Law regulations and subsidy system of RES in Poland

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Prospects on RES development until 2020

- In March 2007, the European Council made a decision that by 2020 the European Commission:
 - □ shall reduce by 20% emission of greenhouse gases when compared to the level of emissions in 1990,
 - □ shall increase by 20% the share of renewable energy in the final energy consumption,
 - □ shall improve by 20% energy efficiency (reduction in consumption of primary energy),
 - □ shall reach in 2020 the 10% share of biofuels in the total consumption of transport fuels.
- In establishing the 3x20 goals, the European Council adopted the guidelines with regard to their implementation:
 - with regard to contributions of the Member States in reduction in greenhouse gases, the diversified, fair and transparent approach is required, considering national conditions,
 - □ the goals should be achieved with a view to fair sharing of efforts and benefits among the Member States, with consideration given to diversification of conditions,
 - in view of the importance of energy-consuming industries, measures should improve both their competitiveness and environmental impact.

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Directive 2009/28/EC

- The increase in the share of renewable energy in the total energy consumption from 15% in 2010 to 20% in 2020, including for Poland:
 - □ from 7,5% in 2010 to 15% in 2020 in case of electricity
 - □ from 5,75% in 2010 to 10% in 2020 in case of biofuels
- Determination of sustainability criteria with respect to biofuels and bioliquids
 - □ reduction in greenhouse gases emissions in the entire process of production of biofuels should be at least:
 - biofuels and bioliquids intended for the implementation of specified goals may not come from:
 - raw materials originating from areas with the high biodiversity value
 - areas rich in carbon (boggy areas, continuously afforested)
 - areas which in January 2008 were peatbogs
 - agricultural raw materials cultivated in the territory of the EU and used for production of biofuels must be obtained in accordance with environmental requirements and standards and rules of good agricultural conditions.



Polish legislation

- Act of 10.04.1997 Energy law
- Act of 27.04.2001 on waste (currently being amended)
- Act of 10.07.2007 on fertilizers and fertilization (currently being amended)
- Act of 25.08.2006 on biocomponents and liquid biofuels (currently being amended)
- Polish energy policy until 2030
- Directions of development of agricultural biogas plants for the years 2010-2020



Priorities of the Polish energy policy until 2030

- Development of the use of renewable energy sources and biofuels
- Improvement in energy efficiency through the increase in production of electricity under high-efficiency cogeneration
- Reduction in the environmental impact of the energy industry
- Improvement in the energy safety



RES

renewable energy source – the source using, in the process of processing, wind energy, solar energy, geothermal energy, energy of waves, currents, tides and river drop as well as energy obtained from biomass, landfill biogas, and biogas arising from the processes of sewage drainage or treatment or decomposition of stored plant and animal remains.

Regulation of the Minister of Economy of 14 August 2008 on renewable energy sources

- Obliges generating units to increase the annual use of agricultural biomass in the total amount of biomass delivered for the combustion process.
- The weight content of agricultural biomass depends on the type and size of the installation.
 - □ for generating units with power of more than 5 MW, this content should be from 25% in 2010 to 100% in 2017.
 - □ in case of hybrid units and units combusting biomass only, with power of more than 20 MW, this content has been specified at the level from 20 % in 2010 to 60% in 2017.
- Upon request of the Minister of Agriculture and Rural Development, since 23 February 2010, the definition of biomass was extended by low quality cereal grains.



Biomass

biomass – biodegradable solid or liquid substances of plant or animal origin, obtained from products, waste and residues of agricultural and forestry production and industrial processing of their products as well as parts of other waste that are biodegradable and cereal grains which do not meet the quality requirements for intervention purchase of cereals referred to in art. 4 of the Commission Regulation (EC) no. 687/2008 of 18 July 2008 establishing procedures for the taking-over of cereals by intervention agencies or paying agencies and laying down methods of analysis for determining the quality of cereals.

Policy of the Ministry of Agriculture and Rural Development with regard to bioenergy

- Bearing in mind the basic goal of agriculture, i.e. satisfying the food needs, the Minister of Agriculture and Rural Development attaches particular importance to the use for energy purposes, in the first instance, of:
 - ☐ Agricultural by-products;
 - □ By-products or residues from the agri-food industry;
 - ☐ Liquid and solid animal faeces;
 - □ Energy crops;
- Implementation of international obligations, specified in adopted goals resulting from the climate and energy package, based on locally available raw materials.

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Policy of the Ministry of Agriculture and Rural Development with regard to bioenergy

In supporting the national and EU goals with regard to production of food and bioenergy, the Minister of Agriculture and Rural Development regards as suitable to support:

- construction of agricultural biogas plants;
- production of biocomponents and biofuels (including those of 2nd generation);
- development of cultivation of energy crops in set-aside and marginal land



Biogas

biogas - gas obtained from biomass, in particular from the installation of processing animal or plant waste, sewage treatment plants and waste landfills;



Agricultural biogas

agricultural biogas - gaseous fuel obtained from agricultural raw materials, agricultural by-products, liquid or solid animal faeces, by-products or residues from the agri-food industry or forest biomass in the methane fermentation process;

Possibilities of support for development of RES

- Obligation to purchase electricity from RES
- Certificates of origin for electricity produced from RES
- Certificates of origin for electricity produced in cogeneration
- Certificates for biogas purified to the quality of natural gas and introduced into the distribution network
- Financial support as part of: national and regional operational programmes, agricultural programmes (RDP 2007-2013), National and Regional Funds for Environmental Protection and Water Management
- Loans from commercial banks on preferential conditions

Conclusions

- Poland has a sufficient potential to meet the EU requirements with regard to the share of energy from renewable sources
- For energy purposes, it is required to use, in the first instance, locally available:
 - □ agricultural by-products, including those requiring disposal such as, for example, animal faeces,
 - □ residues of the agri-food processing industry,
- As a result of steps taken by the Government, we should expect development of the energy industry based on biomass, including agricultural biomass (cocombustion, biogas)
- The necessity to increase the share of energy from RES in the national energy balance requires development of support for these installations both at the level of investment and operation
- Dispersion of renewable energy sources shall have a positive impact on meeting the obligations and shall contribute to the increase in the Polish energy independence

Thank you for your attention

Theoretical possibilities of Polish farmers with regard to provision, on their own, of substrate for biogas plants with specific power Silage constitutes Silage constitutes 70% of substrate, liquid manure constitutes remaining 30% 100% of substrate Installed The number of agricultural **Production** generati holdings in Poland possessing of biogas on **Demand for Demand for liquid Demand for silage** livestock and arable land acreage capacity [m3]silage manure theoretically providing substrate on [kW] their own **Arable** SD Cattle **Swine** ha ha tons tons tons land

308.0

92

62

30.8

15.4

9.3

6.2

3.1

1.5

40 556

12 167

8 111

4 056

2 028

1 229

811

406

203

1763

529

353

176

88

53

35

18

9

221

547

1 623

10 424

62 436

78 067

Data are being analysed

2 286

8 566

20 952

43 204

111 536

122 444

8 109

15 955

37 372

65 351

142 948

1000

300

200

100

50

30

20

10

5

3 650 000

1 095 000

730 000

365 000

182 500

110 606

73 000

36 500

18 250

21 000

6 300

4 200

2 100

1 050

636

420

210

105

440

132

88

44

22

13.3

8.8

4.4

2.2

14 700

4 410

2 940

1 470

735

445

294

147

74

Source: MARD pursuant to data from CSU, MARD, operating data (L.Ciurzyński - Poznań 2009-10-09) and IBMER data

Production of electricity in MWh depending on installed generation capacity

684.00

342.00

205.20

136.80

68.40

34.20

20.52

13.68

6.84

3.42

source: MARD (average selling price of energy with consideration given to the certificate of origin, determined at the level

of the average price of energy for households and agricultural holdings in 2007 by the Energy Market Agency S.A.).

certificate of origin)

2 842 795.20

1 421 397.60

852 838.56

568 559.04

284 279.52

142 139.76

85 283.86

56 855.90

28 427 95

14 213.98

8 322.00

4 161.00

2 496.60

1 664.40

832.20

416.10

249.66

166.44

83.22

41.61

Month Day Week Year

159.60

79.80

47.88

31.92

15.96

7.98

4.79

3.19

1.60

0.80

capacity

1 MW

0.5 MW

0.3 MW

200 kW

100 kW

50 kW

30 kW

20 kW

10 kW

5 kW

22.80

11.40

6.84

4.56

2.28

1.14

0.68

0.46

0.23

0.11