

INSTITUTE OF ENERGY SE EUROPE (IENE)

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Mr. General Secretary of Ministry of Climate Change, Prof. Kostatninos Mathioudakis

Ambassador of Hellenic Republic, Mrs. Koumanakou

Ambassador at Large for Energy Security and Climate Change and Coordinator for the Nabucco Project at the Ministry of Foreign Affairs of Bulgaria, Dr. Peter Poptchev

Deputy Chairman of the Hellenic Business Council in Bulgaria,
Mr. Nikos Georgopoulos

Dear Colleagues

Ladies and gentlemen,

It is really my pleasure to be in Sofia to commend in this high level discussion on Bulgarian- Greek cooperation in the energy sector.

It is a pleasure, besides the fact that it is an opportunity to see good friends and colleagues in Bulgaria, but also because it is an opportunity to re-affirm that in the real world there is no development in the energy sector without cooperation.

I am sure that it is appreciated by all involved in any economic activity that the energy sector is the only sector which can efficiently absorb investments.

However I am also sure that the energy specialists present in this Conference shall agree with me that investments without electricity and gas interconnections are suffering seriously in terms of security of supply and security of production. Power companies need the appropriate policy and appropriate market, either to replace lost power capacity or to build new power plants. On the other hand the old slogan that the best energy policy is to have no energy policy, and let the market take care of everything, is a myth that has itself been debunked, most lately by the British Ofgem.

I strongly believe that it is time to put our heads together and talk about interconnections problems. We all realize that in difficult economic times the smallest thing can often make the biggest difference, and the pipeline IGB (Komotini-Haskovo), proves this.

However we all know that one of the defining developments in the global power industry over the past decade has been the phenomenal transformation of renewable energy from a small-scale, emerging fuel source utilized by a few, into a major player in the world's power generation mix, in particular wind power. We all watch the fast developments in Bulgaria and Greece in the wind sector, which also has given a serious shift in economic cooperation. What has precipitated that change? Obviously the drive by governments and policymakers to cut out greenhouse gas emissions, specifically carbon dioxide, has played a pivotal role. This in turn has been fueled by the climate change debate, something that has dominated discussions in both parliaments and company boardrooms across the world, and will continue to do so. But the vast development of wind power has also fueled technical discussions on the back-up power necessary to support them, and decisively the number of necessary CCGTs and the supply of gas for them.

Ladies and gentlemen there are major common issues in the energy sector which need to be addressed either bilaterally or regionally. The common address by the European Union on carbon dioxide reduction issues, the continuous utilization of solid fuels and the future need to reduce carbon emissions, the need for more gas and where it comes from, the flow of electricity produced, the power and gas back up and where is more economical to be stationed, are issues which have to be faced as soon as possible.

Governments, policymakers, regulators, banks, investors and the energy specialists of our region have to actively cooperate to balance needs and set priorities.

We, at the Institute of Energy of SE Europe, are often debating those issues, and for me is very important the regionalization of the debate. After all this is the aim of the South Eastern Europe Dialogue which takes place every year at Thessaloniki, and to which I urge you to actively participate.

I thank you very much for being here, I welcome you all and wish you success in this Conference.