

### *A Word from the EGEC President*

Dear Members of EGEC & Readers of Our Newsletter,

This month was marked by three events of considerable importance for the future market for geothermal energy.

- The major geothermal industry associations from around the globe have joined together in a coalition to better voice the needs of the geothermal industry towards international organisations. The coalition was launched officially on May 4th in Washington DC, USA, with a press release.
- At the 2<sup>nd</sup> conference of the European Technology Platform for Renewable Heating and Cooling in Budapest, Hungary, the “Common Vision” of the RES-Heat sector was published. As the coordinator of the relevant working group, I had the privilege to present the final document to conference participants on May 5<sup>th</sup>. The document is intended to be a basis for shaping the future R&D programs and for developing an Implementation Plan for Renewable Heat on a grand scale and is available for download as a PDF (see link at the end of this newsletter).
- Finally, the EREC Renewable Energy Policy Conference on May 24<sup>th</sup> saw the start of a campaign towards binding targets for renewable energies within the EU for the year 2030. With the RES Directive of 2009 leading the way towards 2020, and the activities well on track on the European level and in several member states, the next milestone of 2030 needs to be addressed.



*Photo: 5 April 2011, Uni Padova, Italy*

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EGEC will not reduce the pressure to have geothermal energy represented at its full value, in the policies arising from these discussions. So now have a look at all the information and at the documents you find linked in this newsletter, and see what chances lay ahead!

I wish you an interesting read,

Burkhard Sanner

## Policy Update

**Find out about the policy issues EGEC is involved in while promoting the Geothermal sector!**

### NER 300 Project Proposals

The European Commission has announced that according to an initial screening, applications for 13 CCS projects and 65 projects involving innovative renewable energy technologies were submitted to the NER300 call. Of the 8 EGS projects submitted, only 3 have been passed through the Member State stage and have been submitted to the EIB. These projects are located in Hungary, Slovenia and the Czech Republic (the city of Litoměřice).

### Public Consultation on the Smart Cities Completed; Call for Projects to be Launched July 2011

The public consultation exercise of DG Energy of the European Commission on the Smart Cities initiative closed on May 13th. EGEC and numerous others submitted answers to the consultation which underlined the important role that geothermal can play in the concept of ‘smart cities’. Results of the consultation will be published at the launch conference of the initiative on June 21st in Brussels, which will be addressed by Commissioner for Energy, Günther Oettinger and other high level speakers from the European community. The first call for proposals will be launched on 19th July. For more information visit [here](#).

# Market Development & News

## Hungary

Hungary's Largest Geothermal Development Now in Operation.

The total installed capacity of the project is 3.1 MW and it also produces heat and hot water for about 900 homes in Szentlinc, and has excess capacity for further expansion. The geothermal plant replaces the town's existing natural-gas powered district heating system with sustainable geothermal.

## Italy

Italy was chosen as the site for the world's first offshore geothermal power plant. A 2 billion euro project to utilise the heat of the Marsili, the largest undersea volcano in Europe, could begin as early as 2012. The undersea volcano is located in the Tyrrhenian Sea, and is 70km long, 30 wide and 3,000m high.

A new Italian Technological Platform on Geothermal has been officially launched, on behalf of the Italian Ministry for University and Research. The Platform, whose aim is to support the technological innovation on Geothermal for both electricity production and direct uses, involves at the moment the presence of about 30 companies, about 20 research Institutions and several geothermal associations

## Spain

The geothermal sector is seeing progress in the Spanish market, as submissions are now being sought by the Spanish federal government for geothermal energy projects. Projects in Tenerife, geothermal electricity, and in Madrid, district heating, represent a strong development of the sector and are eligible for submission.

## Additional news:

The **US Department of Energy's** National Renewable Energy Laboratory has made available a new guidebook on financing geothermal power projects. The Guidebook to Geothermal Power Finance was co-authored by Navigant and is intended to facilitate further investment in conventional geothermal projects in the United States. The trends in geothermal project finance are the focus of this tool, relying heavily on interviews with leaders in the field of geothermal project finance. The guide can be downloaded [here](#).

The **International Energy Agency** has produced a book entitled 'Harnessing Variable Renewables' which presents a novel method of assessing the resources needed to balance supply and demand in power systems with large shares of 'variable' renewables, such as solar photovoltaic, wind and tidal energy. The report, which features case studies of eight geographic regions with sharply different power attributes, shows that there is a greater technical potential for balancing variable renewable energy output than is commonly assumed. For further information, see the [Press Release](#) of the IEA.

## News: EGEC

### EGEC and World Geothermal Leaders Come Together for International Agreement

A new *International Geothermal Business Coalition* (has been founded by EGEC, the US Geothermal Energy Association, the Canadian Geothermal Energy Association, the Australian Geothermal Energy Association, and the Chilean Geothermal Energy Association, and will represent the leading companies involved in developing geothermal resources to meet energy needs across the world. For further information visit [www.internationalgeo.org](http://www.internationalgeo.org).

#### Web Highlights

- **EGEC.ORG re-launched, pay a visit today!**
- **Members Corner updated with latest news and information exclusively for EGEC**

#### EGEC Annual General Meeting

**Date: September 1st 2011**

**Venue: Renewable Energy House, Brussels.**



## 2nd Annual RHC-Technology Platform Conference Budapest, Hungary, 5th and 6th May

Around 150 European experts from the Renewable Heating and Cooling sector met in Budapest at the 2nd Annual Conference of the European Technology Platform on Renewable Heating and Cooling (RHC-Platform) on 5th and 6th May. Geothermal was prominent throughout the entire event, and the geothermal panel was particularly well attended, attracting the most participants of all technology panels. For presentations and further information on the outcomes of the conference, please visit the RHC-Platform [website](#).



*Participants at the Geothermal Technology Panel,  
RHC-Platform Conference  
Thursday 5th May 2011*

### ThermoMap Project

The first issue of the ThermoMap newsletter is now available [online!](#)



### GroundMed Project

Partners, stakeholders and general attendees are invited for the GroundMed Conference taking place on October 6th and 7th 2011 in Marseille, France. This conference takes place at an intermediate stage of the project and further information is available [online](#).

### European Commission – Geothermal Electricity Workshop; 29th April 2011

An information day was held on for invited attendees of DG Energy of the European Commission on April 29th last. The workshop was a dynamic event which encouraged lively exchange and discussion on the current opportunities, and challenges for the further development of geothermal electricity in Europe.

### Kick-Off of the GeoElec Project

EGEC will soon take the lead on the first steps of the GEOELEC project, under the umbrella of Intelligent Energy Europe. The objective of this project is to convince decision-makers of the potential of geothermal electricity in Europe, to stimulate banks and investors in financing geothermal power installations and finally to attract key potential investors such as oil and gas companies and electrical utilities to invest in the geothermal power. The action plan will aim to remove non-technical barriers to the proliferation of geothermal electricity, and will be

## News: EGEC Members

Italy's Enel Green Power says it plans to invest €6.4bn up to 2015 as it boosts its installed capacity by about two-thirds to 10.4GW. EGP's planned investment represents an increase of €1.2bn, or 23%, over the amount set in its previous 2010-2014 business plan. The spending will mainly be dedicated to hydro, geothermal and solar, with €2.4bn earmarked for Italy and Iberia. EGP's net installed capacity at the end of March was 6.2GW, of which 2.5GW (40.9%) was hydropower, 2.75GW (44.4%) wind, 775MW (12.5%) geothermal and 138 MW (2.2%) solar, biomass and cogeneration.



Hungarian geothermal energy company PannErgy, formerly known as Pannonplast, is cutting its final ties with plastics packaging as it sells off its subsidiary Pannunion Group. It was in 2007 that PannErgy changed its main focus from plastics converting to geothermal energy projects. The group spun off its plastics businesses into Pannunion which was listed on the Budapest Stock Exchange.

## Events

### Upcoming Highlights:

**GeoDrilling 2011,**  
**7-8 June 2011, Peterborough, UK**  
*Visit their [Website](#) for more!*



### **Enhanced Geothermal Systems Conference**

29-30 June 2011, San Jose, California, USA.

See the [Agenda](#) for this event



### Other Events:

#### September 2011

**EGEC Annual General Meeting, 1st September, Brussels, Belgium**

#### October 2011

**GroundMed Conference, 6th—7th October, Marseille, France**

[Website](#)

#### November 2011

**EAGE event: SES11 Conference, 8th -11th November, Valencia, Spain**

[Website](#)

#### December 2011

**GeoPower Europe, 5th –7th December, Milan, Italy**

[Website](#)

**Les Journées de la Géothermie 2011, 13th -15th December, Paris, France**

[Website](#)

## Recent Publications



### RHC-Technology Platform

[Common Vision for the Renewable Heating and Cooling sector in Europe: 2020 - 2030 - 2050](#)

### European Renewable Energy Council

[45% by 2030: Towards a Truly Sustainable Energy System in the EU](#)

