



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 10 August 2012

**13125/12
ADD 1**

**ENER 361
ECOFIN 743**

COVER NOTE

from: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 8 August 2012

to: Mr Uwe CORSEPIUS, Secretary-General of the Council of the European
Union

No Cion doc.: SWD(2012) 243 final

Subject: Commission Staff Working Document
Data on the budgetary and technical implementation of the European Energy
Programme for Recovery
Accompanying the document

- Report from the Commission to the European Parliament and the Council
on the Implementation of the European Energy Programme for Recovery

Delegations will find attached Commission document SWD(2012) 243 final.

Encl.: SWD(2012) 243 final



EUROPEAN COMMISSION

Brussels, 8.8.2012
SWD(2012) 243 final

COMMISSION STAFF WORKING DOCUMENT

Data on the budgetary and technical implementation of the European Energy Programme for Recovery

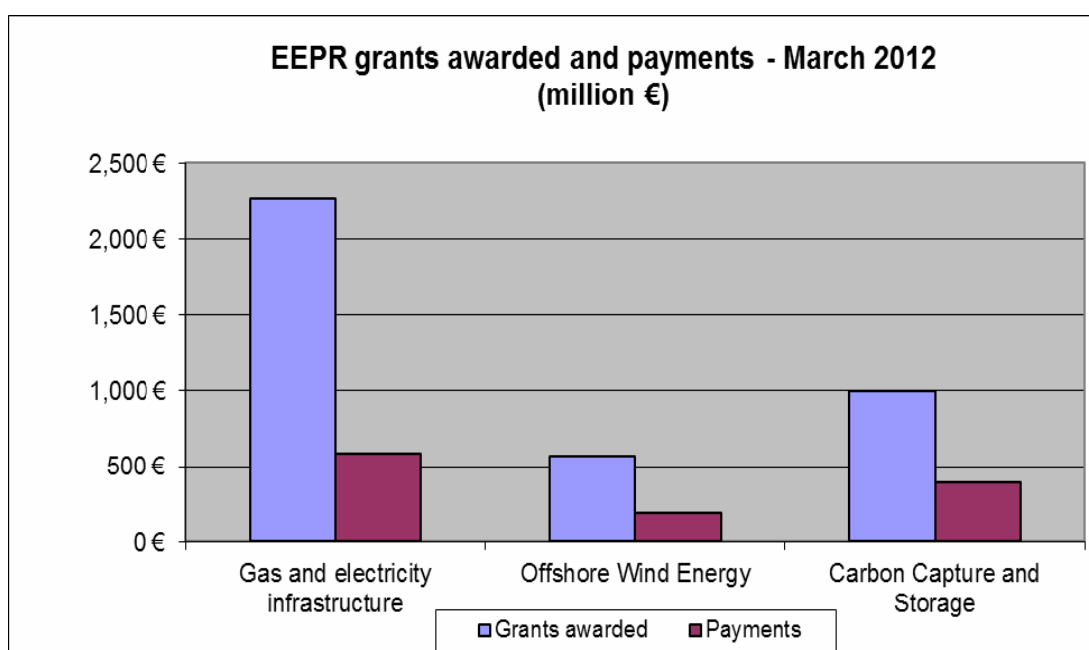
Accompanying the document

**Report from the Commission to the European Parliament and the Council
on the implementation of the European Energy Programme for Recovery**

{COM(2012) 445 final}

EEPR – STATE OF PLAY March 2012

	Grants Awarded (a)	Payments made (b)	Payment Ratio (b/a)
Gas and electricity infrastructure	2,267,574,463 €	586,466,220 €	25.9%
<i>Gas</i>	1,285,213,838 €	302,138,834 €	23.5%
<i>of which reverse flow</i>	78,006,119 €	34,839,476 €	44.7%
<i>Electricity</i>	904,354,506 €	284,327,386 €	31.4%
Offshore Wind Energy	564,990,893 €	189,463,583 €	33.5%
Carbon Capture and Storage	1,000,000,000 €	391,509,181 €	39.2%
Total	3,832,565,356 €	1,167,438,984 €	30.5%



EEE F components	EU contribution (a)	Disbursements* (b)	Ratio (b/a)
Fund	€125,000,000	€25,000,000	20.0%
Technical assistance	€20,000,000	€5,000,000	25.0%
Awareness raising	€1,334,645	€400,393	29.9%
Total EEEF	€146,334,645	€30,400,393	20.8%

* Disbursements refer to amounts transferred to trust accounts held by the Commission at the EIB. As of 31 March 2012 the EIB, to whom the Commission delegated the management of the payment of the Union's contribution to the EEE F, has withdrawn from the trust accounts €150,000 to allow for the handling of first requests for technical assistance; €121,327 for the EU share of the establishment cost of the fund; € 1,300,000 for investment into the Fund to cover administrative expenditure (amounting to €1,078,847) related *inter alia* to the remuneration of the fund manager, marketing initiatives, insurance, legal counsel and custody; and €400,393 for awareness raising initiatives.

Project	Grants Awarded (a)	Payments (b)	Payment ratio (b/a)	Date of finalisation	State of play
	Million €		%		
Gas and electricity infrastructure	2,267,574,463	585,024,632	26%		
<i>GAS INTERCONNECTORS</i>					
<i>Nabucco</i>	<i>200,000,000</i>	<i>0</i>	<i>0%</i>	<i>31/12/2013</i>	The grant supports tendering procedures and the procurement of the pipes, bends and valves needed for the construction of this important project linking Europe to gas fields in the Caspian region and the middle-East. The preparation for the project construction continues (procurement preparation, environmental authorisation, and engineering) in parallel with the commercial negotiations with gas producers. Upon their completion in 2012, the project is expected to move to the construction phase. The project is affected by the delays in the finalisation of commercial agreements for gas supply. The beneficiary requested to extend the period of implementation from December 2011 until end 2013 and the Commission Decision will be amended accordingly.
<i>ITGI – Poseidon</i>	<i>100,000,000</i>	<i>6,000,000</i>	<i>6%</i>	<i>31/12/2013</i>	The grant supports the finalisation of the technical studies (Front End Engineering and Design), the purchase of pipeline and related equipment for the construction of the offshore interconnector between the Italian and Greek gas transmission networks. The project has already secured most of the required permits and the design works are nearing completion. The project sponsors are in commercial negotiations with gas producers to secure the necessary shipping agreements before the start of construction. Following the recent discontinuation of talks with Shah Deniz consortium from Azerbaijan, project sponsors consider alternative gas sources from the Caspian Region and the Middle East. The Commission will amend the Decision accordingly.
<i>Baltic pipe – Denmark</i>	<i>100,000,000</i>	<i>30,000,000</i>	<i>30%</i>	<i>02/10/2014</i>	The EEPF supports the procurement of material including pipes, valves and any other equipment necessary for the construction of the project in Denmark. Apart from the construction of the connection to the future PL-DK pipeline which is delayed, the project implementation is progressing according to the schedule, no major delays are expected, and the new infrastructure will be operational from July 2014. The new pipeline will significantly increase the security of natural gas supply in Denmark offsetting the impact of depleting offshore fields.
<i>Baltic pipe – Poland</i>	<i>50,000,000</i>	<i>17,845,000</i>	<i>36%</i>	<i>30/09/2013</i>	The EEPF supports construction works and the procurement of equipment needed for the

						<p>construction of the compressor station in Golemiów and the natural gas pipeline between Świnoujście and Szczecin in Poland.</p> <p>Construction work on the compressor station has been completed, with final testing and commissioning also close to completion, while construction work on the pipeline have yet to start. The new infrastructure is expected to enter into operation in September 2013.</p> <p>The pipeline will have a positive impact by strengthening the Polish gas transmission system and allowing for additional gas flows from the future Polish LNG terminal.</p> <p>EEPR funds support the engineering, construction, implementation of two LNG storage tanks (Polskie LNG S.A.) and the docking area (ZMPSIS) for the LNG infrastructure in Swinoujście.</p> <p>Implementation is in progress, in line with the schedule. No major problem has been indicated. The project is expected to become operational by 2014.</p> <p>The LNG terminal will have a significant impact not only on diversification of supply sources, but will also increase market competition and will provide an important synergy with other infrastructure projects.</p>
<i>Polish LNG Terminal (port of Świnoujście)</i>	79,561,868	23,868,506	30%	31/12/2014		<p>The project aims to establish a new two-way high pressure gas connection between Slovakia and Hungary. The EEPR subsidy aims at financing the purchase of pipeline and other materials necessary to build the first gas interconnector between Slovakia and Hungary.</p> <p>The project is being implemented and public procurement activities have started. The project is delayed by 14 months caused by difficulties to take the final investment decision.</p> <p>The project is expected to be completed by early 2015.</p> <p>The existence of the EEPR grant helped keeping the commitment to implement the project; without it, the risk of a more considerable delay or a postponement of the investment would be very high.</p>
<i>Slovakia-Hungary Interconnector (Veľký Krtíš – Vécés)</i>	30,000,000	0	0%	01/01/2015		<p>The EEPR supports the construction of the “Ceršak – Kidricevo” section and the procurement of the equipment for the “Rogaška Slatina – Trojane” and “Trojane – Vodice” sections.</p> <p>Construction works for “Ceršak – Kidricevo” section have been completed. Equipment for the “Rogaška Slatina – Trojane” and “Trojane – Vodice” sections has been supplied.</p> <p>The EEPR funds help to improve the safety and reliability of the system operation, enhance cross-border gas transmission between Austria and Slovenia and contribute to the development of European gas market.</p>
<i>Slovenia-Austria Gas transmission system (border to Ljubljana, excluding the section Rogatec-Kidričevo)</i>	40,000,000	28,000,000	70%	30/12/2012		<p>The project is developing a new interconnection between Greece and Bulgaria. The EEPR supports the technical studies, the purchase of the pipes, included other long lead items and the construction works.</p> <p>The project has a delay of 18 months due to time needed to create the Special Purpose</p>
<i>Bulgaria-Greece Interconnection (Stara Zagora – Dimitrograd-</i>	45,000,000	0	0%	30/12/2013		

<i>Komotini)</i>						<p>Vehicle in January 2011 following changes in the Bulgarian Law. Since then the project is progressing well and it is expected that the early investment decision is finally adopted by the end of 2012. The project should be finalised by the end of 2014 and the project promoter requested an extension of the implementation period until December 2014.</p> <p>The project will contribute to increase the security of supply in the region and the EEPF funds have helped keeping the commitment to implement the project.</p> <p>EEPR supported the construction of a 47 km long between Algyő (in Hungary) and the Hungarian-Romanian border, combined to a 26 km pipeline section between the Hungarian-Romanian border and Pecica (in Romania).</p> <p>The project has been completed according to schedule in October 2010. Final payment has been executed. The EEPF grant has not been fully used as €3.9M were not finally paid due to ineligibility of costs.</p> <p>The construction of this interconnection is of key importance for both Romania and Hungary, as this is the first interconnection between the high pressure pipeline networks of the two countries.</p>
Romania-Hungary interconnector COMPLETED	16,093,470	12,173,531	76%	31/12/2010	<p>The EEPF supports construction works and the purchase of material and equipment required to increase storage capacity at the two gas storage facilities in Tvrdonice and Třanovice.</p> <p>The expansion of the storage facility in Třanovice is progressing well and will be completed at the end of April 2012. The storage of Tvrdonice is delayed due to decrease of market interest and it should be completed by the end of 2014. The project promoter requested an extension of the implementation period until December 2014.</p> <p>When completed, the storage capacity in the Czech Republic will be increased by 15% and thus enhancing cross-border gas trading.</p> <p>The EEPF subsidy aimed at financing the purchase of pipeline material and compressor units necessary to build the first gas interconnector between Hungary and Croatia.</p> <p>The project is already completed and final payment was done in 2011.</p> <p>The interconnector has regional benefits in improving security of supply and diversification. The financial contribution of the EEPF fund was necessary for the realization of the project.</p>	
<i>Expansion of Gas Storage Capacity in the Czech hub</i>	<i>35,000,000</i>	<i>18,647,999</i>	<i>53%</i>	<i>31/12/2012</i>	<p>The project aims at constructing a new interconnection between Bulgaria and Romania. The EEPF supports technical studies, procurement of material and the construction works.</p> <p>The project is progressing with a 6-8 month delay due mainly to complex procurement procedures on the cross-border section and lengthy permitting process on the Bulgarian side. The projects will be finalised by mid-2013. The project promoter requested an</p>	
Hungary-Croatia interconnection COMPLETED	20,000,000	20,000,000	100%	28/02/2011		
<i>Bulgaria-Romania interconnection</i>	<i>8,929,000</i>	<i>2,678,700</i>	<i>30%</i>	<i>30/06/2012</i>		

						<p>extension of the implementation period until June 2013.</p> <p>The Project will contribute to the security of supply of the region, will support the development of the internal market and ensure interoperability of the gas networks. The EEPF funds have helped to minimise the delays by encouraging the beneficiaries to take their investment decision in 2010</p> <p>The project will develop the gas network in France in order to reinforce the Africa-Spain-France axis. The EEPF supports the purchase of pipes and construction works.</p> <p>The project is on-going without difficulties.</p> <p>The project will increase security of supply in the region, will increase market competition and help integrate the Iberian gas market to the European one. The EEPF funds have secured the development of the project notably on the eastern side by encouraging the beneficiaries to take their investment decision in 2011.</p>
<i>Reinforcement of FR gas network on the Africa-Spain-France axis</i>	<i>175,765,000</i>	<i>16,080,000</i>	<i>9%</i>	<i>30/06/2015</i>		<p>Galsi is a new pipeline that will connect gas reserves in Algeria to Italy. The EEPF supports the purchase of pipes and the construction works.</p> <p>The project is progressing: the administrative authorisations and the procurement programme for the pipe and construction will normally be finalised during the 1st semester 2012. It is expected that the investment decision is finally adopted by the end of 2012 as soon as commercial agreements on gas supply and transport are concluded.</p> <p>The project will improve the security of supply in Italy and the European Union, will allow the access to natural gas of isolated regions (Sardinia and Corse islands) and will contribute to the creation of an Italian gas hub for gas supply to Europe. The EEPF funds contribute to speed up the authorisations process, play also a crucial role in the finalisation of the commercial framework for the project.</p>
<i>GALSI (Gazoduc Algérie-Italie)</i>	<i>120,000,000</i>	<i>0</i>	<i>0</i>	<i>30/06/2014</i>		<p>The project aims at reinforcing the Spanish network and create a reversible flow interconnection at Larrau. The EEPF supports, for the pipeline, the purchase of pipe and other materials and for the compression station, the purchase of materials and equipment and the construction of the mechanical works</p> <p>The project is well advanced. The Vilar de Arnedo compression station is already completed and entered into operation in February 2011 and the pipeline (Yela-Vilar de Arnedo) is being laid down to be operational by September 2012.</p> <p>The project will increase security of supply in the region, market competition and help integrate the Iberian gas market to the European one. The EEPF funds have secured the development of the project.</p>
<i>Western Axis Larrau interconnection branch</i>	<i>45,000,000</i>	<i>13,500,000</i>	<i>30%</i>	<i>31/12/2012</i>		<p>The project covers the construction of a second gas pipeline with a reverse flow capacity between the Dutch/German borders to Zeebrugge. The EEPF supported the purchase of</p>
Germany-Belgium-United Kingdom	35,000,000	34,941,730	99%	01/06/2011		

<i>pipeline COMPLETED</i>					<i>pipes and the construction works for specific sections between Landen and Raeren. The action financed is completed pipes procured and laid down) and operational since November 2011. Final payment was made in 2011. The upgrade of the Belgian network is contributing to the development of the European gas market by providing reverse flow gas capacities on the France-United-Kingdom-Belgium-Germany axis.</i>
<i>France-Belgium interconnection</i>	174,864,500	43,563,892	25%	31/12/2013	The project aims to increase gas capacities between France and Belgium. The EEPR supports procurement of pipes in France and the construction of two compression stations in Belgium. The Belgian part of the project is progressing well as the two compression stations (Berneau and Winksele) are under construction and should be finalised during 2012. On the French side, on the section Pitgam-Nedon, the pipes have been delivered early 2012 and works will take place in the following months. For the section Cuvilly-Dierrey-Voisines, the investment decision was finally taken on 30/12/2011 and the corresponding pipes procurement programme will start in 2012. The increase of the cross-border capacities between France and Belgium will enhance security of supply for Western Europe. The EEPR funds have helped to secure the investment programme.
<i>Cyprus project</i>	10,000,000	0	0%	16/12/2013	The government of Cyprus decided to establish a natural gas receiving terminal. The EEPR supports the technical studies, the purchase of material and the construction works to connect the natural gas receiving terminal to the three existing power stations. The project is progressing as technical and environmental studies have been completed. The expected date to complete the gas network is 2014. The natural gas receiving terminal will contribute to the diversification of the Cypriot energy mix and will stop the energy isolation of the island. The EEPR funds have helped to secure the investment programme.
<i>GAS REVERSE FLOW</i>					
<i>Portugal</i>	10,700,750	3,210,225	30%	31/04/2013	The project involves the construction of a reverse flow gas pipeline between Portalagre-Guarda and Cantanhede-Mangualde. The EEPR supports the construction of a 48 km section of this 75 km pipeline. The project is progressing but is delayed by 15 months due to the lengthy administrative authorisation procedures. Procurement programme is on-going and the construction should start during the second half of 2012. The project will reinforce security of supply in the Iberian peninsula as it will be further developed to create a third interconnection with the Spanish gas network. The EEPR funds helped to secure the investment programme.

<i>Romania</i>	<i>1,560,000</i>	<i>306,500</i>	<i>20%</i>	<i>31/10/2011</i>	<p>The project aims to ensure gas supply to Bulgaria from Romania's domestic production and reserves, if a natural gas supply disruptions from the Russian Federation in the two countries happens, on a limited time period, as well as to allow reverse flow between Romania and Bulgaria, by performing works on TSO's existing facilities on the Romanian territory.</p> <p>The project is delayed by 2 years due to technical and commercial difficulties. The expected date for the end of action is October 2013. The project promoter requested an extension of the implementation period until October 2013.</p> <p>The project aims at allowing the possibility of using reverse flow on the transit pipeline crossing the Romanian territory towards Bulgaria and increasing their security of gas supply.</p>
<i>Austria 01</i> COMPLETED	<i>1,854,000</i>	<i>0</i>	<i>0</i>	<i>30/06/2011</i>	<p><i>The project consisted to establish a reverse gas flow on the WAG pipeline system (running from the Slovakian/Austrian border to the Austrian/German border) through the Baumgarten compressor and metering station towards Slovakia and Hungary (HAG pipeline). The EEP supported the engineering, material procurement, construction and commissioning of the installations.</i></p> <p><i>Since 1st January 2011 the project is technically finished and the equipment is put into operation as foreseen in the project time schedule. The final technical implementation report including the financial statement and the request for balance payment was done in 2011. The final payment will be made in 2012.</i></p> <p><i>This project contributes to the security of supply of Central and Eastern European countries by allowing transport of gas from Germany to countries adjacent to Austria, in particular in case of a disruption of the supply of gas entering EU at the Ukraine / Slovak border.</i></p>
<i>Austria 02</i> COMPLETED	<i>425,000</i>	<i>127,500</i>	<i>30%</i>	<i>31/12/2011</i>	<p><i>The project connected the TAG pipeline to a collector at the Baumgarten import facility with short distance pipe connection to establish a star like structure and to increase the flow capacity for gas coming from western sources from 7 to 21,4 bcm/y. The EEP supported the engineering, material procurement, construction and commissioning of the installations.</i></p> <p><i>The final payment will be made in 2012.</i></p> <p><i>The project eliminates the bottleneck at Baumgarten for a physical flow of gas from western sources into south-eastern part of Austria, into Croatia, Slovenia and Italy and vice versa. The project allows optimisation of the capacity of the internal network in Austria and of its interconnected neighbouring countries on multidirectional routes.</i></p>
<i>Austria 03</i> COMPLETED	<i>1,150,000</i>	<i>345,000</i>	<i>30%</i>	<i>30/06/2011</i>	<p><i>The project consisted of upgrading of the "Überacker" Export Facility by establishing reverse flow capacities between Austria and Germany as well as connecting West-Austrian gas storages to the main Austrian gas pipelines. The EEP supported the</i></p>

<i>Austria 04</i> COMPLETED	3,317,000	995,100	30%	31/12/2011	<p><i>engineering, material procurement, construction and commissioning of the installations. The final payment will be made in 2012.</i></p> <p><i>The project aimed at technical modification along the Trans-Austrian (TAG) pipeline, leading from the Austrian-Italian border to the Baumgarten gas hub ensuring the possibility of physical reverse flow in the TAG pipeline. The EEPR supported the engineering, material procurement, construction and commissioning of the installations. The final payment will be made in 2012.</i></p> <p><i>The project gives Austria, Slovenia, Croatia, Slovakia as well as Germany access to southern gas sources which increases the interoperability and optimises the capacity of the South and East European network.</i></p>
<i>Slovakia-01</i> COMPLETED	2,936,121	2,151,696	73%	30/06/2011	<p><i>The project aimed to enable re-routing of up to 10 Million Standard Cubic Meters per Day from Underground Gas Storage Lab complex into the Transit System in the event of short term supply disruption. EEPR funding supported the delivery and construction of two pipelines with a total length of 2334m, between two underground gas storage gathering stations and the transmission network.</i></p> <p><i>Final payment was done in 2012 and it appeared that the project was less costly than expected as the technical solution finally used was most less expensive than initially planned and the procurement was more favourable, then €0.8M of the EEPR funds remain unspent. The project will connect existing UGS Lab complex to the Transit System and consequently increase the security of gas supply and strengthening the flows not only within Slovakia, but as well towards the other European countries.</i></p>
<i>Slovakia 02</i> COMPLETED	664,500	502,092	76%	30/11/2011	<p><i>The project covers the installation of specific technical equipment in three existing gas transmission facilities in Slovakia. The EEPR supports the engineering, purchase and installation of specific technical equipments in two existing gas transmission facilities in Slovakia (respectively at node Plavecký Peter and at the compressor station Ivanka pri Nitre).</i></p> <p><i>Final payment was done in 2012 and it appeared that the project was less costly than expected as the procurement was more favourable, then €0.162M of the EEPR funds remains unspent.</i></p> <p><i>The measures enable bidirectional transmission flow between Slovakia and the Czech Republic and between Slovakia and Austria.</i></p>
<i>Czech Republic 01</i> COMPLETED	3,675,000	2,292,586	62%	30/06/2011	<p><i>The project increased the transmission capacity through the Czech Republic by 15mcm/d in the northwest-east direction. It involves the adaptation of the pipelines, the compressor and transfer stations in six locations along the Czech gas transmission system. The EEPR supported technical studies, material supply and construction works.</i></p> <p><i>The project is completed and fully operational since May 2011. Final payment was done</i></p>

						<p><i>in 2011 and it appeared that the project was less costly than expected as the procurement was more favourable, then €1.3M of the EEPF funds remains unspent. The project allows the diversification of gas supplies for the Slovak Republic, Austria, Hungary and Southern Germany (Bavaria).</i></p>
<i>Hungary</i>	8,078,500	2,400,000	30%	31 May 2012	<p>The Project consists of establishing reverse flow connections and flow control systems at five nodes of the Hungarian natural gas transmission system and EEPF supports the construction work.</p> <p>The project is delayed by 5 months, due to regulatory issues and is being completed in Spring 2012.</p> <p>The objective of the project is to enable the safe West-to-East natural gas flow within Hungary, further to Romania and eventually to the SEE region in case of supply disruptions.</p>	
<i>Latvia- Lithuania</i>	12,940,000	6,039,022	47%	31/12/2013	<p>The project aims at improving the infrastructure and equipment for bi-directional gas flow between Lithuania and Latvia. EEPF funding supports the reconstruction of wells in Incukalns gas storage complex, the reconstruction of the underwater pass over the Daugava river in Latvia and the modernisation of Panevezys gas compressor station and gas pipelines in Lithuania.</p> <p>Implementation is in line with schedule. 15 wells have been reconstructed and two more wells are to be reconstructed by the end of 2012, to achieve the planned output volume. The project is expected to enter into operation in December 2013.</p> <p>This project will provide for bi-directional gas flow between Lithuania and Latvia, eliminating bottlenecks and will safeguard required capacities in both directions.</p>	
<i>Poland</i>	14,405,248	6,243,501	43%	31/12/2012	<p>The project includes the development and the modernisation of the Polish gas transmission system at the cross-border connection point between Poland and Germany. The EEPF funding supports the modernisation and construction works at the Lasow node and connecting pipelines in Poland.</p> <p>Most of the works are completed according to schedule, with the final permitting procedures in progress. The engineering works on the compressor station Jeleniow II are delayed until the end of 2012 due to changes in the market environment.</p> <p>This project will enhance the security of supply by increasing the capacity between Poland and Germany. It will also have a positive impact on the overall development of gas market in Poland.</p>	
<i>Czech Republic 02</i>	2,300,000	690,000	30%	31/12/2012	<p>The project covers the construction of a new gas pipeline connecting Tvrdonice underground gas storage (UGS) to the Czech gas transit system. The EEPF supports activities related to land and building permit, supply of material and construction works. Delay of 18 months due to the acquisition of building permits is caused by problems with securing of necessary easements and land plots. Project should be completed by end of</p>	

						September 2013. The project promoter requested an extension of the implementation period until June 2014. The project aims to increase the transmission capacity and allow reversible gas flow from/to Tvrdoňice Underground Gas Storage. It will enhance the security of supply for the Czech Republic and also for neighbouring countries in case of supply disruption.
<i>Czech Republic-Poland</i>	<i>14,000,000</i>	<i>9,536,254</i>	<i>68%</i>	<i>30/04/2012</i>		The project concerns the construction of a bidirectional cross-border interconnector between the Czech and Polish gas transmission systems, the first between these two countries. The EEPR supports the procurement of material and equipment and the construction of the pipeline. This interconnector was put into technical operation in September 2011 and is being completed in Spring 2012. This project contributes to the security of supply as it diversifies supply routes and increases reverse-flow capacities in the region.
ELECTRICITY						
<i>Estlink-2</i>	<i>100,000,000</i>	<i>30,000,000</i>	<i>30%</i>	<i>31/08/2014</i>		The Estlink2 project covers the construction of an interconnection between Finland and Estonia. The EEPR supports the manufacture, delivery and construction of the overhead line, the undersea and underground cables and the converter stations in Finland and Estonia. The permitting procedure is finished without particular obstacles and construction has started. The project is important for the integration of the Baltic States into the internal electricity market; and will increase transmission capacity between Finland and Estonia up to 1000MW
<i>Nordbalt 01</i>	<i>131,000,000</i>	<i>24,300,000</i>	<i>19%</i>	<i>31/06/2016</i>		Nordbalt 01 is a subsea interconnection between Lithuania to Sweden. The EEPR supports the construction, the installation, and the commissioning of the sub-sea cable and the converter station in Sweden and Lithuania. Works have started and the project is progressing according to plan. The project aims at removing the Baltic states isolation from the internal energy market. The construction of Nordbalt 01 is prerequisite for the integration of the Baltic states electricity market into the NordPool spot market.
<i>Nordbalt 02</i>	<i>44,000,000</i>	<i>13,200,000</i>	<i>30%</i>	<i>31/12/2013</i>		Nordbalt02 refers to the necessary upgrade in the internal Lithuanian transmission grid to facilitate the flow of electricity through the interconnector. The EEPR supports the construction works. Works have started and is progressing well. The project aims at removing the Baltic states isolation from the internal energy market. The construction of Nordbalt 02 is prerequisite for the integration of the Baltic states electricity market into the NordPool spot market.

<i>Halle/Saale – Schweinfurt</i>	<i>100,000,000</i>	<i>30,000,000</i>	<i>30%</i>	<i>31/07/2013</i>	<p>The project will couple the North-Eastern part to the South-Eastern part of Germany. The project will facilitate the transport of renewable energy produced in North Germany and in the North Sea region to the rest of the German grid. The EEPR supports the construction works of the HV line and the sub-stations.</p> <p>Permitting and construction are on-going.</p> <p>The project will facilitate the transfer of electricity produced from renewable energy sources in the Northern sea to the consumption centers in Germany.</p>
<i>Wien-Győr</i> COMPLETED	<i>12,989,800</i>	<i>7,744,332</i>	60%	31/12/2011	<p><i>The 380 kV overhead line transmission link Wien – Győr provides considerable transfer capacity in the north-south direction for the regional electricity market. The EEPR supported the installation of the overhead lines and works in the transformer station and sub-stations.</i></p> <p><i>The final payment will be made in 2012.</i></p> <p><i>The project improves the interoperability of the Austrian and Hungarian electricity networks and thus enhances the market integration. This increases the security of supply.</i></p> <p><i>The project aimed to upgrade and extend the Portuguese electricity network to increase capacities with Spain between the Algarve and Andalucía regions. The EEPR supported the procurement of the material and the construction works.</i></p> <p><i>Final payment made in 2011.</i></p> <p><i>This project greatly contributes to the development of the Iberian electricity market and connects the Algarve region to renewable energy sources. It also reinforces conditions and reliability for the Algarve region supply, by establishing a completely closed 400 kV ring crossing this area.</i></p>
<i>Portugal-Spain interconnection reinforcement 01</i> COMPLETED	<i>17,490,919</i>	<i>17,490,919</i>	100%	30/04/2011	<p><i>The project aimed to upgrade and extend the Portuguese electricity network to increase capacities with Spain between the Algarve and Andalucía regions. The EEPR supported the procurement of the material and the construction works.</i></p> <p><i>Final payment made in 2011.</i></p> <p><i>This project greatly contributes to the development of the Iberian electricity market and connects the Algarve region to renewable energy sources. It also reinforces conditions and reliability for the Algarve region supply, by establishing a completely closed 400 kV ring crossing this area.</i></p>
<i>Portugal-Spain interconnection reinforcement 02</i> COMPLETED	<i>28,873,787</i>	<i>28,873,787</i>	100%	31/03/2011	<p><i>The project aimed to upgrade and extend the Portuguese electricity network to increase capacities with Spain in the Douro region. The EEPR supported the procurement of the material and the construction works.</i></p> <p><i>Final payment made in 2011.</i></p> <p><i>This project greatly contributes to the development of the Iberian electricity market and connects the Douro region to renewable energy sources.</i></p>
<i>France-Spain Interconnection (Baixas - Sta Llogata)</i>	<i>225,000,000</i>	<i>67,500,000</i>	30%	31/12/2013	<p>The project aims to construct a new 320 kV underground interconnection between France and Spain the Eastern Pyrenees and double the existing capacities by 1400MW. The EEPR supports the technical studies, the procurement of material and the construction works.</p> <p>The project is progressing. Authorisations were granted and construction has started in early 2012.</p> <p>The project will connect the renewable energy sources to the network and will contribute to the integration of the French and Spanish markets, as well as reinforce the security of electricity supply on a regional, national and European level.</p>

<i>Sicily – Continental Italy New submarine cable (Sorgente – Rizziconi)</i>	110,000,000	0	0%	31/12/2014	The project covers the construction of a new 380 kV interconnection between Italian mainland and Sicily with an additional capacity of 2000MW. The EEPR supports detailed design, procurement of material and works. The project is progressing as planned and the completion is foreseen in December 2014. The project will enhance the security of supply and the expansion of renewables in Sicily, while improving the reliability of the grid both in Sicily and in continental Italy (Calabria).
<i>Ireland/Wales interconnector (Meath-Deeside)</i>	110,000,000	51,420,056	47%	30/09/2012	The project consists of a new 500MW cable connection between Republic of Ireland and Wales (UK). The EEPR supports the procurement of cable and the construction works. The project development is in line with schedule and the completion is foreseen for September 2012. The project will improve the security of supply and the expansion of renewables in Ireland. The EEPR have been instrumental for obtaining loans from International Financial Institutions (IFIs) and also political support to the project.
<i>Malta-Italy interconnection</i>	20,000,000	11,341,727	57%	30/08/2012	The project consists of a new 22.5MW sub-sea cable connection between Italy and Malta. The EEPR supports the technical studies and the procurement of the submarine cable. The project is progressing with a delay of ten months due to tendering procedures. The project promoter requested an extension of the implementation period until June 2013. The project will put an end to the isolation of the Maltese grid from the rest of Europe. It will then improve the security of supply, the reduction in use of fossil fuels and the expansion of renewables in Malta.
<i>Malta Electricity project</i>	5,000,000	2,456,565	50%	30/12/2012	The project concerns the upgrading of the transmission network in Malta to connect to Italy. EEPR supports the procurement of equipment and the construction of the Kappara distribution center. The project is in progress and will be completed by September 2012, with a five months delay due to longer tendering procedures and some technical difficulties. The project will enhance security of supply and the reliability of the electricity grid in Malta. It will allow the connection of renewable energy sources to the grid, enabling export capacities to Italy.
OFFSHORE WIND	564,990,883	189,463,583	33.5%		
<i>OFFSHORE WIND-GRID INTEGRATION</i>					
Baltic - Kriegers Flak I, II, III:	150,000,000	45,000,000	30%	15/7/2016	<i>Description :</i> Interconnection of German and Danish wind farms in the Kriegers Flak area through a modular-based combined solution, linking up the national grid connections. The equipment co-financed by the EEPR includes land and sea cables, sub-stations (HVDC VSC technology), and offshore platforms.

					<p><i>State of play :</i> The planning and construction of the German wind farms on Kriegers Flak have progressed well. Cost-benefit and design studies have been carried out for the combined grid solution. Next steps include the continuation of the permitting and decision processes (including the political decision on the Danish wind farm Kriegers Flak III), the definition of the optimal cable routes and technical specification and contracts and technical specification and contracts for the interconnection modules. New foreseen end date: 15/7/2018.</p>
COBRA CABLE	86.540.000	1.339.796	1,5%	15/7/2014	<p><i>Description:</i> Realization of a sub-sea power link (VSC-HVDC) between Denmark and The Netherlands, with the purpose of allowing the integration of more renewable energy into the Dutch and Danish power systems and to increase the security of supply. The power link will help to intensify the desired competition on the Northwest European power markets. The project will investigate the technical, economic and regulatory aspects of connecting offshore wind farms to the cable. <i>State of play:</i> The regulatory framework currently in place is hindering project approval by the Dutch regulator. In order to further justify a final investment decision (now foreseen late 2014) on the project, the development phase is extended to allow beneficiaries to conduct more research to strengthen the business case via a wider analysis of the socio-economic costs and benefits, while also taking into account onshore developments in Denmark, Germany and the Netherlands, as the cable will be part of an integrated European grid. As a consequence, the activities, as the tender procedure for the cable and the converters, are delayed and the expenditure in the next two years are reduced with respect to the program foreseen. New foreseen end date: 12/ 2016.</p>
Offshore HVDC hub	74.100.000	0	0%	31/12/2013	<p><i>Description :</i> Addition of an intermediate offshore platform on a planned HVDC link for connecting offshore wind and marine generation (North of Scotland, UK) <i>State of play :</i> Progress has been made in engineering design, tendering process and planning consents. The base project into which the intermediate platform would be added will likely be a sub-sea cable link from Caithness to Moray instead of from the Shetlands to Moray. Full project investment authorisation is subject to sufficient maturity of the GB offshore transmission</p>

						licensing regime to accommodate integrated onshore/offshore transmission solutions. Arrangements are overseen by UK regulator Ofgem and the UK Government Department of Energy and Climate Change (DECC) who are active in progressing development of such arrangements. Investment authorisation is delayed with the potentially achievable end date now 31/12/2016.
OFFSHORE TURBINES AND STRUCTURES						
BARD Offshore 1	53,100,000	42,480,000	80%	31/12/ 2013	<p><i>Description :</i> Production of innovative tripile foundations and production and installation of innovative cable in-feed system for a 400 MW offshore wind farm</p> <p><i>State of play :</i> Electricity generation at Bard I started in autumn 2010. All cable feed in systems and over 60 foundations have been produced. Over 30 foundations and 20 wind turbines have been installed. 16 turbines are connected to the grid. Some delay in production and installation of foundations because of :</p> <ul style="list-style-type: none"> • non-timely availability of installation ships, • an accident during installation, • more periods with bad weather conditions than anticipated • retrofit needed on the already installed turbines (nacelles). <p>Completion of the wind farm is foreseen for autumn 2013.</p>	
Global Tech I	58,550,000	36,254,062	62%	31/12/ 2012	<p><i>Description :</i> The EEPR supports the design and serial manufacturing of gravity foundations for multi MW turbines, including an innovative and fast installation process. The gravity foundations are installed in deep water on an offshore site in the German Exclusive Economic Zone.</p> <p><i>State of play :</i> Major parts of the design of the gravity foundation and the mass manufacturing process have been finalised. Building permits for first 10 pieces in the German North Sea are expected by February 2012. While the permitting process was initially delayed, it is now well on track, and the serial production of gravity foundations will start in 2013. New expected end date of the EEPR action: 31/12/2014.</p>	
Nordsee Ost offshore wind farm	50,000,000	40,000,000	80%	31/12/ 2012	<p><i>Description :</i> Supply of innovative wind turbine generators (6.15 MW) for a 295 MW offshore wind farm.</p> <p><i>State of play :</i> Wind farm components are being produced. The Turbine Supply and Commissioning Contract for the wind turbines has been concluded and the first wind turbines are planned to be in commission by May 2013.</p>	

							Delay of grid connection and consequently of installation and production of wind turbines. Expected end date for complete wind farm commissioning: mid 2014.
Borkum West II	42,710,000	12,937,192	30%	31/12/2012			<p><i>Description :</i> Supply of innovative wind energy converters and tripod foundation structures, including implementation of an innovative installation method, for the first phase of a 400 MW wind farm (2x200 MW).</p> <p><i>State of play :</i> Financial close has been achieved in winter 2010. Contractors advanced well with the production of wind energy converters and foundations. On site pre-piling for more than 50% of the foundations has been carried out by the end of 2011. Installation offshore of foundations will start in Q2 2012, installation of turbines will start in summer 2012. Some delay foreseen because of delayed grid connection.</p>
Aberdeen Offshore Wind Farm - Wind Deployment Centre	40,000,000	1,452,533	3.6%	15/12/ 2016			<p><i>Description :</i> The overall project objective is to connect a commercial offshore wind farm with a Deployment Centre, consisting of an ocean laboratory, environment monitoring and testing centre. The project will be situated offshore from the city of Aberdeen. The facility will allow for testing of multi MW turbines with innovative structures and substructures and optimisation of manufacturing capacities of offshore wind energy production equipment.</p> <p><i>State of play :</i> The company structure has been decided and the activities specified: commercial wind farm + wind deployment test centre. The environmental impact study has been completed and negotiations with the relevant authorities are ongoing. As for the engineering part, the electrical system design and several engineering studies are ongoing. Delays because of permitting process longer than expected. Currently expected end date: 12/2016.</p>
Thornton Bank wind farm	10,000,000	10,000,000	100%	Completed			<p><i>Description :</i> Optimised logistics for upscaling the far-shore deep-water Thornton Bank wind farm and demonstration of innovative substructures (jacket foundations) for deep water off shore parks. The installation of jacket structures with an innovative installation frame will allow to speed up the installation pace of the 5-6 MW multi offshore wind farm, with a target to install 24 wind turbine generators per year.</p> <p><i>State of play :</i> EEPR Action has been completed in September 2011.</p>
Carbon capture and storage	1,000,000,000	391,509,181	39%				

Jaenschwale (DE) Cancelled	180,000,000	57,886,006 ¹	32%	Cancelled as of 6 February 2012	The EEPGR Grant covered investment in all stages of the integrated CCS project from source to an offshore storage site. All detailed engineering studies were concluded for the capture unit by mid-2011. However significant delays were incurred in the exploration phase of the storage sites largely due to regulatory uncertainties and public opposition. The latest failure to transpose the CCS directive in Germany lead the promoters to file for termination in December 2011 as it was deemed that the project could not obtain the necessary CO ₂ storage permits in time to realise the project within schedule.
Don Valley	180,000,000	59,341,492	33%	31/12/2013	The EEPGR Grant covers investment in all stages of the CCS integrated project from source to an offshore storage site. After a four month suspension, 2Co Power took over the coordination of the project in May 2011. Planning permission for the base plant and associated CO ₂ capture equipment is in place and the engineering design work is on-going, as well as feasibility studies for the Enhanced Oil Recovery storage option and surveying works for the saline storage option. National Grid has commenced permitting of the onshore section of the CO ₂ pipeline. It has also initiated studies of possible offshore pipeline routes. More than 100 people are currently working on the full value chain of the project. The Final Investment Decision is expected in mid-2013 and the integrated CCS demonstration project is scheduled to be operational by the end 2016/2017.
PorteTolle (IT)	100,000,000	42,574,776	43%	15/7/2014	The EEPGR Grant covers investment in all stages of the CCS integrated project from source to an offshore storage site. The four Front End Engineering Design (FEED) studies for the capture unit contracted were received in Q2 2011 and evaluated till Q3 2011. The characterisation of offshore saline aquifers in the Adriatic Sea is on-going, the site has been selected and the feasibility study of the injection well has been completed at the end of 2011. The engineering and procurement for the exploration well execution is starting. As regards the transport component, negotiations with a contractor to conduct the FEED failed but a new tender to address both the onshore and offshore routes was awarded in summer 2011. The environmental permit for the base power plant adjacent to the planned capture unit was however withdrawn in Q1 2011. The project promoter has been working since then with the Italian authorities to solve the problem. The impact on the project schedule of the CCS facility is still uncertain but will surely result in delays. At the moment the Final Investment Decision is foreseen in 2014.
Rotterdam (NL)	180,000,000	53,452,648	30%	31/12/2014	The EEPGR Grant covered investment in all stages of the integrated CCS project from source to an offshore storage site. Significant progress has been made regarding the design and

¹ This figure shows the situation as of 31.12.2011. As a result of the termination of the project the Commission will calculate the final balance (funds received vs eligible costs) once the final report is submitted in April 2012.

						procurement preparations of the capture unit. Negotiations with the storage operator are advanced and the final storage permit is expected in March 2012. The CO ₂ transport concept has also been drawn up. The Final Investment Decision is expected by September 2012. The integrated CCS demonstration project is scheduled to be operational by the end of 2015.
Belchatow (PL)	180,000,000	60,965,891	34%	1/11/2014		The EEPGR Grant covers investment in all stages of the CCS integrated project from source to an onshore storage site. Progress was made in 2011 on both the storage and capture sides of the project. On the capture side, the Front End Engineering Design work for the carbon capture plant was completed in mid 2011. The preferred storage site was selected in early 2012 and will be followed by the characterisation phase. The Final Investment Decision will take place in 2013 and the estimated date for completion is in 2016.
Compostilla (ES)	180,000,000	117,288,368	65%	14/1/2013		The EEPGR Grant covered investment in all stages of the integrated CCS project from source to an onshore storage site. The 30MWth oxyfuel plant is in operation since December 2011 while work on the compression unit is ongoing. Capture, Transport and Storage engineering works are also progressing for the Demonstration Plant. The identification of suitable storage options is going ahead and potential transport routes have been identified. The Final Investment Decision is expected in 2013. The full size demonstration plant would not be available until 48 months after the FID.