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# JETRO Switzerland Newsletter

Japan External Trade Organization

### SIG's key contribution to reducing energy consumption in Geneva

Interview with Mr Giorgio Pauletto, Head of Innovation

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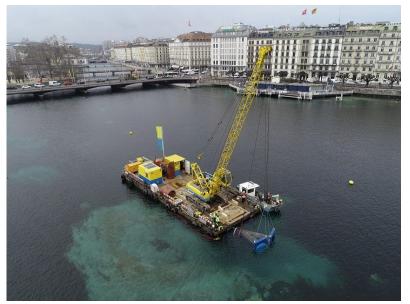


This month, the main interview unusual. We met the is "Services Industriels de Genève" known as SIG (Industrial services of Geneva). It is a Swiss company with not specific connection with Japan. Nonetheless, the company has been at the forefront of renewable energy. Renouncing decades ago to use nuclear energy and having been able to decarbonize the electricity provided to the local customers. Furthermore, the company has introduced several saving programs which resulted into a 23.9% decrease of the overall energy consumption in the canton since 1990. Over the same period, the population has increased by 24.8%.

We met Mr Giorgio Pauletto, head of innovation, and were impressed by the company longterm vision and commitment.

#### *Can you explain what Vitale Vert (Electricity) is?*

We started to propose Vitale Vert in 2002 already. In Geneva most of the electricity is hydropower, we decided to include some solar and wind energy in it. Most of our customers are using Vitale "Blue", which is the basic offer (100% hydropower). About 70,000 customers have chosen Vitale Vert electricity, which includes some solar and wind power.



The public owned company is investing over a billion for a massive distance heating and cooling network using the lake water (more on page 4).

In the Vitale Vert electricity offer, a client can choose the proportion of the "green" electricity he wants: 20%, 40% our 100%. The higher the percentage is, the more the energy is ecological and local.

By doing so the client will pay slightly more and thus contribute to local projects like solar farms. On average, it will cost around 5 Swiss francs more per month compared to the basic offer. Most of our Vitale Vert customers choose the 100% option.

# Have you observed any change in behavior in recent years?

It takes time to see the change. We are acting in the long-term to promote autonomy. SIG works on two aspects: quality and quantity. We improve the quality of the electricity we deliver to our customers, but we also promote energy efficiency. If the customer reduces his/her consumption, he/she saves money.

With the program Eco 21 (incentive program to save energy with advices and discount) we help customers whether they are households, companies, or building owners to save energy. With this program we save 200 GWh per year.

In a way, we try to reduce the product we sell.

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### SIG's key contribution to reduce energy consumption in Geneva

Interview with Mr Giorgio Pauletto, Head of Innovation

(continued from page 1)

# When did you start offering the choice to your consumers?

It was in 2002. A second important year was 2017, when 100% of the electricity distributed in Geneva became renewable.

#### If you are already distributing 100% of renewable electricity what is left to be improved?

We can always improve the quality. For instance, by producing more locally. By 2030, we want to increase the electricity produced by solar power fivefold. As said, the second aspect is to reduce the quantity of energy consumed in the canton. For private households we have incentives. If they save 10% compared to the previous year, we will double the deduction of this amount from their bill.

#### What percentage of the electricity consumed in Geneva is produced in the Canton?

Currently, 28%. We invest to increase this share. We are also mapping the potential. We have for instance a very elaborate cadastral solar thanks to which we can see where in the Canton there the highest potential for solar energy is.

#### You also have a Vitale Vert offer for gas. How can you make gas more ecological?

We can produce renewable gas using biomass. We collect and pro-

cess wastewater. Wastewater is warmer and produces gas. We produce enough biogas to cover the needs of 2500 households. Gas is mostly used for heating but it's decreasing.

#### Switzerland and Geneva aim for carbon neutrality by 2050 at the latest, how do SIG contribute to achieving this goal?

We have a climate pact including three commitments.

(1) Self-commitment. We want to be exemplary. We want to remove concrete, put solar panels and garden on our roofs.

(2) Commitment to our clients by helping them to save energy and provide them with greener energy(3)Becoming an activator. We initiate trends, we help our customers to find suitable solutions. The goal is to achieve a life compatible with the limits of the planet.

#### SIG has committed to doubling cantonal solar production by 2023. What is the current production and what potential is there in the canton?

We are planning to increase it fivefold. Three times for us and two times for private companies.

Solar energy is used both as thermal energy for heating purposes and to produce electricity with a solar panel.

The potential in Geneva is considerable. According to the solar cadaster we did, the Greater Geneva Area has a potential of 3,200 GWh of solar energy. Currently, we produce 80GWh.

#### Can we totally decarbonize the energy consumption in Geneva and how to achieve it?

At constant consumption no. Shifting to renewable energy is one side of the coin. The other is to decrease our consumption. We cannot produce enough locally if we replace all the cars with EVs and all the fossil fuel heating systems with electricity powered ones. We need to improve the quality of our buildings and develop eco-friendlier mobility.

#### What are the specificities of Switzerland when it comes to energy?

The high share of hydropower is certainly a great asset for the country with over 75% of our electricity being generated with this renewable source. Switzerland is also a decentralized state. Cantons and local energy companies have a strong autonomy. There is also a high standard of living in Switzerland. Sometimes people fear losing their comfort when we speak about energy savings, but it is not the case. We all have to make efforts to manage the energy transition and save the planet.

(Genielac, SIG's distance heating network using the lake water, is discussed on the innovation section on page 4).

Source: <u>Services Industriels de Ge-</u> <u>nève</u>



### A stimulus package worth CHF 260 billion to boost the economy

The Japanese Government has approved an economic stimulus package of 39 trillion yens (about CHF 260 billion), to cope with the weakness of the yen and the high price of commodities.

During the press conference, Prime Minister Kishida explained that a special effort will be made to alleviate the high cost of energy that affects Japanese households and companies. This should lower the inflation level to under the 2% target, he said.

At 3% in September, the inflation in Japan is comparatively low among developed economies. Nonetheless, it has not been that high in decades, and is causing an economic slowdown in the country.

The economic plan is going to be discussed in Parliament for an entry into force by the end of 2022 at the latest. On the same day, the Bank of Japan (BoJ) has decided to maintain the current interest rates. The current inflation is mostly due to the high cost of certain imported goods, and not because of an overheating of the Japanese economy. Hence, the BoJ is reluctant to change its monetary policy in a way that could affect the post-COVID recovering economy.

Sources: <u>Cabinet of Japan</u> (in Japanese) and <u>Bank of Japan</u>



PM Kishida during the policy roundtable on October 28

### JETRO's "Enhance your Career in Japan": sharing successful experiences

Japan offers many opportunities for highly skilled foreign workers. In order to help interested people to gather information, JETRO has published a page dedicated to highly skilled international professionals, where they can get information and watch videos of successful professionals sharing their experiences.

Called "Enhance Your Career in

Japan", the page will also focus on several industries (Tech, Lifestyle, Food, and Healthcare) as well as different regions. Seven regions are introduced through short videos to learn about their specificities and strengths: Miyagi, Yokohama, Aichi, Kyoto, Osaka, Kobe, and Fukuoka.

JETRO has been supporting foreigners to work and settle in Japan for several years already. Our page "Open for Professionals" will provide other useful information in addition to the testimonies of successful professionals. Information on the required procedures, how to study in Japan, and how potential interested companies are accessible in English Source: JETRO

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### Using the water of the Leman lake to save 70,000 tons of CO2 per year

# INNOVATION

SIG develops GeniLac, a remote ergy. We are still at an early stage. *heating and cooling systems. Can* We recently did a mapping of the you explain the advantages of whole canton to identify where such systems?

Heating is the second largest source of CO2 emissions in Geneva. Replacing fossil fuels for heating purposes with a renewable energy source would greatly contribute to achieving carbon neutrality.

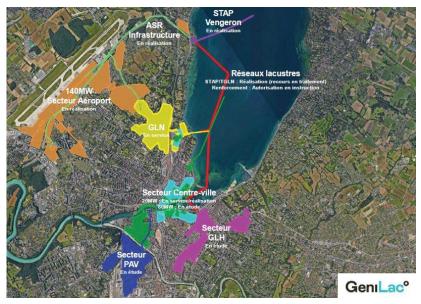
The Geneva lake represents an amazing source of energy. At -35 meters its temperature is constant at 7 degrees. We can use it to both heat and refresh the buildings. SIG is investing 1.5 billion in the next 5 years to build this infrastructure. We build the "highway" and then building owners can decide to connect their building to it.

We expect to save over 70,000 tons of CO2 per year.

Geniterre is about geothermic en-

there is the most potential. They are complementary.

By 2035, we expect Genilac to cover 60% of the needs (considering that the demand will decrease). Geniterre should cover 20%. Source: SIG



The UN district (yellow) and part of the city center (light blue and green) are already in service and will expand. The connection of the airport district (orange) is ongoing. Two major areas of development are considered (blue and purple).

Agenda

Stay tuned!

AGENDA

JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.

The JETRO Switzerland Newsletter can also be viewed and/or downloaded online: http://www.jetro.go.jp/switzerland/newsletter



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