



Bringing low-carbon technologies to the market: the NER 300 programme

**Financial Instruments and Funding of
RD&D and Geothermal Projects**

**Hotel Bedford, Brussels
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**Unit C.1, Low Carbon Technologies
DG Climate Action**

*Climate
Action*

What is the **NER 300** programme?

- One of the world's largest programmes for innovative low-carbon first-of-a-kind projects, funded by the EU emissions trading system (ETS)
- A catalyst for the demonstration of environmentally safe carbon capture and storage (CCS) and innovative renewable energy (RES) technologies on a commercial scale within the EU
- Funded from the sale of 300 million allowances from the new entrants' reserve (NER) set up for the ETS
- Two calls for proposals: the first one was awarded in December 2012, the second in July 2014

NER 300: essential to the EU climate and energy policy

- It bridges the gap between R&D and commercialisation by funding first-of-a-kind projects
- It reinforces the EU's competitiveness by supporting low-carbon technologies, in which the EU enjoys global technological leadership
- It increases the EU's security of supply through indigenous sources of energy
- Fights climate change by reducing GHG emissions

NER 300: statistics

- 39 projects in 20 EU Member States: 38 RES and 1 CCS
- €2.1 billion NER 300 funding, coming from the sale of 300 million ETS allowances
- NER 300 projects will increase the annual EU renewable energy production by some 18 TWh
- Together with the CO₂ stored by the CCS project, the impact will be equivalent of taking over 3 million cars off EU roads
- State-of-play (projects of the first call): 3 are in operation, 4 reached a positive FID and 4 more should reach it in 2015

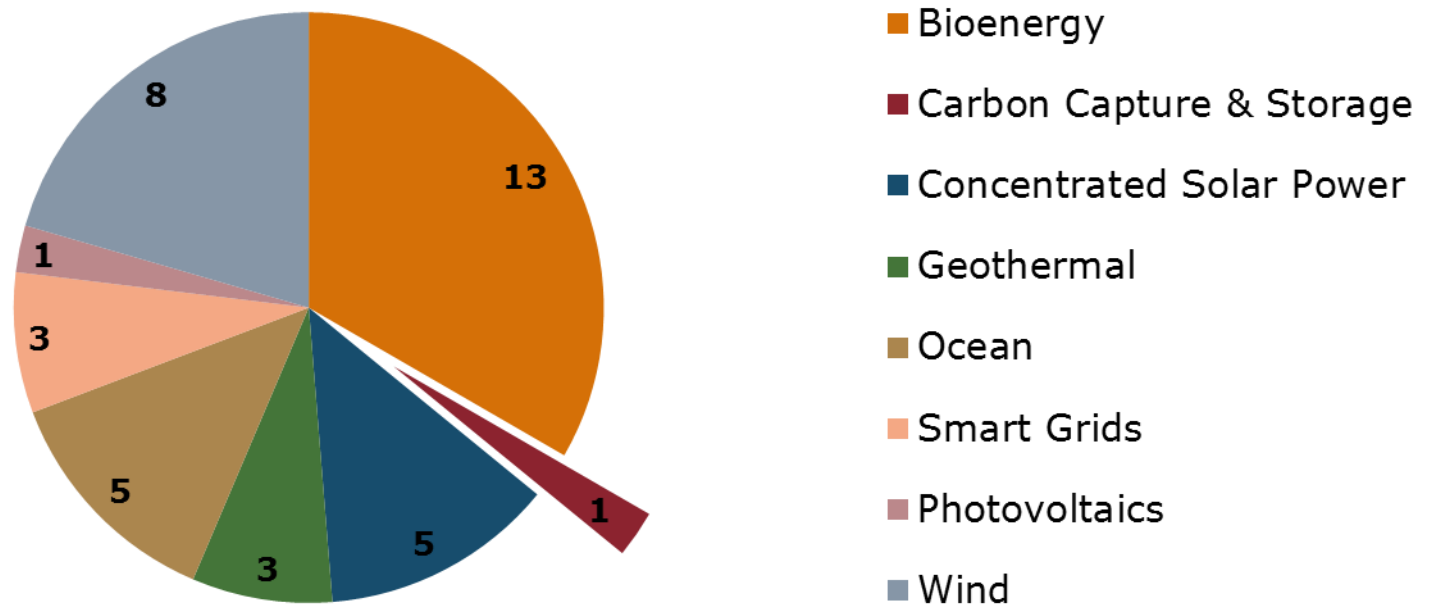
The two NER 300 Call for Proposals

- Calls were funded through the monetisation of 300 million allowances. Categories funded are:
 - Bioenergy
 - Concentrated Solar Power
 - Geothermal
 - Ocean
 - Smart Grids
 - Solar Photovoltaics
 - Wind
 - Carbon Capture and Storage
 - Oxyfuel

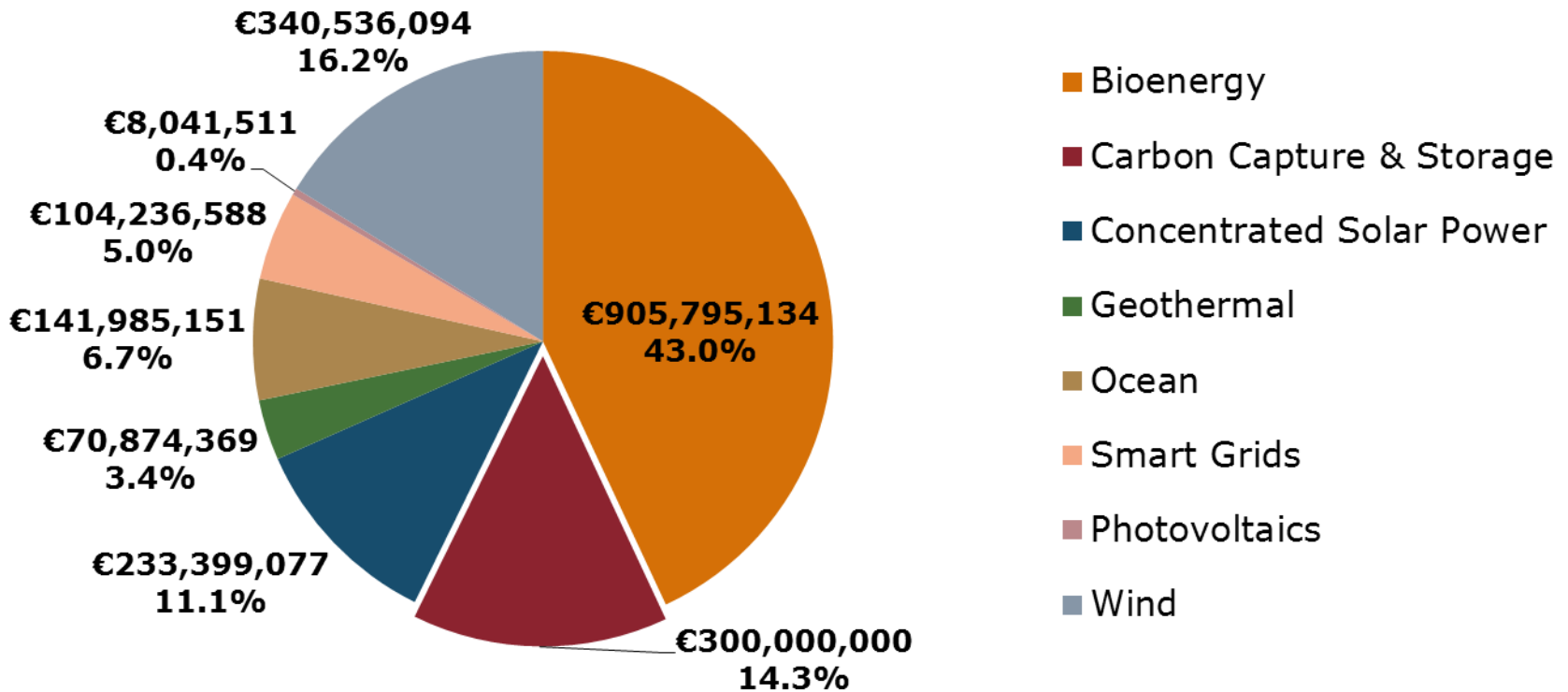
Management of NER 300 programme

- The NER 300 programme is implemented by:
 - ✓ **European Commission**
 - ✓ **Member States**
 - ✓ **Project Sponsors**
 - ✓ **European Investment Bank (EIB)**
- The Commission is responsible for the overall management of the programme, but every stakeholder has specific tasks

Approved projects per category



NER300 funding per category





NER 300 GEOTHERMAL



Project's public announcement

Project South Hungarian EGS Demonstration Project, HU

Date of entry into operation

31/12/2018

Maximum NER 300 funding

€ 39,295,008

Description

- ✓ Development of an Enhanced Geothermal System (EGS) reservoir
- ✓ Production of 8.9 MWe from the reservoir
- ✓ Located in Battonya, Hungary





NER 300 GEOTHERMAL

Project Geothermae, HR

Date of entry into operation

31/01/2017

Maximum NER 300 funding

€ 14,740,181

Description

- ✓ Production of electricity and heat from a geothermal aquifer
- ✓ Generation of 3.1 MWe from geothermal hot brine using an Organic Rankine Cycle
- ✓ Located in Draskovec, close to the city of Prelog in Croatia





NER 300 | GEOTHERMAL



Project	GEOSTRAS, FR
Date of entry into operation	30/06/2020
Maximum NER 300 funding	€ 16,839,180
Description	<ul style="list-style-type: none">✓ Production of electricity and heat from a geothermal aquifer✓ Five year performance of 241,038 MWhe + 809,959 MWh✓ French-German cross border project near Strasbourg

NER 300: future

- In its proposal for a revised ETS adopted on 15 July 2015, the Commission suggests to renew the existing NER 300 by an Innovation Fund, which should be endowed with 450 million allowances targeted not only at CCS and innovative RES, but also to innovative energy-intensive industry
- It should be a means of directing further revenues from the ETS towards the demonstration of innovative low-carbon technologies in the industry and power generation sectors



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