

SLOVENIA

In 2020, the Slovenian government adopted a **National Energy and Climate Plan (NECP)**, which is a legal obligation for EU Member States under the Governance of the Energy Union Regulation EU 2018/1999. Slovenia lacked a long-term energy strategy update (the last was adopted in 2004). This climate policy planning represented a **critical uncertainty** for the country's energy sector until very recently, and even though the NECP needs further improvements (especially in the field of **renewables** according to the European Commission's evaluation), it provides a clearer framework with energy and climate targets to 2030 and a vision to 2040 and 2050. Slovenia is also in a process of preparing a long-term 2050 climate strategy and national coal phase-out strategy based on the just transition principles.

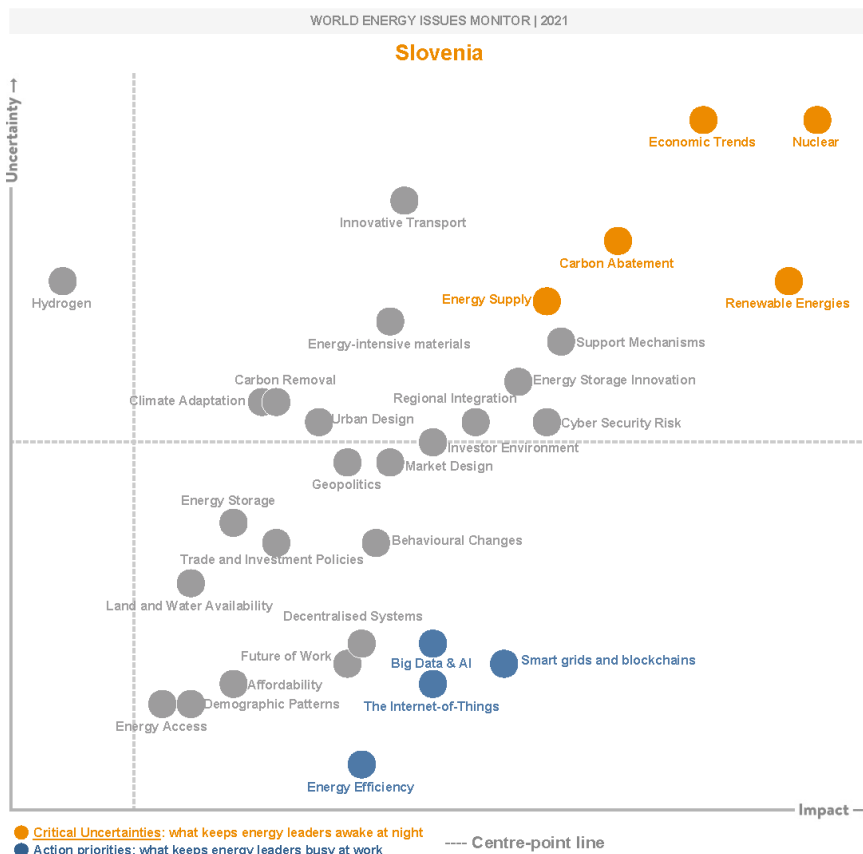
In October 2020, a concession agreement was signed for the exploitation of the hydro potential of the middle Sava river (1TWh). The project is based on the chain of 9-12 new hydropower plants (depending on the spatial planning process), which will increase the country's current electricity production by almost 10%, the existing production of hydropower plants by more than 20%, and the renewables share in electricity by 25%. This will bring Slovenia slightly closer to reaching its binding national share of **renewables** in final gross energy consumption by 2030, since a 25% share of **renewables** in gross final energy consumption by 2020 will most probably not be achieved, marking EU cohesion and **regional integration** also as a critical issue.

In order to reach climate neutrality by 2050, one of the key tasks for the government is the preparation of the National Strategy for coal phase-out and the restructuring of coal regions based on just transition principles, which will be adopted in 2021. New investments supported by the EU **Just Transition Fund** and national financial resources (for example, the Climate Fund, National budget, etc.) will enable revitalisation of regions through different energy, social, ecological and research projects.

Nuclear energy remains one of Slovenia's **action priorities**. The **Krško nuclear power plant (NEK)**, production and ownership of which is equally shared between Slovenia and Croatia, represents more than 30% of Slovenia's electricity production. In 2016, NEK's lifespan was extended to 2043. Meanwhile, the government is discussing the possibility of building a second nuclear power plant – the decision is to be adopted by 2027. Construction of the long-term radioactive waste depository construction in the vicinity of the power plant is undergoing final preparations.

In the gas sector, the indicative goal is set to achieve at least 10% of **renewable methane** or **hydrogen** in the grid by 2030. The gas pipeline system will gradually become the enabler of **decarbonisation**, especially in the industry sector, where gas usage has a long tradition. There are also opportunities in the power sector, mainly to cover additional needs for electricity and to enable switching from coal to natural gas and later also to **renewable gases**. One good example is the switch from coal to gas in Ljubljana, at the biggest cogeneration plant in Slovenia. The switch is about to happen in 2021 and will reduce the use of coal in the plant by 70% and substantially reduce emissions of CO2 and particles in the capital of Slovenia.

While the power sector has significant potential for cutting emissions, it is also important to acknowledge that it has already contributed substantially – in Slovenia, the emissions from the power sector dropped approximately 25% between 2005 and 2018. No other sector is comparable; moreover, transport emissions rose by almost 32% in the same period. Thus, sectors such as transport, industry, heating and cooling and buildings need to contribute more intensively to the transition to climate neutrality through **energy efficiency**, electrification, **storage development**, the use of hydrogen and new technologies. **Digital solutions, innovation and smart grids** also remain high on the **action priorities list**, while **Blockchain and AI** are progressing in importance and use.



WORLD ENERGY COUNCIL

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