

Information
on exemptions from carrying out a cost-benefit analysis adopted pursuant to Article 14(6) of Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/129/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315 of 14 November 2012, p. 1).

I. INTRODUCTION

Article 14 of Directive 2012/27/EU (Promotion of efficiency in heating and cooling) extends the scope and replaces the substantive provisions of Directive 2004/8/EC on the promotion of cogeneration. The overall objective of Article 14 is to encourage the identification of energy efficiency potential, chiefly through the use of cogeneration, efficient district heating and cooling and recovery of industrial waste heat or, if these are not cost-effective, by way of other efficient heating and cooling supply solutions, and then to encourage the realisation of that potential.

Pursuant to Article 14(1) of Directive 2012/27/EU, Member States are required to prepare a comprehensive assessment to identify the potential of high-efficiency cogeneration and efficient district heating and cooling, taking into account climate conditions, economic feasibility and technical suitability.

In the case of the electricity or industrial installation referred to in Article 14(5) of the Directive with a total thermal input exceeding 20 MW and which is planned or substantially refurbished from 5 June 2014, there is a requirement to prepare a cost-benefit analysis of high-efficiency cogeneration and use of waste heat or of the connection of that installation to a district heating and cooling network. Results of the cost-benefit analysis should be reflected in the authorisations or permits of these installations.

Under certain conditions the Member States may grant an exemption from carrying out a cost-benefit analysis of the installations caught by Article 14(5). There are two types of exemption: pursuant to Articles 14(6) and 14(4) of the Directive respectively.

Under Article 14(6) of Directive 2012/27/EU Member States may exempt the following installations from the requirement to prepare a cost-benefit analysis:

- those peak load and back-up electricity generating installations which are planned to operate under 1500 operating hours per year as a rolling average over a period of five years;
- nuclear power installations;
- installations located close to a geological storage site approved under Directive 2009/31/EC;
- the industrial and district heating installations caught by Article 14(5)(c) and (d) of the Directive, on condition that thresholds are laid down which indicate the availability of useful waste heat.

In cases justified by a national cost-benefit analysis, the Member States may, under Article 14(4)(2) of Directive 2012/27/EU, exempt planned installations defined in accordance with Article 14(5) of the Directive from the obligation to carry out a cost-benefit analysis.

The Member States must inform the Commission of the exemptions granted and also of any changes made thereto.

II. EXEMPTION OF INSTALLATIONS FROM THE COST-BENEFIT ANALYSIS

The obligations enshrined in Article 14 of Directive 2012/27/EU were transposed into Polish law by way of amendments to the Energy Act. An obligation to carry out a cost-benefit analysis, the scope of which is enshrined in part 2 of Annex IX to the Directive, on the planned new or refurbished electricity generation or industrial installations and district heating and cooling networks referred to in Article 14(5) of the Directive and exemption from carrying out the relevant analyses for the installations referred to in Article 14(6) will be imposed on the energy companies concerned by law.

Exemption from carrying out this analysis, which is defined in the Energy Act, as envisaged in the Act (or its implementing regulations) will apply to the following investments (in accordance with the requirements of Article 14(6) of Directive 2012/27/EU):

- a) new peak load and back-up electricity generating sources which are planned to operate under 1500 operating hours per year as a rolling average over a period of five years;
- b) nuclear power installations;
- c) new or refurbished energy sources that will be located close to a geological storage site approved under Directive 2009/31/EC.

Analyses are also carried out with a view to determining the thresholds enabling exemption from the obligation to carry out a cost-benefit analysis of individual installations involving the construction of new energy sources or planned new and refurbished heating and cooling networks (i.e. the industrial and district heating installations caught by Article 14(5)(c) and (d) of the Directive). It is proposed to include the following thresholds in the bill:

- a) distance of more than 20 km between the generating sources of industrial installations and district heating networks or heating/cooling customers;
- b) amount of available useful waste heat less than 10 % of energy conveyed to the generating source.

Having examined the development plans of the largest energy holdings (companies) in Poland, I wish to inform you that planned investments in nuclear energy (preparation and construction of a nuclear power station with capacity of 3000 MW approx.) are also exempt from the obligation to submit a cost-benefit analysis.

Other planned investments will not be eligible for the exemptions adopted pursuant to Article 14(6) of Directive 2012/27/EU.

There are also plans for procedures under which individual installations will be exempt from a cost-benefit analysis if a comprehensive assessment indicates that, for example, the region does not have potential of which the benefits outweigh the costs, including administrative costs.