

THE EUROPEAN COMMISSION AUTHORISED THE STATE AID SCHEME ON PROMOTING HIGH EFFICIENCY COGENERATION

The European Commission authorised¹ the operating State aid scheme set up by the *Draft of Government Decision regarding the establishment of the necessary criteria and conditions to implement the support scheme for the promotion of high efficiency cogeneration based on the demand of useful thermal energy*. The scheme, for which the Competition Council has issued a Formal opinion and was notified to the European Commission, was elaborated in accordance with the *Community guidelines on State aid for environmental protection*² and shall be implemented by the Romanian Energy Regulatory Authority (ANRE) .

The scheme's budget amounts RON 17,232,804,784 for the period 2010-2023, the maximum number of beneficiaries being estimated at 500 undertakings.

„The approval of this scheme represents an important step for Romania, in the context of the need to integrate the environmental policies within the elaboration and implementing of a continuous long term development strategy. By implementing this scheme it is aimed to promote the high efficiency co-generation systems for producing electricity and thermal energy, allowing, therefore, the reduction of the consumption of raw materials and energy involved in the production process, concomitant with the reduction of pollutant emissions” declared Mr. Bogdan Chirițoiu, President of the Competition Council.

The beneficiaries of the scheme shall be the producers of electricity and thermal energy in co-generation fulfilling the high efficiency conditions³, realize significant fuel and emissions savings, but register high production costs.

The financial support shall not be granted to those producers of co-generation energy using renewing energy sources; they have to express their option to benefit from the above-mentioned support scheme or from the scheme promoting the production of

¹ Decision no. N437/17.09.2009.

² Published in the Official Journal of EU C82/01.04.2008.

³ In accordance with the Directive 2004/8/CE.

electricity from renewable energy sources. At the same time, the support scheme shall not be granted for the micro-cogeneration power plants or for those of low power and neither for the quality of electricity produced by high efficiency power plants which is not delivered in line systems.

Through this financial support it is aimed to cover the differences between the cost with the production of energy in high efficiency cogeneration and its sale price. The aid is being granted each month, to the beneficiary, as an amount of money named „bonus”, granted for each electricity unit (MWh) produced in high efficiency cogeneration delivered within the National Electro-energetical System line systems and sold on the competitive market and through regulated agreements. The *bonuses* are established for three types of fuel used for the production of electricity and thermal energy in cogeneration: solid fuel, gas fuel from the transport network and gas fuel from the delivery network. They are granted to those producers of electricity and thermal energy annually appointed by the Romanian Energy Regulatory Authority. The value of the bonus is the same for all the producers of electricity and thermal energy using the same type of fuel.

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