

# COMMISSION OF THE EUROPEAN COMMUNITIES

C(81) 1471 final

Brussels, 5 October 1981

NOT FOR PUBLICATION

## COMMISSION DECISION

of 5 October 1981

on the granting of financial support for demonstration  
projects in the field of energy saving

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
Having regard to Council Regulation (EEC) n° 1303/78 of 12 June 1978 on  
the granting of financial support for demonstration projects in the field  
of energy<sup>1</sup> saving and in particular Article 5(2) thereof,

After consulting the Advisory Committee on the management of demonstration  
projects,

Whereas Regulation (EEC) n° 1303/78 provides for the granting of support  
towards the implementation of Community demonstration projects aimed at  
considerably improving efficiency in the use of energy by means of innovative  
plant, processes or products,

Whereas Council Regulation (EEC) 725/79<sup>2</sup> determines the conditions for  
the application of Regulation (EEC) N° 1303/78,

Where the implementation of such projects should be encouraged,  
particularly where they are likely to contribute to reducing energy consumption  
in buildings, facilitate the recovery of high or low temperature waste heat  
in industry, develop combined heat/power generation, and improve the use of  
energy in transport and agriculture,

Whereas the Commission, in Decisions of 29 November 1978, 6 March 1979, and  
29 July 1980 has already approved two series of projects of the kind referred  
to in Article 5(2) of Regulation (EEC) N° 1303/78 and it is appropriate to  
approve a further series of projects,

HAS ADOPTED THIS DECISION:

Article 1

The Community demonstration projects listed in the Annex hereto shall receive  
financial support under Regulation (EEC) N° 1303/78 in the form of a financial  
contribution, repayable under certain circumstances.

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(1) OJ L 158, 16.6.1978, p. 6

(2) OJ L 93, 12.4.1979, p. 1

Article 2

The financial support referred to in Article 1 shall be granted to each of the projects on the basis of the percentages, as indicated in the Annex, and the maximum amounts also specified in the Annex.

Article 3

This decision is addressed to the persons and companies indicated in the annex.

Done at Brussels, 5 October 1981  
For the Commission

Etienne DAVIGNON  
Vice-President

REFERENCE	TITLE - PROPOSER	TOTAL OR EXTRA COSTS National currency/ECU	%	EEC - PARTICIPATION National currency/ECU
EE/034/81	Development of a method of pre-heating scrap with an electric furnace with recovery of the gases extracted from the furnace BRITISH STEEL CORPORATION	190 000 UKL 355 235 ECU	40	76 000 UKL 142 095 ECU
EE/087/81	High power channel induction furnace for melting aluminium THE ELECTRICITY COUNCIL	302 000 UKL 564 635 ECU	40	120 800 UKL 225 855 ECU
EE/111/81	Study of detached houses heated by solar roofing without glazing, buried pipe circuits, heat pumps and underfloor heating ELF FRANCE	417 500 FF 69 325 ECU	40	167 000 FF 27 730 ECU
EE/134/81	Combined production plant with gas turbine RUSTON GAS TURBINES LIMITED	1 663 000 UKL 3 109 240 ECU	25	415 750 UKL 773 310 ECU
EE/146/81	High-temperature heat pump applied to the chemical industry INTERNATIONAL R AND DEVELOP. CO.	105 582 UKL 197 405 ECU	40	42 233 UKL 78 960 ECU
EE/179/81	Use of fermentation gas from solid urban organic waste and solid industrial waste as an additional energy source for a brickworks COMUNE DI MODENA	700 000 000 LIT 553 535 ECU	40	280 000 000 LIT 221 415 ECU

REFERENCE	TITLE - PROPOSER	TOTAL OR EXTRA COSTS National currency/ECU	%	EEC -PARTICIPATION National currency/ECU
EE/001/81	Energy self-sufficient plant for the production of industrial ethyl alcohol for gaschol and of proteins for zootechnical use from straws and corn stover. E.BI.A	2 414 400.000 LIT 1 909 220 ECU	40	965 760 000 LIT 736 690 ECU
EE/006/81	Gas-operated heat pump in an office block for heating and air conditioning in winter and air conditioning in summer. BELL TELEPHONE MANUFACTURING	42 188 000 FB 1 021 313 ECU	40	16 875 200 FB 408 525 ECU
EE/011/81	Demonstration of the primary-energy-saving heating of detached and semi-detached houses by means of heat pumps (gas/oil) with a heat delivery of up to 20KW driven by an internal combustion engine. FICHTEL & SACHS AG	1 900 100 DM 748 210 ECU	40	760 040 DM 299 280 ECU
EE/014/81	Total energy plant for a frozen foods factory with a cold accumulator and improved refining process. CAMPBELL NEDERLANDS BV GROKO D	3 912 000 HFL 1 385 600 ECU	30	1 173 600 HFL 415 680 ECU
EE/022/81	Production of ammonia nitrate through reaction of nitric acid by means of a new steam-generating process UNION CHIMIQUE DE BELGIQUE S.A.	18 310 000 FB 443 260 ECU	40	7 324 000 FB 177 305 ECU

REFERENCE	TITLE - PROPOSER	TOTAL OR EXTRA COSTS National currency/ECU	%	EEC - PARTICIPATION National currency/ECU
EE/213/81	Design, construction, monitoring and assessment of an inexpensive dwelling with limited energy requirements CEMENT ROADSTONE HOLDING LTD.	195 600 IRL 218 967 ECU	40	78 240 IRL 112 785 ECU
EE/221/81	Demonstration of recovery by means of a Rankine cycle using Derv REGIENOV	14 940 000 FF 2 480 820 ECU	40	5 976 000 FF 992 330 ECU
EE/246/81	Top gas expansion turbine of axial design for power generation and back-pressure control of a blast furnace. THYSSEN AG	14 517 600 DM 5 392 220 ECU	26.4	3 823 900 DM 1 510 235 ECU
EE/253/81	System to preheat scrap by part recovery of the energetic content of gases exhausted from the electric arc furnace. DANIELI OFFICINE MECCANICHE	1 225 000 000 LIT 968 685 ECU	40	490 000 000 LIT 387 475 ECU
TOTAL		19 417 670 ECU		6 509 670 ECU

TOTAL

19 417 670 ECU

6 509 670 ECU

Conversion rates for EUA on 30 April 1981 :

- BFR/LFR = 41,3076
- DM = 2,53953
- HFL = 2,82333
- UKL = 0,534857
- DKR = 8,09607
- FF = 6,02220
- LIT = 1264,60
- IRL = 0,693698
- DRA = 61,9298

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EXPLANATORY MEMORANDUM

1. On 12 June 1978 the Council of the European Communities adopted Regulation (EEC) N° 1303/78 on the granting of financial support for demonstration projects in the field of energy saving.<sup>1</sup>
2. Bearing in mind the overall allocation of 55 million ECU to the programme, the Commission has to date taken decisions on 113 projects involving financial support of 48 552 899 ECU. No contracts have been concluded for 28 of these 113 projects,<sup>2</sup> leaving some 9 000 000 ECU still available. The remainder available under the programme is thus some 15.500.00 ECU.
3. Pursuant to Article 5 (1) of Regulation N° 1303/78, the Commission published on 15 January 1981 the third call for applications,<sup>3</sup> with 30 April 1981 as the deadline, and has received some 360 proposals.

The departments of the Commission responsible for examining the applications for support have made a preliminary study of the projects to check whether they can be accepted under Regulation (EEC) N° 1303/78.

4. Pursuant to the provisions of Article 5(2) of Council Regulation (EEC) N° 1303/78, the Commission consulted the Advisory Committee on Programme Management on 15 and 16 July 1981 in connection with the first batch of 70 projects. Fifteen of these projects qualify for financial support. The investment required to carry out these projects between 1981 and 1985 amounts to some 19 417 670 ECU.

The projects adopted all comply with the criteria listed in Regulation N° 1303/78.<sup>4</sup>

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(1) OJ L 158 of 16.6.1978

(2) EE/006/79; EE/013/79; EE/020/79; EE/042/79; EE/050/79; EE/062/79; EE/070/79; EE/087/79; EE/189/79; EE/200/79; EE/219/79; EE/221/79; EE/233/79; EE/270/79; EE/016/80; EE/023/80; EE/030/80; EE/031/80; EE/050/80; EE/085/80; EE/114/80; EE/128/80; EE/181/80; EE/187/80; EE/212/80; EE/240/80; EE/249/80; EE/282/80.

(3) OJ C 10 of 15.1.1981

(4) OJ C 158 page 2, of 4.7.1978 and OJ C 241/2 of 26.9.1979

5. The Commission has sometimes reduced the investment proposed for the projects qualifying for financial support, in particular by changing the number of examples covered by the demonstration or by deducting the cost of a conventional plant from the demonstration costs.
6. The Commission has adopted a reference rate of 40% from the bracket of 25-49% prescribed for financial support in Regulation N° 1303/78. Lower rates have been applied to take account of large national aids or the particular dimensions of some projects.
7. The Commission's financial contribution is divided into support for construction costs and similar costs, which are repayable under certain circumstances, and non-repayable support for equipment and measurements costs, which must in no event exceed 75% of the maximum amount of the contribution.
8. All the other projects presented but not adopted will be examined with the Advisory Committee at three additional meetings planned for September, October and November 1981 and the Commission is expected to adopt a second list of projects in December 1981.
9. The financial support for the 15 projects adopted thus totals 6 509 670 ECU.
10. The tables in the Annex to the Commission Decision record, for each of the projects adopted, the total investment cost, the rate of financial support and the amount of the EEC contribution expressed in national currencies and, for guidance purposes, in ECU (calculated according to the exchange rate on 30 April 1981).

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FINANCIAL RECORD SHEET

1. Budget heading involved: Article 324 - Item 3240

2. Title of budget heading:

Demonstration projects - energy conservation

3. Legal basis:

3.1. Council Regulation (EEC) N° 1303/78 of 12 June 1978 on the granting of financial support for demonstration projects in the field of energy savings (OJ L 158 of 16.6.1978).

3.2. Council Regulation (EEC) N° 725/79 implementing Regulation (EEC) N° 1303/78 in the field of energy saving.

3.3. Proposal for a Commission Decision on the granting of financial support for demonstration projects in the field of energy saving.

Third call for applications (OJ C 10 of 15.9.1981).

4. Description:

Granting of financial support to undertakings or bodies in the Community for the implementation of demonstration projects in the field of energy conservation.

5. Objective:

To support demonstration projects in the Community by encouraging the implementation of projects designed to prove industrial and commercial viability and so promote wider application with concomitant large savings in energy.

6. Justification:

In view of the technical risk, the high cost of investment in some cases and the fact that partially untried techniques and technolo-

gies are involved, the implementation of these projects would either not be possible, or be likely to be deferred, without financial support from the Community, so that investment for energy conservation would be delayed or not carried out at all.

7. Appropriations:

The appropriations for commitment under Item 3240 - Community energy saving programme - in the Commission's budget proposal for 1981, as accepted by the Concil and European Parliament, put the sum of 24 million ECU at the disposal of DG XVII.

Under appropriations for commitment from 1980, a sum of some 11.420 ECU is currently available, of which 5.920.000 ECU will be used in concluding the eight contracts still being negotiated; this leaves a remainder of 5.500.000 ECU available.

As a result, the appropriations available for the Community energy saving programme are as follows:

1981 Budget	24.000.000 ECU
+ remaining 1980 appropriations	<u>5.500.000 ECU</u>
	29.500.000 ECU
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8. Proposed monitoring arrangements:

8.1. Monitoring by the Member States is not envisaged. The authorizing department and the financial control department will make periodic visits and checks on the records and will follow the course of the projects in the technical and financial reports which the implementing undertakings and bodies are required to submit regularly.

8.2. The Commission recently submitted a report to the Parliament and the Council on the implementation of Regulation (EEC) N° 1303/78 (COM (81) 397 Final).

9. Staff requirement:

9.1. Tasks: review of projects, consultation and decision procedures, negotiation and conclusion of contracts, monitoring of contractual commitments and periodic reporting.

9.2. Staff available: 4 officials  
1 administrative assistant (B)  
2 secretaries (C)

9.3. Back-up staff: 3 administrative assistants (B)  
1 secretary (C)