

Date 19 January 2001

PROPOSAL FOR REVISION OF THE LARGE COMBUSTION PLANT DIRECTIVE UNICE COMMENTS FOR SECOND READING

<u>Summary</u>

- ?? UNICE urges the European Parliament to broadly maintain this draft Large Combustion Plant Directive in its present state and not to jeopardise the fragile compromise reached unanimously by the European Council.
- ?? Emissions Limit Values for SO₂, NOx and Dust in the Common Position are already very tough. Making them even more severe during Second Reading in Parliament will seriously limit Member States' choice for different energy sources and the general structure of their energy supply.
- ?? UNICE welcomes the flexibility for the requirements to upgrade "Old" to "New" Emission Limit Values (ELV) (Art 4.3(b) & 4.6) by 1 January 2008. However the requirement to communicate the detailed upgrade plans within 12 months of the directive entering into force represents a formidable challenge. Realism should call for a period of 36 months.
- ?? UNICE is concerned by the compliance (monitoring (Art 19 & Annex IX) and averaging periods (Article 15)) over shorter terms than monthly since, in practical terms, it significantly toughens the already draconian ELVs.
- ?? If UNICE welcomes the provision for monitoring SO₂ ELVs based on calculation, it regrets the same flexibility was not granted to NOx and Dust for which a continuous monitoring is imposed. As for SO₂, plant-specific correlations are robust alternatives and will save unnecessary investments.

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UNICE has constantly pointed out that this revision is not necessary at the present time because issues relating to emission limit values for installations are already satisfactorily addressed by the Integrated Pollution Prevention Control (IPPC) Directive and the forthcoming directive on national emission ceilings. Therefore adding highly prescriptive measures via the revised Large Combustion Plant (LCP) Directive seriously limits Industry flexibility to meet in the most cost-effective way the environmental quality objectives as set in the Community's acidification strategy.

In June 2000 the EU Council of Environment Ministers reached a common position on more restrictive limits of emissions from LCP for energy production (50 MW or more). The LCP Directive will strongly affect emissions of SO₂ and NOx, more than halving the emissions of sulphur dioxide from existing power plants. The European Council also agreed to include existing plants, exempting only those plants which are closed after around 20,000 operating hours calculated from 1 January 2008.

UNICE recognises the Council's common position as a fragile compromise between the conflicting interests of the many different stakeholders. Consequently UNICE urges the European Parliament to maintain this draft Directive in its present state and allow rapid adoption in the forthcoming second reading.

UNICE strongly recommends that the flexibility left to Member States to determine their national solutions for meeting the requirements in a cost-effective way should be kept and even extended, for example, the flexibility for the requirements to upgrade "Old" to "New" emission limit values (ELVs) (Art 4.3(b) & 4.6) by 1 January 2008. However the requirement to communicate the detailed upgrade plans within 12 months of the directive entering into force represents a formidable challenge. Realism should call for a period of 36 months.

The revised LCP Directive should allow derogations regarding the treatment for existing plants depending on the remaining lifetime of the plants. UNICE wishes to stress that the deletion of the derogation introduced in the current proposal for plants operating for less than 20,000 hours calculated from 1 January 2008 would involve a very limited potential environmental impact. Such a deletion would be in conflict with the cost-effective approach of the IPPC Directive.

UNICE would like also to underline the following points:

- ?? Considerable action has already been taken to ensure reductions in polluting and acidifying emissions within European industry.
- ?? This revised LCP Directive will require further action to be undertaken and additional costs to be incurred. The costs incurred are not only the direct costs of abatement but also costs related to monitoring and reporting emissions. UNICE would like to draw attention especially to the onerous monitoring requirements in the LCP.
- ?? If UNICE welcomes the provision for monitoring SO₂ ELVs based on calculation, it regrets the same flexibility was not granted to NOx and Dust for which a continuous monitoring is imposed. As for SO₂, plant-specific correlations are robust alternatives and will save unnecessary investments.

- ?? In general, the revised LCP Directive should better reflect the different environmental priorities (e.g. critical loads) in Southern and Northern European Member States.
- ?? UNICE is concerned by the compliance (monitoring (Art 19 & Annex IX) and averaging periods (Article 15)) over shorter terms than monthly since, in practical terms, it significantly toughens the already draconian ELVs. UNICE sees no justification given the fact that LCP Directive is targeted to deal with acidification, which is a long-term concern. This is acknowledged in the National Emission Ceilings Directive Common Position with SO₂ and NOx ceilings defined on an annual basis. Short-term concerns are appropriately addressed by the first Air Quality Daughter Directive on SO₂, NOx, Particulate Matters and Lead.

UNICE urges the European Parliament to broadly maintain this draft LCP Directive in its present state and not to jeopardise the compromise reached unanimously by the European Council.

UNICE hopes that these important concerns expressed above will be taken into account during the second reading of the revised LCP Directive by the European Parliament to improve the workability of the provisions.