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Consultation feedback: Renewable energy – method for assessing greenhouse gas emission savings for certain fuels – draft act

Bioenergy Association of Finland represents the Finnish bioenergy sector including the full supply chain as well as the use, technologies, production and services. The sector has a growing interest towards RFNBO and recycled fuels, too.

We consider the draft act detailed and aiming at integrity given the RED2 directive. However, some details reward reconsideration what comes to limiting CO₂ sources and their definition as well used electricity

As a general rule, too restrictive approach on the CO₂ input for the production of RFNBO will slow down the development of production capacity.

Regarding the GHG intensity of Member States' electrical grid, the DA lacks guidance on how the values will be updated. It is essential that these values are updated yearly due to the rapid decrease of grid GHG intensities. Recital (12) refers to the use of an improvement factor for updating the average GHG intensity of electricity, but no improvement factor is provided.

There are inconsistencies in lifecycle emissions too: Recitals state that GHG methodology should take into account full lifecycle emissions, but for H₂ used directly in vehicles, compressing and distribution emissions are excluded. The footnote confirms that these same emissions are also excluded from the fossil comparator for H₂, but all of the RFNBOs, and RCFs have the same fossil fuel comparator. This would favour H₂ production outside the EU, which would direct capital away from the EU Member States.

A Well-to-Wheels approach should be followed on all of the fuels (recital (4), Annex, A points 1. and 2.).

Clear definition of non-sustainable carbon and especially the role of waste incineration plants in the long term is needed urgently.

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In the preface as well as in paragraph 11 of the annex, it is stated that to qualify as an emission reduction or avoided emission (e ex-use), the CO₂ would have to originate from a) processes listed under Annex I of 2003/87/EC, which specifically excludes municipal and hazardous waste incineration, or c) biofuels, bioliquids or biomass fuels which do not explicitly include all waste. While the inclusion of the WtE sector in the ETS is currently under discussion, coupling WtE derived CO₂ to this unresolved process is likely to hamper timely investments. CO₂ capture and usage from waste incineration should already be explicitly included in the delegated act. CO₂ from waste incineration should either be mentioned as a separate point or clarified sufficiently under the definition of biomass. Unless such a change is made, there is even the risk of double counting the CO₂ as both emissions from the waste incineration process as well as the use of the produced e-fuel.

Waste incineration plants should be considered to the following category defined in the Annex: The captured CO₂ stems from the production or the combustion of biofuels, bioliquids or biomass fuels complying with the sustainability and greenhouse gas saving criteria and the CO₂ capture did not receive credits for emission savings from CO₂ capture and replacement, set out in Annex V and VI of Directive (EU) 2018/2001.

Finally, the proposed methodology is inconsistent with the mass balance system of REDII (Article 30 of Directive 2018/2001). Annex A (1) states: "If a fuel is a mix of renewable liquid and gaseous transport fuels of non-biological origin, recycled carbon fuels and other fuels, all (fuel) types shall be considered to have the same emission intensity." Mass balance system (as defined in Article 30 of Directive 2018/2001) should be applied for co-processing RFNBO or RCF.