



# Energy savings in heat supply systems PROGRAMME – Call II

The aim of the Energy savings in HSS programme is to promote the competitiveness and sustainability of the Czech economy through the maximum use of combined heat and power generation.

## TIMETABLE

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### Receipt of aid applications:

- Up to 5 working days following the official receipt of information from the EC approving the revision to the OP EIC, which abolishes the limit on the share of the allocation available to large enterprises in SO 3.5.

### Termination of receipt of aid applications:

- 6 months from the date applications began to be accepted.

## ACTIVITIES SUPPORTED

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- The construction, expansion and connection of existing heat supply systems, including transfer stations, to increase the use of high-efficiency combined heat and power generation in order to achieve primary energy savings.
- The reconstruction of existing heat supply systems, including transfer stations, to achieve maximum primary energy savings, or the use of heat from high-efficiency combined heat and power generation or from waste heat from industrial processes.
- The installation and upgrade of technological equipment relating to distribution, including measurement and regulation, in heat supply systems.

- The installation and reconstruction of high-efficiency gas cogeneration units in heat supply systems.
- The installation of solar collectors and heat pumps for pre-heating hot water, which are intended to be part of heat supply systems. This measure will be eligible provided it is part of any combination of the aforementioned supported activities a); b); c); d), and these predominate in terms of eligible expenditure.

## **APPLICANT**

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The aid applicant/beneficiary may be a business entity, which is:

- A small or medium-sized enterprise, as defined in Annex I to Regulation 651/2014, a large enterprise.
- Is licenced to operate a business corresponding to the supported economic activity for which the project is implemented.
- According to an affidavit, is registered as an income tax payer in some of the EU Member States, the applicant also notes that it must have established an operating unit or branch in the CR at the time the support is paid.
- According to an affidavit, has no debt towards selected institutions in the country in which it is based, or the country in which its branches are based, or towards aid providers for projects co-financed from the EU budget.
- According to an affidavit, is not in arrears for wages for its employees.
- It does not have any outstanding obligations arising from a recovery order drawn up on the basis of a Commission Decision, declaring the aid as unlawful and incompatible with the internal market.
- It must have closed its accounts for at least 2 consecutive accounting periods as at the date the aid application is submitted.
- If the applicant has only operated a business for a shorter period of time, the required history may also be demonstrated via the entity/entities which exercise a controlling influence over the applicant. The condition of two consecutive closed accounting periods may also be considered to have been met if a change in the applicant's business (transformation) occurred during the period under review, see Annex No. 1.
- It has demonstrated its ownership structure.

## **SECTORAL RESTRICTION**

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- Projects whose outcomes are classified under sectors listed in Annex No. 1 Part A to this Call are eligible for aid.
- Projects whose outcomes are classified under sectors listed in Annex No. 1 Part B to this Call are not eligible for aid.

## **MAIN CONDITIONS OF THE CALL**

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- The project must be implemented on the territory of the CR, outside the Capital City of Prague. Only one implementation site may apply within the context of the project. The implementation site should be part of one district heating and cooling system.
- The applicant must clearly demonstrate ownership or other rights to the property and land where the project is to be implemented.
- The project must contain all mandatory components set forth in the Call for its submission.
- The project does not envisage aid for activities associated with export volumes (export subsidies) support for the establishment and operation of a distribution network abroad, or for other standard costs related to export activities (customs duties, insurance, etc.); or aid contingent on the use of domestic goods in preference to imported goods.
- The project has not started before the date of submission of the aid application.
- The project may not violate EU horizontal policies nor their fundamental principles, such as gender equality and sustainable development.

## **ELIGIBLE EXPENDITURE**

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- Expenditure on construction and technological equipment in heat supply systems, including measurement and regulation, which are needed to achieve primary energy savings.
- Tangible assets.
- Intangible assets.
- Energy report.

## FORM AND AMOUNT OF AID

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- The minimum aid provided for a project is CZK 0.5 million and the maximum is CZK 400 million.

### **Aid intensity:**

- in the case of measures relating to energy efficient district heating and cooling systems, including the installation of gas CHP plants:

- a) if the beneficiary is a small enterprise – aid amounting to 50 % of EE
- b) if the beneficiary is a medium-sized enterprise – aid amounting to 45 % of EE
- c) if the beneficiary is a large enterprise – aid amounting to 40 % of EE

- in the case of an energy report and project documentation:

- a) if the beneficiary is a small enterprise – aid amounting to 50 % of EE
- b) if the beneficiary is a medium-sized enterprise – aid amounting to 45 % of EE
- c) if the beneficiary is a large enterprise – aid amounting to 40 % of EE.