



ELENA Project Factsheet WARMTENET NOORDWEST

Location	City of Groningen, The Netherlands
Beneficiary	WarmteStad B.V.
Sector	District Heating.
Total PDS cost	EUR 2,300,000
ELENA contribution	EUR 2,070,000
Project Development Services (PDS) financed by ELENA	The Project Development Services financed by ELENA will provide support to implement the Investment Programme Warmtenet Noordwest. The Investment Programme includes an investment in the production of geothermal heat, which will then be delivered through a newly developed and constructed district heating network to the City of Groningen.
PDS Timeframe	September 2016 – August 2019
Investment programme description	The investment programme contains several elements, drilling of a geothermal well and construction of a geothermal energy plant with 13.5 MWth capacity, construction of a backup system, based on biomass and construction of a district heating (DH) network to deliver heat for approx. 10,000 – 12,000 households in the City of Groningen.
Investment to be mobilized	EUR 51.2 million
Description of the approach to implement the Investment Programme	<p>As shareholders in WarmteStad B.V., both public bodies (NV Waterbedrijf Groningen and City of Groningen) will govern the joint venture at all stages of the project, from the development phase, via the financing and investment phase and up to the exploitation phase.</p> <p>The first investment will be made after the technical assistance activities of phase 1 are finalised with the shareholders' decision for tendering of the drilling of the geothermal well and the activities for implementation of the heat distribution network for the connection of the first 3,500 house equivalent.</p> <p>The investments after the second phase include the drilling of the second geothermal well and the expansion of the heat distribution network with the connection of the next 6,500 house equivalent.</p>
Expected results	<ul style="list-style-type: none"> • RE generation: 80 GWth/a • CO₂ emissions reduction: 15.8 ktCO₂/a
Leverage factor (Minimum 20)	25
Market replication potential	The market replication potential for other municipalities is considered significant. This project develops an innovative approach linking very closely renewable heat production with the heat needs of the district heating network. An important element contributing to replicability is the use of renewable energy to cover most of the heat demand. This option has not been used widely by district heating utilities up to now.
Status	Contract signed 29/09/2016
Contact person at Beneficiary	Mr Dick Janssen