

Stricter European Union pollutant limits could lead to costly upgrades or the closure of one third of Europe's large-scale coal power plant capacity, a report by the Institute for Energy Economics and Financial Analysis showed on Monday by Reuters.

On April 28, EU member states approved stricter limits on pollutants such as sulfur oxides and nitrogen oxides from large combustion plants in Europe which can cause air pollution and respiratory diseases.

To comply with the new rules by 2021, utilities will either have to invest in new technology to retrofit coal plants, restrict operating hours to under 1,500 a year or close the facilities, the IEEFA said.

"The cost of compliance will be prohibitive for many of these installations, given the market outlook and other headwinds," said Gerard Wynn, consultant to IEEFA and co-author of the report.

Europe's coal power fleet is already struggling to remain profitable due to low wholesale power prices, weak energy demand and growth of renewables. A record 10 gigawatts (GW) of capacity closed in Europe last year and several EU governments have promised to phase out coal next decade.

To meet EU emissions targets under a global climate pact, the Paris Agreement, a quarter of current EU coal capacity needs to shut by 2020 and all of it by 2030, the Climate Analytics think-tank said this year.

Source: energyworldmag