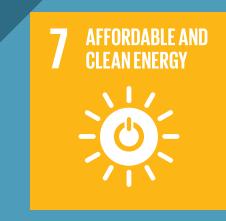


# AUDIT REPORT

Efficiency of strategic planning of long-term use of nuclear energy in electricity generation and efficiency of planning electricity generation in nuclear power plants

### Performance audit

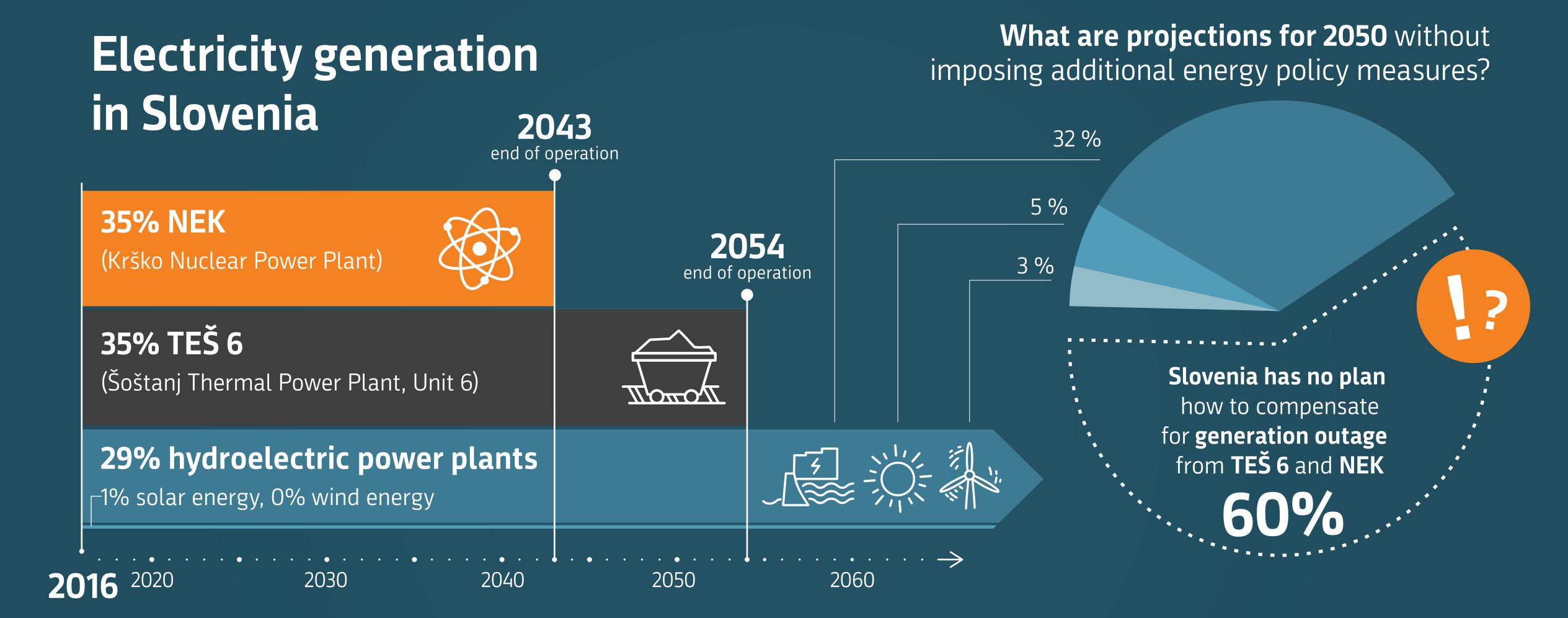
Audited period: 1 January 2006 to 31 December 2016











## WHAT WAS AUDITED?

• Efficiency of the Government and the ministry responsible for energy in strategic planning of long-term use of nuclear energy in electricity generation.

 Efficiency of the state-owned assets manager and the company Gen energija in planning Unit 2 of Krško Nuclear Power Plant (NEK 2).

# A decade was spent for the Government to decide on the future of nuclear energy for electricity generation

Nuclear power plant will be in Croatia

NEK 2 is a national development project of the Republic of Slovenia

Also included a nuclear scenario with NEK 2 No decisions taken on the further use of nuclear energy



#### 2015-...

Start of tabling a new national programme – Energy Concept of Slovenia



#### 2004

**Existing** Resolution on the National Energy Programme



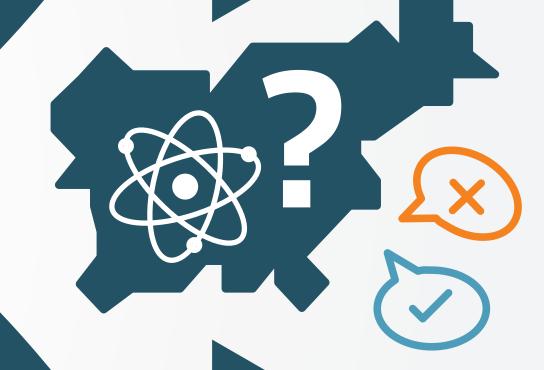
#### 2006

Resolution on National Development Projects for the Period 2007-2023



#### 2009-2012

**Tabling a new** national energy programme, which was **not adopted** 



adopted by the National Assembly



The Government was inefficient in strategic planning of using nuclear energy in electricity generation, since it:

- failed to propose the same decisions on the future use of nuclear energy respectively of NEK 2 in national strategic documents
- failed to submit to the National Assembly national energy programmes (NEP, EKS) for adoption
- with uncoordinated decision-making caused uncertainty to the company Gen energija about acceptability of NEK 2

Company Gen energija is the holder of the planned investment in NEK 2



2015

**Existing** State-owned Assets Management Strategy

adopted by the National Assembly

## A decade was spent for the preparation of a national energy programme

The ministry responsible for energy was only partially efficient in strategic planning of using nuclear energy in electricity generation



Proposed the Government to include NEK 2 among key development projects of the State although this was not foreseen in the existing National Energy Programme 2004.

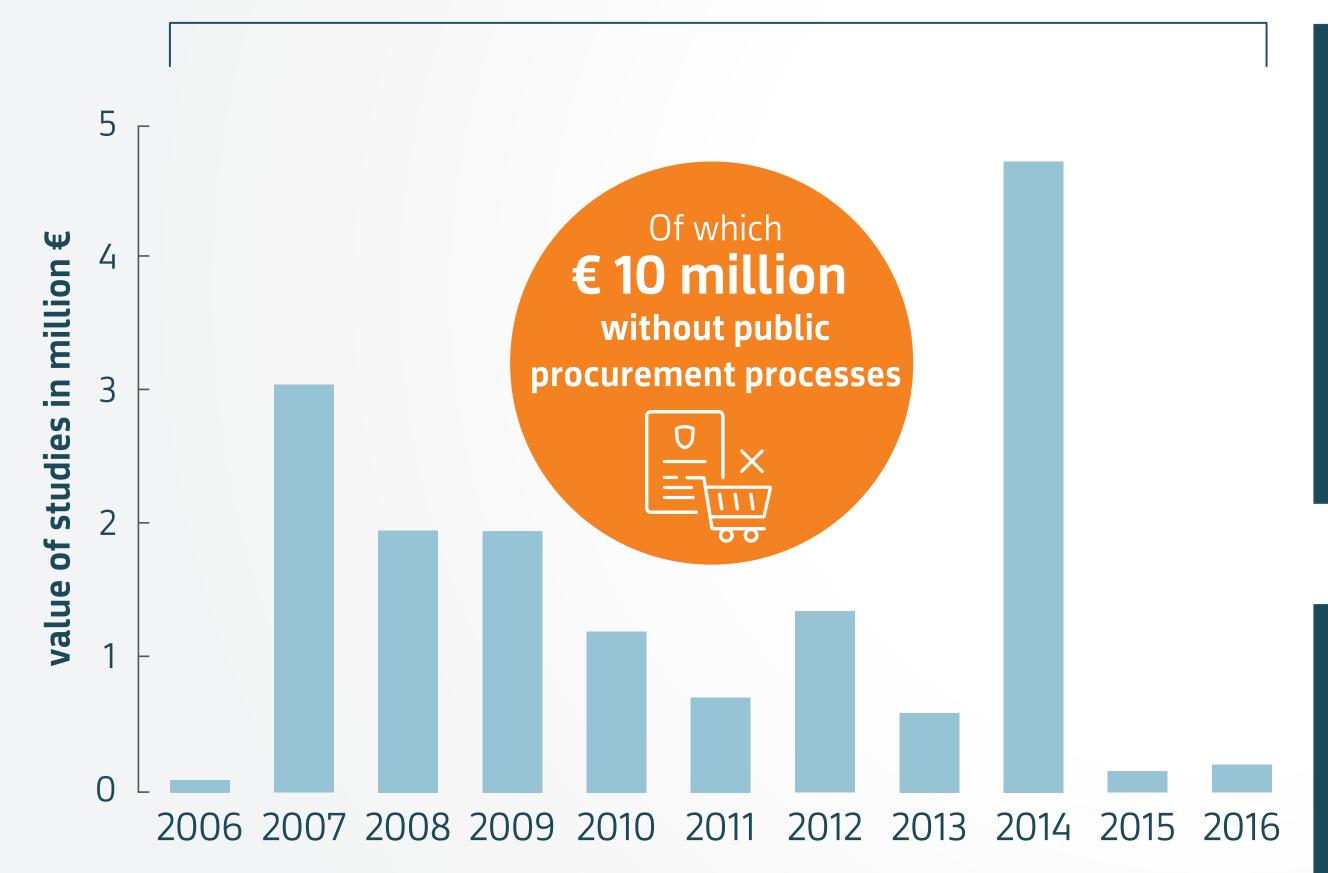


Several years (2011-2014) not responded to the application submitted by the company Gen energija with regard to issuing an energy license for NEK 2 which gave rise to uncertainty.

In 2015, renewed the preparation of a national energy programme – Energy Concept of Slovenia but failed to draw up and submit the draft to the Government in time.

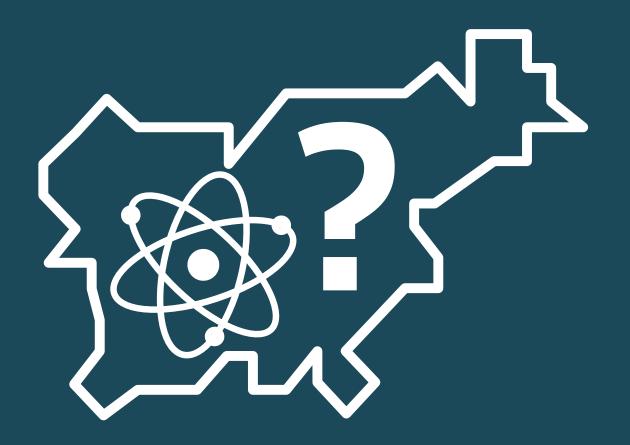
# Company **Gen energija**, while the State was in decision-making process, **commissioned 122 studies** on feasibility and viability of NEK 2

## € 16 million in total



- Partially efficient state-owned assets manager
- adopted strategic and development plans of the company Gen energija which were not harmonised with the existing National Energy Programme 2004
- not defined in detail the objectives regarding NEK 2, which prevented efficient monitoring of activities the company Gen energija implemented regarding NEK 2
- failed to inform the Government and the National Assembly about the extent to which the State-owned Assets Management Strategy objective regarding NEK 2 was met and about the need to take clear decisions on the NEK 2 project
  - Partially efficient company Gen energija
- selection of studies to be included in the pre-decision stage on the NEK 2 project not harmonised with the state-owned assets manager
- conditions for efficient
   monitoring of the planned studies
   implementation and for reporting
   on the developed NEK 2 studies
   not established

## OPINION OF THE COURT OF AUDIT



**Strategic planning** of long-term use of nuclear energy in electricity generation

- the Government inefficient
- the **ministry** responsible for energy **partially efficient**

Planning of Unit 2 of the Krško Nuclear Power Plant

- state-owned assets
  manager partially efficient
- companyGen energija partially efficient

## **Demands of the Court of Audit**



Company Gen energija must prepare a report on implemented and still required analyses for the adoption of a strategic decision on the future use of nuclear energy



State-owned assets manager – Slovenian
Sovereign Holding must examine the report
and inform the Government about the extent to
which the objective of managing investment in the
company Gen energija regarding NEK 2 was met



Ministry of Infrastructure must draw up a plan of activities, namely to prepare a proposal for the Energy Concept of Slovenia including the decision on the use of nuclear energy in electricity generation and submit it to the Government

The Government must prepare plans of activities:



for adopting the position whether nuclear energy will in the future serve as means for electricity generation, and include this view into the Energy Concept of Slovenia proposal, and submit it to the National Assembly







for harmonising the content of key strategic documents regarding long-term use of nuclear energy in electricity generation