



Triple Point  
**HEAT NETWORKS**  
INVESTMENT MANAGEMENT

# Options for financing mine water schemes

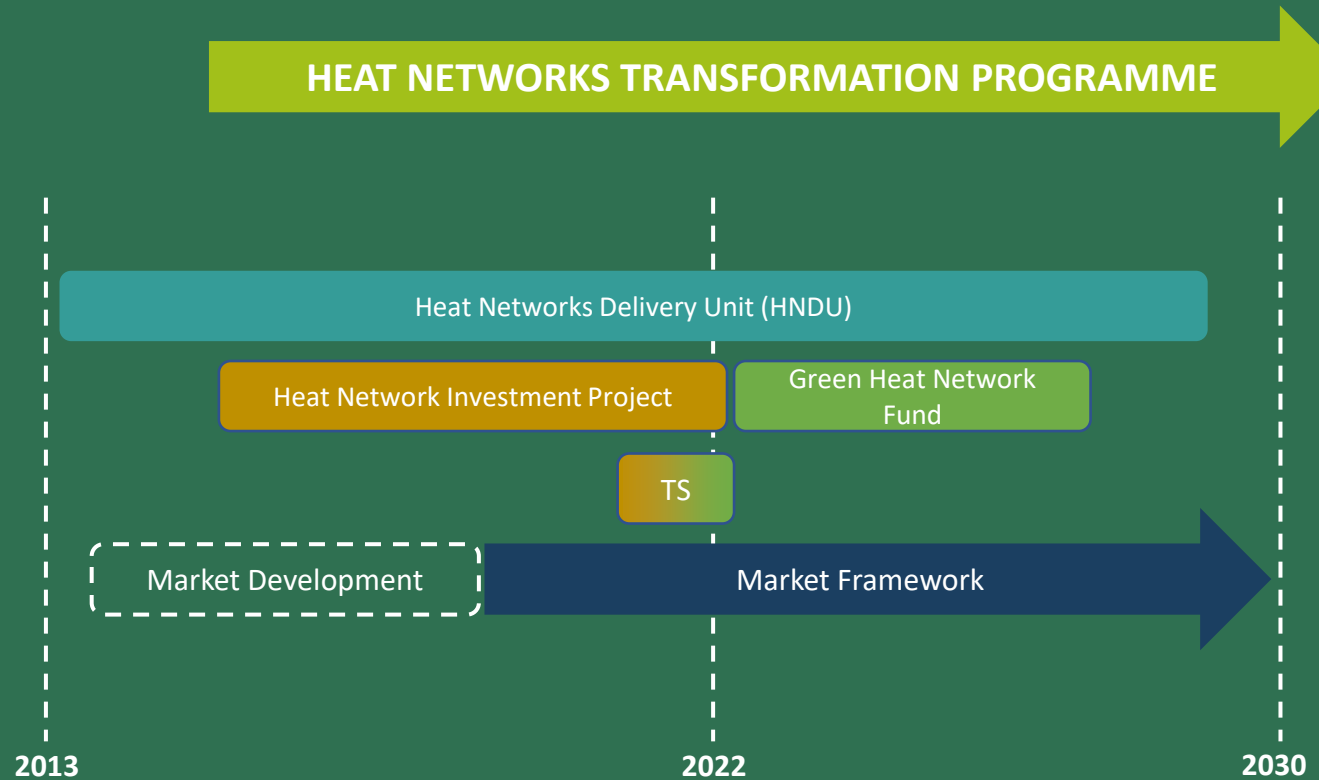


# Strong Foundations to Build On

## A Blend of Complementary Specialisms

Triple Point Heat Networks Investment Management - through the GHNF - will not only seek to decarbonise heat networks, but also build on the progress made by the HNIP in developing a resilient market.

- HNDU supports early stages of project development
- GHNF three-year programme to 2025
- Market Framework includes Regulation and Zoning.



- The aim of HNIP was to create the conditions for a self-sustaining heat network market
- The sector has continued to move forward despite major barriers including Covid and Brexit
- HNIP was launched prior to the UK's commitment to net zero.
- GHNF responds to the change in political imperative and the ambition to decarbonise is even greater

### Some of the schemes that have been awarded funding





Annual heat delivered  
**735GWh**



Network trench length  
**150km**



**85,000** Homes to be  
connected



Total CAPEX of active projects  
**£877m**



Total offers made to the value  
of  
**£303m**



More than **80,000**  
**tonnes** carbon saved per  
year





Existing CHP Energy Centre



New Heat Pump Energy Centre



Borehole



Borehole water plate heat  
exchanger

### HNIP funded:

- Construction grant £5,909,000
- 6MW heat pump
- 5.5km pipework

Complete and now ready to provide heat!

## HNIP

- Durham County Council - £3.8m commercialisation and construction grant to support the South Seaham Garden Village district network including 1.022MW heat pump and pipework.

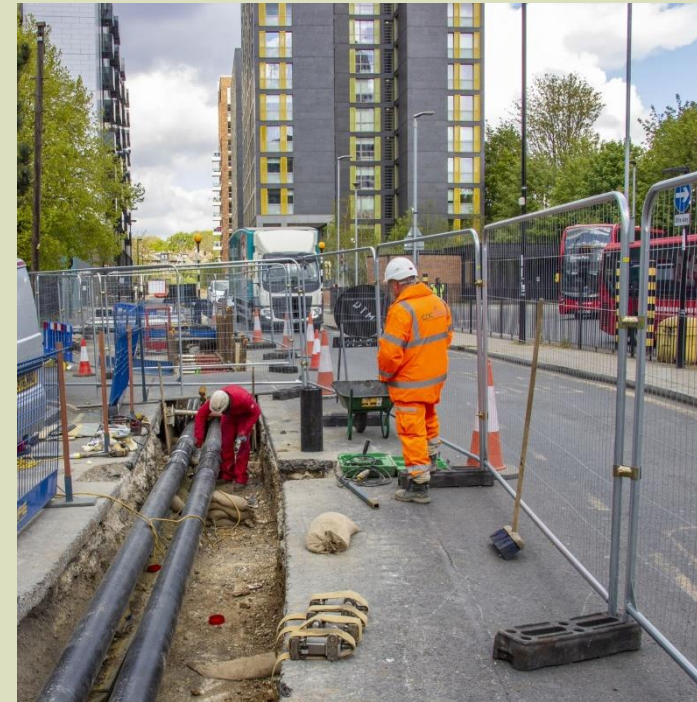
## Transition Scheme

- Sunderland City Council – Former Wearmouth Colliery as the main heat source to provide low carbon heat to strategic partners, including NHS Trust, University of Sunderland and City Centre residential.

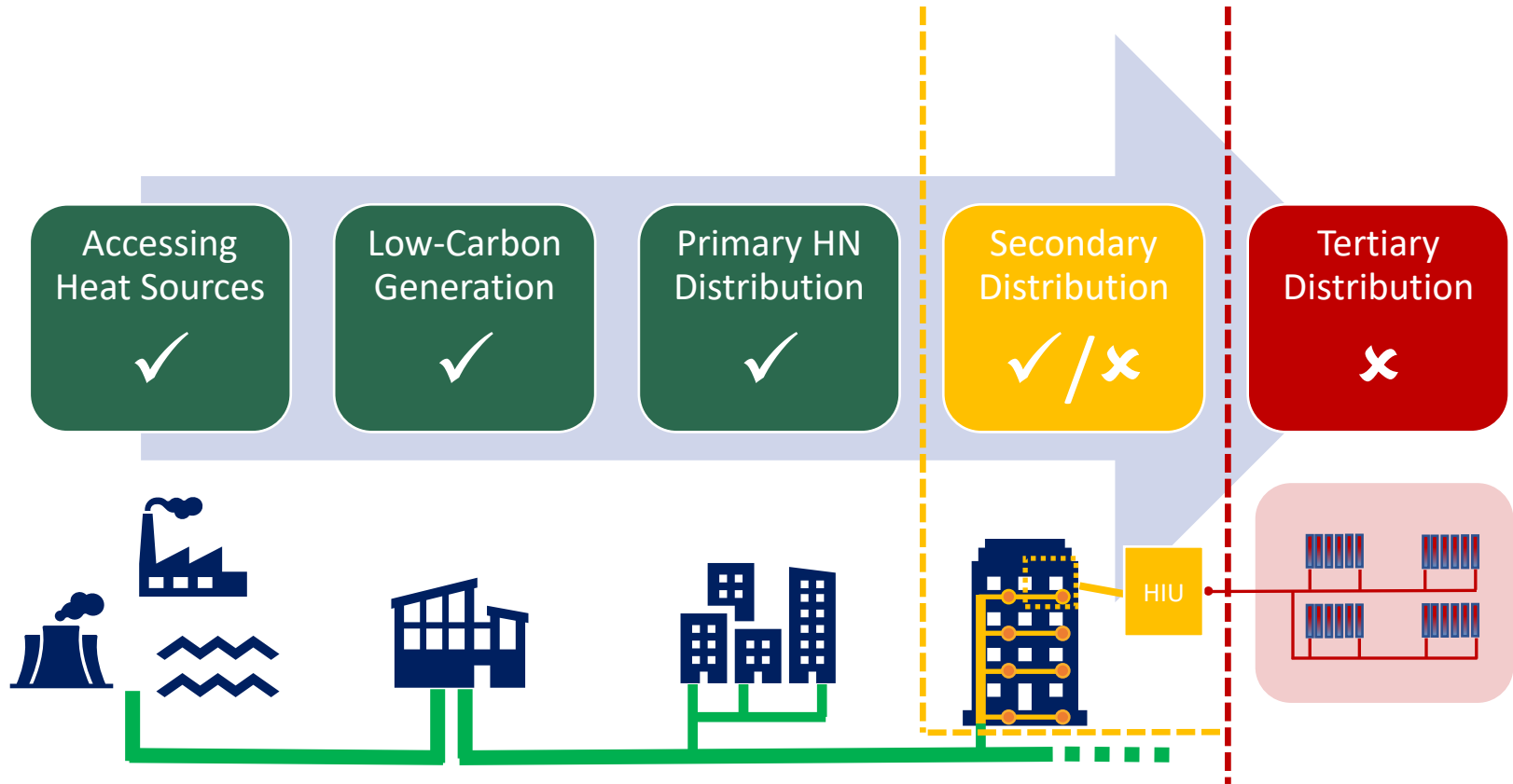
## GHNF

- Already talking to some exciting mine energy and deep geothermal schemes.

- Providing capital grant funding to eligible heat network projects
- New and Existing
- Commercialisation and construction
- England only
- The scheme is open to both public, private and third sector organisations







## Activities such as:

- Final contract negotiation for Energy Supply Agreements
- Legal, technical, commercial and financial support during the procurement process
- Planning and licencing requirements
- Agreeing utility connections
- Environmental Impact Assessments
- Geological surveys and exploratory investigations
- Etc.



**Capped Award**  
Up to **£1m** for  
commercialisation



**Maximum CAPEX**  
Up to, but not including, **50%** of  
CAPEX + Commercialisation  
costs

- Applicants are able to self-assess their project against **four** initial pass/fail gated metrics
- Simplified and more transparent application process



#### Carbon Intensity

100gCO<sub>2</sub>e/kWh thermal energy delivered



#### Customer Detriment

Protecting domestic and micro-business end users



#### Social IRR

3.5% or greater over 40-year period



#### Minimum Thermal Demand

2GWh/year (100 dwellings if rural)

- All of the metrics are calculated and appraised within the application form itself once the applicant has entered all required inputs



**Capped Award**

4.5 pence/kWh of grant per kWh delivered over 15 years\*



**Maximum Award**

Up to, but not including, 50% of CAPEX + Commercialisation costs

\*Subject to review

Award range (p/kWh)	Description
<1.5	Projects are likely to be among the highest scoring applications in any given round and are most likely to be funded.
1.5 -3.5	Projects that are typical of the core range of support levels expected.
3.5 - 4.5	Projects with significant financial challenges to overcome and which are less likely to be funded.
>4.5	Not eligible

- Read the Application Guidance
- Attend application seminar
- Initial self-assessment
- Assessment and Clarifications
- Deliverability
- Adjustment Metrics
- Support from Relationship Managers – speak to us early on!



Lauren Bright



Amy Fry



Libby Carr

### ADJUSTMENT METRICS

- Deliverability

- Carbon Abatement

- Volume of Thermal Energy

- Expansion Potential

- Innovation and Energy Efficiency





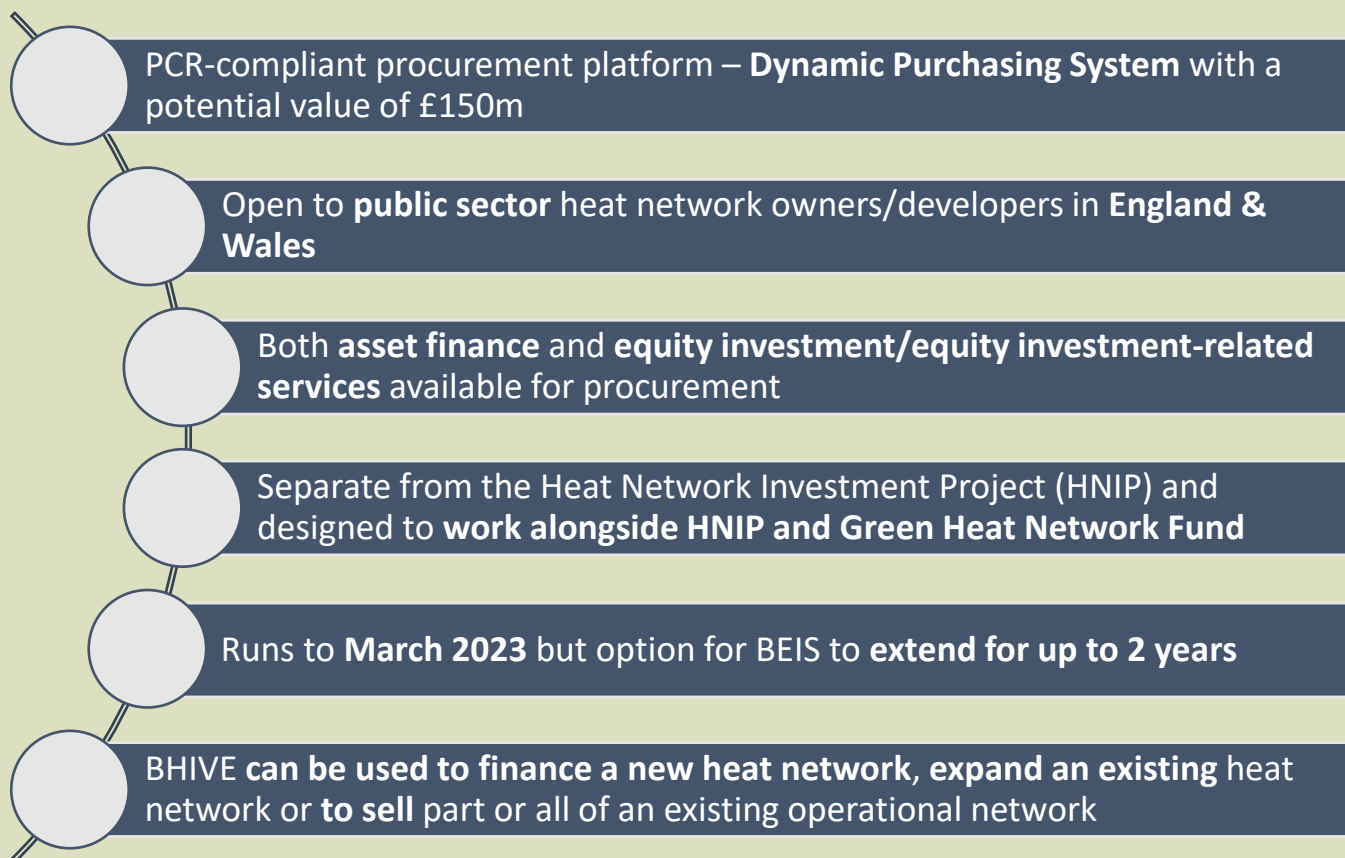
**We are excited by the potential for market transformation and the impactful contribution towards climate change targets that the Green Heat Network Fund will bring.**

Through all of our GHNF stakeholder actions and interactions we aim to be the rising tide that lifts all boats. We will strive to engage, inform and educate beyond the scope of our mandate.

#### Project commitments;

- Ensure fair contracting strategies and open procurement
- Engage the local supply chain and stimulate jobs in the local area
- Stimulate investment in the development of additional skills through the project
- Actively share learnings and explore ways to support and enable R&D

- Reduce the p/kWh
- Only come forward for what you need, not what you want!
- Be ambitious and where possible try to accelerate spend (for example, can you purchase key equipment early?)
- Encourage transformational change, particularly for large projects (>£15m CAPEX)





Our team are available to you now through all existing channels and at:

[enquiries@tp-heatnetworks.org](mailto:enquiries@tp-heatnetworks.org)



[www.tp-heatnetworks.org](http://www.tp-heatnetworks.org)



Guidance and fund materials can be downloaded from gov.uk website

<https://www.gov.uk/government/publications/green-heat-network-fund-ghnf>