

**GBER Review**  
*Slovenské elektrárne, a. s.*

Provision	Proposed wording	Justification
Recital article 8	<p>(8) It is appropriate to broaden the scope of Regulation (EU) No 651/2014 by introducing compatibility conditions for aid for hydrogen in line with the objectives of the Hydrogen strategy for a climate-neutral Europe. Those conditions should be added to the existing provisions concerning aid for the promotion of energy from renewable sources. Aid for the promotion of hydrogen should be considered compatible with the internal market and be exempted from the notification and for storage. Those conditions should be added to the existing provisions concerning aid for the promotion of energy from renewable sources. Aid for the promotion of hydrogen should be considered compatible with the internal market and be exempted from the notification requirement of Article 108(3) of the Treaty, only insofar as <del>exclusively</del> renewable <del>or low-carbon</del> hydrogen is produced. Aid for storage projects should be exempted from the notification requirement <del>only to the extent that storage and renewable energy generation facilities are connected.</del></p>	<p>The EU recognizes an important role for low-carbon hydrogen in its Hydrogen strategy for a climate-neutral Europe (COM (2020) 301 final). According to this strategy, low-carbon hydrogen is intended to help "rapidly reduce emissions from existing hydrogen production and support the parallel and future uptake of renewable hydrogen" (A hydrogen strategy for a climate-neutral Europe, p. 5). At the same time, low-carbon hydrogen (together with renewable hydrogen) has significant potential to contribute "to reduce greenhouse gas emissions ahead of 2030, to the recovery of the EU economy, and is a key building block towards a climate-neutral and zero pollution economy in 2050, by replacing fossil fuels and feedstock in hard-to-decarbonise sectors" (A hydrogen strategy for a climate-neutral Europe, p. 21). In this document, the European Commission has repeatedly emphasized the need for adequate support for low-carbon hydrogen (A hydrogen strategy for a climate-neutral Europe, p. 10 and p. 13), including appropriate state aid rules for low-carbon hydrogen (A hydrogen strategy for a climate-neutral Europe, p. 6). Limiting the state aid rules in the GBER proposal exclusively to renewable hydrogen is a step that goes against the basic ideas articulated in the forthcoming EU strategy. We therefore propose deleting the principle of exclusivity for the promotion of renewable hydrogen and extending the scope of the GBER to include also support for low-carbon hydrogen.</p> <p>We also perceive the approach of the draft GBER revision to electricity storage as problematic. The European Commission has explicitly recognized the role of storage technologies (including pumped hydropower storage, batteries and electrolyzers) among the important integrators of the increased shares of variable renewable production, as stated in the document Powering a climate-neutral economy: An EU strategy for energy system integration (COM (2020)</p>

		<p>299 final), thus ensuring better management of the energy system by providing additional flexibility (Powering a climate-neutral economy: An EU strategy for energy system integration, p. 4). Granting the possibility of support in the draft GBER revision only for the new installations of storage facilities and ignoring the need to upgrade the existing infrastructure, appears to be a step in the wrong direction. If the existing storage infrastructure becomes obsolete, there is a risk that it will not be able to provide the required flexibility services to a sufficient extent. On the contrary, modernizing such facilities may, in many cases, prove to be more cost-effective and less environmentally burdensome than building new facilities. At the same time, existing facilities may, after modernization, contribute to the provision of additional and more robust services for the electricity system. We therefore consider the line of reasoning proposed in the GBER to be wrong and potentially counterproductive for better integration of the energy system.</p>
<p>Art. 1 (1) inserting Art. 2 (102e)</p>	<p>(102e) ‘low-carbon hydrogen’ means fossil-based hydrogen with carbon capture and storage or electricity-based hydrogen, where that hydrogen achieves life-cycle greenhouse gas emissions savings of at least [73.4 %] [resulting in life-cycle greenhouse gas emissions below 3 tCO<sub>2</sub>eq/tH<sub>2</sub>] relative to a fossil fuel comparator of [94g CO<sub>2</sub>e/MJ (2.256 tCO<sub>2</sub>eq/tH<sub>2</sub>)]. <del>The carbon content of electricity-based hydrogen shall be determined by the marginal generation unit in the bidding zone where the electrolyser is located in the imbalance settlement periods when the electrolyser consumes electricity from the grid;</del></p>	<p>Support for the production of low-carbon hydrogen should take into account the principle of technological neutrality and, on a non-discriminatory basis, support the development of electricity-based hydrogen production from electricity sources potentially capable of qualifying for the pre-defined life-cycle greenhouse gas emissions limit. We propose deleting the second sentence of this provision, as this is what significantly limits and complicates proving the origin of electricity for hydrogen production - proving the emission intensity of hydrogen production should rest on the shoulders of the hydrogen producer.</p>
<p>Art. 1 (1) amending Art. 2 (inserting a new definition)</p>	<p><del>(x) electricity storage means facilities used for storing electricity on a permanent or temporary basis in above-ground or underground infrastructure or geological sites, provided they are directly connected to high-voltage transmission lines designed for a voltage of 110 kV or more;</del></p>	<p>We propose to include in the definitions a separate definition of the term „electricity storage“ as defined by the current GBER. We are subsequently working with this concept in further proposals to amend and change the wording of the draft GBER revision.</p>
<p>Art. 1 (1) amending Art. 2</p>	<p><del>(x) repurposing of the site means change of the use of the given site which has been directly linked to coal power plant operation or mining</del></p>	<p>We propose to include in the definitions a separate definition of the term „repurposing of the site“. We are subsequently working with this</p>

(inserting a new definition)	activities into activities eligible under Art. 8 of the Regulation (EU) 2021/1056.	concept in further proposals to amend and change the wording of the draft GBER revision.
Art. 1 (2) amending Art. 4 (1)(s)	(s) for investment aid for environmental protection, unless otherwise specified: EUR <del>20</del> 30 million per undertaking per investment project;	We propose to increase the total investment aid for projects in the field of environmental protection so that the total amount of aid stimulates the support for projects aimed at meeting the objectives defined by the European Green Deal and its related legislation. An example of such projects could be the development of renewable energy projects in areas that have been burdened by certain industrial activities in the past and which cannot be used for other activities. These are those sites which can absorb projects in the field of renewable energy sources in such a scale that require an increase in the maximum amount of support. The aim should be to contribute to the development of such complex and large-scale projects.
Art. 1 (2) amending Art. 4 (inserting a new notification threshold)	(x) for investment aid for site repurposing projects in the regions in transition, unless otherwise specified: EUR 50 million per undertaking per investment project;	We propose defining the amount of total investment aid not subject to notification for projects in the area of site repurposing so that the total amount of aid stimulates support for projects aimed at meeting the objectives defined by the European Green Deal and its related legislation.
Art. 1 (28) (a) replacing Art. 41	<p style="text-align: center;"><i>Article 41</i></p> <p><b>Investment aid for the promotion of energy from renewable sources, renewable and low-carbon hydrogen, and high-efficiency cogeneration and electricity storage</b></p> <p>1. Investment aid for the promotion of energy from renewable energy sources, renewable and low-carbon hydrogen, and high-efficiency cogeneration and electricity storage shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled.</p>	We propose to extend the possibility of providing state aid under the GBER to include low-carbon hydrogen production and electricity storage. These activities are essential in order to achieve the ambitious climate and energy objectives defined by the European Green Deal and its related legislation.
Art. 1 (28) (b)	<del>1a. Investment aid for storage projects under this Article shall be exempted from the notification requirement of Article 108(3) of the</del>	We propose deleting this provision. We perceive electricity storage facilities as an essential element of a transforming energy system with

inserting Art. 41 (1a)	<del>Treaty only to the extent that it is granted on the basis of a scheme open to combined renewable and storage projects (behind the meter), where both elements are installed and put into operation at the same time. The storage investment shall have as a maximum the same capacity as the connected renewable investment. Aid to storage connected to an existing renewable installation (behind the meter) may also be covered by the same scheme, where the storage investment fulfils the same conditions and all investment projects (renewables and storage) are considered an integrated project for verification of compliance with the thresholds set out in Article 4.</del>	the potential to contribute to the stable and reliable operation of the electricity system. The draft GBER revision systematically omits support for existing storage facilities, which are nowadays mostly represented by pumped hydropower plants. This problem is especially outstanding at pumped storage hydropower plants with a large installed capacity (e.g. pumped hydropower plant Čierny Váh in the Slovak Republic with an installed capacity of 6x110 MW), which are often situated in protected areas with a limited possibility to install renewable energy sources. Such storage facilities have a modernizing potential in terms of increasing their regulatory range and expanding their capacity in order to improve the provision of flexibility services. An incentive to support the joint installation of new renewable energy sources can also be an incentive to obtain an additional 15% support for those projects that combine storage and renewable energy sources. However, the way of excluding stand-alone support for electricity storage facilities from the possibility of obtaining support under the GBER is clearly a step in the wrong direction.
Art. 1 (28) (c) replacing Art. 41 (3)	3. Investment aid for the production of hydrogen shall be exempted from the notification requirement of Article 108(3) of the Treaty only for installations producing exclusively renewable <b>or low-carbon</b> hydrogen. For renewable hydrogen projects consisting of an electrolyser and one or more renewable generation units behind a single grid connection point, the capacity of the electrolyser shall not exceed the combined capacity of the renewable generation units. The investment aid may cover dedicated infrastructure for the transmission or distribution of renewable <b>or low-carbon</b> hydrogen, as well as storage facilities for renewable <b>or low-carbon</b> hydrogen.	In line with the adjustments proposed above, we are calling for investment aid to be extended to include low-carbon hydrogen that has significant potential for decarbonising the EU economy. The potential of low-carbon technologies to achieve this goal has also been recognized in paragraph 2.12 of the Council Conclusions of 11 December 2020 ("Towards a hydrogen market for Europe").
Art. 1 (28) (e) replacing Art. 41 (7)	7. The aid intensity shall not exceed: <del>(a) 30 60 % of the eligible costs for the production of energy from renewable energy sources, renewable <b>or low-carbon</b> hydrogen, and high-efficiency cogeneration and electricity storage;</del> <del>(b) 15 % of the eligible costs for projects involving electricity storage.</del>	We propose to increase the state aid intensity and extend the scope of eligible activities to other areas so as to accelerate the achievement of the climate and energy goals set by the European Green Deal and its related legislation.
Art. 1 (28) (f)	9. The aid intensity may be increased by 15 percentage points for investments <del>using only renewable energy sources, including green cogeneration combining renewable sources with electricity storage.</del>	We propose the increased state aid intensity for projects that combine the installation of new renewable energy sources and electricity storage. Increased aid intensities for projects with a synergy effect

replacing Art. 41 (9)		supporting the integration of the energy system and strengthening its resilience could also be motivating for investors.
Art. 1 (33) replacing Art. 45 (2b)	<del>2b. Aid for rehabilitation following the closure of power plants and mining operations shall not be exempted under this Article from the notification requirement of Article 108(3) of the Treaty.</del>	The phasing-out of thermal power plants and mining activities in the regions in transition should be dealt with as a matter of priority, without unnecessary additional bureaucracy. The proposed provision runs counter to the idea of an accelerated just transition promoted by the European Union.
Art. 1 (33) replacing Art. 45 (3)	3. Without prejudice to the Union rules on liability for environmental damage, in particular Directive 2004/35/EC of the European Parliament and of the Council*, where the undertaking liable for the environmental damage under the law applicable in each Member State is identified, that undertaking shall finance the works necessary to prevent and correct environmental degradation and contamination in accordance with the ‘polluter pays’ principle, and no aid shall be granted for the works that the undertaking would be legally required to conduct. <b>This principle shall not apply in the regions in transition under Art. 11 of the Regulation (EU) 2021/1056 if the site repurposing activities take place.</b> The Member State shall take all necessary measures, including legal actions, to identify the liable undertaking and make it bear the relevant costs. Where the entity liable under the applicable law cannot be identified or made to bear the costs, in particular because the liable undertaking has ceased to legally exist and no other undertaking can be regarded as its legal successor, or where there is insufficient financial security to meet the costs of remediation, aid may be granted to support the entire project. Aid shall not be granted for the implementation of compensatory measures referred to in Article 6(4) of Council Directive 92/43/EEC**. Aid may be granted under this Article to cover the extra costs necessary to increase the scope or ambition of those measures, beyond the legal obligations under Article 6(4) of Council Directive 92/43/EEC.	We propose to limit the 'polluter pays' principle in cases involving regions in transition falling within the scope of the Just Transition Mechanism, as shifting away from the use of coal in the electricity production represents one of the key pillars in energy transition and decarbonisation. In this case, it is necessary to properly guide both the public and private investments in a way that accelerates the transition in question. However, the exception to the "polluter pays" principle should be conditioned by the site repurposing activities.
Art. 1 (33) replacing Art. 45 (6)	6. The aid intensity shall not exceed: <del>(a)</del> 100 % of the eligible costs for investments in the remediation of environmental damage, <del>or</del> the rehabilitation of natural habitats and ecosystems <del>;</del>	We propose to equalize the aid intensity for all measures provided for in this provision so that all remediation, rehabilitation and restoration activities can be supported on a non-discriminatory basis.

	<del>(b) 70 % of the eligible costs for investments</del> in the protection or restoration of biodiversity and in nature-based solutions for climate change adaptation and mitigation.	
New dedicated category of investment aid	<p style="text-align: center;"><i>Article X</i></p> <p style="text-align: center;"><b>Investment aid for site repurposing projects in the regions in transition</b></p> <p>1. Investment aid for site repurposing projects in the regions in transition shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled.</p> <p>2. Aid for repurposing projects in the regions in transition may only be granted where all of the following conditions are met:</p> <ul style="list-style-type: none"> <li>(a) the site is located in the region in transition under Art. 11 of the Regulation (EU) 2021/1056,</li> <li>(b) the site has been directly linked to coal power plant operation or coal mining activities.</li> </ul> <p>3. The aid intensity shall not exceed 60 % of the eligible costs.</p>	<p>Following our previous comments, we propose to create a new dedicated category of investment aid in line with the state aid rules under the GBER, which will facilitate and accelerate the transition of coal regions, especially sites directly related to coal power plant operation and mining activities. The aim of this proposal is to support projects aimed at repurposing those sites that are directly linked to the operation of coal-fired power plants or mining activities, and thus to help regions in transition identified in line with Art. 11 of the Regulation (EU) 2021/1056.</p>