

Welcome Speech at the Conference on District Heating Policy in Transition Economies

**By
Ambassador William C. Ramsay**

On behalf of the International Energy Agency, I would like to welcome you and thank you for coming to this Conference on District Heating Policy.

I am particularly pleased to be in Prague, a city of long history and arts as illustrated by these premises and to hold this event in the Czech Republic, which became an IEA Member country in 2001. The country has worked proactively on energy reforms and has gained useful insights that we hope to draw from these two days.

District heating is a major component of the energy balance in many transition economies. Heat accounts for about a third of total Russian energy demand, for example. And district heating is the most important source of heat for families in most transition economies.

Yet district heating policy has often been less explicit and focused than other areas of energy policy in these same countries. District heating is unlike any other energy form because it is a local product for a local market, so it does need its own set of policies. While many countries have well-developed laws on electricity or gas, for example, relatively few countries have well developed policy regimes for district heating. Having a clear policy on district heating does not equate ownership or tariff regulation of district heating systems, just as electricity policy does not dictate that the government own power plants.

That said, district heating policy is by no means non-existent. This conference provides a unique opportunity to discuss district heating as policy. We'll look at how various countries have dealt with district heating in their laws and regulation, what has worked well, what could work better, and in the end, we have planned a roundtable discussion on where district policy should go from here.

It is important to recognize, too, that in many ways, district heating is an area where transition economies will be pioneers as the majority IEA members do not have the same depth of experience with district heating. Thus, this meeting has particular importance given the quality of participants present and the opportunity this presents to share ideas.

Before moving on to our keynote speaker, I would like to sincerely thank all the organizations and people (in the Czech Republic and outside) who have provided support and assistance for the organization of the conference. In particular, I would like to mention the governments of the United States, Norway and the Czech Republic, the Czech District Heating Association and the District Heating and Cooling Implementing Agreement as well as the Czech Energy Efficiency Center, SEVEN.

I would now like to introduce our esteemed keynote speaker, Mr. Martin Pecina, Deputy Minister of Industry and Trade of the Czech Republic. Mr. Pecina is an engineer and businessman; he has played a key role in developing Czech energy policy during his time at the Ministry of Industry and Trade. Mr. Pecina, without further ado, let me give you the podium.