

Opinion of the Chief Expert on Energy of the Union of Entrepreneurs and Employers on the amendment to the Distance Act

With growing concern, we have realised that the legislative proceedings with regard to the amendment to the so-called the “anti-windmill act” have significantly slowed down. The proposed changes to the regulations primarily aimed at liberalising the “10H rule”, according to which it is forbidden to locate wind farms next to buildings in a radius of less than 10 times the height of a wind turbine. This rule in its current wording is widely recognised as harmful to the investment potential of renewable energy sources. At the same time, it remains one of the most restrictive rules for locating wind farms in the entire European Union. In fact, this rule makes it impossible to invest on 99.7% of Polish land.

The prepared *draft act amending the act on investments in wind farms and certain other acts* was subject to extensive public consultations, during which stakeholders from all backgrounds and organisations involved in the development of green energy participated. This way, a consensus was reached aimed at bringing a significant investment impulse for the Polish RES market. It is therefore rather incomprehensible why the process of adoption of this amendment faces new obstacles and is so slow.

Awaiting the novelised provisions of the “10H act” are also state-owned energy companies, which have both the appropriate funds and RES investment opportunities. The planned separation of conventional energy sources and their transfer to the National Energy Security Agency (NABE – Narodowa Agencja Bezpieczeństwa Energetycznego) will result in a complete organisational and business shift of these entities towards green energy.

Further regulatory uncertainty is sparked by recent statements of Ministry of Development and Technology representatives, according to whom the draft amendment is not a priority for the central government. This may to a greater extent delay the implementation of the new regulations. Such an approach may indicate a failure to recognise the scale of problems taking place in connection with the application of the restrictive “10H rule”.

In our view, the amendment to the Distance Act is one of the most pressing issues the Polish authorities have to address in the context of the energy sector’s development. The

aforementioned modification of the strict provisions will make it possible to execute RES projects- currently the cheapest source of electricity production – quickly and efficiently.

Furthermore, one should also pay attention to the growing energy deficit, an increasingly significant threat to domestic energy industry. Therefore, we feel compelled to stress that onshore wind energy together with large-scale photovoltaic sources can significantly reduce the growing deficit and simultaneously have a positive impact on energy prices on the Polish national market. In our opinion, the development of renewable energy sources is also important for the implementation of the Polish Hydrogen Strategy, as these sources will be of key importance for the development of modern technologies in the field of energy.

Companies owned in part by the Polish National Treasury and private investors alike had commenced investment projects in onshore wind farms that were later forced to stop in 2016 due to unfavourable provisions of the Distance Act. Liberalisation of the “10H rule” would allow for the completion of these projects, and thus would enable a rapid execution of modern, efficient and cheap energy sources with a capacity amounting to approximately 5 GW, which in our climate could provide up to 15 TWh (terawatt hours) of green energy per year after 2025.

Only then could our economy safely await green energy supplies coming from offshore wind farms, and there would be no need to make emergency or unprofitable purchases of green energy for industries exporting to European markets.

With all of the above in mind, we wish to appeal to the Ministry of Development and Technology to resume works leading to the adoption of the amendment as soon as possible, as it will enable quick investments in renewable energy sources.

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