Energy Saving Policies and Energy Efficiency Obligation Scheme

White Certificate Scheme in Poland

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Presentation Outline

- Energy Efficiency Act (EEA)
- WCS Overview
- Reasons for redesign
- New EEA
- Enspol impact
Directive 2012/27/EU - Energy Efficiency Directive (EED), requires each Member States (MS) to set up energy efficiency obligation scheme or alternative policy measures;

In Poland the energy efficiency obligation (EEO) was implemented in the form of **White Certificates System (WCS)**. The system was introduced into the Polish legal system by the Energy Efficiency Act of April 11, 2012 (EEA) as a market based mechanism favouring enhancement of energy efficiency measures;

The ECS has been **radically revised** by new EEA of May 20, 2016.
Obligated parties include all entities selling energy to end users (energy companies selling electricity, natural gas or heat to end users connected to the grid within the borders of Poland); end users connected to the Polish grids who conduct transactions on the Polish Power Exchange on their own; and commodity brokerage houses and trade brokerage houses making similar transactions;

The white certificates (WC) refer to primary energy savings and may be granted for both planned and finished energy efficiency investments;
Poland’s WCS only allows and accepts measures from the list of eligible energy saving measures published by the Minister of Energy;

Obliged parties should obtain and then submit WC for redemption, or to pay so called substitution fee. Those who fail to take any of these possibilities shall pay penalties;

The right to hold WC was obtained through an open tender for energy saving investments (announced at least one per year by ERO);

EEA passed through the Parliament on 9 June 2016!
Reasons for redesign

- formal procedure of application for WC is very complicated and confusing;
- no possibility to correct formal mistakes in the process of application;
- short time after the announcement of the tender to the day of submitting complete applications (30 days);
- long procedure of evaluating and granting certificates;
- exclusion from the tender projects implemented in installations covered by the ETS;
- WCS insufficiently contributed to development of energy services market, e.g. ESCO, energy audits
New Energy Efficiency Act

- WC will be granted **only for planned energy efficiency investments** or finished after the 1\(^{st}\) January 2014;
  - *Auctioning system removed*; continuous and permanent call for energy saving investment introduced:
    - WC will be granted to everyone who implements energy efficiency measure;
- The value of **WC** is determined in final energy;
- EU ETS installations are covered by the scheme:
  - EU ETS included and eligible
- EEA includes provisions which gradually will **phase out the possibility to pay the substitution fee instead of carrying out the energy efficiency investments**;
  - eligibility of paying substitution fee will be steadily limited, i.e. 30% in 2016; 20% in 2017; 10% in 2018
  - substitution fee will be increased by 50% in 2017; then by 5% annually
- possibility to meet the obligation by **paying a substitution fee has been limited** only to situation when there is not enough WC in the market; the value of substitution fee has been significantly increased.

EEA passed through the Parliament on 9 June 2016!
Enspol results: WP2 analyses broadly disseminated, e.g. meetings, articles

Enspol created and successfully run national panel of experts, e.g. from ministers, ERO, industry, SMEs

Enspol European level events allowed policy makers to learn and discuss about main issues of effective implementation art. 7; e.g. additionality and materiality, monitoring and verification;

Enspol national events gave the opportunity to meet and discuss on main barriers and chances for further implementation of the EED in existing scheme;

Enspol involved experts took part in debates on the new EEA in the Parliament;

Enspol well matched with Concerted Action EED;
Thank you for your attention

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