Brevdato

Afsender Nicholas Harild Ayotte (Sagsbehandler, LIOL)

Modtagere

Akttitel Korrespondance mellem EU-Kom og ENS angående enighed

om, at der ikke er behov for genanmeldelse af

statsstøtteordninger for biogas efter nye regler vedtaget i 2018

Identifikationsnummer 2180314

Versionsnummer

Ansvarlig Nicholas Harild Ayotte

Vedlagte dokumenter Aktdokument

Metadata for id nr. 1795079

Aktdokument

MEMO state aid for biogas-2

Regarding proposed changes to existing Danish aid schemes

for biogas (ENS ld nr.: 1795079) Metadata for id nr. 1798583

Aktdokument

MEMO state aid for biogas-2 Metadata for id nr. 1798630

Regarding proposed changes to existing Danish aid schemes

for biogas (ENS ld nr. 1798583) MEMO state aid for biogas-2 Metadata for id nr. 1798960

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1798583)

Metadata for id nr. 1809903

Aktdokument

MEMO state aid for biogas-2 Metadata for id nr. 1814341

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1809903)

Metadata for id nr. 1819074

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1809903)

Metadata for id nr. 1820708

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1809903)

Metadata for id nr. 1821934

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1820708)

Metadata for id nr. 1823115

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1820708)

Metadata for id nr. 1825567

RE Regarding proposed changes to existing Danish aid

schemes for biogas (ENS ld nr. 1823115)

Metadata for id nr. 1839611

Follow up on meeting concerning state aid for biogas in

Denmark

MEMO with further information concerning aid for biogas in

Denmark

Dokumenter uden PDFversion (ikke vedlagt)

Udskrevet

10. aug 2020

-- AKT 2180314 -- BILAG 1 -- [Aktdokument] --

Brevdato 20-03-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Anna.JAROSZ-FRIIS@ec.europa.eu

Akttitel Regarding proposed changes to existing Danish aid schemes

for biogas

Identifikationsnummer 1795079

Versionsnummer 2

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

AKT 2180314 -- BILAG 3 -- [Aktdokument] --

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk),

Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Bilag: MEMO state aid for biogas-2.docx;

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell E-mail

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate



Memo on state aid and support schemes for biogas

Department

Centre for Renewables

Date

5. March 2019

Ref.

NAL/LAMJ

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification.

Background

On June 29, 2018 all parties in the Danish Parliament agreed on a new comprehensive energy agreement which has measures aiming at increasing the production of renewable energy to app. 55 % by 2030. Further a new long term target has been agreed upon aiming at net-zero emissions of greenhouses gases by 2050.

The energy agreement introduces a new tender based support scheme for renewable gases and a phase out of the existing support schemes for biogas. Thus the current national support schemes for biogas will be changed during 2019. The changes to the support schemes will be a transitional arrangement that will ensure that the existing support schemes can be phased out in a way that does not have retroactive effect on investors.

Danish Energy Agency

Carsten Niebuhrs Gade 43 DK-1577 Copenhagen V

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www.ens.dk



Support for biogas used for electricity production and upgraded biogas is covered by the state aid case SA.35485 2012/N approved under EAG 2008. Support for biogas for other purposes such as transport, industry and heat is covered by state aid case SA.36659 2013/N approved under EEAG 2014.

Proposed changes to the existing biogas aid scheme – case SA.35485 2012/N The current aid scheme for biogas used for electricity production and upgraded biogas injected into the natural gas grid was approved in 2013 under EAG 2008. This scheme has been successful in achieving the overall aim of extending the use of biogas. There has been a significant rise especially in the use of biogas for upgrading for injection into the natural gas grid. There are approximately 40 plants that upgrade biogas and several new projects are currently under construction. It is expected that around 8.5 PJ upgraded biogas will be injected into the natural gas grid annually in 2019.

The DEA has monitored the developments in market prices of natural gas and electricity and in the costs of using biogas for energy production. On the basis of this monitoring the DEA has annually assessed whether the current prices and costs is leading to overcompensation. The costs relating energy production from the use of biogas significantly exceeds the market price of both electricity and natural gas.

All plants for upgrading biogas have been established in the years after 2013, therefore no plants are so far fully depreciated. The same is the case for plants producing electricity from the use of biogas, where the majority of the plants have been in production for less than 10 years.

The parties in the Danish Parliament has agreed on a detailed measure that will close and phase out the existing aid schemes for the use of biogas for upgrading and electricity:

- No new projects can enter the current support schemes for biogas after January 1, 2020, with exception of projects where all major investments have been made before February 2019.
- 2. Aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling.
- 3. The support granted to existing projects should be limited to 20 years reflecting the depreciation period for a biogas project.

The details of the measure are described more thoroughly in Annex A.

In 2017 the DEA and DG COMP agreed on a set of criteria for phasing out aid for electricity produced by existing non-depreciated biomass plants covered by state aid case N359/2008. As was the case with N359/2008 the aid scheme for the use



of biogas for electricity and upgrading were approved under the EAG 2008 and has been functioning without formal limitations to the aid period. Like N359/2008 the beneficiaries covered by SA.35485 2012/N are non-depreciated plants that produce energy from the use of biomass.

Due to the similarities of the cases the DEA is proposing that the handling of N359/2008 serves as a reference case for the proposed changes and phasing out of the aid for the use of biogas for electricity and upgrading.

The changes to the national legislation will be implemented through amendments to the Act on the Promotion of Renewable Energy and the Act on the Natural Gas Supply. The DEA is planning on introducing the changes before Parliament in the fall of 2019.

Proposed changes to the existing biogas aid scheme – case SA.36659 2013/N The aid schemes for biogas used in transport (3), industrial processes (4) and other forms of biogas use (5) was approved by the Commission in December 2015 under case number SA.36659 - Aid for all forms of biogas use - B. These schemes are approved under EEAG 2014.

Beneficiaries must apply for a granting letter before they start the project and apply on the basis of an application form stating relevant information concerning the project such as the purpose of use of the biogas, and the price of biogas obtainable on the market and the market price of natural gas showing that the costs of using biogas are still higher than the market price of natural gas.

As part of the energy agreement it has been decided that the existing aid schemes will be closed for new beneficiaries from January 1, 2020. Therefore, no new granting letters will be issued after this date. The continued aid for the existing beneficiaries after January 1, 2020 will be limited to a certain maximum annual amount (ceiling).

All beneficiaries will apply for a new granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

The DEA is interested in understanding if the changes to the aid scheme will require a formal notification or whether the changes made to the support for biomass in Denmark could serve as a reference case.

New aid scheme for biogas projects

The main purpose of the Danish energy agreement from 2018 is to deliver a market-driven green transition in Denmark and the use of tenders is an important



measure to achieve this. With the Danish energy agreement it is the intention that a future support scheme for renewable gasses including biogas should be tender based with the purpose of increasing the use of renewable gases for transport, industry and upgrading. The DEA will be interested in opening a dialogue with DG COMP on how the new aid scheme for biogas and other green gases will be assessed under the EEAG 2014.

Questions for DG COMP:

- Will the proposed changes which will phase out the existing aid schemes for biogas require a formal renotification or can the necessary changes to the national legislation be implemented under a set of criteria for which the handling of N359/2008 could serve as a reference?
- 2. How will a new tender based support scheme for renewable gasses be assessed under EEAG 2014? The new support scheme should cover biogas and other renewable energy gasses such as renewable hydrogen and gasified biomass used for upgrading, transport and industry. The main purpose of changing the support for biogas is to introduce a cost effective competitive bidding procedure and ensure a diverse renewable energy mix in Denmark.
- 3. How will mature biogas projects be assessed in terms of incentive effect if they want to apply for support from a new support scheme? The phase out of existing support schemes for biogas will have the consequence that a number of mature biogas projects will have to stop the development since they are unable to meet the deadline. The DEA would like to discuss how the incentive effect (paragraph 27d) should be interpreted under these specific circumstances.



Annex A

This part of the document describes the detailed measures agreed upon by the parties behind the energy agreement on February 8, 2019 on how to phase out the aid for the use of biogas on existing plants:

Deadline after which no new beneficiaries can enter the schemes:

No new projects can enter the current support schemes for biogas for electricity and upgrading after January 1, 2020. No new granting letters will be issued by the DEA for the use of biogas for industrial purposes, transportation and heating after January 1, 2020.

The aid schemes covered by SA.35485 2012/N (biogas for electricity generation from biogas and biogas for upgrading) functions without a formal granting procedure which means that new projects are under development for an extended time period before the project owner applies for aid from the DEA.

Therefore it is necessary to establish a specific procedure for new projects that are under construction, but is unable to meet the deadline on January 1, 2020. Projects that are under development, where all major investments have been made before 8 February, 2019 and which has obtained all necessary permits from the local authorities will be eligible for a dispensation from the deadline after meeting certain requirements for documentation. These projects must be finished and connected to the grid before the end of 2021.

As part of the energy agreement it has been decided that aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling. The ceiling will be determined differently for plants that upgrade biogas, plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:

Upgrading of biogas:

	Annual maximum amount will be determined by:
Existing plants – connected to the natural gas grid by 8 Feb. 2019	 The minimum of: Capacity of connection to the natural gas grid by 8 February 2019, and Technical capacity of the upgrading plant on 8 February 2019.
Planned expansions of existing plants	Existing plants that are connected to the natural gas grid, but where an expansion of the production is planned can apply for an extended annual maximum if these requirements are met:



	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.
New plants	Capacity of planned connection to the natural gas grid by 8 February 2019 (formal agreement with the relevant gas DSO or TSO) If no agreement has been made with the relevant gas DSO or TSO by 8 February 2019, the annual amount will be based on the technical capacity of the upgrading plant that is the part of the investment.

Biogas for electricity generation:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly electricity production from biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has received all necessary environmental permits from local authorities by 8 February 2019.

<u>Plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:</u>

	Annual maximum amount will be determined
	by:
Existing plants in production before 1 January 2018	Maximum monthly use of biogas in 2018, multiplied by 12.
Existing plants in production	Maximum monthly use of biogas in the first 12



after 1 January 2018	months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.

All beneficiaries will apply for a granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

Til: Anna.JAROSZ-FRIIS@ec.europa.eu

Cc: Violeta.IFTINCHI@ec.europa.eu, jgk@ens.dk (Jane Glindvad Kristensen), nal@ens.dk (Nanna Alberti),

lamj@ens.dk (Lars Martin Jensen)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1795079)

Sendt: 20-03-2019 11:15

Brevdato 25-03-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Edward Alexander James-Smith (edwjam@um.dk)

Akttitel Vs: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1798583

Versionsnummer 2

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

- AKT 2180314 -- BILAG 7 -- [Aktdokument] --

Til: Edward Alexander James-Smith (edwjam@um.dk)

Cc: Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk), Marie

Christine Høeg (mchg@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Vs: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-03-2019 16:26

Bilag: MEMO state aid for biogas-2.docx;

Kære Edward

Endnu en henvendelse herfra om teknisk hjælp til afsendelse - og tak for den :-)
Jeg vil høre, om du har mulighed for at sende nedenstående hastende henvendelse videre til

Anna JAROSZ-FRIIS@ec.europa.eu med kopi til

Violeta IFTINCHI@ec.europa.eu

- og med følgende ledsagetekst:

On Wednesday last, we tried to send you a memo regarding the proposed changes to the existing Danish support schemes for biogas (see email below). Unfortunately, we are currently experiencing technical problems in connection with email correspondence and have now received a message saying that the email was not delivered. Therefore, we have asked our attaché in Bruxelles to forward the email to you.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

E-mail mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk),

Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

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The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell
E-mail mchg@ens.dk

Energistyrelsen

Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate



Memo on state aid and support schemes for biogas

Department

Centre for Renewables

Date

5. March 2019

Ref.

NAL/LAMJ

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Background

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The energy agreement introduces a new tender based support scheme for renewable gases and a phase out of the existing support schemes for biogas. Thus the current national support schemes for biogas will be changed during 2019. The changes to the support schemes will be a transitional arrangement that will ensure that the existing support schemes can be phased out in a way that does not have retroactive effect on investors.

Danish Energy Agency

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Proposed changes to the existing biogas aid scheme – case SA.35485 2012/N The current aid scheme for biogas used for electricity production and upgraded biogas injected into the natural gas grid was approved in 2013 under EAG 2008. This scheme has been successful in achieving the overall aim of extending the use of biogas. There has been a significant rise especially in the use of biogas for upgrading for injection into the natural gas grid. There are approximately 40 plants that upgrade biogas and several new projects are currently under construction. It is expected that around 8.5 PJ upgraded biogas will be injected into the natural gas grid annually in 2019.

The DEA has monitored the developments in market prices of natural gas and electricity and in the costs of using biogas for energy production. On the basis of this monitoring the DEA has annually assessed whether the current prices and costs is leading to overcompensation. The costs relating energy production from the use of biogas significantly exceeds the market price of both electricity and natural gas.

All plants for upgrading biogas have been established in the years after 2013, therefore no plants are so far fully depreciated. The same is the case for plants producing electricity from the use of biogas, where the majority of the plants have been in production for less than 10 years.

The parties in the Danish Parliament has agreed on a detailed measure that will close and phase out the existing aid schemes for the use of biogas for upgrading and electricity:

- No new projects can enter the current support schemes for biogas after January 1, 2020, with exception of projects where all major investments have been made before February 2019.
- 2. Aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling.
- 3. The support granted to existing projects should be limited to 20 years reflecting the depreciation period for a biogas project.

The details of the measure are described more thoroughly in Annex A.

In 2017 the DEA and DG COMP agreed on a set of criteria for phasing out aid for electricity produced by existing non-depreciated biomass plants covered by state aid case N359/2008. As was the case with N359/2008 the aid scheme for the use



of biogas for electricity and upgrading were approved under the EAG 2008 and has been functioning without formal limitations to the aid period. Like N359/2008 the beneficiaries covered by SA.35485 2012/N are non-depreciated plants that produce energy from the use of biomass.

Due to the similarities of the cases the DEA is proposing that the handling of N359/2008 serves as a reference case for the proposed changes and phasing out of the aid for the use of biogas for electricity and upgrading.

The changes to the national legislation will be implemented through amendments to the Act on the Promotion of Renewable Energy and the Act on the Natural Gas Supply. The DEA is planning on introducing the changes before Parliament in the fall of 2019.

Proposed changes to the existing biogas aid scheme – case SA.36659 2013/N The aid schemes for biogas used in transport (3), industrial processes (4) and other forms of biogas use (5) was approved by the Commission in December 2015 under case number SA.36659 - Aid for all forms of biogas use - B. These schemes are approved under EEAG 2014.

Beneficiaries must apply for a granting letter before they start the project and apply on the basis of an application form stating relevant information concerning the project such as the purpose of use of the biogas, and the price of biogas obtainable on the market and the market price of natural gas showing that the costs of using biogas are still higher than the market price of natural gas.

As part of the energy agreement it has been decided that the existing aid schemes will be closed for new beneficiaries from January 1, 2020. Therefore, no new granting letters will be issued after this date. The continued aid for the existing beneficiaries after January 1, 2020 will be limited to a certain maximum annual amount (ceiling).

All beneficiaries will apply for a new granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

The DEA is interested in understanding if the changes to the aid scheme will require a formal notification or whether the changes made to the support for biomass in Denmark could serve as a reference case.

New aid scheme for biogas projects

The main purpose of the Danish energy agreement from 2018 is to deliver a market-driven green transition in Denmark and the use of tenders is an important



measure to achieve this. With the Danish energy agreement it is the intention that a future support scheme for renewable gasses including biogas should be tender based with the purpose of increasing the use of renewable gases for transport, industry and upgrading. The DEA will be interested in opening a dialogue with DG COMP on how the new aid scheme for biogas and other green gases will be assessed under the EEAG 2014.

Questions for DG COMP:

- Will the proposed changes which will phase out the existing aid schemes for biogas require a formal renotification or can the necessary changes to the national legislation be implemented under a set of criteria for which the handling of N359/2008 could serve as a reference?
- 2. How will a new tender based support scheme for renewable gasses be assessed under EEAG 2014? The new support scheme should cover biogas and other renewable energy gasses such as renewable hydrogen and gasified biomass used for upgrading, transport and industry. The main purpose of changing the support for biogas is to introduce a cost effective competitive bidding procedure and ensure a diverse renewable energy mix in Denmark.
- 3. How will mature biogas projects be assessed in terms of incentive effect if they want to apply for support from a new support scheme? The phase out of existing support schemes for biogas will have the consequence that a number of mature biogas projects will have to stop the development since they are unable to meet the deadline. The DEA would like to discuss how the incentive effect (paragraph 27d) should be interpreted under these specific circumstances.



Annex A

This part of the document describes the detailed measures agreed upon by the parties behind the energy agreement on February 8, 2019 on how to phase out the aid for the use of biogas on existing plants:

Deadline after which no new beneficiaries can enter the schemes:

No new projects can enter the current support schemes for biogas for electricity and upgrading after January 1, 2020. No new granting letters will be issued by the DEA for the use of biogas for industrial purposes, transportation and heating after January 1, 2020.

The aid schemes covered by SA.35485 2012/N (biogas for electricity generation from biogas and biogas for upgrading) functions without a formal granting procedure which means that new projects are under development for an extended time period before the project owner applies for aid from the DEA.

Therefore it is necessary to establish a specific procedure for new projects that are under construction, but is unable to meet the deadline on January 1, 2020. Projects that are under development, where all major investments have been made before 8 February, 2019 and which has obtained all necessary permits from the local authorities will be eligible for a dispensation from the deadline after meeting certain requirements for documentation. These projects must be finished and connected to the grid before the end of 2021.

As part of the energy agreement it has been decided that aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling. The ceiling will be determined differently for plants that upgrade biogas, plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:

Upgrading of biogas:

	Annual maximum amount will be determined by:
Existing plants – connected to the natural gas grid by 8 Feb. 2019	 The minimum of: Capacity of connection to the natural gas grid by 8 February 2019, and Technical capacity of the upgrading plant on 8 February 2019.
Planned expansions of existing plants	Existing plants that are connected to the natural gas grid, but where an expansion of the production is planned can apply for an extended annual maximum if these requirements are met:



	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.
New plants	Capacity of planned connection to the natural gas grid by 8 February 2019 (formal agreement with the relevant gas DSO or TSO) If no agreement has been made with the relevant gas DSO or TSO by 8 February 2019, the annual amount will be based on the technical capacity of the upgrading plant that is the part of the investment.

Biogas for electricity generation:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly electricity production from biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has received all necessary environmental permits from local authorities by 8 February 2019.

<u>Plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:</u>

	Annual maximum amount will be determined
	by:
Existing plants in production before 1 January 2018	Maximum monthly use of biogas in 2018, multiplied by 12.
Existing plants in production	Maximum monthly use of biogas in the first 12



after 1 January 2018	months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.

All beneficiaries will apply for a granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

Brevdato 25-03-2019

Afsender Edward Alexander James-Smith (edwjam@um.dk)

Modtagere Anna.JAROSZ-FRIIS@ec.europa.eu

Akttitel Regarding proposed changes to existing Danish aid schemes

for biogas

Identifikationsnummer 1798630

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Marie Christine Høeg (mchg@ens.dk), Lars Martin Jensen

(lamj@ens.dk)

Fra: Edward Alexander James-Smith (edwjam@um.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1798583)

Sendt: 25-03-2019 16:52

Bilag: MEMO state aid for biogas-2.docx;

Dear Ms. Jarosz-Friis,

On Wednesday last, we tried to send you a memo regarding the proposed changes to the existing Danish support schemes for biogas (see email below). Unfortunately, we are currently experiencing technical problems in connection with email correspondance and have now received a message saying that the email was not delivered. Therefore, we have asked our attaché in Bruxelles to forward the email to you.

Regards,

EDWARD JAMEŞ-SMITH / EDWJAM@UM.DK

ENERGY ATTACHÉ

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THE PERMANENT REPRESENTATION OF DENMARK TO THE EU

RUE D'ARLON 73 / B-1040 BRUXELLES PHONE +32 (2) 233 0811 / <u>EU.UM.DK</u>

On behalf of

Marie Christine Høeg

Chefkonsulent / Chief Advisor Danish Energy Agency



Memo on state aid and support schemes for biogas

Department

Centre for Renewables

Date

5. March 2019

Ref.

NAL/LAMJ

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification.

Background

On June 29, 2018 all parties in the Danish Parliament agreed on a new comprehensive energy agreement which has measures aiming at increasing the production of renewable energy to app. 55 % by 2030. Further a new long term target has been agreed upon aiming at net-zero emissions of greenhouses gases by 2050.

The energy agreement introduces a new tender based support scheme for renewable gases and a phase out of the existing support schemes for biogas. Thus the current national support schemes for biogas will be changed during 2019. The changes to the support schemes will be a transitional arrangement that will ensure that the existing support schemes can be phased out in a way that does not have retroactive effect on investors.

Danish Energy Agency

Carsten Niebuhrs Gade 43 DK-1577 Copenhagen V

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www.ens.dk



Support for biogas used for electricity production and upgraded biogas is covered by the state aid case SA.35485 2012/N approved under EAG 2008. Support for biogas for other purposes such as transport, industry and heat is covered by state aid case SA.36659 2013/N approved under EEAG 2014.

Proposed changes to the existing biogas aid scheme – case SA.35485 2012/N The current aid scheme for biogas used for electricity production and upgraded biogas injected into the natural gas grid was approved in 2013 under EAG 2008. This scheme has been successful in achieving the overall aim of extending the use of biogas. There has been a significant rise especially in the use of biogas for upgrading for injection into the natural gas grid. There are approximately 40 plants that upgrade biogas and several new projects are currently under construction. It is expected that around 8.5 PJ upgraded biogas will be injected into the natural gas grid annually in 2019.

The DEA has monitored the developments in market prices of natural gas and electricity and in the costs of using biogas for energy production. On the basis of this monitoring the DEA has annually assessed whether the current prices and costs is leading to overcompensation. The costs relating energy production from the use of biogas significantly exceeds the market price of both electricity and natural gas.

All plants for upgrading biogas have been established in the years after 2013, therefore no plants are so far fully depreciated. The same is the case for plants producing electricity from the use of biogas, where the majority of the plants have been in production for less than 10 years.

The parties in the Danish Parliament has agreed on a detailed measure that will close and phase out the existing aid schemes for the use of biogas for upgrading and electricity:

- No new projects can enter the current support schemes for biogas after January 1, 2020, with exception of projects where all major investments have been made before February 2019.
- 2. Aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling.
- 3. The support granted to existing projects should be limited to 20 years reflecting the depreciation period for a biogas project.

The details of the measure are described more thoroughly in Annex A.

In 2017 the DEA and DG COMP agreed on a set of criteria for phasing out aid for electricity produced by existing non-depreciated biomass plants covered by state aid case N359/2008. As was the case with N359/2008 the aid scheme for the use



of biogas for electricity and upgrading were approved under the EAG 2008 and has been functioning without formal limitations to the aid period. Like N359/2008 the beneficiaries covered by SA.35485 2012/N are non-depreciated plants that produce energy from the use of biomass.

Due to the similarities of the cases the DEA is proposing that the handling of N359/2008 serves as a reference case for the proposed changes and phasing out of the aid for the use of biogas for electricity and upgrading.

The changes to the national legislation will be implemented through amendments to the Act on the Promotion of Renewable Energy and the Act on the Natural Gas Supply. The DEA is planning on introducing the changes before Parliament in the fall of 2019.

Proposed changes to the existing biogas aid scheme – case SA.36659 2013/N The aid schemes for biogas used in transport (3), industrial processes (4) and other forms of biogas use (5) was approved by the Commission in December 2015 under case number SA.36659 - Aid for all forms of biogas use - B. These schemes are approved under EEAG 2014.

Beneficiaries must apply for a granting letter before they start the project and apply on the basis of an application form stating relevant information concerning the project such as the purpose of use of the biogas, and the price of biogas obtainable on the market and the market price of natural gas showing that the costs of using biogas are still higher than the market price of natural gas.

As part of the energy agreement it has been decided that the existing aid schemes will be closed for new beneficiaries from January 1, 2020. Therefore, no new granting letters will be issued after this date. The continued aid for the existing beneficiaries after January 1, 2020 will be limited to a certain maximum annual amount (ceiling).

All beneficiaries will apply for a new granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

The DEA is interested in understanding if the changes to the aid scheme will require a formal notification or whether the changes made to the support for biomass in Denmark could serve as a reference case.

New aid scheme for biogas projects

The main purpose of the Danish energy agreement from 2018 is to deliver a market-driven green transition in Denmark and the use of tenders is an important



measure to achieve this. With the Danish energy agreement it is the intention that a future support scheme for renewable gasses including biogas should be tender based with the purpose of increasing the use of renewable gases for transport, industry and upgrading. The DEA will be interested in opening a dialogue with DG COMP on how the new aid scheme for biogas and other green gases will be assessed under the EEAG 2014.

Questions for DG COMP:

- Will the proposed changes which will phase out the existing aid schemes for biogas require a formal renotification or can the necessary changes to the national legislation be implemented under a set of criteria for which the handling of N359/2008 could serve as a reference?
- 2. How will a new tender based support scheme for renewable gasses be assessed under EEAG 2014? The new support scheme should cover biogas and other renewable energy gasses such as renewable hydrogen and gasified biomass used for upgrading, transport and industry. The main purpose of changing the support for biogas is to introduce a cost effective competitive bidding procedure and ensure a diverse renewable energy mix in Denmark.
- 3. How will mature biogas projects be assessed in terms of incentive effect if they want to apply for support from a new support scheme? The phase out of existing support schemes for biogas will have the consequence that a number of mature biogas projects will have to stop the development since they are unable to meet the deadline. The DEA would like to discuss how the incentive effect (paragraph 27d) should be interpreted under these specific circumstances.



Annex A

This part of the document describes the detailed measures agreed upon by the parties behind the energy agreement on February 8, 2019 on how to phase out the aid for the use of biogas on existing plants:

Deadline after which no new beneficiaries can enter the schemes:

No new projects can enter the current support schemes for biogas for electricity and upgrading after January 1, 2020. No new granting letters will be issued by the DEA for the use of biogas for industrial purposes, transportation and heating after January 1, 2020.

The aid schemes covered by SA.35485 2012/N (biogas for electricity generation from biogas and biogas for upgrading) functions without a formal granting procedure which means that new projects are under development for an extended time period before the project owner applies for aid from the DEA.

Therefore it is necessary to establish a specific procedure for new projects that are under construction, but is unable to meet the deadline on January 1, 2020. Projects that are under development, where all major investments have been made before 8 February, 2019 and which has obtained all necessary permits from the local authorities will be eligible for a dispensation from the deadline after meeting certain requirements for documentation. These projects must be finished and connected to the grid before the end of 2021.

As part of the energy agreement it has been decided that aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling. The ceiling will be determined differently for plants that upgrade biogas, plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:

Upgrading of biogas:

	Annual maximum amount will be determined by:
Existing plants – connected to the natural gas grid by 8 Feb. 2019	 The minimum of: Capacity of connection to the natural gas grid by 8 February 2019, and Technical capacity of the upgrading plant on 8 February 2019.
Planned expansions of existing plants	Existing plants that are connected to the natural gas grid, but where an expansion of the production is planned can apply for an extended annual maximum if these requirements are met:



	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.
New plants	Capacity of planned connection to the natural gas grid by 8 February 2019 (formal agreement with the relevant gas DSO or TSO) If no agreement has been made with the relevant gas DSO or TSO by 8 February 2019, the annual amount will be based on the technical capacity of the upgrading plant that is the part of the investment.

Biogas for electricity generation:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly electricity production from biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has received all necessary environmental permits from local authorities by 8 February 2019.

<u>Plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:</u>

	Annual maximum amount will be determined
	by:
Existing plants in production before 1 January 2018	Maximum monthly use of biogas in 2018, multiplied by 12.
Existing plants in production	Maximum monthly use of biogas in the first 12



after 1 January 2018	months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.

All beneficiaries will apply for a granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

Brevdato 26-03-2019

Afsender Anna.JAROSZ-FRIIS@ec.europa.eu

Modtagere Edward Alexander James-Smith (edwjam@um.dk)

Akttitel RE: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1798960

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Edward Alexander James-Smith (edwjam@um.dk)

Cc: Ivan.BRESKOVIC@ec.europa.eu (Ivan.BRESKOVIC@ec.europa.eu), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Violeta.IFTINCHI@ec.europa.eu

(Violeta.IFTINCHI@ec.europa.eu), Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu),

Marie Christine Høeg (mchg@ens.dk), Lars Martin Jensen (lamj@ens.dk) Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu) RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1798583)

Sendt: 26-03-2019 08:51

Dear Mr James-Smith,

Thank you for your message, I confirm the receipt of the memo.

Kind regards,

Fra:

Titel:

Anna Jarosz-Friis

Dr. Anna Jarosz-Friis

Head of Unit



European Commission

DG Competition Unit B2 –State aids I – Energy

MADO 24/69 B-1049 Brussels/Belgium +32 2 299 37 33 / +32 498 99 37 33 anna.jarosz-friis@ec.europa.eu

From: Edward Alexander James-Smith <edwjam@um.dk>

Sent: Monday, March 25, 2019 4:53 PM

To: JAROSZ-FRIIS Anna (COMP) < Anna. JAROSZ-FRIIS@ec.europa.eu>

Cc: IFTINCHI Violeta (COMP) <Violeta.IFTINCHI@ec.europa.eu>; Jane Glindvad Kristensen <jgk@ens.dk>; Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>; Marie Christine Høeg <mchg@ens.dk> Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1798583)

Dear Ms. Jarosz-Friis,

On Wednesday last, we tried to send you a memo regarding the proposed changes to the existing Danish support schemes for biogas (see email below). Unfortunately, we are currently experiencing technical problems in connection with email correspondance and have now received a message saying that the email was not delivered. Therefore, we have asked our attaché in Bruxelles to forward the email to you.

Regards,

EDWARD JAMEŞ-SMITH / EDWJAM@UM.DK

ENERGY ATTACHÉ

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On behalf of

Marie Christine Høeg

Chefkonsulent / Chief Advisor Danish Energy Agency **Brevdato** 09-04-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Christof.Schoser@ec.europa.eu

Akttitel Regarding proposed changes to existing Danish aid schemes

for biogas

Identifikationsnummer 1809903

Versionsnummer 2

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

- AKT 2180314 -- BILAG 15 -- [Aktdokument] --

Til: Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk),

Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 09-04-2019 13:24

Bilag: MEMO state aid for biogas-2.docx;

Dear Christof Schoser,

The Danish Energy Agency has previously written to your colleague, Anna Jarosz-Friis (see below) about the possibility of a telephone conference or a meeting in Brussels with an informal discussion of proposed changes to existing Danish aid schemes for biogas.

We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

E-mail mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk),

Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was

the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell
E-mail mchg@ens.dk

Energistyrelsen

Danish Energy Agency: www.ens.dk - part of the Danish Ministry of Energy, Utilities and Climate



Memo on state aid and support schemes for biogas

Department

Centre for Renewables

Date

5. March 2019

Ref.

NAL/LAMJ

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification.

Background

On June 29, 2018 all parties in the Danish Parliament agreed on a new comprehensive energy agreement which has measures aiming at increasing the production of renewable energy to app. 55 % by 2030. Further a new long term target has been agreed upon aiming at net-zero emissions of greenhouses gases by 2050.

The energy agreement introduces a new tender based support scheme for renewable gases and a phase out of the existing support schemes for biogas. Thus the current national support schemes for biogas will be changed during 2019. The changes to the support schemes will be a transitional arrangement that will ensure that the existing support schemes can be phased out in a way that does not have retroactive effect on investors.

Danish Energy Agency

Carsten Niebuhrs Gade 43 DK-1577 Copenhagen V

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Support for biogas used for electricity production and upgraded biogas is covered by the state aid case SA.35485 2012/N approved under EAG 2008. Support for biogas for other purposes such as transport, industry and heat is covered by state aid case SA.36659 2013/N approved under EEAG 2014.

Proposed changes to the existing biogas aid scheme – case SA.35485 2012/N The current aid scheme for biogas used for electricity production and upgraded biogas injected into the natural gas grid was approved in 2013 under EAG 2008. This scheme has been successful in achieving the overall aim of extending the use of biogas. There has been a significant rise especially in the use of biogas for upgrading for injection into the natural gas grid. There are approximately 40 plants that upgrade biogas and several new projects are currently under construction. It is expected that around 8.5 PJ upgraded biogas will be injected into the natural gas grid annually in 2019.

The DEA has monitored the developments in market prices of natural gas and electricity and in the costs of using biogas for energy production. On the basis of this monitoring the DEA has annually assessed whether the current prices and costs is leading to overcompensation. The costs relating energy production from the use of biogas significantly exceeds the market price of both electricity and natural gas.

All plants for upgrading biogas have been established in the years after 2013, therefore no plants are so far fully depreciated. The same is the case for plants producing electricity from the use of biogas, where the majority of the plants have been in production for less than 10 years.

The parties in the Danish Parliament has agreed on a detailed measure that will close and phase out the existing aid schemes for the use of biogas for upgrading and electricity:

- No new projects can enter the current support schemes for biogas after January 1, 2020, with exception of projects where all major investments have been made before February 2019.
- 2. Aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling.
- 3. The support granted to existing projects should be limited to 20 years reflecting the depreciation period for a biogas project.

The details of the measure are described more thoroughly in Annex A.

In 2017 the DEA and DG COMP agreed on a set of criteria for phasing out aid for electricity produced by existing non-depreciated biomass plants covered by state aid case N359/2008. As was the case with N359/2008 the aid scheme for the use



of biogas for electricity and upgrading were approved under the EAG 2008 and has been functioning without formal limitations to the aid period. Like N359/2008 the beneficiaries covered by SA.35485 2012/N are non-depreciated plants that produce energy from the use of biomass.

Due to the similarities of the cases the DEA is proposing that the handling of N359/2008 serves as a reference case for the proposed changes and phasing out of the aid for the use of biogas for electricity and upgrading.

The changes to the national legislation will be implemented through amendments to the Act on the Promotion of Renewable Energy and the Act on the Natural Gas Supply. The DEA is planning on introducing the changes before Parliament in the fall of 2019.

Proposed changes to the existing biogas aid scheme – case SA.36659 2013/N The aid schemes for biogas used in transport (3), industrial processes (4) and other forms of biogas use (5) was approved by the Commission in December 2015 under case number SA.36659 - Aid for all forms of biogas use - B. These schemes are approved under EEAG 2014.

Beneficiaries must apply for a granting letter before they start the project and apply on the basis of an application form stating relevant information concerning the project such as the purpose of use of the biogas, and the price of biogas obtainable on the market and the market price of natural gas showing that the costs of using biogas are still higher than the market price of natural gas.

As part of the energy agreement it has been decided that the existing aid schemes will be closed for new beneficiaries from January 1, 2020. Therefore, no new granting letters will be issued after this date. The continued aid for the existing beneficiaries after January 1, 2020 will be limited to a certain maximum annual amount (ceiling).

All beneficiaries will apply for a new granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

The DEA is interested in understanding if the changes to the aid scheme will require a formal notification or whether the changes made to the support for biomass in Denmark could serve as a reference case.

New aid scheme for biogas projects

The main purpose of the Danish energy agreement from 2018 is to deliver a market-driven green transition in Denmark and the use of tenders is an important



measure to achieve this. With the Danish energy agreement it is the intention that a future support scheme for renewable gasses including biogas should be tender based with the purpose of increasing the use of renewable gases for transport, industry and upgrading. The DEA will be interested in opening a dialogue with DG COMP on how the new aid scheme for biogas and other green gases will be assessed under the EEAG 2014.

Questions for DG COMP:

- Will the proposed changes which will phase out the existing aid schemes for biogas require a formal renotification or can the necessary changes to the national legislation be implemented under a set of criteria for which the handling of N359/2008 could serve as a reference?
- 2. How will a new tender based support scheme for renewable gasses be assessed under EEAG 2014? The new support scheme should cover biogas and other renewable energy gasses such as renewable hydrogen and gasified biomass used for upgrading, transport and industry. The main purpose of changing the support for biogas is to introduce a cost effective competitive bidding procedure and ensure a diverse renewable energy mix in Denmark.
- 3. How will mature biogas projects be assessed in terms of incentive effect if they want to apply for support from a new support scheme? The phase out of existing support schemes for biogas will have the consequence that a number of mature biogas projects will have to stop the development since they are unable to meet the deadline. The DEA would like to discuss how the incentive effect (paragraph 27d) should be interpreted under these specific circumstances.



Annex A

This part of the document describes the detailed measures agreed upon by the parties behind the energy agreement on February 8, 2019 on how to phase out the aid for the use of biogas on existing plants:

Deadline after which no new beneficiaries can enter the schemes:

No new projects can enter the current support schemes for biogas for electricity and upgrading after January 1, 2020. No new granting letters will be issued by the DEA for the use of biogas for industrial purposes, transportation and heating after January 1, 2020.

The aid schemes covered by SA.35485 2012/N (biogas for electricity generation from biogas and biogas for upgrading) functions without a formal granting procedure which means that new projects are under development for an extended time period before the project owner applies for aid from the DEA.

Therefore it is necessary to establish a specific procedure for new projects that are under construction, but is unable to meet the deadline on January 1, 2020. Projects that are under development, where all major investments have been made before 8 February, 2019 and which has obtained all necessary permits from the local authorities will be eligible for a dispensation from the deadline after meeting certain requirements for documentation. These projects must be finished and connected to the grid before the end of 2021.

As part of the energy agreement it has been decided that aid for existing beneficiaries will be limited to a certain maximum annual amount by introducing a ceiling. The ceiling will be determined differently for plants that upgrade biogas, plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:

Upgrading of biogas:

	Annual maximum amount will be determined by:
Existing plants – connected to the natural gas grid by 8 Feb. 2019	 The minimum of: Capacity of connection to the natural gas grid by 8 February 2019, and Technical capacity of the upgrading plant on 8 February 2019.
Planned expansions of existing plants	Existing plants that are connected to the natural gas grid, but where an expansion of the production is planned can apply for an extended annual maximum if these requirements are met:



	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.
New plants	Capacity of planned connection to the natural gas grid by 8 February 2019 (formal agreement with the relevant gas DSO or TSO) If no agreement has been made with the relevant gas DSO or TSO by 8 February 2019, the annual amount will be based on the technical capacity of the upgrading plant that is the part of the investment.

Biogas for electricity generation:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly electricity production from biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has received all necessary environmental permits from local authorities by 8 February 2019.

<u>Plants that use biogas for electricity generation, and plants that use biogas for industrial purposes, sell biogas for transportation or use biogas for heating purposes:</u>

	Annual maximum amount will be determined
	by:
Existing plants in production before 1 January 2018	Maximum monthly use of biogas in 2018, multiplied by 12.
Existing plants in production	Maximum monthly use of biogas in the first 12



after 1 January 2018	months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has carried out an environmental impact assessment and received all necessary environmental permits from local authorities by 8 February 2019.

All beneficiaries will apply for a granting letter after the deadline on January 1, 2020. The granting letter will specify the maximum annual amount of production that can receive support and will establish the individual aid period. The aid period will be 20 years reflecting the depreciation period for biogas projects.

Brevdato 12-04-2019

Afsender Violeta.IFTINCHI@ec.europa.eu

Modtagere Marie Christine Høeg (Sagsbehandler, Jura)

Akttitel RE: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1814341

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk),

Lars Martin Jensen (lamj@ens.dk)

Fra: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1809903)

Sendt: 12-04-2019 18:52

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition

European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: <u>Violeta.IFTINCHI@ec.europa.eu</u>

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

To: SCHOSER Christof (COMP) < Christof. Schoser@ec.europa.eu>

Cc: IFTINCHI Violeta (COMP) < Violeta.IFTINCHI@ec.europa.eu>; Jane Glindvad Kristensen < jgk@ens.dk>;

Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

Dear Christof Schoser,

The Danish Energy Agency has previously written to your colleague, Anna Jarosz-Friis (see below) about the possibility of a telephone conference or a meeting in Brussels with an informal discussion of proposed changes to existing Danish aid schemes for biogas.

We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: <u>Violeta.IFTINCHI@ec.europa.eu</u> (<u>Violeta.IFTINCHI@ec.europa.eu</u>), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services Mobil / cell

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Brevdato 25-04-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Violeta.IFTINCHI@ec.europa.eu

Akttitel Sv: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1819074

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars

Martin Jensen (lamj@ens.dk), Birgitta Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-04-2019 13:28

Dear Violeta,

Thanks for your email.

We would very much like to have a meeting with you in Brussels regarding the aid schemes for biogas. If possible we would prefer to schedule the meeting on May 6 at a time between the hours of 10 and 15 which will allow us to travel from Copenhagen and back on the same day.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division Birgitta Bundgaard, Head of division Nanna Alberti, Special advisor

Please inform us of a convenient meeting time for you and of the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell +45 51 67 43 98 E-mail **mchg@ens.dk**



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk),

Lars Martin Jensen (lamj@ens.dk)

Fra: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1809903)

Sendt: 12-04-2019 18:52

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition
European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: <u>Violeta.IFTINCHI@ec.europa.eu</u>

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

To: SCHOSER Christof (COMP) < Christof. Schoser@ec.europa.eu>

Cc: IFTINCHI Violeta (COMP) <Violeta.IFTINCHI@ec.europa.eu>; Jane Glindvad Kristensen <jgk@ens.dk>;

Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

Dear Christof Schoser,

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We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

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Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Brevdato 29-04-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Violeta.IFTINCHI@ec.europa.eu

Akttitel Sv: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1820708

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars

Martin Jensen (lamj@ens.dk), Birgitta Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 29-04-2019 09:53

Dear Violeta.

We have just found out that Tuesday, May 7, would be a better option for us. Would it be possible for you to have the meeting on that day instead?

Thank you and best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil / cell +45 51 67 43 98 E-mail mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars

Martin Jensen (lamj@ens.dk), Birgitta Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-04-2019 13:28

Dear Violeta,

Thanks for your email.

We would very much like to have a meeting with you in Brussels regarding the aid schemes for biogas. If possible we would prefer to schedule the meeting on May 6 at a time between the hours of 10 and 15 which will allow us to travel from Copenhagen and back on the same day.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division Birgitta Bundgaard, Head of division Nanna Alberti, Special advisor Please inform us of a convenient meeting time for you and of the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

 Mobil / cell
 +45 51 67 43 98

 E-mail
 mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk),

Lars Martin Jensen (lamj@ens.dk)

Fra: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1809903)

Sendt: 12-04-2019 18:52

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition
European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: <u>Violeta.IFTINCHI@ec.europa.eu</u>

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

To: SCHOSER Christof (COMP) < Christof. Schoser@ec.europa.eu>

Cc: IFTINCHI Violeta (COMP) < Violeta.IFTINCHI@ec.europa.eu>; Jane Glindvad Kristensen < jgk@ens.dk>;

Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

Dear Christof Schoser,

The Danish Energy Agency has previously written to your colleague, Anna Jarosz-Friis (see below) about the possibility of a telephone conference or a meeting in Brussels with an informal discussion of proposed changes to existing Danish aid schemes for biogas.

We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen

(igk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lami@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

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Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil
/ cell
Email mchg@ens.dk

Energistyrelsen

Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Brevdato 30-04-2019

Afsender Marek.JAHUDKA@ec.europa.eu

Modtagere Marie Christine Høeg (Sagsbehandler, Jura)

Akttitel RE: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1821934

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Birgitta Bundgaard

(bbu@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1820708)

Sendt: 30-04-2019 09:59

Dear Marie Christine,

On 7 May, we can offer two slots either between 11.00-13.00 or 13.30-15.00. Please let us know whether any of these two suit you.

Best regards,

Marek

From: Marie Christine Høeg <mchg@ens.dk> Sent: Monday, April 29, 2019 9:54 AM

To: IFTINCHI Violeta (COMP) < Violeta.IFTINCHI@ec.europa.eu>

Cc: JAHUDKA Marek (COMP) < Marek.JAHUDKA@ec.europa.eu >; SCHOSER Christof (COMP)

<Christof.Schoser@ec.europa.eu>; Jane Glindvad Kristensen <igk@ens.dk>; Nanna Alberti <nal@ens.dk>;

Lars Martin Jensen lamj@ens.dk; Birgitta Bundgaard <b downward bbu@ens.dk>

Subject: Sv: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1820708)

Dear Violeta,

We have just found out that Tuesday, May 7, would be a better option for us. Would it be possible for you to have the meeting on that day instead?

Thank you and best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98

mail mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk),

Lars Martin Jensen (lamj@ens.dk), Birgitta Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-04-2019 13:28

Dear Violeta,

Thanks for your email.

We would very much like to have a meeting with you in Brussels regarding the aid schemes for biogas. If possible we would prefer to schedule the meeting on May 6 at a time between the hours of 10 and 15 which will allow us to travel from Copenhagen and back on the same day.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division Birgitta Bundgaard, Head of division Nanna Alberti, Special advisor

Please inform us of a convenient meeting time for you and of the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti

(nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E- RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1809903)

mailtitel:

Sendt: 12-04-2019 18:52

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if

any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition
European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: <u>Violeta.IFTINCHI@ec.europa.eu</u>

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

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Cc: IFTINCHI Violeta (COMP) < <u>Violeta.IFTINCHI@ec.europa.eu</u>>; Jane Glindvad Kristensen

<jgk@ens.dk>; Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

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Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

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Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email

mchg@ens.dk



Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: <u>Violeta.IFTINCHI@ec.europa.eu</u> (<u>Violeta.IFTINCHI@ec.europa.eu</u>), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell Email mchg@ens.dk



Brevdato 01-05-2019

Afsender Marie Christine Høeg (Sagsbehandler, Jura)

Modtagere Marek.JAHUDKA@ec.europa.eu

Akttitel Sv: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1823115

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Cc: Jane Glindvad Kristensen (jgk@ens.dk), Birgitta Bundgaard (bbu@ens.dk), Nanna Alberti (nal@ens.dk),

Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Lars Martin Jensen (lamj@ens.dk),

Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 01-05-2019 11:35

Dear Marek,

Thank you very much for your flexibility. We would like to have the meeting May 7 at 13.30.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division
Birgitta Bundgaard, Head of division
Lars Martin Jensen, Special advisor
We would appreciate information about the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell +45 51 67 43 98 E-mail mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Jane Glindvad Kristensen (jgk@ens.dk), Birgitta Bundgaard (bbu@ens.dk), Nanna Alberti (nal@ens.dk),

Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Lars Martin Jensen (lamj@ens.dk),

Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu)

Fra: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1820708)

Sendt: 30-04-2019 09:59

Dear Marie Christine,

On 7 May, we can offer two slots either between 11.00-13.00 or 13.30-15.00. Please let us know whether any of these two suit you.

Best regards,

Marek

From: Marie Christine Høeg <mchg@ens.dk> Sent: Monday, April 29, 2019 9:54 AM

To: IFTINCHI Violeta (COMP) < Violeta.IFTINCHI@ec.europa.eu>

Cc: JAHUDKA Marek (COMP) < Marek.JAHUDKA@ec.europa.eu>; SCHOSER Christof (COMP)

<Christof.Schoser@ec.europa.eu>; Jane Glindvad Kristensen <jgk@ens.dk>; Nanna Alberti <nal@ens.dk>;

Lars Martin Jensen < lamj@ens.dk>; Birgitta Bundgaard < bbu@ens.dk>

Subject: Sv: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1820708)

Dear Violeta,

We have just found out that Tuesday, May 7, would be a better option for us. Would it be possible for you to have the meeting on that day instead?

Thank you and best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lami@ens.dk), Birgitta Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-04-2019 13:28

Dear Violeta,

Thanks for your email.

We would very much like to have a meeting with you in Brussels regarding the aid schemes for biogas. If possible we would prefer to schedule the meeting on May 6 at a time between the hours of 10 and 15 which will allow us to travel from Copenhagen and back on the same day.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division Birgitta Bundgaard, Head of division Nanna Alberti, Special advisor

Please inform us of a convenient meeting time for you and of the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu), Christof.Schoser@ec.europa.eu

(Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (jgk@ens.dk), Nanna Alberti

(nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: <u>Violeta.IFTINCHI@ec.europa.eu</u> (<u>Violeta.IFTINCHI@ec.europa.eu</u>)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E- RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

mailtitel:

Sendt: 12-04-2019 18:52

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition
European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: Violeta.IFTINCHI@ec.europa.eu

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

To: SCHOSER Christof (COMP) < Christof.Schoser@ec.europa.eu

Cc: IFTINCHI Violeta (COMP) < <u>Violeta.IFTINCHI@ec.europa.eu</u>>; Jane Glindvad Kristensen

<jgk@ens.dk>; Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1809903)

Dear Christof Schoser,

The Danish Energy Agency has previously written to your colleague, Anna Jarosz-Friis (see below) about the possibility of a telephone conference or a meeting in Brussels with an informal discussion of proposed changes to existing Danish aid schemes for biogas.

We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil
/ cell

Email mchg@ens.dk

Energistyrelsen

Danish Energy Agency: www.ens.dk
- part of the Danish Ministry of Energy, Utilities and Climate

Brevdato 03-05-2019

Afsender Marek.JAHUDKA@ec.europa.eu

Modtagere Marie Christine Høeg (Sagsbehandler, Jura)

Akttitel RE: Regarding proposed changes to existing Danish aid

schemes for biogas

Identifikationsnummer 1825567

Versionsnummer 1

Ansvarlig Marie Christine Høeg

Udskrevet 06. aug 2020

Til: Marie Christine Høeg (mchg@ens.dk)

Fra: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E-mailtitel: RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1823115)

Sendt: 03-05-2019 17:13

Dear Marie Christine,

The meeting on our side will be attended by me, Violeta and Christof Schoser, who is the case manager.

Nice weekend,

Marek

From: Marie Christine Høeg <mchg@ens.dk> Sent: Wednesday, May 1, 2019 11:36 AM

To: JAHUDKA Marek (COMP) < Marek. JAHUDKA@ec.europa.eu>

Cc: Jane Glindvad Kristensen <jgk@ens.dk>; Birgitta Bundgaard <bbu@ens.dk>; Nanna Alberti <nal@ens.dk>; IFTINCHI Violeta (COMP) <Violeta.IFTINCHI@ec.europa.eu>; Lars Martin Jensen <lamj@ens.dk>; SCHOSER Christof (COMP) <Christof.Schoser@ec.europa.eu>

Subject: Sv: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.: 1823115)

Dear Marek,

Thank you very much for your flexibility. We would like to have the meeting May 7 at 13.30.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division
Birgitta Bundgaard, Head of division
Lars Martin Jensen, Special advisor

We would appreciate information about the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98

Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Jane Glindvad Kristensen (jgk@ens.dk), Birgitta Bundgaard (bbu@ens.dk), Nanna Alberti

(nal@ens.dk), Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Lars Martin Jensen

(lami@ens.dk), Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu)

Fra: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

E- RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS ld nr.: 1820708)

mailtitel:

Sendt: 30-04-2019 09:59

Dear Marie Christine,

On 7 May, we can offer two slots either between 11.00-13.00 or 13.30-15.00. Please let us know whether any of these two suit you.

Best regards,

Marek

From: Marie Christine Høeg <mchg@ens.dk>
Sent: Monday, April 29, 2019 9:54 AM

To: IFTINCHI Violeta (COMP) < Violeta.IFTINCHI@ec.europa.eu >

Cc: JAHUDKA Marek (COMP) < <u>Marek.JAHUDKA@ec.europa.eu</u>>; SCHOSER Christof (COMP) < <u>Christof.Schoser@ec.europa.eu</u>>; Jane Glindvad Kristensen < <u>jgk@ens.dk</u>>; Nanna Alberti < <u>nal@ens.dk</u>>; Lars Martin Jensen < <u>lamj@ens.dk</u>>; Birgitta Bundgaard < <u>bbu@ens.dk</u>>

Subject: Sv: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.:

1820708)

Dear Violeta,

We have just found out that Tuesday, May 7, would be a better option for us. Would it be possible for you to have the meeting on that day instead?

Thank you and best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell 98 Email mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Violeta.IFTINCHl@ec.europa.eu (Violeta.IFTINCHl@ec.europa.eu) Cc:

Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu),

Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen (igk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lami@ens.dk), Birgitta

Bundgaard (bbu@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Sv: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 25-04-2019 13:28

Dear Violeta,

Thanks for your email.

We would very much like to have a meeting with you in Brussels regarding the aid schemes for biogas. If possible we would prefer to schedule the meeting on May 6 at a time between the hours of 10 and 15 which will allow us to travel from Copenhagen and back on the same day.

Participants from the Danish Energy Agency will be:

Jane Glindvad Kristensen, Head of division Birgitta Bundgaard, Head of division Nanna Alberti, Special advisor

Please inform us of a convenient meeting time for you and of the participants from DG Competition.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil +45 51 67 43 / cell

mchg@ens.dk mail



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Marie Christine Høeg (mchg@ens.dk)

Cc: Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu),

Christof.Schoser@ec.europa.eu (Christof.Schoser@ec.europa.eu), Jane Glindvad Kristensen

(jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen (lamj@ens.dk)

Fra: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu)

Titel: RE: Regarding proposed changes to existing Danish aid schemes for biogas

RE: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.:

mailtitel: 1809903)

12-04-2019 18:52 Sendt:

Dear Ms Høeg,

Thank you very much for your email and information submitted.

We propose organising a telephone conference or a meeting in Brussels on 6 or 7 May. Please let us know if any of those dates is suitable for you and a proposed timeslot.

Best regards, Violeta, for the team

Violeta IFTINCHI

Case Handler
Unit B2 – State aid I – Energy
Directorate-General for Competition
European Commission

Mail: MADO 24/053 | B-1049, Brussels, Belgium

Telephone: +32-(0)2- 29 - 64077

Email: <u>Violeta.IFTINCHI@ec.europa.eu</u>

From: Marie Christine Høeg <mchg@ens.dk>

Sent: Tuesday, April 9, 2019 1:24 PM

To: SCHOSER Christof (COMP) < Christof.Schoser@ec.europa.eu>

Cc: IFTINCHI Violeta (COMP) < <u>Violeta.IFTINCHI@ec.europa.eu</u>>; Jane Glindvad Kristensen

<jgk@ens.dk>; Nanna Alberti <nal@ens.dk>; Lars Martin Jensen <lamj@ens.dk>

Subject: Regarding proposed changes to existing Danish aid schemes for biogas (ENS Id nr.:

1809903)

Dear Christof Schoser,

The Danish Energy Agency has previously written to your colleague, Anna Jarosz-Friis (see below) about the possibility of a telephone conference or a meeting in Brussels with an informal discussion of proposed changes to existing Danish aid schemes for biogas.

We would very much appreciate an opportunity to discuss the matter with you soon and hope that this is possible from your point of view.

Therefore, we hope that you will inform us of a convenient time for the meeting.

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor HR & Jura / Human Ressources and Legal Services

Mobil / cell

E

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Til: Anna.JAROSZ-FRIIS@ec.europa.eu (Anna.JAROSZ-FRIIS@ec.europa.eu)

Cc: Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu), Jane Glindvad

Kristensen (jgk@ens.dk), Nanna Alberti (nal@ens.dk), Lars Martin Jensen

(lami@ens.dk)

Fra: Marie Christine Høeg (mchg@ens.dk)

Titel: Regarding proposed changes to existing Danish aid schemes for biogas

Sendt: 20-03-2019 11:15

Dear Anna Jarosz-Friis,

The Danish Energy Agency (DEA) would appreciate an informal meeting with The European Commission - DG Competition (DG COMP) regarding proposed changes to the existing aid schemes for biogas (Support for biogas use A and B: SA.35485 2012/N and SA. 36659 2013/N).

The meeting will follow up on a previous meeting held in Brussels on June 11, 2018 concerning the Danish aid schemes for energy production from biomass and biogas. A subject touched upon in this meeting was the Danish government's proposal for changes to the existing aid schemes for biogas. Since then the parties in the Danish Parliament has agreed on the detailed measures that will phase out the existing aid schemes for the use of biogas. It has also been decided to introduce a new tender based aid scheme for new biogas projects as well as other types of renewable gasses.

From the meeting in June 2018 we understand that it is relevant to enter a general discussion with DG COMP on the proposed changes to the existing support schemes for biogas. The DEA would appreciate guidance on how to ensure that changes to the current national support schemes for biogas are in compliance with state aid rules and whether the changes made to existing support schemes will require a formal notification. The proposed changes are laid out in detail in the enclosed brief.

Would it be possible to schedule either a telephone conference or a meeting in Brussels with an informal discussion of the above?

Venlig hilsen / Best regards

Marie Christine Høeg

Chefkonsulent / Chief Advisor
HR & Jura / Human Ressources and Legal Services

Mobil / cell

Email mchg(

mchg@ens.dk



Danish Energy Agency: www.ens.dk

- part of the Danish Ministry of Energy, Utilities and Climate

Brevdato 27-05-2019

Afsender Lars Martin Jensen (Sagsbehandler, MENI (Center for

vedvarende energi))

Modtagere nicola.pesaresi@ec.europa.eu

Akttitel Follow up on meeting concerning state aid for biogas in

Denmark

Identifikationsnummer 1839611

Versionsnummer 1

Ansvarlig Lars Martin Jensen

Udskrevet 06. aug 2020

AKT 2180314 -- BILAG 30 -- [Follow up on meeting concerning state aid for biogas in Denmark] --

Til: nicola.pesaresi@ec.europa.eu (nicola.pesaresi@ec.europa.eu)

Cc: Jane Glindvad Kristensen (jgk@ens.dk), Birgitta Bundgaard (bbu@ens.dk), Johannes Momme Eberhardt

(jmeb@ens.dk), Violeta.IFTINCHI@ec.europa.eu (Violeta.IFTINCHI@ec.europa.eu),

Marek.JAHUDKA@ec.europa.eu (Marek.JAHUDKA@ec.europa.eu)

Fra: Lars Martin Jensen (lamj@ens.dk)

Titel: Follow up on meeting concerning state aid for biogas in Denmark

Sendt: 27-05-2019 14:40

Bilag: MEMO with further information concerning aid for biogas in Denmark.docx;

Dear Nicola Pesaresi,

Thank you for a fruitful meeting in Brussels on May 7th, 2019 regarding state aid for biogas in Denmark.

From the meeting we understand that DG Competition will need further information about the proposed legislative changes that Denmark intents to carry out in order to phase out the current aid schemes for biogas used for electricity, upgrading, industry, heat and transport.

As mentioned at the meeting we are in the process of preparing the public consultation phase for the legislative bill that will phase out the current aid schemes. For this reason we would appreciate your guidance on how to ensure that the changes made to the existing aid schemes for biogas are in compliance with state aid rules. We would as discussed prefer a solution, that does not imply a renotification of the existing state aid decisions and hope that you will be able to get back to us with an indication regarding this matter in the beginning of June.

From our meeting we understand that you need further information regarding:

- 1. The estimated budget, production volume as well as the type of projects that are covered by the aid scheme.
- 2. Description of depreciation period
- 3. How installations that have started operation before March 2012 will be assessed in terms of depreciation periods.
- 4. How the individual ceilings on production eligible for aid will be determined.

Please find the attached MEMO with further information on the four topics. We would be interested in a follow up phone call next week if possible.

Best regards,

Jane Glindvad Kristensen

Med venlig hilsen / Best regards

Lars Martin Jensen

Specialkonsulent / Special Advisor Center for vedvarende energi / Centre for Renewables

Mobil / Cell +45 33 92 76 07 E-mail lamj@ens.dk



- part of the Danish Ministry of Energy, Utilities and Climate		



MEMO with further information on aid schemes for biogas in Denmark

Office/department
Centre for renewables

Date

27. May 2019

J no.

JMEB/LAMJ

Background

The purpose of this MEMO is to provide further information regarding the aid schemes for biogas in Denmark and to follow up on the meeting held in Brussels on May 7 2019 between DG Competition and the Danish Energy Agency. In the meeting DG Competition asked for clarification on four specific topics:

- 1. Estimated production volumes, budget as well as a description of the type of biogas projects that are covered by the aid schemes.
- 2. Description of the depreciation period for biogas projects.
- 3. How installations that have started operation before March 2012 will be assessed in terms of depreciation periods.
- 4. How the individual ceilings on production eligible for aid will be determined.

The information will be used in the assessment of whether the proposed changes made to existing national legislation will require a formal renotification of the aid schemes.

1. Estimated production volumes and budget for aid schemes

This section describes the historic and projected production volumes of biogas in Denmark and the estimated budget for the aid schemes SA.35485 2012/N (biogas for electricity and upgrading) and SA.36659 2013/N (biogas for industry, heat and transport). The data is based on an updated frozen policy scenario from May 2019 from the Danish Energy Agency with the effect from the recent energy agreement that includes measures for phasing out existing aid schemes as well as the effect of a new tender-based aid scheme for green gasses.

1.1. Estimated production volumes

The total estimated biogas volumes that will be eligible for aid from an existing aid scheme are shown in figure 1. The existing aid schemes cover five different types of end-use. The aid scheme for biogas used for electricity production and upgraded biogas injected into the natural gas grid has been successful in terms of expanding the use of biogas. There has been a significant rise in the production of biogas

Danish Energy Agency

Carsten Niebuhrs Gade 43 1577 København V

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upgraded to biomethane injected into the natural gas grid. Figure 1 also displays an increase in biogas used for electricity and industrial processes. No aid is granted to biogas used for space heating and biogas used for transport under the current aid scheme.

Schemes, 2012 – 2032.

35
30
25
15
10
5
10
5
Biogas upgraded to biomethane

Biogas used in industrial processes

Biogas for electricity production

Figure 1: Historic and projected biogas volumes in Denmark covered by existing aid schemes, 2012 – 2032.

1.2. Estimated budget

Based on the historic and projected production volumes the total aid covered by existing schemes has been estimated. Future aid partly depends on how the market price of electricity and natural gas develops. The future estimates are based on price forecasts and therefore subject to change.

Table 1 shows historic as well as projected aid covered by the different existing aid schemes for biogas. Since the biogas sector is currently expanding, estimated total aid is expected to increase until the year 2022 and gradually decrease thereafter due to an expected gradual decrease in the level of aid.



Table 1: Historic and projected aid covered by existing schemes, mill. Euro, 2019 prices.

prices.				
	Electricity production	Upgraded biogas	Industrial processes	Total
Year				
2012	45	-	-	45
2013	60	-	-	60
2014	60	5	-	65
2015	75	20	-	95
2016	75	55	-	125
2017	95	95	-	190
2018	85	120	-	210
2019	80	120	10	210
2020	80	200	10	290
2021	85	250	10	345
2022	90	300	10	400
2023	85	300	10	395
2024	85	295	10	385
2025	80	290	10	380
2026	80	285	10	370
2027	75	275	10	360
2028	70	270	10	350
2029	65	265	10	340
2030	65	255	5	330
2031	60	250	5	315
2032	55	240	5	300

1.3. Types of biogas projects

The individual beneficiaries are required to submit information to the Danish Energy Agency regarding the types of biomass used to produce biogas on an annual basis. These data are used for regulating the amount of energy crops and other feedstocks used to produce biogas.

Figure 2 shows that the majority of biogas in Denmark was produced by large-scale biogas plants in 2017. The largest biogas plants currently under construction in Denmark will have a yearly production capacity of 1.4 PJ of biogas per year. These installations are often financed and operated as a joint-venture between suppliers of biomass, especially large animal farms, and energy companies or financial investors.



The second largest amount of biogas was produced by smaller biogas plants where the ownership is at farm level and biomass often comes from the farm itself. Sewage gas accounted for the third largest share of total biogas production, followed by biogas recovered from landfill sites.

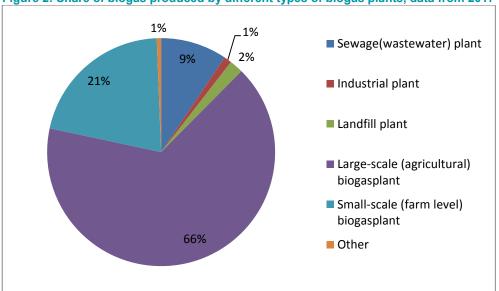


Figure 2: Share of biogas produced by different types of biogas plants, data from 2017

2. Description of depreciation periods

As a result of the proposed changes that include phasing out the existing aid schemes for biogas, all beneficiaries using biogas will have to apply for a granting letter after January 1, 2020 that will specify the terms for receiving aid.

The intention behind the granting letter is to specify and, hence, state the individual aid period for each installation. There are no fixed rules for setting depreciation periods in the national legislation, thus the total aid period will be limited to 20 years in order to reflect the normal depreciation period for biogas projects. This depreciation period reflects the technical life time of biogas plants. Technical lifetime refers to the period after which an average biogas plant, that has operated normally and undergone regular repair and maintenance work, reaches a state, where the plant itself or the majority of technical parts must be replaced in order to support further operation. The technical lifetime is based on data from the Danish technology catalogue¹. All installations that use biogas for upgrading have been

¹ https://ens.dk/en/our-services/projections-and-models/technology-data/technology-data-renewable-fuels



established after 2013 which means that no installations are yet fully depreciated. This is also the case for installations using biogas for electricity production, where the majority of the electricity produced will come from plants that have been producing for less than 10 years.

The depreciation period will be assessed individually for each installation based on documentation regarding production start-up with the exception of installations that started operation before 2012.

3. Installations that have started operation before 2012

Plants that have started operation before 2012 will be assessed individually, and the depreciation period will be 20 years starting from the date they entered into the current aid scheme taking into account that most of the old plants that started operating before 2012 have made reinvestments in replacing old equipment. It is a necessary condition for stable and efficient biogas production that continuous reinvestments are made. Reinvestments after 2012 will not be considered as a new starting point of the depreciation period.

Table 2 shows the type and number of existing installations that have started operation before 2012. A total of 111 installations have started operation before 2012 and received aid for biogas-based electricity production. The volume of biogas used on installations from before 2012 is app. 3.7 PJ per year.

Table 2. Plant type, number and biogas volumes used by existing installations that were in operation before 2012.

Туре	Number	Volume (PJ)
Farm based plant	39	1.3
Sewage plant	31	0.6
Combined heat and power plant	28	1.8
Landfill plant	13	0.04
Total	111	3.7

4. Model for setting individual ceilings on production eligible for aid

It should be emphasized that the proposed production ceilings do not constitute a cap set on the level of support. Thus the general methodology for granting aid will not be changed from the initial model set out in the state aid cases (SA. 35485 2012/N and SA. 36659 2013/N).



The proposed model for setting ceilings on yearly production eligible for aid serves an important purpose since it facilitates a higher degree of predictability in terms of reaching renewable-energy targets and total aid payments. Further the ceilings on production could help make sure that overcompensation will be prevented.

Due to the differences in the economic terms present at the time of investment the ceilings will be determined differently for plants that upgrade biogas, plants that use biogas for electricity generation and plants that use biogas for industrial purposes, sell biogas for transport or use biogas for space heating. The ceilings will allow for a level of production that reflects the underlying investment made in order to reach both the expected level of production, and, subsequently, the expected return on investment. The methodologies are described in the boxes below.

Upgrading of biogas:

	Annual maximum amount will be determined by:
Existing plants – connected to the natural gas grid by 8 Feb. 2019	 The minimum of: Capacity of connection to the natural gas grid by 8 February 2019, and Technical capacity of the upgrading plant on 8 February 2019.
Planned expansions of existing plants	Existing plants that are connected to the natural gas grid, but where an expansion of the production is planned can apply for an extended annual maximum if these requirements are met:
	 Documented binding investment in an expansion is made before 8 February 2019. Documentation that the planned expansion has been subject to an environmental impact assessment and all necessary environmental permits from local authorities are in place by 8 February 2019.
New plants	Capacity of planned connection to the natural gas grid by 8 February 2019 (formal agreement with the relevant gas DSO or TSO)
	If no agreement has been made with the relevant gas DSO or TSO by 8 February 2019, the annual amount will be based on the technical capacity of the upgrading plant that is the part of the investment.



Biogas for electricity generation:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly electricity production from biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly electricity production in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that all necessary environmental permits from local authorities are in place by 8 February 2019.

Biogas used for industrial purposes, for transportation or for heating purposes:

	Annual maximum amount will be determined by:
Existing plants in production before 1 January 2018	Maximum monthly use of biogas in 2018, multiplied by 12.
Existing plants in production after 1 January 2018	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12.
Planned expansions of existing plants	Maximum monthly use of biogas in the first 12 months of operation, multiplied by 12, if these requirements are met:
	 Documented binding investment in an expansion made before 8 February 2019. Documentation that the planned expansion has been subject to an environmental impact assessment and all necessary environmental permits from local authorities are in place by 8 February 2019.