

# Legal Framework for Bioenergy in Germany

Sebastian Kilburg

## THE FUTURE OF BIOFUELS IN LITHUANIA: ISSUES AND OPPORTUNITIES

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## Overview



- Biofuel Quota Act
- Act on granting priority to renewable energy sources (Renewable Energy Sources Act)
- Market Enhancement Programme
- Results



### **Biofuel Quota Act**



- Compulsory quotas of biofuels to be mixed with fossil fuels by refiners from the start of 2007
- Petrol: minimum 1,2 % (2007) to 3,6 % (from 2010)
- Diesel: minimum 4,4 % (from 2007)
- Total: minimum 6,25 % (2009) to 8 % (from 2015)
- Tax background: Petrol: 65 Cent; Diesel 47 Cent (netto)
   Increasing taxes on biofuels

Year	Biodiesel	Plant Oil	Bioethanol (E85)
2007	9	0	-
2008	15	10	-
2009	21	18	-
2010	27	26	-
2011	33	33	-
from 2012	45	45	until 2015 free





Forerunner: Electricity Feed Act (since January 91)

#### First RESA in April 2000, amended version since August 04:

- Feed-in tariffs: Obligation for grid system operators to buy electricity from renewable energy sources and pay fixed tariffs for 20 years
- Degression: The 20-year-fixed level of remuneration for newly constructed plants is reduced annually
- Shared burden principle: The costs are apportioned to all grid system operators across the country and passed on by them to the electricity customers (2006: 0,72 €Cent/kWh)
- Equalisation for special companies: apportionment limited to 0,05
   €Cent/kWh for companies with electricity demand of more than 10
   GWh or electricity costs of more than 15 % of GAD





## Ordinance on Generation of Electricity from Biomass (Biomass Ordinance)

- Substances that shall be considered biomass
- Technical processes for generating electricity from biomass that fall within the Act's scope of application
- Environmental standards that must be met in the generation of electricity from biomass







## Feed-in tariffs in €Cent per kWh<sub>el</sub> for electricity from biomass

Electric power in kW	Basic*
Up to 150	10,99
from 150 to 500	9,46
from 500 to 5.000	8,51
from 5.000 to 20.000	8,03

1 Litas ≅ 29 €Cent

<sup>\*</sup>for plants started in 2007 (2004: 11,5)





### Feed-in tariffs in €Cent per kWh<sub>el</sub> for electricity from biomass

Electric power in kW	Basic	Bonus for	
		using	
		special	
		resources *	
Up to 150	10,99	6,0	
from 150 to 500	9,46	6,0	
from 500 to 5.000	8,51	4,0	
from 5.000 to 20.000	8,03		

<sup>\*</sup> energy crops, manure, draff, wood residues from forestry and LSC





#### Feed-in tariffs in €Cent per kWh<sub>el</sub> for electricity from biomass

Electric power in kW	Basic	Bonus for using special resources	Bonus for using heat energy (dep. on amount)*
Up to 150	10,99	6,0	max. 2,0
from 150 to 500	9,46	6,0	max. 2,0
from 500 to 5.000	8,51	4,0	max. 2,0
from 5.000 to 20.000	8,03		max. 2,0

<sup>\*</sup> Example: 50% of the produced heat used → only 1 €Cent per kWhel





#### Feed-in tariffs in €Cent per kWh<sub>el</sub> for electricity from biomass

Electric power in kW	Basic	Bonus for using	Bonus for using heat	Bonus for using
		special	energy (dep.	innovative
		resources	on amount)	technology*
Up to 150	10,99	6,0	max. 2,0	2,0
from 150 to 500	9,46	6,0	max. 2,0	2,0
from 500 to 5.000	8,51	4,0	max. 2,0	2,0
from 5.000 to 20.000	8,03		max. 2,0	

<sup>\*</sup> Prerequisite: heat use; Technologies: e.g. wood gasification, dry fermentation, gas turbines, steam engines, ORC, Stirling engines



## Market Enhancement Programme



#### Main instrument for the heat market (law in preparation)

First issued in August 99 (100 Mio. €) 2007: 213 Mio. € (also solar thermal) Financial grants for:

- Applications to produce heat from biomass
  - Wood pellet-ovens, -boilers and -combination boilers
  - Log wood boilers
  - Wood chip boilers
- Innovations with regard to emission reduction and efficiency improvement in bioheat
- Distribution systems for heat from biomass

Small applications (up to 100 kW) receive direct grants, middle-size and big-size applications receive partial deletion of loans



#### Results



#### Shares of total primary energy consumption

- 0,8 % electricity from biomass (0,4 % from solid biofuels)
- 2,0 % heat from biomass (1,5 % in households)
- 1,0 % fuels from biomass (0,7 % from biodiesel)

#### but

- 19 % of renewable electricity is from biomass
- 86 % of renewable heat is from biomass
- 100 % of renewable fuels are from biomass

in a country with a population density of 231 inhabitants/km²



## Thanks for your attention!



Any questions?

Contact:
C.A.R.M.E.N. e.V.
Schulgasse 18
94 315 Straubing
Germany

Tel.: ++49-9421-960 300 Fax: ++49-9421-960 333 contact@carmen-ev.de

www.carmen-ev.de

