

Member State Report **Slovenia**

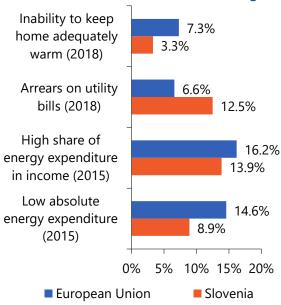
This Member State Report of the EU Energy Poverty Observatory (EPOV) provides an overview of the energy poverty situation in Slovenia at a glance. With key indicators, policies, and publications, it offers an understanding of the key aspects of energy poverty in Slovenia.

Slovenia has a mixed performance in comparison to the EU average on the population-reported indicators. In 2018, just 3.3% of the Slovenian population reported that they were unable to keep the home adequately warm while the corresponding EU average is 7.3%. Conversely, for 2018, 12.5% of the population was unable to pay their utility bills on time due to financial difficulties, which is significantly higher than the corresponding EU average of 6.6%.

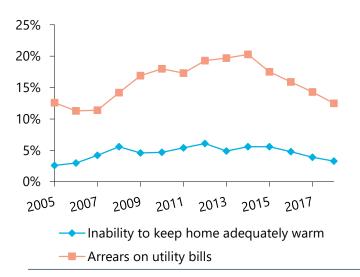
Slovenia's performance in the expenditure-based indicators is better than the EU average for 2015. The share of households that spend a high share of their income on energy expenditure is 13.9% which is lower than the EU average. A high energy expenditure is likely to put a strain on the household budget and might indicate a poor energy efficiency of the building.

Moreover, at 8.9% Slovenia has a lower number of households than the EU average that spend a low share of their income on energy expenditure. These households might restrict their energy spending below what is necessary to meet their needs.

Performance relative to EU average*







In Slovenia, the percentage of the population that is unable to keep the home adequately warm has been fairly consistent across the years. Since 2015, this indicator has seen a small decrease, reaching a value of 3.3% in 2018. Meanwhile households with arrears on utility bills follow a different trajectory and increased significantly between 2007 and 2014, reaching a maximum value of 20.3%. This has since decrease consistently to a value of12.5% in 2018.

Slovenia has also seen a number of measures addressing energy efficiency, use of renewable energy and improvement of heating systems since 2014. These may have contributed to the reduction in arrears on utility bills in the past four years.

About the EU Energy Poverty Observatory

The EU Energy Poverty Observatory (EPOV) is an initiative by the European Commission to help Member States in their efforts to combat energy poverty. It exists to improve the measuring, monitoring and sharing of knowledge and best practice on energy poverty. EPOV has been developed by a consortium of 13 organisations. This report was authored by Navigant.

^{*}Population-reported indicators taken from Eurostat <u>here</u> and <u>here</u> on November 19, 2019. Expenditure-based indicators calculated by EPOV based on HBS data. Disaggregated data of population-reported indicators calculated by EPOV based on Eurostat provided data.





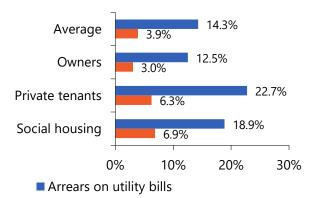


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The disaggregated data of the household-reported indicators suggest that energy poverty in Slovenia is highest for the social housing and private tenants sectors for in 2017. Both tenure types show high indicators for arrears on utility bills and relatively low values for inability to keep house adequately warm. The social housing and private tenants sectors account for 19% and 5% of the Slovenian population, respectively.

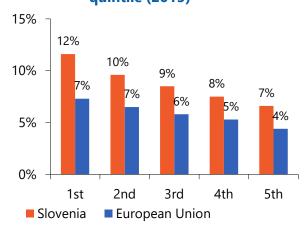
The data also indicates that apartment type dwellings as the most vulnerable to these indicators, particularly for arrears on utility bills. It is noted noting that 29% of the population live in this dwelling type.

Inability to keep home warm and Arrears on utility bills disaggregated by tenure type (2017)*



■ Inability to keep house adequately warm

Share of energy expenditure of income by quintile (2015)*

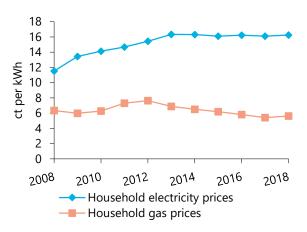


Slovenia experiences cold climates which results in a high energy usage for heating. The median income for Slovenia is below the EU median, leading to larger share of income spent on energy expenditure than in the corresponding EU average. In 2015, the poorest quintile spent 12% of their income on energy expenditure, compared to 7% for the EU average. A similar pattern is observed for each quintile, although the disparity of this indicator between Slovenia and the EU average decreases with the richer quintiles. This data indicates that the Slovenian population is at a higher risk of being energy poor than the EU average.

In Slovenia, the household energy cost over time for electricity has consistently increased between 2008 and 2013. Since 2013, it has remained fairly consistent, having a price of 16.3 €ct/kWh in 2018. Meanwhile the price per unit for gas has increased between 2009 and 2012 to reach a maximum value of 7.64 €ct/kWh. The price has since dropped and is at 5.62 €ct/kWh for 2018.

The prices per unit in 2018, for both electricity and gas observed in Slovenia are lower than the corresponding EU average.

Slovenia household energy costs over time



*Population-reported indicators taken from Eurostat <u>here</u> and <u>here</u> on November 19, 2019. Expenditure-based indicators calculated by EPOV based on HBS data. Disaggregated data of population-reported indicators calculated by EPOV based on Eurostat provided data.







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In Slovenia, research on energy poverty has expanded in recent years. An analysis of energy poverty in Slovenia was published in 2014 (Živčić and Tkalec, 2014). The report presents available information and data about energy poverty in Slovenia. It presents the definition of energy poverty, and programmes addressing the problem are presented, followed by the analysis of statistical data and indicators related to study issues. Lastly, further steps to work on reducing energy poverty are suggested. The same authors also produced a follow-up publication in 2017 with recommendations for structural measures to address energy poverty in the country.

There are multiple national measures in Slovenia that specifically aim to improve the energy situation of vulnerable households. *Financial incentives*, started in 2015, is a national public funded measure targeting vulnerable households to replace old solid fuel boilers with wood biomass boilers. This allows these households to have access to a cheaper and more sustainable energy source. The *Operational Programme for the Implementation of the Cohesion Policy 2014 – 2020* provides investment support and guidance to households in energy poverty to improve the energy efficiency of their homes. In addition, via the *Disconnection protection vulnerable households* scheme, energy suppliers are prohibited from disconnecting vulnerable households from electricity supply in circumstances where disconnection could be life threatening or having serious health consequences. *Rules on individual metering systems for district heating* are also potentially beneficial for energy poor households because they give households greater control over their energy consumption and energy bills.

In addition to improving the energy situation, social support is available for low-income households. This *financial social assistance* is intended to cover basic living needs including energy expenses. A Slovenian NGO also carries out a fundraiser called *Let's help survive* to help households afford living costs such as heating bills.

Selected measures	Type of measure	Organisation	Target groups	Start year	Result
Operational Programme for the Implementation of the Cohesion Policy 2014 – 2020	Building insulation, Cooling system, Heating system, Household appliances	National government	Vulnerable households	2014	
<u>Disconnection</u> <u>protection vulnerable</u> <u>households</u>	Disconnection protection	National government, Grid operator	Vulnerable households		
Let's help survive	Energy bill support	NGO	Low-income households		
Rules on individual metering systems for district heating	Heating system	National government	Apartment buildings		
Financial incentives for vulnerable households to replace old solid fuel boilers with wood biomass boilers	Heating system	National government, Local government	Vulnerable households	2015	
ENSVET	Information and awareness	National government, Local government	No specific target group	2014	
Financial social assistance	Social support	National government	Low-income households		
Exceptional financial social assistance	Social support	National government, Regional government, Local government	Low income households		





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Member State Report



This page gives an overview of the most relevant organisations working on energy poverty in Slovenia and presents publications and training resource on energy poverty in Slovenia.

Name: Reduced Energy use And Change

Habits (REACH)

Organisation type: Research & Consultancy **Description:** This project contributed to energy poverty abatement at the practical and structural level by empowering energy poor households to take actions to save energy and change their habits, and by establishing energy poverty as an issue that demands structural solutions.

Title: Recommendations for structural measures to address energy poverty in Slovenia (in Slovenian)

Authors: Živčič, L., and Tkalec, T.

Year: 2017 **Description:**

This report provides recommendations for structural measures to address energy poverty in Slovenia.

Publication

Title: Innovative Direction in Energy Advising (IDEA)

Authors: University of Cyprus, Focus, društvo za sonaraven razvoj, DOOR, Energy Agency of

Plovid (EAP) **Year:** 2018

Description: The goals are to raise awareness on energy poverty, improve educational practices, develop high quality education approaches, establish firm and competent international network of energy advisors and relevant stakeholders and develop innovative ICT tool for education in energy poverty.

Title: Report on national situation in the field of energy poverty - Slovenia

Authors: Živčić, L. and Tkalec, T.

Year: 2014

Description: The report presents available information and data about energy poverty in Slovenia. It presents the definition of energy poverty, and programs addressing the problem are presented, followed by the analysis of statistical data and indicators related to study issues. Lastly, further steps to work on reducing energy poverty are presented.

Other selected publications

- Živčić, L. and Tkalec, T. (2014) Report on national situation in the field of energy poverty Slovenia
- Recalde, M. et al. (2019) <u>Structural energy poverty vulnerability and excess winter mortality in the European Union: Exploring the association between structural determinants and health</u>
- Ecoserveis Association (2018) Atlas of Initiatives of Energy Poverty in Europe. State-by-state Review
- Porritt, S.M., Cropper, P.C., Shao, L. and Goodier, C.I. (2012) <u>Ranking of interventions to reduce dwelling</u> overheating during heat waves
- KEMA Consulting (2010) <u>Study on Regulation of Tariffs and Quality of the Gas Distribution Service in the Energy Community</u>
- Fankhauser, S. and Tepic, S. (2007) <u>Can poor consumers pay for energy and water? An affordability analysis for transition countries</u>

For definitions of the terms used in this report <u>click here</u>. The EPOV website provides an extensive collection of Knowledge & Resources. <u>Click here</u> for more information and to contribute additional policies, publications and other resources.

This report was completed in February 2020.





