



PRESS RELEASE

Paris, December 8th, 2010

Geothermal will be key for an optimal energy mix

More than 200 company representatives from 20 countries attended the Geopower Europe 2010 Conference today in Paris.

As one of the sources with very high potential and zero emissions, geothermal energy nevertheless received poor attention in the National Renewable Energy Action Plans of the EU-27 Member States, and in the two last EC Communications on 'Energy Strategy 2020' and 'Energy infrastructure priorities'.

During this EGEC conference, a main finding was that geothermal energy can and will be a major contributor to a 2050 energy scenario with the less costly energy mix (cf. figures 1 and 2).

"Things must change if Europe is to reach its energy decarbonization objective, and that will not be possible without a substantial contribution from geothermal energy", said Dr Burkhard SANNER, President of EGEC.

"Providing a renewable base load, geothermal energy does not have external costs such as storage, grid infrastructure or waste management. Conventional geothermal power is already a most competitive energy source, but only possible in certain regions. EGS, a breakthrough technology successfully demonstrated, will allow a geothermal development anywhere in Europe. EGS (short for "Enhanced Geothermal Systems") will become competitive within a few more years."¹

"Geothermal will be a key player in an optimal energy mix", added Sanner.

The Geothermal sector calls on national governments and European Institutions to:

- Invest in R&D to deploy EGS and bring down the cost of EGS plants.
- Adopt a Feed-in-Tariff suitable for EGS development
- Create an European Risk Insurance Scheme; to mitigate the geological risk.

The geothermal industry is sure to provide a large contribution to our future renewable energy mix and to ensure reaching the urgently needed CO₂ emission reduction.

Geothermal energy has the resources to supply at least 20% of the European Global Energy consumption in 2050.

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¹ More than 20 EGS projects are under development in Europe (1 in Ireland, 2 in UK, 2 in Portugal, 1 in Spain, 2 in France, 2 in Belgium, 1 in Netherlands, 1 in Italy, 1 in Switzerland, 4 in Germany, 1 in Slovakia, 1 in Croatia, 1 in Latvia and 1 in Norway)

ANNEX: The main advantages of geothermal power:

- it is a Renewable Energy Source (RES): the heat from the earth is inexhaustible
- it delivers heat and power 24 hours a day, throughout the year
- it is available all over Europe with minor land use
- it is a local resource, creating local employment
- it can be modulated according to type of resources, to size and nature of equipments, and in order to meet demands
- it supplies base-load energy with a load factor higher than 90%

Figure 1: Load factor of power plants in EU-27 (Eurostat figures, 2007)

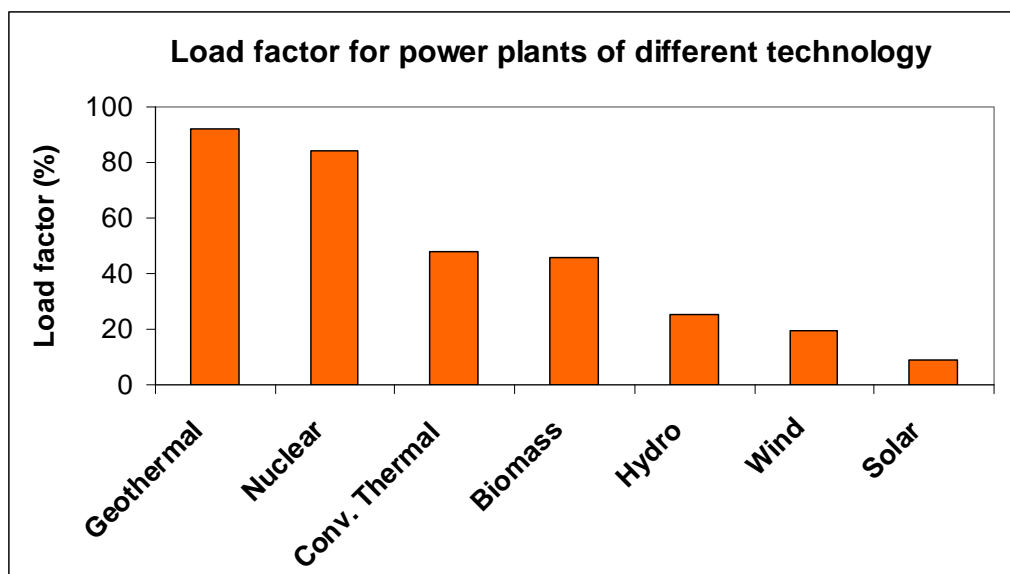


Figure 2: Energy costs with external costs (EGEC figures 2010, after AT Kearney analysis, June 2010 for ESTELA)

