Environmental activities of the Energy Community

Peter VAJDA, Environmental Expert, Energy Community Secretariat
Three pillars of the Energy Community

- **Creation of a regional energy market / enhance regional competition**
- **Security of supply**
- **Sustainability of energy systems**
Title II: “ACQUIS of the EnC” → NETWORK ENERGY

geographical scope: Contracting Parties

Environment

- Directive 85/337/EEC (EIA) – after entry into force
- Directive 1999/32/EC (SiF) – as of 1 January 2012
- Directive 2001/80/EC (LCP) – as of 1 January 2018
- Endeavour to accede/implement: Kyoto Protocol; Directive 96/61/EC (IPPC)
- Construction and operation of new generating plants – after the entry into force of the Treaty and with compliance on the acquis on environment
Environmental impact assessment - scope

- “public and private projects which are likely to have significant effects on the environment”

- Definition of project:
  — the execution of construction works or of other installations or schemes,
  — other interventions in the natural surroundings and landscape

  including those involving the extraction of mineral resources;

- For some projects (Annex I) → mandatory EIA (size, nature of the project)

- For some projects (Annex II) → screening
**What is required under an EIA**

- **EIA is a process** to identify the potential effects of the project on the environment.

- **Information to be provided by the developer:**
  
  — a description of the project comprising information on the site, design and size of the project,

  — a description of the measures envisaged in order to avoid, reduce and, if possible, remedy significant adverse effects,

  — the data required to identify and assess the main effects which the project is likely to have on the environment,

  — an outline of the main alternatives studied by the developer and an indication of the main reasons for his choice, taking into account the environmental effects,

  — a non-technical summary of the information mentioned in the previous indents.
Benefits of an EIA

- Potentially screens out environmentally-unsound projects
- Proposes modified designs to reduce environmental impacts
- Identifies feasible alternatives
- Predicts significant adverse impacts
- Identifies mitigation measures to reduce, offset, or eliminate major impacts
- Engages and informs potentially affected communities and individuals
- Influences decision-making and the development of terms and conditions
The Sulphur in Fuels Directive

- Legal requirements for the sulphur content of heavy fuel oil (1%) and gas oil (0.1%)
- Marine fuels (2005/2012 amendments) → N/A to EC Contracting Parties (proposal)
- Provisions on sampling and analysis → reference to ISO standards
- A number of Contracting Parties are facing challenges with the implementation of the Directive / meeting the deadline (dispute settlement cases) → Reasoned Requests
- Refineries are usually in need of modernization to be able to meet the standards of the Directive
- In certain Contracting Parties, testing and sampling (standards) is an issue
The LCP Directive

- **LCP =** Large Combustion Plants
- **First European legislative instrument in this field adopted in 1988 (88/609/EEC)**
- **Current LCP Directive adopted in 2001, to be replaced by IED in 2016 in the EU**
- Setting emission limit values for SO2, NOx and dust (particulate matter) for plants with a rated thermal input (RTI) ≥ 50 MW
- ELVs may vary based on the RTI of the plant and on the type of fuel used
- **Provisions on monitoring**
- **Flexibility mechanisms (national emission reduction plan, limited lifetime derogation, etc.)**
Compliance with the LCPD/IED

ENVIRONMENTAL COMPLIANCE / LCPs

- Emissions abatement → a possible contribution to climate goals
- From the Large Combustion Plants Directive (LCPD) towards the Industrial Emissions Directive (IED)
- EnC estimate: 1 on 15 cost-benefit ratio
- LCPD to be implemented as of 1 Jan 2018, IED same date for new plants, for existing plants → 1 Jan 2028 (2015 decision)
- Policy Guidelines on new and existing plants (2014)
- Addresses pollutants into the air (SO2, NOx and dust), indirect effect: reduction of GHGs
- Preparation of National Emission Reduction Plans, submission by end 2015
- Opt-out (limited lifetime derogation) → 20,000 operational hours between 2018-2023, afterwards: shut-down (written declaration by operator until end 2015, decision of MC)
RES targets – Directive 2009/28/EC

<table>
<thead>
<tr>
<th>Country</th>
<th>2009 RES Share</th>
<th>2020 RES Target</th>
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<tbody>
<tr>
<td>ALBANIA</td>
<td>31%</td>
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<td>BOSNIA AND HERZEGOVINA</td>
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<tr>
<td>UKRAINE</td>
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<td>11%</td>
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Next steps

- Follow-up on the HLRG proposals → new EIA, SEA, ELD, new SiF (marine)
- Although no binding climate acquis, such considerations are to be taken into account when planning new investments
- Paris Agreement – an opportunity for the EnC as well
- Getting closer to what EU MSs are doing (inventories/PaMs/projections) → MMR recommendation
- Progress towards 2020 RES targets → NREAPs
- Plans and programmes should be turned into real action
- Clear responsibilities and coordination between different government actors → more efforts needed from CPs
- High-level political support is vital