



Swedish Experience of Opt-in of Installations

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Activity

- Combustion installations < 20 MW if connected to a district heating system with a total installed capacity > 20 MW

Scope

- 60 installations in NAP 2005-2007
- 250 installations today (35% of total number)
- 1 % of verified emissions 2005

Motive

- Equal treatment of all installations within a district heating system
- Avoid sub optimization
- Avoid competition distortions

Allocation

- 2005-2007
 - New opt-in installations may apply for allocation until the end of the period
- 2008-2012
 - New opt-in installations will receive no allocation

Registry

- Time consuming process for Commission's approval
- No approval – no account
- No account – difficulties in surrendering allowances
- Fear about sanctions

Costs

- Operators
 - Estimated cost 4000-8000 € per year
 - A considerable part concerns verifying
- Competent authorities
 - No estimation of costs has been made
 - Significant amount of resources
 - permitting
 - support
 - legal advice

Administrative issues

- Legal difficulties in dealing with new opt-in installations, in particular caused by registry issues
- Participation of minor biofuelled installations

Credibility and cost-effectiveness

- The credibility of the EU ETS is dependant on cost-effectiveness
- Costs must be regarded as reasonable
- Significant costs concerning installations with very small or no emissions are not regarded as reasonable

Recommendations

- In general, problems experienced relating to opt-in are not so much caused by shortcomings of the Directive as by difficulties in regulating opt-in at national level
- It could be considered whether the definition of installation in the Directive should be amended to allow treatment of a complete district heating system as one single installation
- Time and difficulties can be saved by applying for a general opt-in for all known and unknown installations complying with certain opt-in criteria