

## **From coal to gas – ecological and psychological effects of small-capacity conversion projects in Poland**

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The paper presents economical and psychological aspects of modernization of small-sized phasing district boiler plants from coal to gas with use of World Bank financial support. A lot of 20 small sized boiler houses in various degrees of wear out were submitted as applicants for this support. The funds were coming from Global Environmental Fund, a financial instrument established by the Government of Norway to promote repeatable and cost-efficient modernization of heat sources. The objectives of the GEF Component of the Heat Supply Restructuring and Conservation Project for Poland is to demonstrate and establish a commercial basis for widespread reduction in CO<sub>2</sub> emissions through substitution of natural gas for coal in the district heating industry. Impressive global and local environmental benefits result from the substitution of natural gas for coal in medium-sized projects. Most of these projects have been located in the regions of Poland that feature low industrialization and high unemployment rate. The paper makes an attempt to answer the question whether these projects have been successful not only from the economical and ecological point of view, which is without doubt, but also from the psychological aspect, having in mind better and modern automation solutions, new and more efficient equipment, larger reach of modernized installations. Yet another aspect discussed are actual benefits in terms of access to such obvious commodities as hot water and district heating.

Another significant aspect are lessons learned when using foreign financing – what is the financing structure of any typical project, what are the legal frameworks and how it is possible to use the experiences gained in this project in the future use of European Union accession funds. The Authors emphasize the differences existing between Polish and World Bank regulations concerning tenders and existing at the time of performance of this project.