

**Umwelt
Bundesamt**



DEHSt
Deutsche
Emissionshandelsstelle

10th Compliance Conference

26/11/19-27/11/19



Technical implementation issues use of biomass in phase IV

Implications of REDII

MRR 3. trading period, recital Nr. 4:

- ...preferential treatment with regard to allowance surrender obligations under the EU ETS constitutes a „supporting scheme“ within the meaning of point (k) of Article 2, and consequently financial support *[EF=0 or acceptance of a biomass fraction]* within the meaning of Article 17(1)(c) *[2009/28/EG, RED I]*

REDII:

biofuels, bioliquids: liquid

biomass fuels: solid, gaseous



biomass

Biomass in the 3. trading period

$\text{Emissions}_{\text{fuel}} = \text{quantity} * \text{EF} * \text{NCV} * (1 - \text{biomass fraction})$

Preconditions for acceptance of a biomass fraction:

- Sampling and analyses according to Art. 32 bis 25 MRR
- Simplifications for source stream exclusively consisting of biomass (implementation in DE: onetime analytical proof and evidence that source stream's origin stays the same)
- Simplifications for source stream with biomass content $\geq 97\%$ (implementation in DE: onetime analytical proof and evidence that source stream's origin stays the same)
- Additional requirements for biofuels and bioliquids (RED I, 2009/28/EC): Proof of sustainability and/or GHG emissions saving criteria

Biomass in the 4. trading period

$\text{Emissions}_{\text{fuel}} = \text{quantity} * \text{EF} * \text{NCV} * (1 - \text{biomass fraction})$

Preconditions for acceptance of a biomass fraction :

- Sampling and analyses according to Art. 32 bis 25 MRR
- Simplifications for source stream exclusively consisting of biomass (implementation in DE: onetime analytical proof and evidence that source stream's origin stays the same)
- Simplifications for source stream with biomass content $\geq 97\%$ (implementation in DE: onetime analytical proof and evidence that source stream's origin stays the same)
- Additional requirements for all biomass (RED II, (EU 2018/2001):
 - Criteria associated with the **source stream** (sustainability, GHG saving)
 - Criteria associated with the **installation** (efficiency depending on the rated thermal input threshold, date of in-operation)

Discussion points

Biomass for non-energetic use does not have to comply with REDII criteria

REDII refers to “production of electricity, heating and cooling”

- production of all types of heat is meant
- no distinction associated with the activity of the installation according to Annex I ETD
- definition of heat according to FAR is not applicable

Term „installation“ in REDII („REDII-installation“)

- not defined in REDII
- **REDII-installation = technical unit of an ETS-installation**
e.g. boiler, rotary furnace etc. → date of in-operation, rated thermal input

Discussion points

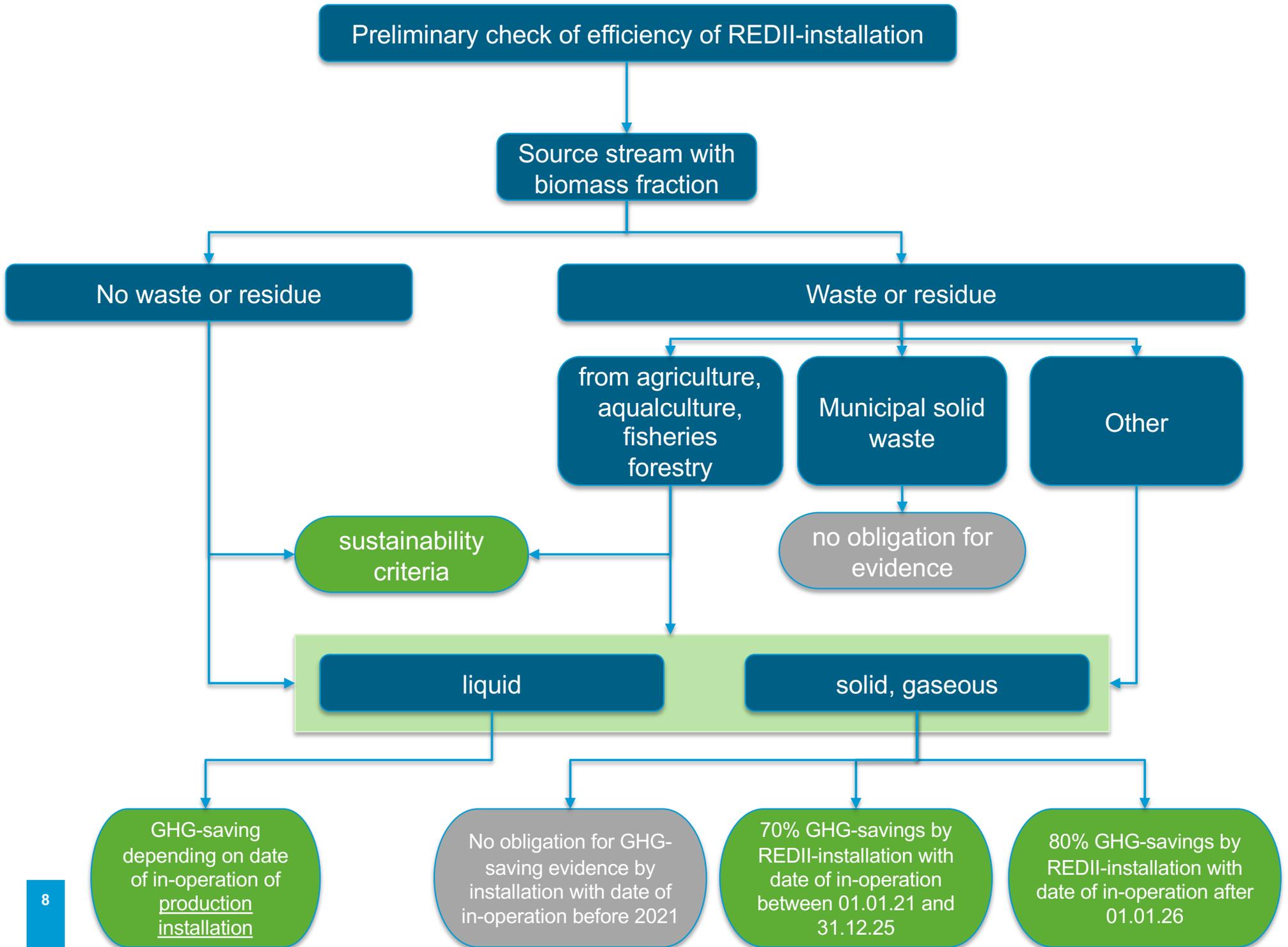
Thresholds for rated thermal input in Art 29 (1) subpara. 4 REDII

- REDII-installation, which uses biomass fuels and do not meet the threshold of 20 MW (solid biomass fuel) or 2 MW (gaseous biomass fuel)
→ no REDII evidences necessary

Further issue in our view:

Efficiency criteria in Art. 29 (11) REDII

- *Art. 29 (11): Electricity from biomass fuels shall be taken into account... for Art. (1) c) only if it meets one or more of the following...*
→ Efficiency criteria do not have to be checked in case of electricity produced from industrial waste heat (e.g. from rotary furnace, clinker cooler)



Thank you for your attention!

Lisa Buchner

E-Mail: emissionstrading@dehst.de

Internet: www.dehst.de