3 KEY POINTS – STATE AID

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The European **Green Deal**

**Innovation Principle:**

“…will ensure that all new EU policy or regulations support innovation and that the regulatory framework in Europe is innovation-friendly.”
Technology-specific tenders…
  … give emerging technologies the space to demonstrate their value or potential value to the energy system

EEAG must continue to nurture demonstration projects
  No exposure to competitively bid Feed-In Premia
  Bigger thresholds (> 1 MW and > 6 MW wind)

Don’t be shy, EC
  Give explicit not tacit endorsement of “Innovation Tenders”
• **Done by France and Germany. Areas of interest:**
  • FR: PV only (focus: agri-PV, roof- & ground-mounted)
  • DE: hybrid plants (PV in 72/73 projects)

• **Degree of innovation weighs heavily in evaluation. In FR,**
  • assessed by expert agency (for FR, ADEME).
  • 55% price, 45% innovation

• **Satisfactory experience: innovation tenders continue to 2028**
  • DE: 650 MW p.a. (2020) -> 850 MW (2028)
STATE AID SUPPORTING THE ‘TWIN TRANSITION’

• **Bonus for data-sharing**
  • Last five years seen huge increase in computing power
  • Industry-wide cost savings possible with
    • techniques to predict output
    • algorithms for predictive maintenance
  • Need big pool of data to work
  • Create incentive for companies to add data to pool
  • **A bonus to their Feed-In-Premium**
  • Not just for electricity: for tech installed in buildings for heating and cooling, too
• **Just transition**
  • Like IPCEIs, allow projects Territorial Plans for Just Transition more generous State Aid under EEAG

• **GBER: increase R&D funding intensity**
  • 25% aid intensity for “experimental development” << Horizon Europe Innovation Actions (70%)

• **Public-backed risk-sharing instrument should not be considered a subsidy if properly designed**
  • “Proper design” = public purse gets a return on projects that don’t need to draw on the fund