



Criteria for high-efficiency cogeneration must consider industrial CHP operators

Joint statement

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In the context of the inclusion of gas-based generation in the European Commission's Taxonomy draft Complementary Delegated Act, the signatories would like to raise concerns about the negative impact of too rigid criteria for cogeneration (CHP) on the decarbonisation and integration of the industrial operators in the energy system.

To achieve the new 2030 climate targets and climate neutrality by 2050, high-efficiency CHP must be prioritised as one of the Best Available Technologies for the manufacturing industries. On-site CHP brings energy, cost and emission savings for both the industrial consumer and the entire energy system as a whole.

Industrial CHP operators already today invest in equipment which is compatible with clean energy sources. Therefore, for industrial CHP, too strict emission criteria can result in a shift from the on-site electricity production to purchasing the more highly emitting and less efficient electricity from the grid. Consequently, such a move might hinder efforts to reduce industrial emissions in Europe.

The industrial users of high-efficiency CHP need to be able to maintain the flexibility to optimise their equipment for electricity or heat generation to best serve their production needs. While the industry continues to decarbonise their production processes by improving energy efficiency and gradually switching to clean energy sources, their efforts are often dependant on external factors. The available fuel mix, the efficiency of their local energy system and the national plans for increasing the uptake of clean energy are completely outside the control of the industry.

Therefore, we call for the criteria for high-efficiency cogeneration, which are also part of the proposal for the recast of the Energy Efficiency Directive, to promote today's investments made by the industry. By encouraging high-efficiency cogeneration, even higher carbon emission reductions and energy efficiency can be achieved in the future as clean energy sources become available at a competitive price.