



Narodowy Fundusz
Ochrony Środowiska
i Gospodarki Wodnej

Zainwestujmy razem w środowisko

**Operational Programme:
"Environment, Energy and Climate Change"**

**Open call:
"Construction of heat sources using geothermal
energy (deep geothermal)"**

EEA FM 2014-2021

Edyta Kuźmińska

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3rd financial perspective of the 2014-2021 EEA FM

The "*Environment, Energy and Climate Change*" programme

Programme Objective:

Mitigated climate change and reduced vulnerability to climate change

Programme co-financing: € 164,705,882

Programme Operator: The Ministry of Climate and the Environment with the support of the National Fund for Environmental Protection and Water Management

Programme partners: Norwegian Environment Agency (NEA), Norwegian Water Resources and Energy Directorate (NVE), National Energy Authority of Iceland (OS);

Support areas under the Programme:

72% of the funds for the *Renewable energy, Energy efficiency, Energy security* area

19% of the funds for the *Climate Change Mitigation and Adaptation* area

9% of the funds for the *Environment and Ecosystems* area

€ 900,000 for the Bilateral Relations Fund

Renewable energy, Energy efficiency, Energy security

Result 3: Improving energy efficiency and energy security

Allocation: € 85,840,399 EEA FM

- Improving energy efficiency in school buildings;
- Improving energy efficiency in industry and the manufacturing sector;
- Improving the energy efficiency of heating systems;
- Increasing the production of renewable energy from biomass.

Result 4: Increasing the production of energy from renewable sources

Allocation: € 9,520,000 EEA FM

- Utilisation of the hydropower energy potential;
- Utilisation of the geothermal energy potential;

Construction of heat sources using geothermal energy

CALL OBJECTIVE:

Increasing the production of energy from renewable sources by building energy generation systems using deep geothermal in places where, by drilling research and exploration boreholes, the presence of economically viable sources and the possibility of using them for heating or energy purposes has been confirmed.

Construction of heat sources using geothermal energy

The scope of project financing includes:

- construction of injection wells in areas where the geothermal potential has been confirmed by the implementation of experimental boreholes within the conducted research projects;
- adaptation of the experimental borehole to production standards/parameters for energy generation;
- construction or expansion of geothermal heating plants/power plants;
- construction of heating infrastructure (heat substations, heat exchangers, network connections) to integrate geothermal heat into the existing district heating;
- introducing technological and infrastructural changes in the current heating systems (reconstruction), aimed at incorporating heat from geothermal sources into the system heat

Additionally, the projects' objective scope may include education and training activities that can be implemented as complementary measures for investment activities.

Effects of geothermal projects

- **The implementation of projects should lead to:**
- reduction of CO₂ emissions;
- increasing the production of heat from geothermal sources;
- increasing the installed capacity of new or upgraded geothermal energy generation plants;
- increased number of new or upgraded systems for geothermal energy generation;
- increasing knowledge of geothermal energy in Poland.

Construction of heat sources using geothermal energy

Eligible Applicants:

- small, medium and large enterprises within the meaning of the Act of 6 March 2018. Entrepreneurs' law,
- local government units and their associations.

Construction of heat sources using geothermal energy

Necessary conditions to be met in the call:

- Possession of approved hydrogeological documentation which determined the exploitation resources of the thermal water intake and making an experimental drill.
- Profitability of geothermal exploitation confirmed by financial analyses in the Feasibility Study.

► Eligible project partners

- **any public or private entity, commercial or non-commercial, as well as non-governmental organisations**, established as a legal entity in the Donor States and the Beneficiary States, or in a non-EEA country that shares border with Poland, or any international organisation, its body or agencies actively involved and contributing to the implementation of the Programme;
- **only projects submitted in partnership with an entity from the Donor States** (Norway, Iceland, Liechtenstein) **will score extra points** according to the criteria.

Project financing - general conditions

- grant (funds from the EEA FM and state budget funds);
- financial instrument - loan from the National Fund for Environmental Protection and Water Management to co-finance projects;
- the Applicant's own contribution from other sources;

Geothermal investments carry a high risk. If the project is prepared and implemented with due diligence, but the work carried out shows that the geothermal source cannot be used for energy generation, such an investment should be used **as a lesson for future endeavours** and the beneficiary should be **exempted from the obligation to reimburse the financing.**

Project financing - specific conditions

- allocation amount in the call for proposals - **EUR 7.3 million (PLN 31.6 million)**;
- the EEA FM grant co-financing level - up to 50% of eligible costs;
- the loan co-financing level - supplementing up to 100% of eligible costs
- the minimum co-financing amount - EUR 1 million (PLN 4.3 million);
- the maximum co-financing amount - EUR 4.5 million (PLN 19.5 million);
- maximum aid intensity (grant + NFEPWM loan).

Submission of a funding application

How to submit the application:

The grant application is prepared **electronically only** using the Grant Application Generator (GAG). Paper applications are excluded.

The application form is available at:
<http://nfosigw.gov.pl/oferta-finansowania/srodki-norweskie/generator-wnioskow-odofinansowanie/>

Please note the call closing hour (15.00). We recommend that you should not wait until the "last minute", as difficulties may arise that will prevent you from applying effectively within the recruitment deadline.

How to sign the application:

There are two options for signing the electronic application:

- using a certified electronic signature that produces legal effects tantamount to a handwritten signature;
- using a trusted profile within the electronic Platform of Public Administration Services (ePUAP).

Attachments to the grant application

- a feasibility study;
- CO₂ reduction methodology;
- ecological and technical annex;
- documents that confirm the existing geothermal potential (approved hydrogeological documentation determining the exploitation resources of the thermal water intake)
- administrative permits and decisions, or a schedule for obtaining them;
- documents that confirm the applicant's legal status and partnership in the project;
- authorisations, power of attorney;
- financial documents which prove the applicant's status and own contribution;
- nature documents;
- documents relevant to information and promotion activities and awareness-raising in the field of energy efficiency;
- other as indicated in the GAG.

Expenses eligibility period

- Initial expense eligibility date: date of the grant decision issued by the Program Operator;
- The closing date of expenditure eligibility: 30 April 2024;
- Exception: costs for which invoices are issued in the last month of expenditure eligibility will be considered eligible if paid within 30 days from the expenditure eligibility closing date.

Assessment of co-financing applications

Formal assessment:

- project verification in terms of meeting or not meeting formal conditions (zero-one evaluation);
- the possibility of supplementing the application once;
- the possibility to appeal to the KPK via the Program Operator.

Substantive assessment:

1st tier assessment:

- compliance with public aid, the principle of equal opportunities and non-discrimination, the examination of the applicant's financial situation, project eligibility (zero-one score);
- the possibility of supplementing the application once;
- no appeal possible

2nd tier assessment:

- scoring by two external and impartial experts;
- the possibility of supplementing the application once;
- the possibility to appeal to the Program Operator.

II degree substantive criteria

1. Readiness to implement the project.

The following are assessed: possession of administrative permits and decisions necessary for implementing the project and ensuring financial resources.

2. Confirmed deposit's potential.

The applicant has verified the geothermal deposit's energy potential by carrying out and documenting the research phase.

A compulsory criterion. 0 points scored for this criterion. disqualifies the application.

II degree substantive criteria

3. Subsidy from the EEA FM resources per 1 MWh of planned annual energy production.

The value of planned spending from the EEA FM grant for 1 MWh of total planned annual heat production.

4. Subsidy from the EEA FM funds for the unit reduction of CO₂ emissions.

The value of planned spending from the EEA FM grant for the annual reduction of 1 ton of CO₂.

II degree substantive criteria

5. Spending from the EEA FM subsidy per 1 MW of installed capacity.

The assessed value is the outlay from the EEA MF grant understood as the requested total value co-financing from the EEA FM per 1 MW of installed capacity.

6. Additional environmental benefits related to the implementation of the project.

Points will be awarded for projects contributing to improving air quality in urban areas.

II degree substantive criteria

Including expenditure eligible for co-financing in the project.

Planned expenses are necessary for implementing the project and achieving the planned effect and compliant with the eligible costs catalogue .

A compulsory criterion. 0 points scored for this criterion disqualifies the application.

8. The project is implemented in partnership with entities from Norway, Iceland or Liechtenstein.

When implementing the project, it is assumed that partnerships will be established with the entities from the Donor States: Norway, Iceland and Liechtenstein.

Points are awarded depending on the advancement of cooperation in the partnership.

Schedule for submitting applications

- The deadline for announcing the call for applications - 18 May 2020.
- The applications' filing start date - 01 July 2020.
- The applications' filing end date 31 March 2021 at 15:00.

Thank you for your attention

Edyta Kuźmińska

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