

BOS

Briefing Session



13th April, 2017

TODAY'S AGENDA

- Energy Act changes – reminder
- DCCAE – ILUC transposition
- Industry perspective
- Reconciliation of 2016 period
- Positives from audits
- Plans for ILUC Directive
- Plans for Fuel Quality Directive
- Mass balance – recap
- Open discussion



THE ENERGY ACT 2016

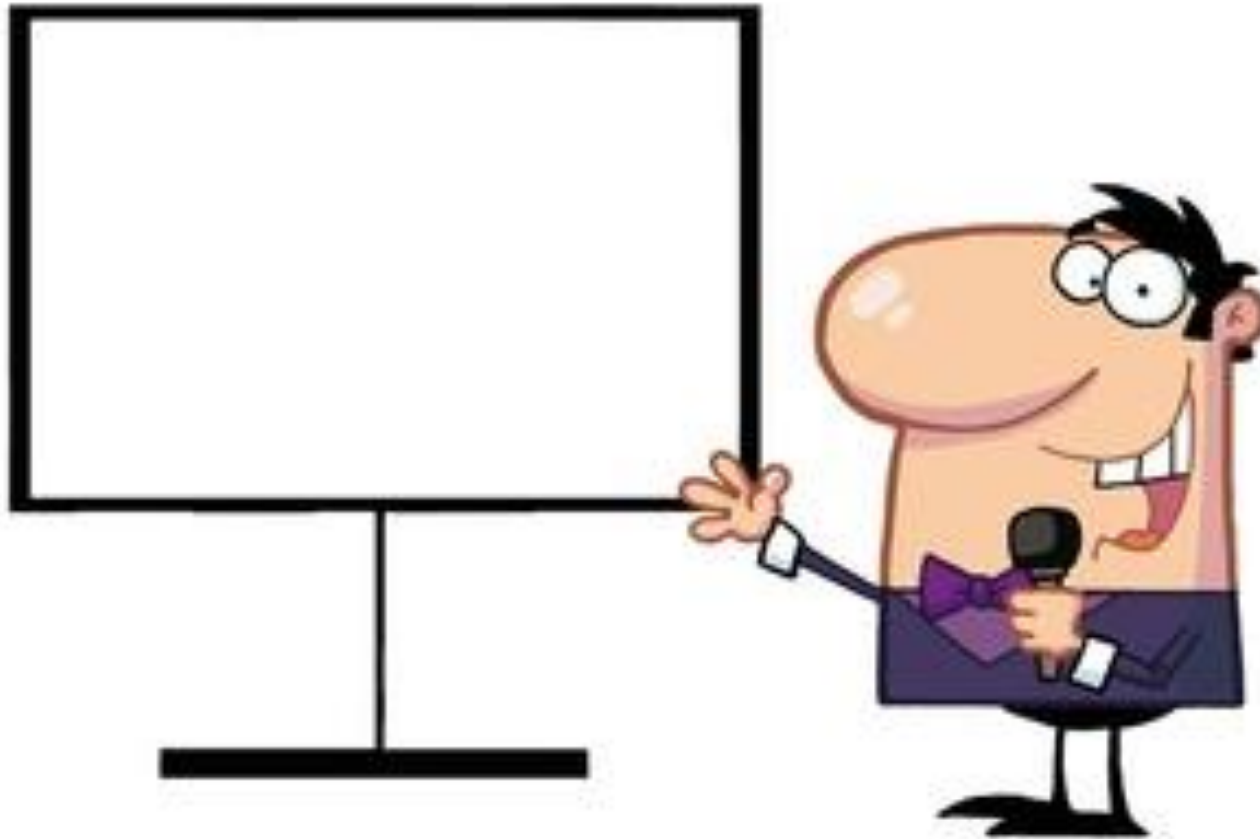
- A new term, 'reporting period', has been introduced
- Closing dates for quarterly BOS Cert applications set (published on NORA's website)

Reporting Period	Closing Date
1 January to 31 March	15 May
1 April to 30 June	14 August
1 July to 30 September	14 November
1 October to 31 December	14 February

DCCAE – ILUC DIRECTIVE TRANSPOSITION



INDUSTRY SPEAKER



OBLIGATION FOR 2017 PERIOD & BEYOND

- Since 1st January 2017, the obligation is:

8%, by volume

	Total	Fossil Fuel	Biofuel	% Bio	Double Count	Obligation (Certs)
Diesel	70	66.7	3.3	4.6%	100%	6.5
Gasoline	30	28.5	1.5	5.0%	0%	1.5
Total	100	95.3	4.8	4.8%		8 (8%)

OBLIGATION FOR 2017 PERIOD & BEYOND

- Since 1st January 2017, the obligation is:

8%, by volume

- Probably need to rise to around 11 - 12% in 2020

	Total	Fossil Fuel	Biofuel	% Bio	Double Count	Obligation (Certs)
Diesel	70	65.1	4.9	7%	100%	9.8
Gasoline	30	27	3	10%	0%	3
Total	100	92.1	7.9	7.9%		12.8 (12.8%)

OBLIGATION FOR 2017 PERIOD & BEYOND

- Since 1st January 2017 the obligation is

8%, by volume

- Probably need to rise to around 11 - 12% in 2020

	Total	Fossil Fuel	Biofuel	% Bio	Double Count	Obligation (Certs)
Diesel	70	65.1	4.9	7%	100%	9.8
Gasoline	30	28.5	1.5	5%	0%	1.5
Total	100	93.6	6.4	6.4%		11.3 (11.3%)

OBLIGATION FOR 2017 PERIOD & BEYOND

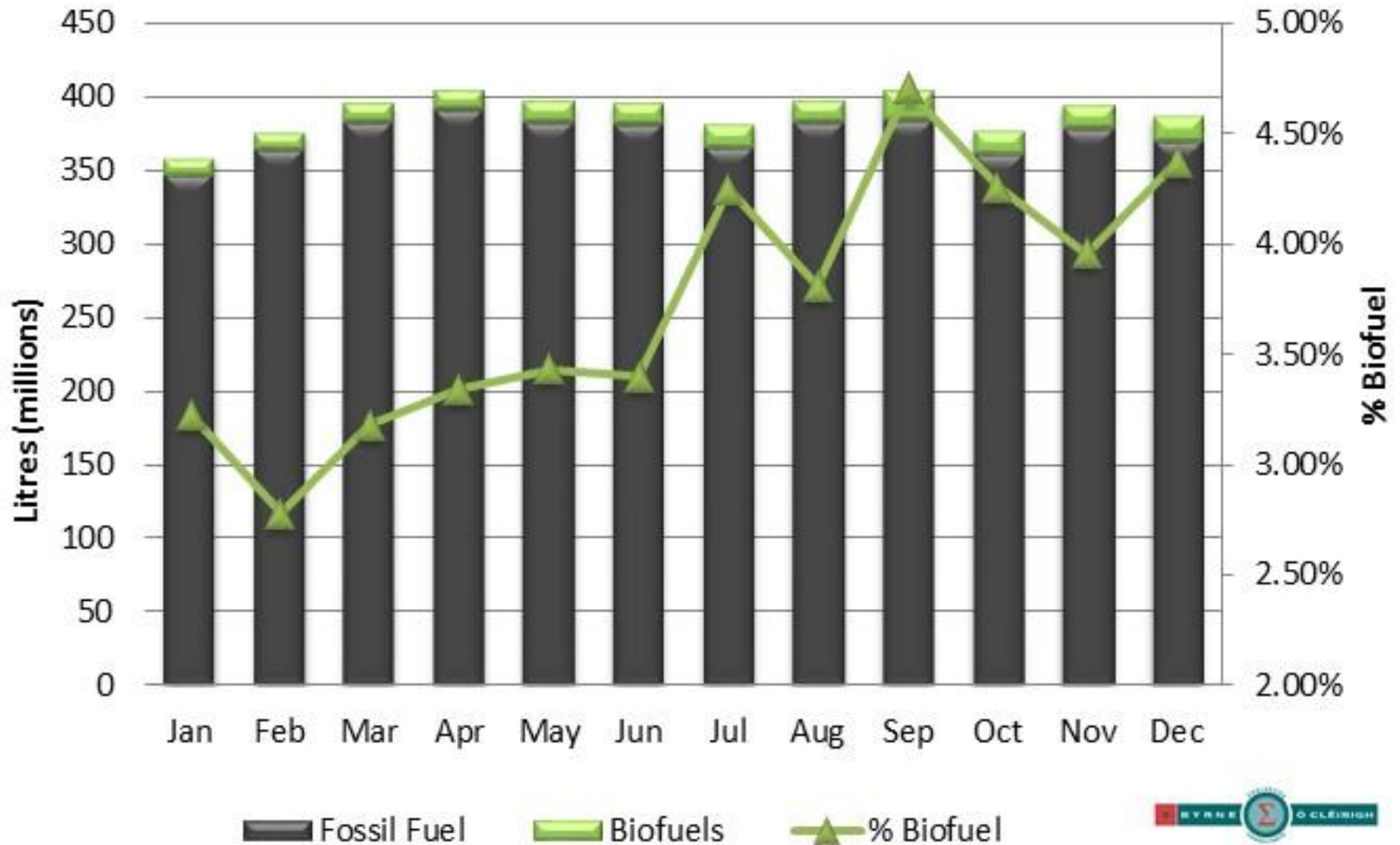
- Since 1st January 2017 the obligation is

8%, by volume

- Probably need to rise to around 11 - 12% in 2020

	Total	Fossil Fuel	Biofuel	% Bio	Double Count	Obligation (Certs)
Diesel	70	64.75	5.25	7.5%	100%	10.5
Gasoline	30	28.50	1.5	5%	0%	1.5
Total	100	93.25	6.75	6.75%		12 (12%)

RECONCILIATION OF 2016 PERIOD

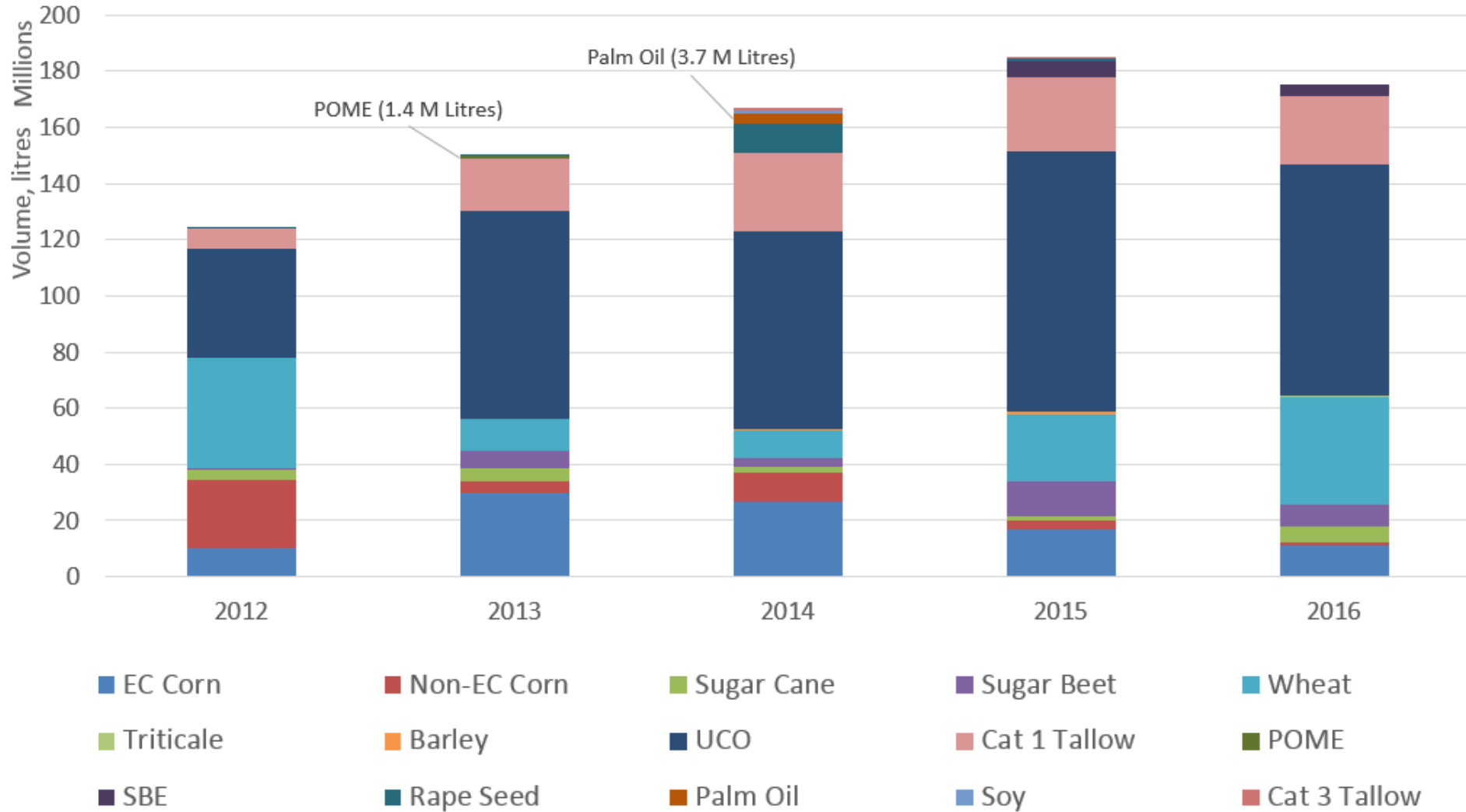


RECONCILIATION 2016

- The numbers:
 - 4.5 billion litres fossil (+3.2%)
 - 174 million litres bio (-5.6%)
 - Obligation 6.383% vs 6.29% achieved
 - Shortfall met by Certs carried forward
 - Approx. 68 million Certs carried forward to 2017



RECONCILIATION 2016



AUDITING

- On-site audits
 - Over six years, 25 audits
 - 2.5 audits per company over six years
 - Selection criteria:
 - Performance during period (BOS & OLA)
 - Audit history
 - Market share (bio & fossil)
- Desk-based audits
 - Over four years, 16 audits



AUDITING

Summary of findings:

- Certs revoked: 16,000
- Additional levy payments: €96,000
- Certs awarded: 1.2 million
- Levy refunds: €1.3 million (€1 k to €770 k)



On average per on-site audit:
47 k Certs awarded and €52 k refunded

CATERING FOR ILUC

- Changes will be required:
 - **Crop cap** (max. 7% of total transport energy)
 - **Advanced biofuel target** (at least 0.5% of total transport energy)
- Cater for existing attributes:
 - Year of award (Y_n , Y_{n-1} , Y_{n-2})
 - Double count (yes/no)



CATERING FOR ILUC

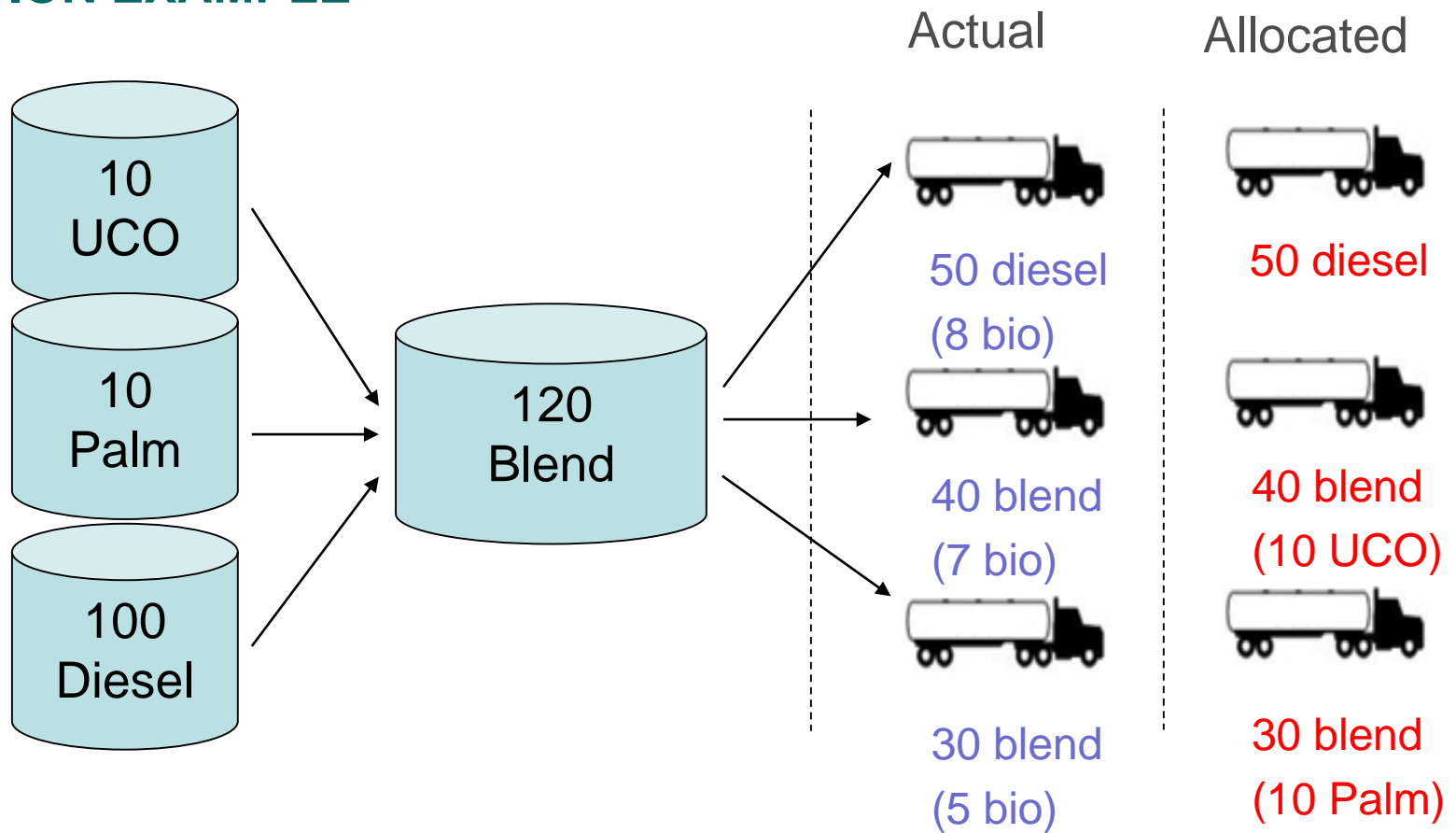
Count towards 7% limit	Do <u>not</u> count towards the 7% limit	Count towards 0.5% sub-target	Annex IX - Part B
<i>=if <u>not</u> listed in Annex IX and not Orange qualified feedstock</i>	<i>=if <u>not</u> listed in Annex IX and bouns for degraded land applied <u>and</u> not a cereal, an other starch-rich crops, a sugar crop or an oil crop</i>	<i>=if Annex IX Part A <u>and</u> those 'grandfathered'</i>	<i>=If Annex IX Part B</i>
All other codes	TALL3	POME WMANU DMANU *will include for renewable liquid and gases	UCO TALL1 TALL2
RED Certs	ORANGE Certs	GREEN Certs	YELLOW Certs

CROP CAP

- Applies to: *cereal and other starch-rich crops, sugars and oil crops and from crops grown as main crops primarily for energy purposes on agricultural land*
- Vast majority of ethanol feedstocks: corn, wheat, barley, sugar beet, sugar cane
- Biodiesel: rape, soy, palm...



ALLOCATION EXAMPLE



NEXT UP

- Open discussion



-- Thank you for your attention --

-- All invited for lunch at 13:00 --