

Support for cogeneration to be extended

The Ministry of Economy have prepared a draft amendment to the Energy Law Act, as well as other acts, which is to introduce extension of the support scheme for production of electricity and heat from high-efficiency cogeneration. According to the Energy Law Act, backing in the form of red and yellow certificates of origin supporting

production of electricity from high-efficiency cogeneration expired at the end of 2012. The draft amendment to the Act, drawn up by the Ministry of Economy, extends by 2 years the support period for high-efficiency cogeneration, establishing at the same time the obligation to settle accounts by 31 March 2015.

Intensified works on the amendment to the Energy Law Act – the so-called Small Energy Tri-pack

In January 2013, the Polish parliament initiated intensified works on adoption of the act amending the Energy Law Act and some other acts, the so-called Small Energy Tri-pack. The proposed regulations aim at adjusting the Polish legislation to the requirements set out in EU directives, inter alia in the Directive 2009/28/EC on the promotion of the use of energy produced from renewable energy sources.

The Small Energy Tri-pack is to introduce into the Polish legal system the definitions of small scale and micro-units. According to the draft, micro-units constitute renewable energy sources with a total installed capacity below 40 kW (for electricity generation) or between 70 kW up to 300 kW (for heat generation). Small scale units constitute renewable energy sources with a total installed capacity of 40 to 200 kW (for electricity generation) or 70 to 300 kW (for heat generation). The Small Energy Tri-pack enforces provisions which facilitate a more rapid development of small scale and micro-units, introducing an exemption from the fee paid for connection to the grid.

The draft Act extends the list of entities obliged to obtain and present for cancellation certificates of origin. An industrial consumer who in the calendar year preceding the year of fulfilment of the obligation used no less than 100GWh of electricity, the cost of which did not exceed 3% of the industrial consumer's production, is to be the new obliged entity. The abovementioned solution aims at decreasing the adverse impact on the energy-consuming branches of industry, which incur high costs over the system of certificates of origin supporting development of renewable energy sources.

However, the Small Energy Tri-pack will not solve the problem of the ever-falling prices of green energy certificates of origin on the Polish Power Exchange, where their current price is at PLN 150 / MWh (index OZEX A). The main problem is the oversupply of certificates of origin, which is a consequence of the defective support scheme, which includes excessive support for co-combustion.

The latest opportunities for a subsidy to an enterprise

Below we present the latest information on the most interesting support schemes for entrepreneurs within the scope of innovative solutions and eco-minded projects. First of all, one should notice the **GEKON** project – a financial instrument created under the agreement signed by the National Fund for Environmental Protection and Water Management and the National Centre for Research and Development. GEKON will support research and development projects along with implementation (commercialization) of the developed ecological solutions. Within the scheme's framework, certain areas for subsidy have been determined: energy effectiveness and

energy storage; obtaining energy from clean energy sources; and innovative methods for production of fuels, energy and substance from waste and waste recycling.

Entrepreneurs may apply for a subsidy via the **PO IG 4.4 program** – New investments of high innovative potential Operational Program – Innovative Economy Measure 4.4. The scheme supports investment projects connected with implementation of new technology, product, service and organization-related solutions, as well as training and advisory projects essential for the performance of investment projects. The application period ends 5 June 2013.

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