

DIRECTIVE 2004/8/EC
PROMOTION OF COGENERATION

IRELAND

REPORTING UNDER ARTICLE 5(3)
STATUS REPORT

Date: 16th February 2011

1. Introduction

Article 10 of Directive 2004/8/EC on the promotion of cogeneration based on a useful heat demand in the internal energy market requires Member States to report to the commission on a variety of aspects of cogeneration.

2. Reporting Under Article 5(3)

Member States or the competent bodies shall put in place appropriate mechanisms to ensure that the guarantee of origin are both accurate and reliable and they shall outline in the report referred to in Article 10(1) the measures taken to ensure the reliability of the guarantee system.

2.1 Overview of Irish High Efficiency CHP certification regime

The methodology for certifying High Efficiency CHP (HE CHP) set out in Directive 2004/8/EC is transposed into Irish legislation by section 6 of the Energy (Miscellaneous Provisions) Act, 2006 which amends section 7 of the Electricity Regulation Act, 1999. Statutory Instrument Number 298 of 2009 commences section 6 of the Energy (Miscellaneous Provisions) Act, 2006. Statutory Instrument Number 299 of 2009 appoints the Commission for Energy Regulation (CER) to calculate and certify the actual power-to-heat ratios of the cogeneration technologies specified in Annex 1 to Directive 2004/8/EC. This appointment was made by the Minister in the exercise of the powers conferred on him by Section 7(2) of the Electricity Regulation Act, 1999. Statutory Instrument Number 499 of 2009 has the purpose of giving effect to Article 8(1) of the Directive and provides that where the CER calculates and certifies the actual power-to-heat ratios the CER shall also calculate the relative amount of primary energy savings for that CHP unit in accordance with section 7 of the Electricity Regulation Act, 1999. Based on this calculation the CER must include a statement in the certificate¹ as to whether the CHP unit is high efficiency. A copy of this certificate (or any amendment) must be provided to the Transmission System Operator (TSO). Where the TSO receives such a certificate the TSO must give priority dispatch to HE CHP insofar as the operation of the transmission system permits. This gives effect to Article 8(1) of the Directive as Article 8(1) refers to priority dispatch provisions elsewhere in EU law². Legislation empowering the CER to issue guarantees of origin (GOs) and to set up the necessary processes and mechanisms to do so is progressing. It is expected a GO system will be in place by August of this year.

¹ In SI No. 499 of 2009 "certificate" means "a certificate certified by the Commission appointed under, to calculate actual power to heat ratios as specified in, [S.I. No. 299 of 2009]"

² Article 8(1) of the Directive: "For the purpose of ensuring the transmission and distribution of electricity produced from high-efficiency cogeneration the provisions of Article 7(1), (2) and (5) of Directive 2001/77/EC as well as the relevant provisions of Directive 2003/54/EC shall apply"

To date no requests for a GO have been received. There has been one certificate issued under SI 499 of 2009 and one further application for a certificate under this legislation is expected in the near future. Applications for certification as HE CHP are assessed by the CER and its technical advisors. A unit is certified as high efficiency where a primary energy saving (calculated in accordance with 2004/8/EC) greater than 10% (or greater than zero in the case of small-scale or micro generation) is shown.

Certification as HE CHP qualifies the unit for priority dispatch, for access to the relevant national support scheme (REFIT)³ as appropriate and relatively early connection to the grid⁴ in defined circumstances.

³ Subject to the terms and conditions of REFIT, please see

<http://www.dcenr.gov.ie/Energy/Sustainable+and+Renewable+Energy+Division/Electricity+from+Renewables+inc+REFIT+and+AER.htm>

⁴ Subject to criteria, please see the CER decision paper "Treatment of Small, Renewable and Low Carbon Generators outside the Group Processing Approach" CER/09/099, www.cer.ie