

# Renewable Energy Funding

An Introduction

**co<sub>2</sub>sense yorkshire**<sup>®</sup>



This presentation provides an overview of the Renewable Energy funding provided by CO2Sense Yorkshire.

This presentation is designed to supplement the further details document.

# What this covers....

1. What is Renewable Energy Fund?
2. What is available?
3. Basic eligibility
4. Funding streams
5. Funding models
6. Application process.

1. What is the Renewable Energy Fund

## Aims of the funding

“To increase the deployment of renewable, grid connected electricity projects within the region”

“To stimulate extensive business confidence and investment within the regional renewable energy industry”

1. What is the Renewable Energy Fund

## Aims of the funding

- We have targets to meet:
  - Greenhouse gas savings
  - Create new jobs
  - Create new businesses
  - Support businesses
  - Private sector investment in the region.

# What we will cover....

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## 2. What is available?

- £4.6 million until March 2011
- Funding to support the capital costs of a project
- Minimum level of investment **£20,000**
- Maximum level of investment **£750,000**
- Support up to 25% of the project costs
- Offer different forms of support
  - grants
  - loans
  - revenue share
  - or a mixture of the above

More on these  
later

# What we will cover....

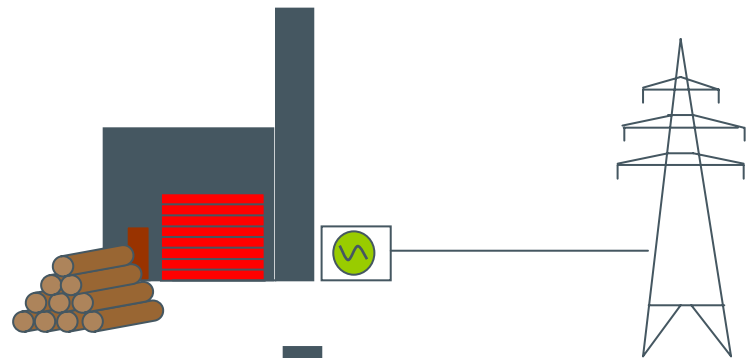
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### 3. Basic eligibility

- >45 kWe installed capacity
- Contribute to the capital costs
- Located in the Yorkshire and Humber region
- Fit under one of the funding streams
- Connected to the national grid
- Reasonable likelihood of success.

### 3. Basic Eligibility

# Grid connection



✓ Grid Connected



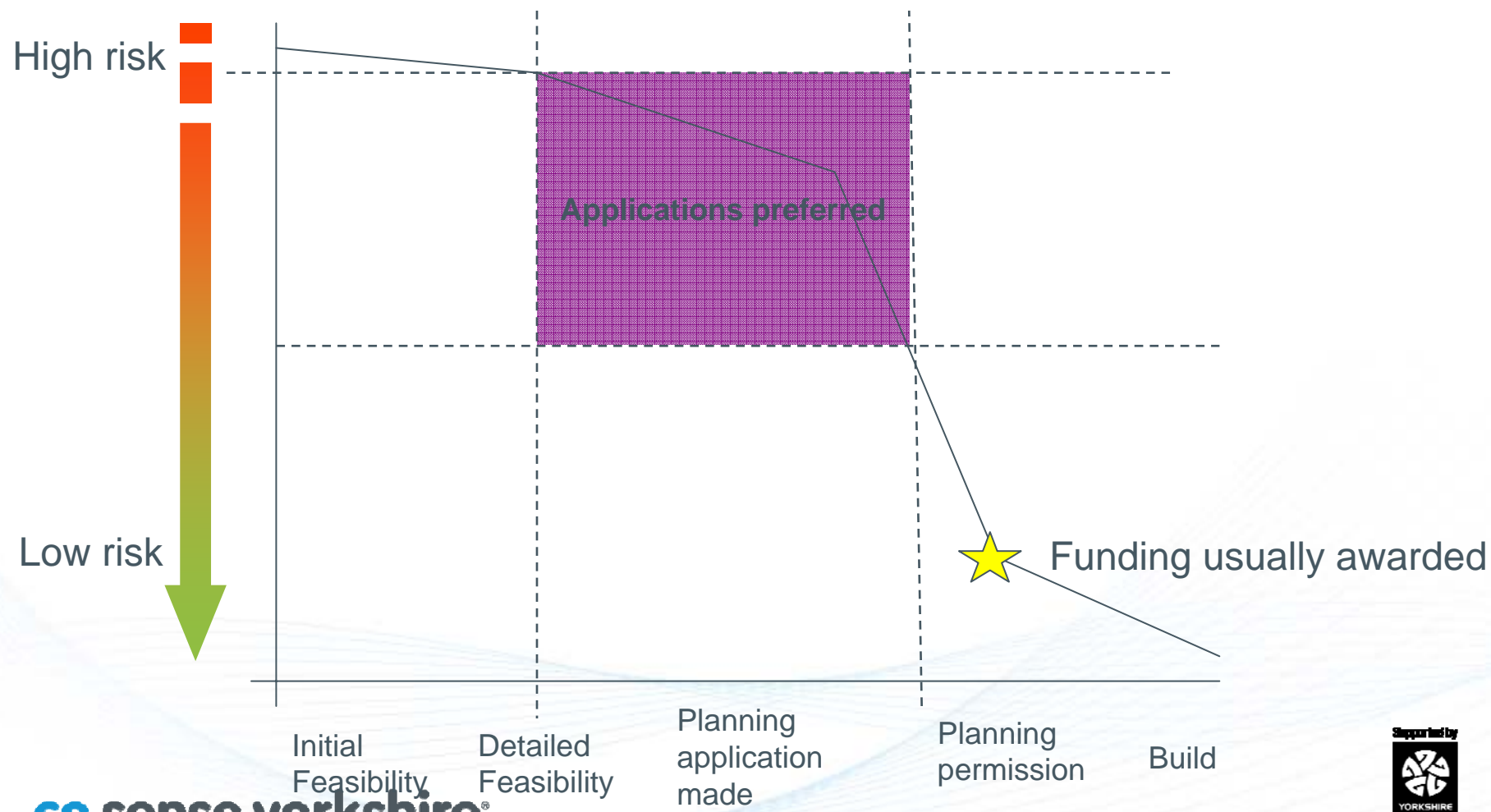
✓ Grid Connected



✗ Grid Connected

# 3. Basic Eligibility

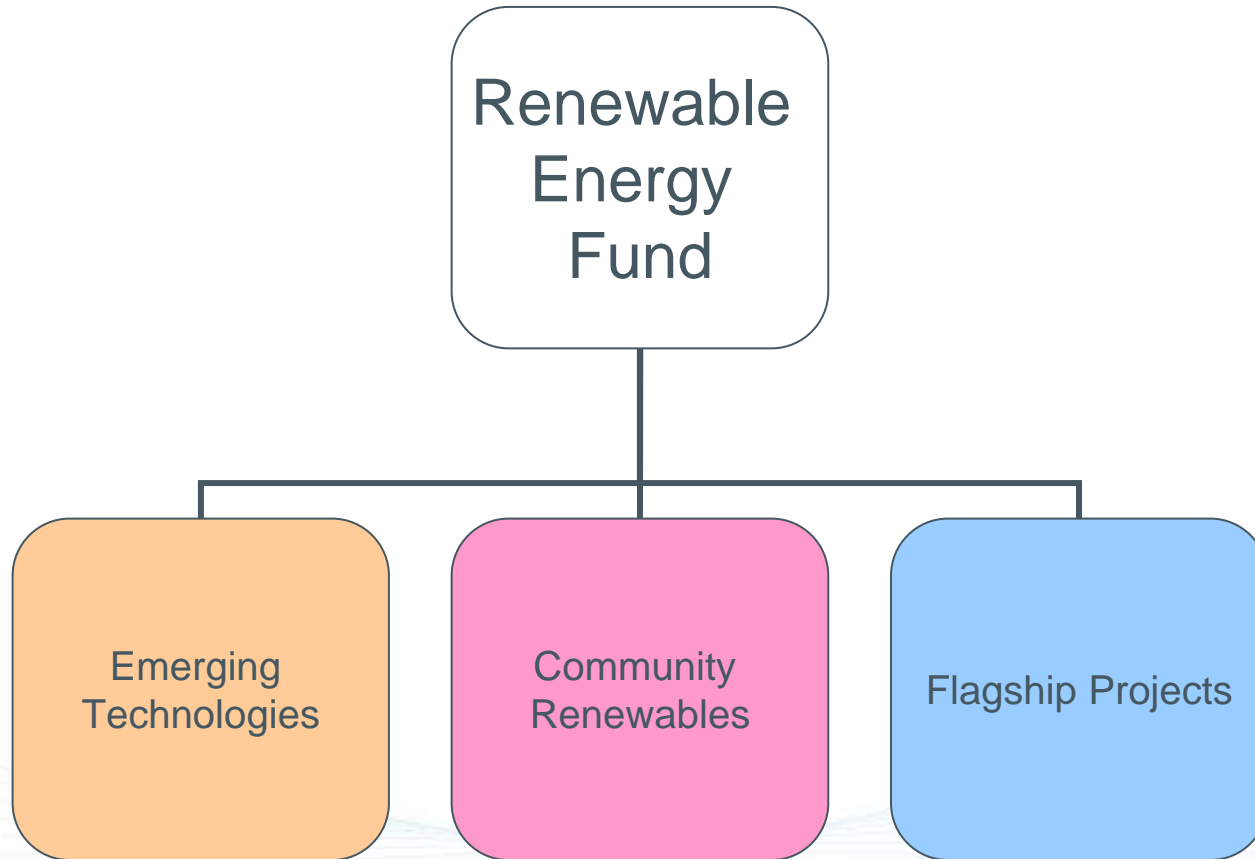
## Likelihood of success



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# 4. Funding streams



## 4. Funding Streams

### Emerging technologies

- New technologies
- Existing technologies that are innovative or technologically advanced
- Examples include:
  - Gasification
  - Solar PV
  - Tidal and wave energy
  - Anaerobic digestion
  - Biomass combustion plants
  - Run-of-river hydro



## 4. Emerging technologies Biomass

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- ✓ Biomass fuelled CHP
  - ✓ Biomass gasification project
  - ✓ Anaerobic digestion
  
  - ✓ Biomass fuelled electricity only plants
  - ✓ Waste projects with a biomass fraction
- } Will need an innovative aspect
- ✗ Biomass heat only boilers – talk to our woodfuel programme team

## 4. Funding streams

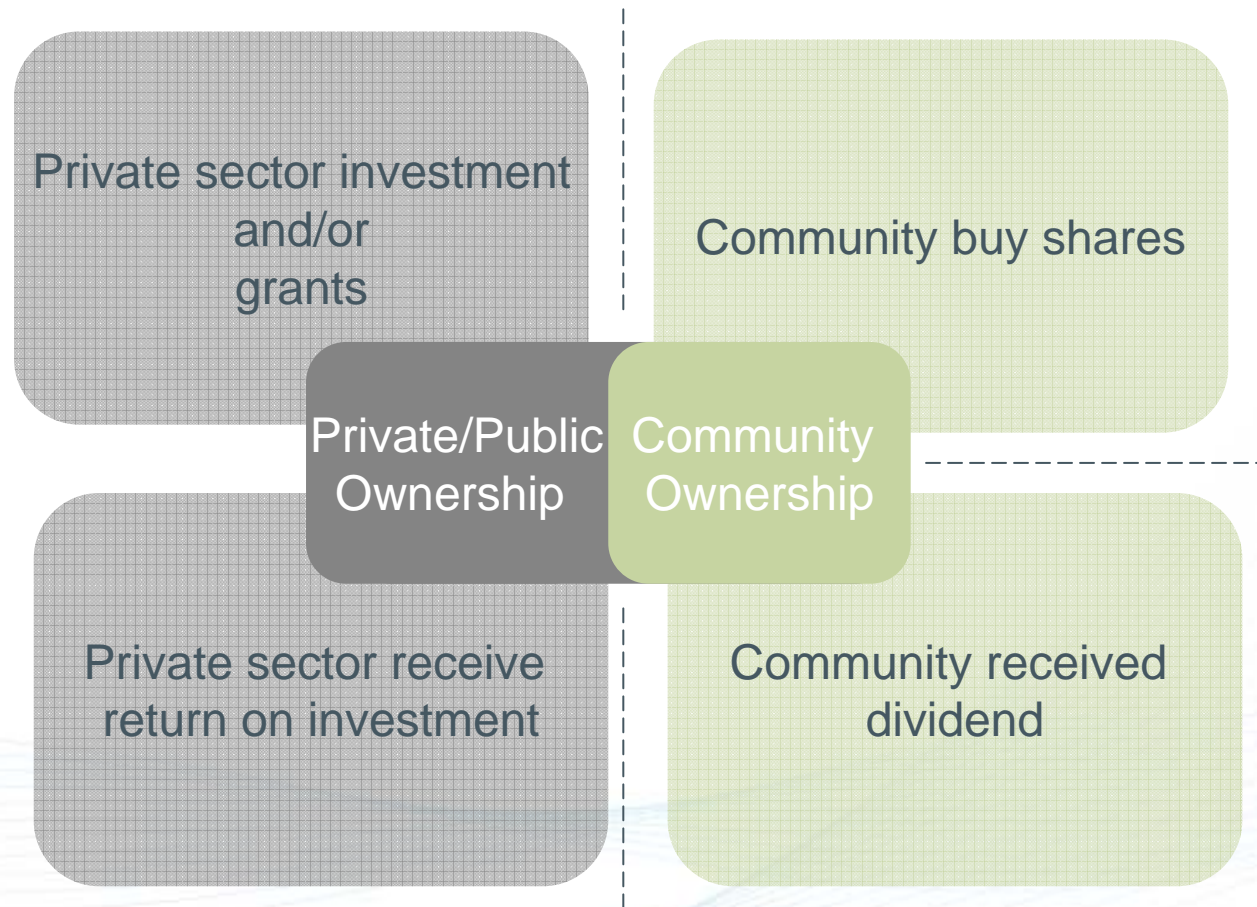
### Community renewables

- 50% owned by community
- 50% of the profit filtered back to the community
- Development costs can be funded

# 4. Funding streams

## Community renewables

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# 4. Funding streams

## Flagship projects

- Renewable projects to become iconic for the region



Sheffield cooling towers



Wind turbines in Sheffield

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## 5. Funding models

- Fit the basic eligibility requirements ✓
- Suitable stream ✓

.....decide the best structure of funding for you

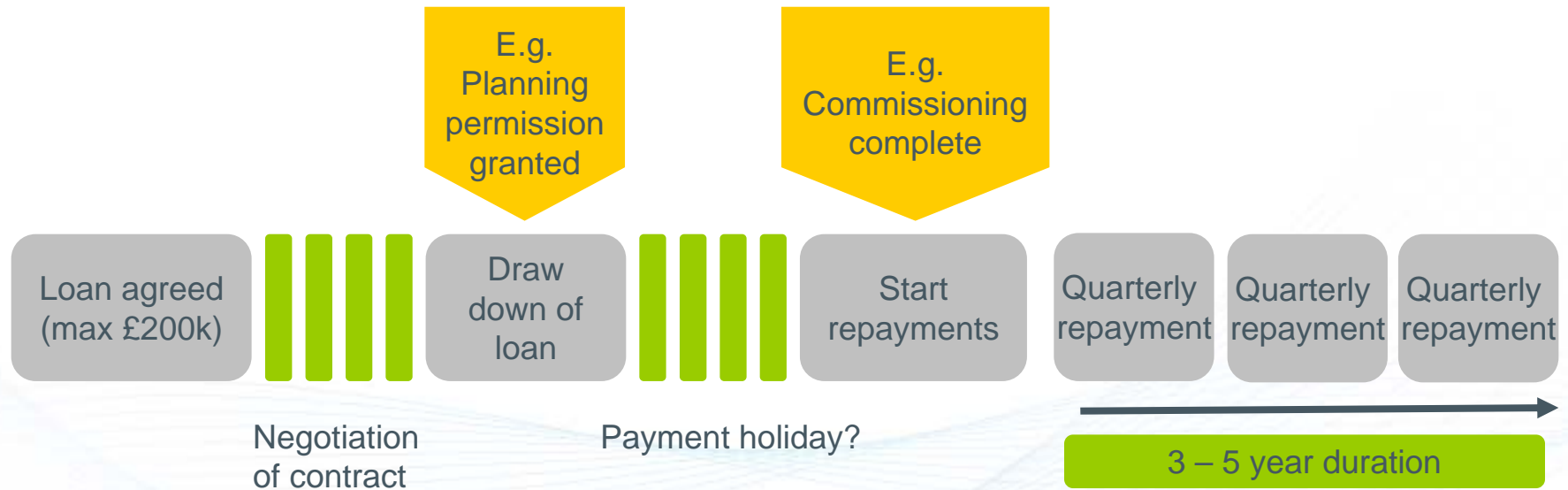
- grant
- loan
- revenue share
- or a mixture of the above

## 5. Funding models - grants

- Capped at €200,000 ~ £170,000
- Awarded under exceptional cases
  - Demonstrate a ‘need’
  - Project will not be viable without a grant
  - Demonstrate that project replication will need less or no grant
- Examples include:
  - Community owned projects

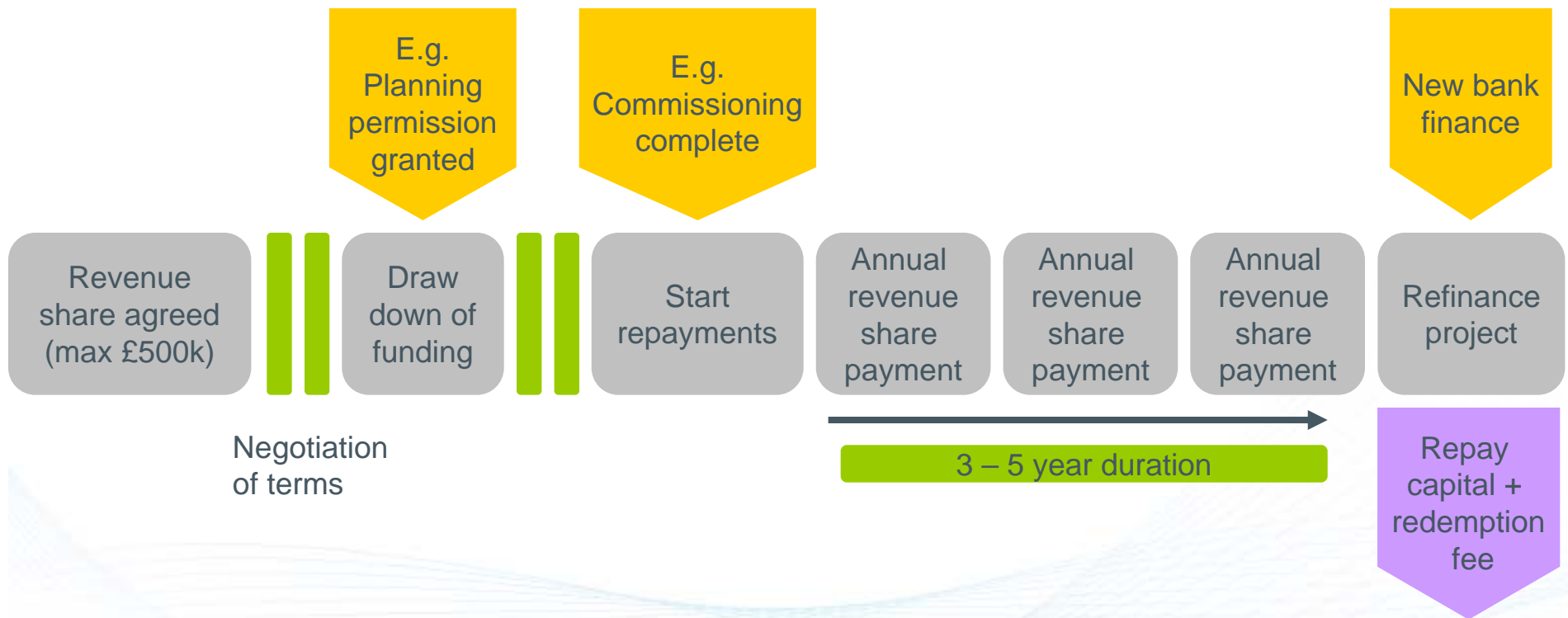
# 5. Funding models – loans

- Loan capped at £200,000 (can be unsecured)
- Terms can be project specific
- Interest charged at commercial rate (e.g. base rate +5%)



# 5. Funding models – revenue share

- Up to £750,000.



## 5. Funding models

- Prefer to invest on commercial terms
- Only a small number of grants will be provided
- A mixture of commercial investments and grants can be provided
  - e.g. interest free loan (grant is the interest)
- We can be flexible.

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## 6. Application process

- An open call for applications all year
- Submit an expression of interest
- If successful follow up with a detailed application

# 6. Application process



# 6. Application process

## Tips for success

- Demonstrate how the project will contribute to our targets
- Provide as much detail as possible at each stage of application
- Don't be greedy! We are looking for a good sustainable business case
- If in doubt ask!

# 6. Application process

## Case Study

- To date we are committed to fund:
  - **2** Large scale anaerobic digestion facility processing food waste
  - **1** Small scale anaerobic digestion facility processing food waste and energy crops
  - **3** Hydro projects
  - **2** Community wind farm
  - **1** Waste gasification project

# For more information



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