system for the activity of specialised institutions of all kinds of property which operate for energy supply & consumption as well as for consulting, design & training activities in this field.

To avoid the excessive bureaucratism & abuses and to ascertain the conformity there should be maximally used professional associations, western experts intake (in particular through the partnership in Euroregion), international certification etc.

One of the possible ways for such activities can be the "game seminars" with top specialists who represent all the participants of the energy cycles. On these seminars will be discussed various scenarios for the existent problems resolution.

This local policy has to be grounded on the consequent development of the systems for accounting, control and timely payment for the utilised energy. The customers should lay the special emphasis on the automated systems for accounting and self-control development,

EPC – Energy Performance Contracting

Klagenfurter Energie Agentur,

Electricity

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), whereas it should be profitable for them.

2. In the field of education & personnel training its necessary to act simultaneously in two "dimensions".

The basic learning courses in professional schools, colleges and universities have to include the specific modules into education for the specialist, which are necessary for the region's economy. Besides the already existent special disciplines on the energy saving, these modules should implement direct into their professional mentality the methodology of energy-efficiency assessment for each technology as well as the aiming for these technologies permanent improvement.

For the system of personnel training and professional development is also necessary maximally use the methodology of energy-efficiency assessment for existent production systems & services. In the same time for any revealed optimal technical solution each specialist should be able to evaluate the necessary costs and the payout.

3. Into the mass-mentality of population, instead of slogans should be implemented the concrete profit, when the certain measures will be realised by them.

For this purpose, authorities together with manufacturers & municipal services have to develop step-by-step programs aimed to inculcate in population a "taste" for the energy-saving equipment implementation. And this program should start from the lesson that it's necessary to switch-out the unnecessary illumination.

This work will be selective for different social groups. And the main should be pedagogic measures in kindergartens & schools. The other essential group is the aged part of population. They have enough time to observe the every day measures for energy losses reduction.

For the active groups of population the main efforts can be focused in the marketing and publicity field. It's necessary to demonstrate then the real advantages of the energy accounting & control systems, usage of the modern materials & equipment when they do their shopping, habitation repairing, trips etc.

4. Mostly actually is the Austrian experience in consulting structures establishment on the federal, regional and municipal levels. The acquaintance with this experience in the Agencies of Vienna & Klagenfurt allow us to work-out few possible variants for such state, regional & local institutions establishment and further operation accordingly to the objectives & conditions existent in Ukraine.

Whereas this chapter is aimed to systemise the general approaches to the population & professional mentality orientation for rational energy utilisation & saving – the more concrete examples will be later.

As a conclusion, it should be underlined that the last order of the Ukrainian Government at 23.04.2001 Nr. 394 on the establishment of the Consulting Board for the Energy Policy foresees this aspect as one of the main for its activity.

ENERGY SAVING IN THE RENOVATION CONSTRUCTION AND MAINTENANCE OF BUILDINGS

This area of economy don't take the first place by its energy consumption. But application here the above mentioned approaches can bring appreciable & prompt effect. It's due to the technical peculiarities as well as to the opportunity to involve the largest part of population in the ideology of energy saving. At that, the main ideological peculiarity is that these problems look as very similar in "family life", on working places in the industry or in public buildings & constructions. The main part of the housing estates constructed in Ukraine, including the cities of Chernivtsy region, between the 50s and 80s, does not meet the modern requirements of energy saving, namely:

- A lot of fuel and energy resources are needed for the maintenance of buildings;
- Energy saving engineering equipment, meters measuring the heat, gas and water consumption are not used.

Only lately, energy norms have been adopted, which meet modern European standards.

Because mass building construction is restricted at present it is necessary to pay more attention to the reconstruction of buildings erected as mass constructions in the first mass series. At present, there are 400 such buildings in the Chernivtsi region. The above-mentioned buildings do not meet the requirements of energy saving due to significant heat losses caused by poor construction.

The analysis of the situation in Carinthia showed that such problems could be solved in the following way:

- there is a Law determining the standard, including requirements on buildings from the point of view of energy saving.
- through close inspection of the energy parameters of old buildings, a set of energy-saving measures are decided which are then applied in the reconstruction of buildings.
- a computer software program is used for optimising energy-saving parameters and for an optimal choice of materials.
- replacement or installation of modern meters and control devices.

Research & Development Institute of Design & Reconstruction (former State Design Institute for Civil & Industrial Construction) developed for Chernivtsy Regional State Administration the "Regional program for the reconstruction in 2000-2012 the housing estates constructed at the first mass series". This Program was approved by the order of the Head of Administration at 20.12.99 Nr. 825 and it foresees reconstruction of 11023 apartments.

The main goal of the Program is the improvement of the quality of the existent housing estate accordingly to the requirements of modern standards.

The results of this Program realisation should be:

- the floor space in the houses will increase on 12-15%, whereas there will be built attic stores;
- on 7% will decrease the building up of the city, which is necessary for the new construction, as a result of engineering infrastructure sanitation;
- the energy losses of housing maintenance will be reduced at 1/3 owing to the heat insulation of walls, windows, balcony doors, modern re-equipment and installation accounting system for heat, water and gas in each apartment;
- use of energy saving lamps for the

20-40%
 Techem
 "delta-
 tech split"
 Techem.
 (2-3)

illumination.
 Total costs for this Program realisation are 271,692 Mio UAH.

Whereas the energy costs are the most part in the total housing maintenance expenses, the optimisation of the heating systems will be the main input for the energy saving program.

The next item is the improvement of the control system for energy consumption, and the final – equipment of all heating units in the houses by the control devices.

Last item is the most demonstrative, whereas provides evident reducing of payment costs as a result of energy consumption decrease. In such a way the payment for the heating can be reduced on 20-40%.

Company Techem demonstrated how to equip each flat and every radiator by the individual accounting device without reconstruction of the heating system and in the cheapest way. It can be used the heat meters on the evaporating principle or electronic Techem "delta-tech split".

Considerable reducing of energy consumption can be achieved as a result of heat-insulation of building constructive elements. Ukrainian technical norms now reduced in 2-3 times former permissible heat transfer coefficient. Therefore it's necessary to use new heat-insulating materials for constructive elements and also glass packs for the windows.

Energy Consulting Agency of Klagenfurt transfer gratis to Institute for Design&Reconstruction the software for design of the insulation for buildings & constructions. Usage of this software makes shorter in dozens of times whole design process, materials selection as well as calculation time.

Before the sanitation of the construction it's necessary to provide their thermography for detection the main losses of heat.

In connection with structure change both in Economic & Society, against the background of reduction of the state and municipal construction, very prompt develops the private construction activity.

It's important to propagandise for them modern technologies, materials and equipment using the approach described in the previous chapter.

It foresees maximally utilisation of the «administrative resource» & consulting companies as well as special training for personnel of private building & repairing firms. Their certification and licensing should be combined with wide publicity company for private builders.

ENERGETIC PROBLEMS OF TRANSPORT SYSTEM

At present, the route networks in the region consist of 207 bus routes: 36 - urban, 126 - suburban and 45 – inter-city within the limits of the region, which are maintained by the carriers with different forms of ownership.

According to the contracts signed in 2000 by Regional State Administration, which is the customer of the transportation services on urban, suburban and inter-city routes within the limits of the region, 26 subjects of business activities, of which 3 private enterprises and 12 natural persons worked, were operating.

In the regional budget for 2000, 800.000 UAH were reserved to reimburse the losses of the carriers according to the stately regulation of transportation tariffs. As of on 01.01.2001, only 380.300 UAH or 47.5% were transferred to the accounts of the carriers.

The railway operators of the region, as well as the majority of all other enterprises, are in a difficult financial position. On suburban trains, which run on the territory of the region, more than 45% of the passengers are carried free of charge. The expenses of suburban transport thus exceed the earnings more than 8 times. At present, the local budget compensates partially for the losses caused by the travel of the suburban railway.

The non-profitability of suburban transport does not allow any renewal and repair of the worn-out rolling





- 1.
- 2.

stock, half of which has already exceeded its running time. The poor state of the rolling stock and the lack of funds for its renewal have forced the Ivano-Frankivsk directorate of the Lviv railway as well as the other transport enterprises to review the suburban routes schedule, and to cancel the most unprofitable of them.

Appreciating the border status of the region and the perspective of transit traffic increase in the Euroregion, it can be forecasted the quick grow of car and lorry flow through the region as well as of the number of the vehicles owned to local enterprises & population. Because of the absence of by-pass highways all these vehicles will be concentrated in the cities and other inhabited localities. And the old building of these cities (inadequate traffic capacity & "ventilation") can't meet the nowadays requirement. Many other elements of the transport infrastructure also are behind the times.

All these negative factors are combined with the following specific peculiarities:

- 1. Greatest part of the vehicles are mainly 10 years old and more, they are only slowly replaced by new ones.
- 2. The existent system of the roads maintenance & repairing leads to the sad state in particular of those sections, where the main traffic pass the cities

The energetic problems arise in many fields of transport system development. But the main of them is the traffic control in the cities as well as on the border check points, especially in the rush-hours.

From these places comes the main causes of increased fuel consumption and deterioration of the ecological situation (air pollution) in the region.

For this problem resolution it will be purposeful to use the previous experience of Carinthia. City Klagenfurt accomplished similar tasks before it was finished the by-pass segment of the highway Vienna-Rome. This experience will be combined with the traffic control computer system developed in Chernivtsy. The lights control system on the main crossroads in the cities was equipped by the special sequencers especially for the rush-hours. The beginning of traffic jam records by the gas-laden atmosphere in the area of main crossroads. For such situation there foreseen the additional ways for transport through the streets, which are close for traffic in another time.

And the general solution will be the continuation of by-pass roads construction.

Inside the cities it can be proposed non-traditional way, when the maintenance of the key segments of cross-border roads will be delivered from the municipal services to the specialised road-repairing organisations.

The Council of Euroregion «Upper Prut» on 04.03.2001 accepted Decision Nr. 20/2001 on the abolishment of the local payments for crossing the border. It will be applied for each legal body or natural person who is recorded or lives in Euroregion. This decision can improve the situation on the border check-points.

Solutions, proposed in CEP for transport systems upturn will play the important methodological role for all members of Euroregion as well as for another neighbour regions & cities, which have similar problems.

INVENTORY ANALYSIS & PERSPECTIVES TO IMPROVE THE FUNCTIONING OF THE MAIN ENERGY SOURCES AND NETWORKS

Besides the importance of the above considered problems & solutions, the key questions for CEP are further development of the energy sources as well as the networks functioning.

Below you can see the main indexes of the regional energy balance for the last years and the data about the main energy producers/customers.

The public corporation "Energy Supply Company Chernivtsioblenergo" was set up in 1998 after restructuring the stately joint-stock power generating company "Chernivtsioblenergo".

20/2001

" 04.03.2001

" 1998

ELECTRIC ENERGY BALANCE in million kW/h per year

	1999 factual	2000 forecast	2001 project
A. Supply – total	2637,0	2671,1	2751,2
1. Electric power stations in the region, total, including:	1349,9	1045,7	877,5
1) Electric power stations in general use, of which:	1321,9	1014,7	837,5
Ministry of Energy - total, including:	1321,9	1014,7	837,5
b) Hydro-electric power stations – storage plants	1321,9	1014,7	837,5
4) Local electric power stations	28,0	31,0	40,0
II. Electric power imports	1287,1	1625,4	1873,7
B. Demand – total	2637,0	2671,1	2751,2
1. Consumption of electric power (gross)	1670,0	1679,0	1729,0
Including losses	450,2	430,6	443,4
In the networks of general use	1219,8	1248,4	1285,6
2. Industry - total, of which:	181,0	184,5	190,9
Power generating industry, including:	7,3	7,4	7,8
Own needs of electric power stations	1,6	1,5	1,5
Ferrous metallurgy	0,3	0,3	0,3
Chemical and petrochemical industry	14,0	14,5	15,2
Mechanical engineering and metal working	36,2	37,0	38,0
Woodworking, pulp and paper industry	14,0	14,2	14,9
Building materials	12,6	12,6	13,0
Glass, porcelain and earthenware products industry	0,2	0,2	0,2
Light industry	12,7	12,7	13,5
Foodstuffs industry	76,3	76,6	78,8
Flour-and-cereals industry	5,4	6,0	6,1
Medical industry	0,6	0,7	0,8
Printing industry	0,8	0,9	0,9
Other industries	1,2	1,4	1,4
3. Building construction industry	26,0	25,0	25,7
Including building oil and gas wells	2,0	2,0	2,0
4. Municipal Economy	304,0	321,0	331,0
Including lighting and household needs of the urban population	190,0	203,0	209,5
Lighting in cities and urban-type communities	114,0	118,0	121,5
5. Agriculture – total	352,1	356,4	367,0
Including field needs	75,8	77,0	79,3
Lighting and household needs of the rural population	236,3	237,1	244,2
Telecommunications, culture, health protection, trade, etc., in rural areas	40,0	42,3	43,5
6. Transport – total, including:	20,2	21,2	22,0
Railway, air, road (lorries), trolley-bus	20,0	21,0	21,7
Oil-trunk pipelines, gas-main pipelines. Long distance	0,2	0,2	0,3
7. Telecommunications, culture, health protection, trade, etc., in urban areas	83,3	84,0	85,6

110	12	14
()		
2000	314	49,2
2000		3
70	39	
450, 2	20	118
1999	202	412
01.01.2001		327
	197	2000
		%
	2000	
-		- 17%;
-		- 7%;
-		- 1,3%;
-		- 10,5%;
-		- 40,9%;
-		- 23,4%;
-		- 100%.
1310		
		- 290
(110 0,4)		- 22038
10 - 4849,4	0,4	- 10607
367		
	71	

The objectives of the new company are to satisfy the needs of consumers in the fields of supplying electric and thermal energy as well as other kinds of products & services.

The company provides maintenance and operation of 110 kV electric networks. For this purpose, the company operates 12 electricity networks - one in each administrative centre of the region, and 14 departments and offices located in Chernivtsi.

The maximum load in 2000 reached 314 MW. The historical development is characterised by the following data (in 2000 power limitations were introduced every month, when the frequency reduction in network became below 49.2 Hz):

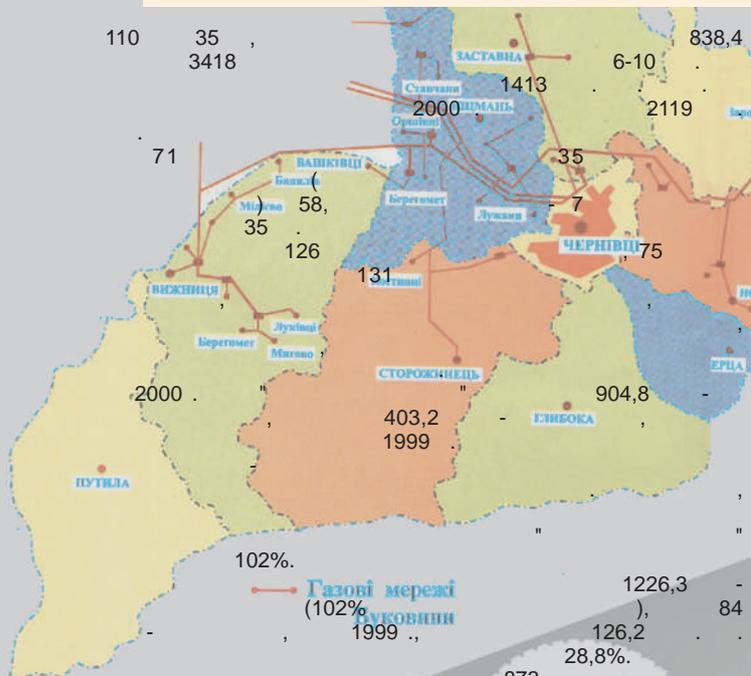
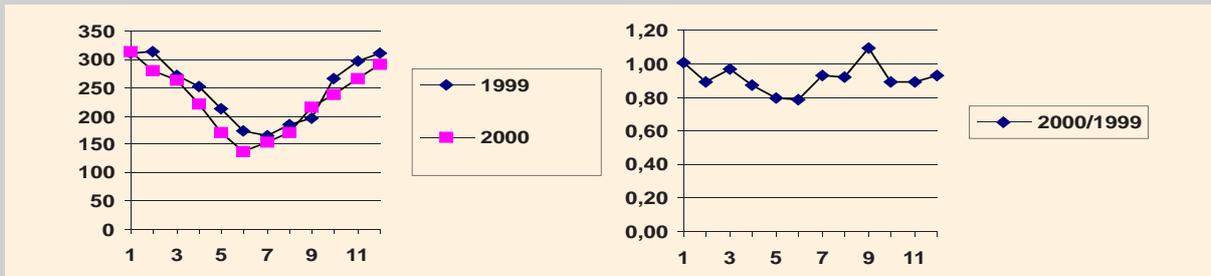
Thermo-electric power stations of the company:

3 boilers with a capacity of 70 tons of steam per hour at 39 bar and 450°C, 2 boilers with a capacity of 20 t of steam/hour. In 1999, 202 Gcal of heat, and in 2000, 118 Gcal were produced. The full electric capacity of the thermoelectric power station was not used. As of 01.01.2001, 412 built-up areas in the region were supplied with electric power. The number of consumers amounted to 327 000, of whom 197 000 lived in rural areas. For 2000, the power consumption (according to various groups of consumers in % of the total supply of electric energy since 2000) can be shown as follows:

- Two-tariff consumers - 17%;
- Industrial one-tariff consumers - 7%;
- Trolley buses - 1.3%;
- Non-industrial consumers - 10.5%;
- Agriculture - 40.9%;
- Urban population - 23.4%;
- Total amount - 100%.

The actual number of staff is 1310 people, including 290 electrical engineers occupied with the maintenance of the grid. The length of overland power lines totals 22038 km in the fields of 110 kV to 0.4 kV lines, of these 4849.4 km serve as 10 kV lines, and 10607 km as 0.4 kV lines. The length of the underground cable system is 367 km.

There are 71 step-down transformer stations with a voltage of 110 kV, and 35 kV with a total capacity of the transformers of 838.4



MW, and of the 3418 transformers with a voltage of 6-10 kV. In 2000, 1413 UAH were spent on repair work, and 2119 UAH on grid expansion.

There are now 71 sub-stations with a voltage of 35 kV and higher, 58 of them are automated (telecontrolling and remote failure alert systems) and 7 without the information transfer systems.

The company has 126 protective relays, 75 protective step-relays (distance protection), and 131 short-circuit protection systems, an automatic telephone system (), a local area network for load dispatch control, an accounting system, and automated power-consumption control systems.

In 2000, the state-owned power generating company "Dnistrohydroenergo" generated 904.8 M.w.h. of electric power, which is 403.2 M.w.h. less than in the previous year. The main reason for this reduction was the absence of water resources in the Dnister storage reservoir during the dry summer and autumn seasons. Nevertheless, "Dnistrohydroenergo's" production plans for electric power "Dnistrohydroenergo" approved by the Ministry of fuel and power of Ukraine could be fulfilled and even reached 102%.

Last year consumers received 1226.3 M.w.h. of electric power for the sum of 126.2 million UAH. (102% of the approved limits), which was 84 million kW/h less than in 1999. Total losses of electric power were at 28.8%. Effective consumption of electric power made up 873 M.w.h.

In 2000, consumers of the region paid 90.6 million UAH (72.5%), including 64.5 million UAH (51.6%) from bank funds. The total debts for the electric power consumed in the region equalled 100.1 million UAH, including debts by the public 39.9 million UAH (39.9%), by industrial enterprises 9.5 million UAH (9.5%), by enterprises in housing and communal services 32.9 million UAH (32.9%), by agricultural enterprises 7.3 million UAH (7.3%), by institutions and organisations contributing to the state budget 1.3 million UAH (1.3%), by communal users 1.2 million UAH (1.2%), and by other consumers 7.6 million UAH (7.6%). In 2000, the debts of consumers of the region to the power generating company "Chernivtsioblenergo" increased by 34.3 million UAH. The debts of enterprises in housing and communal services grew significantly by 16.7 million UAH, including the state company "Chernivtsivodocanal" - by 10.7 million UAH, the Chernivtsi trolley-bus depot by 2.1 million UAH, and the motor-transport depot by 0.6 million UAH. Debts of the public increased by 26 million UAH. At the same time, most agricultural enterprises did not only settle their accounts for their consumption, but also helped to reduce the debts of the past years by 0.8 million UAH.

In order to fulfil the orders of the Ukrainian President, as written down in his decree from 16.06.99 No. 662, "On measures concerning the reduction of energy consumption by budget-contributing institutions, organisations and state enterprises", as of June 16, 1999 662, the forecast parameters for a reduction of energy consumption by annually 3-6%, starting from the second half of 1999, were worked out.

According to this forecast, total energy savings of 25%, compared to the value of 1998, should be achieved. The above-mentioned parameters were sent to the Ukrainian Ministry of Economic Affairs and to the State Committee on Saving Energy. For the purpose of improving discipline of settling the accounts for energy resources in 2000 Head of Chernivtsi State Regional Administration signed a number of administrative decrees. Regional Commission on settling accounts for energy resources, thermal energy and natural gas hold regular sessions, at which the debtors decide on how to pay off a debt, directors of such enterprises reported.

Two enterprises in the region are major players in the gas sector in the region: the public company "Chernivtsigas" and the Chernivtsi branch of the state company "Trading House Gas of Ukraine".

110	35	838,4	6-10
3418	1413	2119	
71	35	7	
58	126	131	
2000	403,2	904,8	
1999	102%		
1226,3	84	873	
126,2	28,8%	90,6	
64,5		100,1	
39,9	(39,9 %)	9,5	(9,5%)
32,9	(32,9%)	7,3	(7,3%)
1,3	(1,3%)	1,2	(1,2%)
7,6	(7,6%)	2000	
10,7		34,3	
2,1		16,7	
0,6		26,0	
2000		0,8	
16.06.99		662	
1999	3-6%	25%	
2004			
1998			

		1388,3		1999	
				15	
		227	379		
			107747		
-271					
-106653					
-8					
-7					
-118					
-689					
2000					
	271,3			49,5	
	49,9				(100,8%),
	46,7				(94,2%).
1999					
	344,6			64,1	
		29,2			(45,6%),
		20,1			(31,4%).
			199,6		(73,6%
			23,0		
		22,4			(97,7%).
				15,7	
(109,3%),	3,0			3,28	
	1,5				(99%)
					81%),
					(88%),
					95%)
		01.01.2001			
	25,2				
					-15,2
		-133			-734
					-108
					-8,8
		01.01.2001			
46042				8481	
2000				88	
	4250				
2000					
	5131,1			36,7%	
1999			4879,6		95,1%
		2000-2001			
	28,6			01.01.2001	
				989,3	
	8,7				(30%)
	788,1				80%
					65%

The public company "Chernivtsigas" maintains 1388.3 km of gas pipelines with different pressures. In 1999, 15 km of gas pipelines were put into operation. The company maintains 227 gas distributing points (of type) and 379 gas distributing points (of type). 107747 consumers live within the sales zone of the

company, including:
-271 budget-contributing establishments and organisations;
-106653 gasified apartments and private houses;
-8 municipal heat-and-power generating plants;
-7 boiler-houses of industrial enterprises, which supply heat and hot water to budget organisations and the public;
-118 industrial enterprises which need gas;
-689 self-supporting communal-general enterprises.

In 2000, 271.300.000 m³ of the natural gas from the funds of the Regional State Administration were consumed for a sum of 49.5 million UAH, of which 49.9 million UAH (100.8%) were paid, including bank funds amounting to 46.7 million UAH (94.2%).

In 1999, 344.600.000 m³ of natural gas from the funds of the Regional State Administration were consumed for a sum of 64.1 million UAH, of which 29.2 million UAH (45.6%) were paid, including bank funds amounting to 20.1 million UAH (31.4%).

Since the beginning of the year, the public have consumed 199.600.000 m³ (73.6% of the total gas volume) for a sum of 23 million UAH, of which 22.4 million UAH (97.7%) were paid.

Establishments and organisations, financed by the state and local budgets have consumed 15.700.000 m³ worth the sum of 3 million UAH, of which 3.28 million UAH (109.3%) were paid, including 15 million UAH (99%) by local budgets.

The many unpaid bills in Vyzhnytsya (81%), Sokyryany (88%), Storzhynets and Kitsman (95% each) are reasons to worry. Here there is a lot of work for collecting agencies trying to cash in the unsettled bills.

As of 1st January, 2001, the debts of the consumers before the Chernivtsi branch of "Trading House Gas of Ukraine" equalled 25.2 million UAH, including 15.2 million UAH of debts of the public, 133.000 UAH in benefits, 734.000 UAH in subsidies, 108.000 UAH of budget establishments and organisations, and 8.8 million UAH of public heating utilities.

As of 01.01.2001, 46042 household gas-meters were installed in the region, thereof 8481 in 2000.

88 business debtors, more than 4250 households and private houses were cut off from the gas supply, due to their liabilities.

In 2000, the public company "Chernivtsigas" produced 5131.1 tons of liquefied gas for the needs of the national economy, which is 36.7% more than in 1999. 4879.6 tons, or 95.1% of the total, were sold to the public.

Nevertheless, the problem of proper liquefied gas supply to the population in the region still exists. The reason is the substantial rise in prices for gas, the lack of financial means, and the impossibility of obtaining large bank credits so that the company could buy the gas.

For the purpose of providing establishments and organisations financed from the local budgets with the solid fuels for the 2000-2001 heating period, tenders for the coal suppliers were conducted. The tender commission made a decision in favour of the state company "Zahidregiontorg", which signed contracts for solid fuel supply with district administrations and regional departments. The needs for the heating period equalled 28.6 t, according to the contracts concluded. As of 01.01.2001, customers obtained 8.7 t (30%) worth the sum of 989.300 UAH, of which 788.100 UAH (or 80%) was paid.

The complete fuel-energy balance in the Region is shown in the Table.

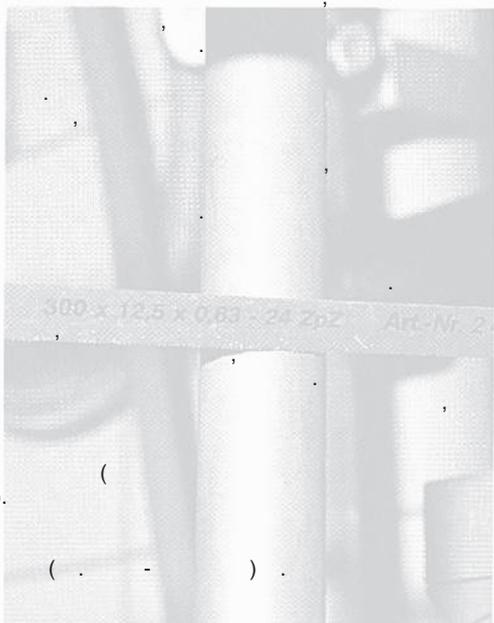
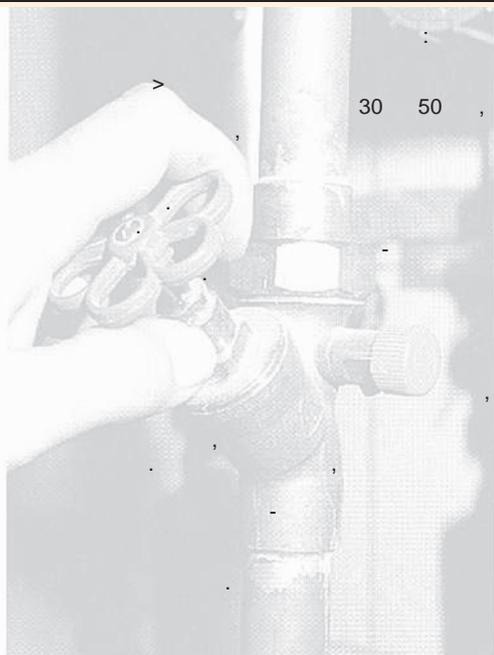
Centralised heating system

Approx. 65% of all housing areas in the state are connected to the centralised heating system of Ukraine. Industrial enterprises are the largest consumers of heat energy. Thermal energy is supplied to consumers via district heating plants. The fuels used are mainly fuel mixtures (mixtures of different liquid fuels of minor quality), however, also oil and low-rank coal are used as a raw materials for thermal energy production. As a consequence, the serious danger of pollution of the cities exists, because any refinement of the flue gasses is not yet common.

The total efficiency of the thermal heating system is not significant. This is because there are heavy losses in all areas, from production to heat supply. The average age of boilers is between 30 and 50 years, the pipelines are mainly surface-lines and are badly insulated.

The lack of control devices, as well as the non-existent efficient

Real account	Units	1999 fact	2000 forecast	2001 project
A. Supply – total	equivalent to 1,000 t of oil	1143,2	1155,0	1189,7
1. Extraction of organic fuel in the region - total, including:	equivalent to 1,000 t of oil			
Other kinds of organic fuel	1,000,000 m ³	18,6	19,4	20,0
Decentralised storage	1,000,000 m ³	70,0	73,0	75,2
	equivalent to 1,000 t of oil	18,6	19,4	20,0
II. Production of organic energy resources in the region - total, including:	equivalent to 1,000 t of oil			
1,000,000 kWh		229,9	176,5	145,7
1. Traditional organic energy resources - total, including:	equivalent to 1,000 t of oil	1321,9	1014,7	837,5
Water-power – total, including:	equivalent to 1,000 t of oil	229,9	176,5	145,7
a) Production of electric power at hydroelectric power station and storage plants	1,000,000 kWh equivalent to 1,000 t of oil	229,9	176,5	145,7
V. Energy resources received from abroad	equivalent to 1,000 t of oil	836,4	901,1	959,8
VI. Remainders at suppliers and consumers, at the beginning of the year	equivalent to 1,000 t of oil	58,3	58,0	64,2
B. DEMAND – total	equivalent to 1,000 t of oil	1143,2	1155,0	1189,7
1. Consumption in the region – total, including:	equivalent to 1,000 t of oil	1056,6	1070,0	1102,1
1) For conversion into other forms of energy : electric and thermal energy, strong wind, and blast-furnace blasting	equivalent to 1,000 t of oil	270,0	280,0	288,4
2) Industrial and technological needs	equivalent to 1,000 t of oil	786,6	790,0	813,7
3. Energy resources exported outside the region	1,000,000 kWh equivalent to 1,000 t of oil			
1. Remainder at suppliers and consumers at the end of the year	equivalent to 1,000 t of oil	86,6	85,0	87,6



billing and invoicing systems do not motivate the consumers to save thermal energy. In addition, the Ukrainian energy index is very high. The costs of thermal energy for consumers are even higher because of the high production costs. Furthermore, the existence of too many dealers between the real manufacturer of thermal energy and the final buyers has resulted in price increases and delays in payment.

Due to historical reasons, the heat supply of the housing estates in Chernivtsi has been carried out with the help of several large boiler houses. That is why the networks have not been laid out ideally, from the point of view of energy losses.

Besides, the waste water disposal and canal system, as well as the heat supply facilities are equipped with outdated and too generously dimensioned pumping stations, in addition the district heating pipelines are not sufficiently insulated. Furthermore, the boiler equipment is not working effectively and has a very low efficiency.

In Austria, the problem of efficiency of the heat supply system is solved by means of an optimal correlation between centralised and decentralised sources of heat, that results in a significant reduction of heat pipes. These heat pipes are well insulated and have measuring gauges that determine possible heat losses. That is why they are very effective from the point of view of energy saving. The existing thermal systems are so effective because they have been dimensioned smaller.

Thus, one possible way of energy saving should be a complex reconstruction of existing sources of heat energy, taking into consideration decentralisation of heat supply, while at the same time.

As a result of comparison of the heating systems functioning in Carinthia & in Bukoviba arisen idea for the following project in the framework of CEP.

We foresee to refuse the qualitative heating control when hydraulic behavior of the network is supported to be stabile, and the delivery of heat is controlled by the change of the heat carrier temperature.

More efficient will be the quantitative control of the heat delivery. By this scheme the hold temperature in the network is constant and the consumption of the heat controlled by the customer (by the hand-operated or automated stop valve).

It foreseen pilot approbation of this idea for the separate segments of the heating system in the new micro-district of Chernivtsy (Yuzhno-Okruzhnaja str.). It's necessary to purchase the proper fixture for control on the source and by the customer.

Solving the problems of the energy saving and improvement of the heating network operation, this approach also will provide the development of production as well as of wide market for the local control devices.

“PepsiCo”
25

2001



“know-how”.

ISO.

«Karapuz» – water of the highest quality especially for children.

Unique features of the natural water from its own wells «Dews of Bukovina» supports by the steady improvement of quality & «environmentalisation» of its production system.

This enterprise already implemented hourly accounting for electric power consumption. On the base of these data analyse for each shop, company started to optimise its energy consumption. Simultaneously operates program of monitoring for water use: beginning from wells and till the sewage utilisation. The final task for the company is to be certified accordingly to ISO Standards.

The principally new conditions were created in CEP project for the enterprises – producers of the energy equipment. Besides the above demonstrated opportunities for the experience exchange and their own production improvement, these enterprises utilised the partnership connections of the Euroregion «Upper Prut» for establishment direct commercial contacts with western companies.

Joint-stock company «Chernivtsy Mashzavod» is the main Ukrainian producer of the bulky heat-exchange equipment for export. This plant was certified accordingly to ISO Quality Standards.

The calculations show that modern technologies of “Mashzavod” production make it possible to reduce the energy consumption on 20% for the purchasers of their equipment.

In its own manufacturing processes «Mashzavod» also consequently decreases energy consumption. For instance, the usage of the local air compressors, change of the obsolete electric drives and reconstruction of the illumination system in the main shops as well as the implementation of the lower capacity equipment in the central compressor shop for the night time gave them the annual economy of the electric power about 300,000 kWh.

After construction of the new central boiling room, on the first stage the cost value of the produced heat (57.28 UAH per 1 Gcal) reduced in two times. Now the enterprise carries negotiation about production of the elements for such boiling equipment aimed to widen their utilisation in Ukraine.

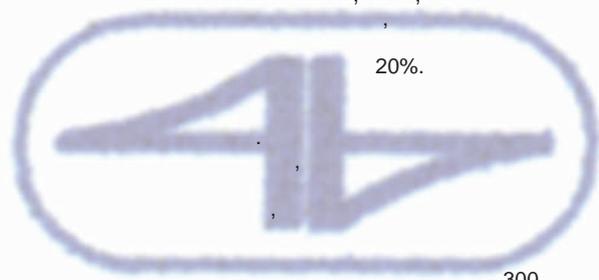
Chernivtsy private company «Sever» successfully operate for montage & start-adjusting of boiling equipment amounting to the Association «UKRINTERM». Through the project, under the support of the Carinthian partners & Austrian trade mission in Kiev they studied the commercial interests for co-operation with Austrian company «Herz». Currently they discuss together with «Mashzavod» the joint venture for production in Chernivtsy boilers of small capacity. These boilers can use as a fuel the firewood and wood-waste. They suggest to sell produced boilers both in Ukraine & in Austria. In such a way there will be made new working places and it will increase the income to the budget of Bukovina.

Further CEP realisation for the interior market needs should also foresee the utilisation of the existent potential of the former military plants in the region:

«Kvarts», «Graviton», «Electronmash», «Izmeritel», «Ritm», «Ruta». Under the initiative of Chernivtsy Regional State Administration these enterprises together with National University of Chernivtsy & Institute of Thermoelectricity created the above mentioned Technical Park.

As an example of these Technical Park opportunities any can see the solar elements and modules, developed here on the base of modern achievements in solid-state microelectronics. These technologies augment the coefficient of the efficiency more than on 20%.

Plant «Graviton» in this Technical Park already has the commercial production of the modern fluorescent lighting, which is 4 times more efficient then traditional one. In 2001 the enterprises of Technical Park participates in tender for the grants from the State



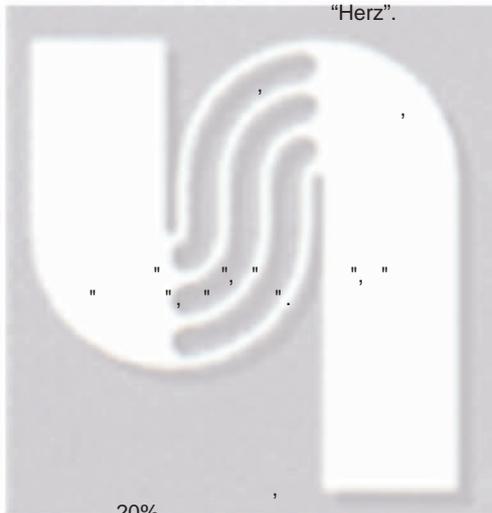
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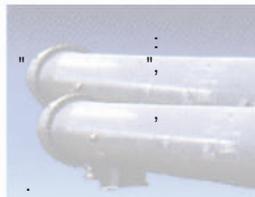
(57,28 . 1)



“Herz”.



20%.



Committee of the Energy Saving of Ukraine. They propose to equip one of the Chernivtsy schools by the modern energy-saving means. This project aimed to demonstrate the advantages of such approach in the manner of the Austrian Energy Agencies.

The main part of the Technical Park is the plant «Kvars». In the former USSR it produced more than 70% of total number of photo-detectors in all light ranges - from ultraviolet to infrared. In Technical Park they foresee to produce high-capacity condensers & accumulators, Usage of new gradient functional materials allow to stand the 10 times more recharges then traditional ones.

They organised the commercial production of new photo-detectors, thermoelectric coolers & spark-plugs for cars. In the preparatory stage is production of different energy saving equipment for various control systems. They also suggest production of the equipment for plastic waste processing.

On the scheme of the CEP area (page 10) any can see large number of the another enterprises, which should further be involved into CEP. For instance there are producers of the unique heat-insulation materials from the basalt fibre, forestry & wood processing enterprises, farms & agriculture co-operatives etc.

ALTERNATIVE ENERGETIC

For the last years became very acute social & economical crisis in the mountain and foothills districts of Bukovina. When USSR was destroyed and the prices for energy-wares grown up to the world level – all Economy of these districts became non-competitive. The situation is additionally redoubled by the high length of the electric transmission lines, what makes impossible normal energy supply and their maintenance in these backwoods areas.

The alternative for the energy supply in the Putila district of Chernivtsy Region can be nominated as:

1. Restoration of the former small hydroelectric stations (HES) and new constructions in basins of Prut & Siret rivers;
2. Wind-electric stations (WES) installation on the mountains tops, bridgewalls and ravines;
3. Utilisation of forestry and wood waste;
4. Usage of the casing-head gas from the oil deposits.

The 3-rd and 4-th variants are good for heating but they can't satisfy the population's and the manufacturing needs in electricity.

Comparison of points 1 & 2 shows that small HES restoration & construction need more investments then WES. On the other hand the minimum of the water amount in the rivers take place in that time of the year when the needs of power are maximal (cold period and short light day). While the winds capacity through the year is cymbate to energy consumption.

The mostly representative for Euroregion "Upper Prut" may be the pilot project which suggest installation in the mountain Putila District Wind Electric Units with total capacity of 1.2 MWt. As a result there should be significantly improved life standards for the mountain and foothills population aggregates as well as there will be better conditions for reactivation of the existent and creation of new enterprises and business activities to satisfy the needs of population and to promote employment rate. It's well known that Carpathian Mountains as well as Crimea & Tavriya in Ukraine have the best climatic and landscape conditions for the Wind Energetic.

In the case when this proposal will be realised it foreseen the final selection of the optimal place for WES dislocation as well as the system of the energy users. At that it should be maximally equipped already exist facility and infrastructure – operational transmission lines, former military radar installation, meteorological station etc.

One more problem is the often switching-off and low f the



quality of the centralised network electric power for the enterprises of main industries of the Region. And there have place the purchase break-down of energy-wares (diesel oil, gas etc.) that also makes worse the above mentioned situation. The additional risk factor is the deterioration of the electrotechnical and other kinds of equipment as well as the communal infrastructure. Because of that there often arise emergency for the population energy supply in the areas of these enterprises. This situation is inadmissible for such activities as medical care, communal services, bread production, etc. and it generates crucial social stresses.

For this problem resolution (and also for the emergency situations of spontaneous or technogenic nature) the interested enterprises & local authorities under the support of the national & international organisations should purchase the autonomic energy-generated equipment which is able to work with the few alternative kinds of energy-wares (for instance - gas and/or petroleum fuel). Simultaneously it can be realised the re-equipment of already exist facility for multi-energy-ware usage.

The large amount of non-utilised wood waste was accumulated in Bukovina. These wastes pollute the Environment here, but in the Europe their utilisation for the heating of houses and public institutions in the mountain districts is very profitable. For instance, in Austria they use this waste for heating instead of gasification.

In the course of CEP project firm "Sever" carried on negotiation with producers of heating equipment with the capacity of 7-500 KWt. After the acquaintance with the structure of the Austrian firm "Herz" and with their technologies, both firms signed the co-operation agreement aimed to produce in Bukovina such equipment.

The first joint project foresees the montage of module boiling system with the capacity of 600 KWt for heating of the Selyatin secondary school in Putila District. In the boiling room should be installed 2 boilers Firmatic SR-300. The special computer will control their safe operation. Near the boiling room will be organised the special place for the wood waste collection, storage & drying.

The preliminary calculation shows that the payback period for this system will be no longer then two heating seasons as a result of the fuel economy. Therewith, the forests around the Selyatin will be progressively purified from the large amount of wood waste, accumulated through the long period of lumbering.

This project support, preliminary agreed with the Austrian partners, will have pronounced pilot character. It's results will be important not only for the institutions of the public sphere.

The previous "Ecoprofit" project demonstrated the necessity for wood processing enterprises (as well as also for agriculture ones) to have more efficient energy supply for their manufacturing system and for their infrastructure heating.

Therefore the possibility to purchase the necessary types of such boilers for the eligible prices will play the key role for these enterprises competitiveness improvement.

The similar approaches for the selected providers & demonstrative objects foreseen in CEP and aimed to implement in Bukovine the following Austrian experience:

- on collection & utilisation of the methane from the waste of water cleaning plants, dumps, farms and other agriculture enterprises;
- on usage of the solar collectors in the housing & industrial sectors;
- on the efficient usage of the "secondary" heat from the waste gas of the energetic units, heat water & waste steam (steam condensate) from the industrial & municipal networks and manufacturing cycles;
- on the usage of the briquetted fuel from waste for the domestic & communal needs, with the further development of the efficient incineration technologies (for instance, fluidized bed units), combined fuels (for example, composition of shale & wood waste);
- on utilisation of the geo-thermal sources in Carpathian Mountains etc.



GENERAL CONCLUSIONS

The review of the problems, opportunities & concrete proposals in this brochure gives an image of the performed work aimed to develop the recommendations for the CEP. At the same time the CEP realisation depends on large number of different factors, which can be conventionally divided into 3 main groups:

- own interests of the enterprises & institutions – expected as CEP executors;
- conditions should be made for CEP realisation by local & state authorities;
- real support & participation of European partners and international programs in realisation of CEP certain items.

It's evident that under the existent conditions each concrete task also should be examined not only from the technical, economical or legal points of view. As it was already shown physiological factors play the important role as well as the ability to break the settled stereotypes.

Also various and mostly non-trivial are the questions of financing both for separate items and for CEP in whole. Some hope gives the last time accentuation of the energetic reconstruction needs in different EU programs for NIS. First steps of Ukrainian cities & regions aimed to realise the possibilities of “discharges trading” accordingly to Kioto Protocol also show the perspectives for communal energetic development.

At the same time the last events around the Kioto Protocol demonstrates that the rigid strategy for CEP realisation with long-term scenario will not be real.

Therefore starting with brief review of the main measures of the Energy Plan for short & long period perspective, we should put on the first place the establishment of the consulting-analytic infrastructure for CEP realisation.

There are few possible ways for such infrastructure establishment under the pilot status of Chernivtsy Region, which was laid-down by the Ukrainian Government especially for working-out the systems elements for the State's regional policy and for sub-regional integration to EU.

First of all Ukrainian Government already accepted the decision to establish the System of Agencies for the regional development in Ukraine.

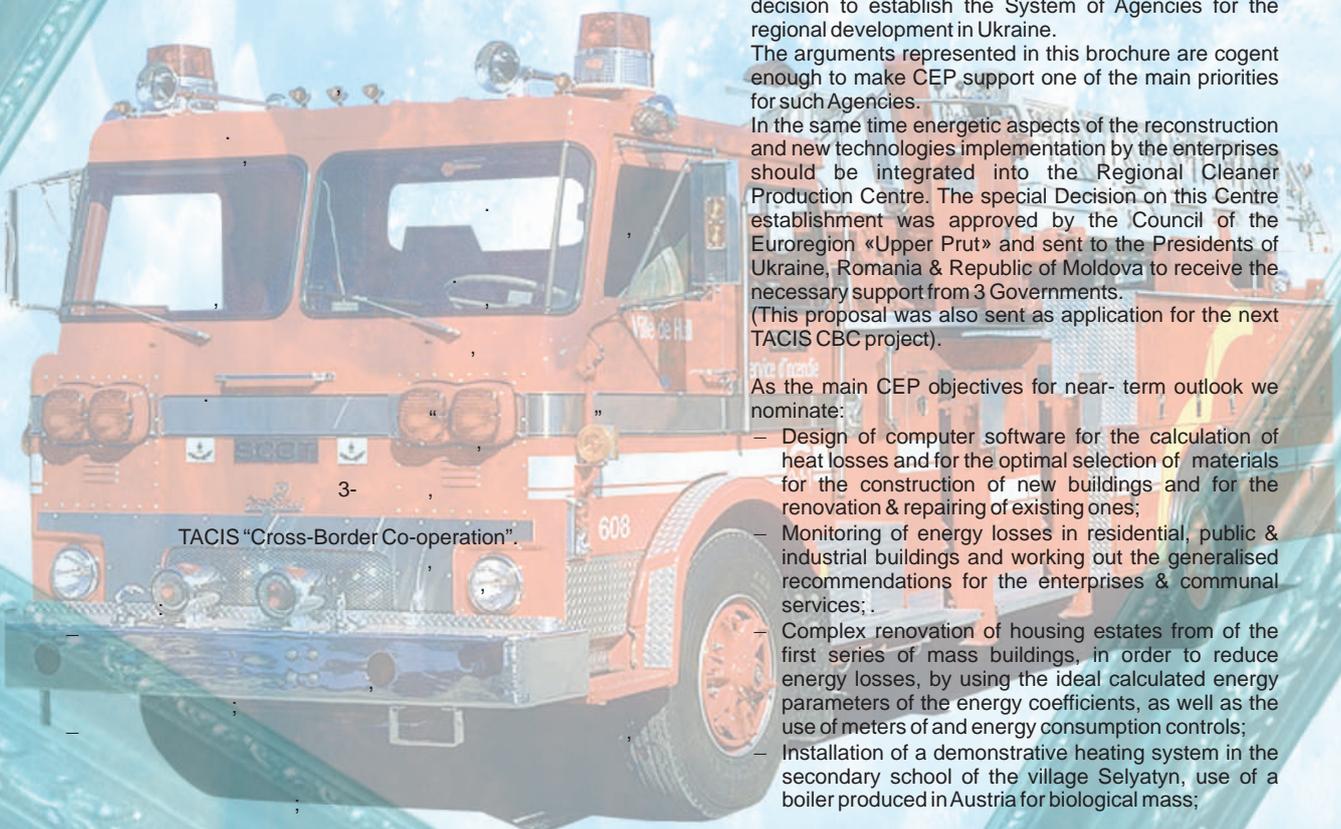
The arguments represented in this brochure are cogent enough to make CEP support one of the main priorities for such Agencies.

In the same time energetic aspects of the reconstruction and new technologies implementation by the enterprises should be integrated into the Regional Cleaner Production Centre. The special Decision on this Centre establishment was approved by the Council of the Euroregion «Upper Prut» and sent to the Presidents of Ukraine, Romania & Republic of Moldova to receive the necessary support from 3 Governments.

(This proposal was also sent as application for the next TACIS CBC project).

As the main CEP objectives for near-term outlook we nominate:

- Design of computer software for the calculation of heat losses and for the optimal selection of materials for the construction of new buildings and for the renovation & repairing of existing ones;
- Monitoring of energy losses in residential, public & industrial buildings and working out the generalised recommendations for the enterprises & communal services;
- Complex renovation of housing estates from of the first series of mass buildings, in order to reduce energy losses, by using the ideal calculated energy parameters of the energy coefficients, as well as the use of meters of and energy consumption controls;
- Installation of a demonstrative heating system in the secondary school of the village Selyatyn, use of a boiler produced in Austria for biological mass;



TACIS “Cross-Border Co-operation”.

“Pago”;

“Ecoprofit”.

15.01.2001

422/20-15

- Search for possible sites of wind power stations and small hydroelectric power stations;
- Implementation of a set of energy saving technologies in the Public Company “Rosy Bucovyny/Dews of Bucovina” by using the “Pago” Company experience.
- Introduction of new technology for the production of energy saving lighting systems in the Public Company “Graviton”;
- Establishing of an energy Agency in Chernivtsi to raise the people’s awareness for energy saving;
- Experimental implementation of technologies for the production of fuels from wood waste;

As it already was marked in the beginning of brochure, we foresee to realise these objectives not only locally for the separate enterprise or another institution. It’s desirable to involve maximal number of specialists from various spheres of Economy. The received results should be rather spread for the other objects in the region. In details such mechanism for co-operation & dissemination of the results was described in the previous brochure of the “Ecoprofit” project.

To realise CEP on more long-time perspective we foresee the following main projects for the next years.

- Research into, development of and introduction of new productions & energy-saving measures in the companies “Mashzavod”, “Kvarts” and “Sever”;
- Continuation of construction and putting into operation the I phase of Novodnestrovsk hydroaccumulated power station;
- Consequent implementation of the individual heating control systems by the customers in the dwelling, public & industrial buildings;
- Wider implementation of the metres for the gas, cold and heat water accounting;
- Realisation of the Program for complex renovation of buildings by using energy-saving technologies;
- Implementation of the monitoring system for the energy costs in the municipal systems of the region;
- Implementation of the wind energy equipment in the mountain districts of the region;
- Reconstruction of existing and construction of new small hydroelectric power stations;
- Design of installations for generating heat and electricity working with bio-gas;
- Use of a solar energy for hot water supply;
- Feasibility study for complex utilisation of the local mineral resources deposits for energy production;
- Introduction of projects for the joint production & maintenance of heating boilers;
- Introduction of projects for the joint production of meters, heat control devices and other energy control systems;
- Introduction of projects for the joint production of solar collectors in the Public Company “Kvartz”.

Further development of the partnership between Carinthia & Euroregion “Upper Prut” foresees that by joint efforts these projects for the energetic sphere will be expanded to all members of the Euroregion as well as outside of it.

At the same time the official Note of the Ministry of Foreign Affairs of Ukraine to the Austrian Government Nr. 422/20-15 at 12.01.2001 foresee the congruent support for such projects by the both Governments.



PERSPECTIVES FOR TRANSFRONTIER REGIONAL PROJECTS SUPPORTED BY TACIS PROGRAM

On the end of the 3-rd inter-regional project of TACIS «City-Twinning» (CT) & «Cross-Border Co-operation» (CBC) it's purposeful to analyse the already received experience from the view of such collaboration efficiency in the area of the future eastern borders of the EU – from Kaliningrad to Odessa.

For the NIS governmental, regional, local, entrepreneurial & non-governmental institutions TACIS CT & CBC essentially affect the understanding of the necessity and the «taste» of co-operation with the corresponding partners in EU & CEEC.

For some partners such interaction was finished together with their projects. But the large part of CT & CBC projects transforms into long-term co-operation. And as a rule - the partners again resort the TACIS support.

As early as on the beginning of 1998 by request of TACIS CT was made the survey for the approximately 60 projects key participants. It shown that as soon as co-operation passes from the acquaintance stage towards the attempts to realise the concrete cross-border projects, partners detect the crucial obstacles which have the following nature:

- Projects are constructed only for education (acquaintance). The list of participants as well as the schedule for the visits to the partners are rigidly established before the project was started.
- Absent any correlation between small TACIS CT & CBC projects and the similar programs (PHARE, Interreg etc.) in CEEC as well as there are no links between small & large TACIS CBC projects which simultaneously operate in the same regions, whereas the large projects are managed by the central governmental bodies.
- It's absent any opportunity to provide the grave pre-investment feasibility study whereas it's impossible to involve into the TACIS projects any experts from CEEC as well as NIS experts can't participate in the PHARE one.

The nominated problems was discussed during April 2001 on the Bucharest Summit of 16 countries from Danube-Carpathian Region as well as by the Working Group on the Transfrontier Co-operation of the 15 countries of Central-European Initiative.

Both discussions completely confirmed the necessity of more flexible and efficient mechanisms for the technical assistance, which are necessary for the EU/NIS and CEEC partners to create the viable infrastructure for the cross-border co-operation.

The single alternative will be the new iron curtain.

Meanwhile in 1999 the 7-th European Conference of Border Regions in its Conclusive Document especially proposed to the managing bodies of the European Union to reorganise the support mechanisms for the CEEC/NIS/EU collaboration (first of all for the new Euroregions created there).

The main points of that proposals was many times discussed on the TACIS CT & CBC Conferences and briefly contain the following:

It's necessary (without any change of the existent order for TACIS CT & CBC project selection & financing):

1. To separate the acceptance & investigation of the project applications for:
 - the primary projects - when partners make their first joint project that is really acquaintance;
 - the systems projects - when partners have experience of previous collaboration and propose the next steps and certain ways for the project's results realisation (as it is in CEP).
2. To agree with PHARE, Interreg and other EU Programs

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TACIS PHARE

Chernivtsy Energy Plan
 (EU TACIS City Twinning P

15

« 1999 . 7- ».

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CBC

TACIS CT



in CEEC the joint examination of the "mirror" project applications, which should be simultaneously tendered by the EU/NIS partners to TACIS and by their CEEC partner to PHARE (or Interreg). Without any change of the formal rules for these projects separate realisation, there only have to be provided the agreed terms of both projects beginning as well as the joint schedule for the main items.

The next step should be the mutual involvement of the NIS experts into the CEEC projects as well as CEEC experts - into TACIS CT & CBC projects. For such projects scrutiny (besides the formal letters of commitment from each partner) should be approved the joint documents, such as the Decision of the Council of Euroregion, joint Protocol or common Program for two projects simultaneous realisation etc.

In the same time it's desirable to improve the co-ordination of the separate TACIS projects which operate in the same time in the NIS/CEEC border regions. For that it's necessary to create the joint Observation Council for all existent TACIS projects in each such region. When the number of projects will be large TACIS can appoint for them the special independent regional co-ordinator.

Taking into account the permanent transformations in the executive bodies and local authorities, it will be advisable to make parallel Consulting Groups which should unite co-ordinators of all TACIS projects in these regions (both operated & finished).

Whereas such changes need the preliminary approbation as a testing area can be proposed Euroregion "Upper Prut" together with its EU partners. To give a work-out the new cross-border co-operation mechanisms this Euroregion already has the special pilot status from the Ukrainian Government, On the other hand - the constituent documents and Decisions of the Euroregion's Council also contain provisions which will help to draw up the new mechanisms for collaboration on the future EU borders.

As an example of such mechanism can be shown the joint TACIS CBC EU/NIS/CEE project proposal that foresees creation of joint Regional Cleaner Production Centre with the branches in Chernivtsy (Ukraine), Romania & Republic of Moldova. It will operate on the base of common methodology & agreed programs.

This project proposal represented by Carinthia & all the members of the Euroregion "Upper Prut" based on successful experience of such national centres established under the aegis of UNIDO/UNEP in 16 countries. New project foresees transformation of this experience and the results of the TACIS projects already realised in the EcoEuroRegion into new system for providing Sustainable Development and the Technogenic-Environmental Safety in the neighbour border regions.



TACIS CBC

UNIDO/UNEP

TACIS,



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Planning

feasibility studies
preliminary-design
approval-design
calculations
cost-estimation
public relations
advicement



Realisation

specifications
bidding procedure
contract letting
detail-design



Supervision

project management
contractors agent
performance- and
quality control



Power distribution

electrical networks,
natural-gas networks,
liquid-heating networks,
telecommunication system

Expert-activities

expertises

Energy-production

hydropower $\left\{ \begin{array}{l} \text{small hydro plants} \\ \text{river power plants} \\ \text{storage power plants} \end{array} \right.$

- dam construction
- tunneling
- steel hydraulic structures
- storage schemes
- building construction
- mechanical construction
- electrical construction
- control systems

biomass $\left\{ \begin{array}{l} \text{natural gas} \\ \text{biogas-utilization} \end{array} \right.$ heating power plants

photovoltaic

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geological assistance *),
statical calculations,
conception of local and regional
energy-supply-processes,
energy-management,
training

* in cooperation with TU Graz, group 3G-Graz

kelag consulting

is representing the engineering-department of KELAG-company, wich is the largest energy-supply-company in South Austria in the field of electricity, natural gas and liquid heating systems. Beside this key-business KELAG-company is also active in information-, communication- and controlsystems as well as in alternativ energy production such as photovoltaic and Biogas-utilization of dumping areas.

List of References

planning and design as well as supervision and operation management

dam construction:	12 dams up to 110 m height
tunneling:	ca. 60 km diversion- and pressure galleries
penstock:	ca. 65 km of steel, cast iron and plastic pipes
power station:	44 powerstations with total capacity of 400 MW
biomass:	15 biomass-plants
biogas-utilization:	1 plant
photovoltaic:	1 plant, 80 kW
high voltage lines:	ca. 6.000 km
low voltage lines:	ca. 11.000 km
110kV-Switch yard:	41 installations
switching-stations:	32 stations
transformator stations:	6.500 stations
naturalgas pipeline:	ca. 170 km high pressure ca. 400 km middle pressure ca. 60 km low pressure
Liquid heating net:	ca. 100 km



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