

# OUTLINE CEF-TRANSPORT 2016 APPLICATION ON ALTERNATIVE FUELS FOR HEAVY TRANSPORT IN NORTH SWEDEN AND FINLAND

Interim results of short Sweco assignment paid by Biofuel Region  
to kick-start new EU funded project for the partners of Biofuel Region

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Coordinating consultant Sweco:

Project leader

Geert Schaap

geert.schaap@sweco.se

+46-734 126 324

Project assistant

Henrik Toremark

henrik.toremark@sweco.se

+46-730 877 548

Alternative fuels expert

Cecilia Wallmark

cecilia.wallmark@sweco.se

+46-705 492 076

Energy market expert

Henrik Gåverud (Luleå)

henrik.gaverud@sweco.se

+46-722 410 024

## Aims of the project – to fulfil the call requirements

- Decarbonisation of transport through transition to alternative fuels
- Real-life trial to prepare the wide-scale roll-out into the Nordic market
  - Establish a number of multi-green-fuel stations (biogas, biodiesel, ED95, ad blue, ...) for trucks along the Scandinavian core network highways from Sundsvall up to Haparanda/Kemi and down to Jyväskylä (1100 km; north of 62° North latitude)
  - Secure renewable fuel supply in northern Sweden and Finland
  - Procure a first vehicle fleet in the region of the stations network
- Optimise business-client relationship (client´s needs and satisfaction)
- Prepare larger greener vehicle fleets (trucks and cars) by sensitising fleet owners and monetisation of the reduced external costs of cleaner transport for policy makers
- Define business plan showing how to scale-up the trial to wider application along the Scandinavian corridor and core and comprehensive networks
- Prepare the use of innovative private and public financing instruments for wide scale roll-out
- Project budget in range 10-20 million EUR; broken down into first estimates
  - Multi-green-fuel station network: 5-10 million EUR
  - Renewable fuel production: 3-6 million EUR
  - Truck fleets: 0,3-0,6 million EUR
  - Plans, studies, monitoring & evaluation, communication, management: 1,5-2,5 million EUR

## New CEF-Transport application for alternative fuels in North Sweden and Finland

- Establish a network of multi-green-fuel stations between Nordic cities for trucks
- That basic network enables long distance transport with several alternative fuels
- Co-finance a fleet of trucks on alternative fuels (only the additional costs compared to similar conventional truck are eligible)
- Alternative fuel production can be included
- Business plan for scale-up
- Deadline to submit 7 February summary to Trafikverket 14 November
- 50% EU funding
- New partners can still join
- Contact Sweco directly, partnership will be closed end of November







## Drivers and partners of the project

- Industrial actors that want to push the transition to renewable vehicle fuels
- Public actors in cities along the corridor that need/pull more decarbonised transport options
- Establish a Nordic multi-green-fuel station network: cold-climate; long distances; low pop. density
- Importance of regional security of fuel supply; linked to forest and paper industry
- Include a first fleet of trucks on alternative fuels to convince more fleet owners
- Innovative financing instruments shall open up for more stations and fleets

### Partnership SE (not confirmed!):

1. Biofuel Region
2. Skellefteåbränslen – builds stations Övik, Umeå & Piteå
3. Volvo Nordiska bil in Piteå
4. Volvo Trucks
5. Umeå
6. Piteå
7. Sundsvall

### Partnership FI (not confirmed!):

1. Neste renewable diesel (HVO and FAME)
2. UPM Biofuels
3. Gasum LNG
4. Metsa fiber
5. Kemi
6. Oulu
7. Juväskylä

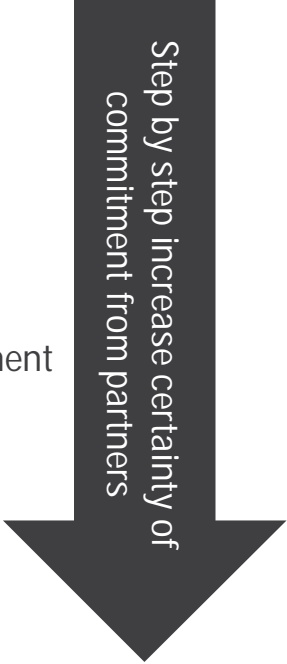
## Application process: cost; steps; milestones; deadline

<ul style="list-style-type: none"> <li>• 14/11 Milestone: 08.00 summary to SE ministry. Deadline FI? _____</li> </ul>	Summary to ministries
<ul style="list-style-type: none"> <li>• 30/11 Milestone: Clarity on formal Partners and Associated Organisations. _____</li> </ul>	Partnership ready
<ul style="list-style-type: none"> <li>• 21/12 Milestone: Project budget and division CEF-financing agreement.</li> <li>• 21/12 Milestone: For each station location form C is signed by authorities. _____</li> </ul>	Investments, locations and activities clear
<ul style="list-style-type: none"> <li>• 9/1 Milestone: Draft final application send to SE ministry. Deadline in FI? _____</li> <li>• 16/1 Milestone: End text send to partners for last comments.</li> </ul>	Final draft to ministries
<ul style="list-style-type: none"> <li>• 25/1 Milestone: All comments included. _____</li> </ul>	Application forms ready and uploaded
<ul style="list-style-type: none"> <li>• 1/2 Milestone: Form A2.3 signed by Ministry each country uploaded (as last files).</li> <li>• 7/2: Deadline to upload application. _____</li> </ul>	Signed forms partners and ministries uploaded

## Level of commitment of different signatures in application process

- Each partner will sign the application for its foreseen activities in the project end of January.
  - > Ministry in each country, INEA and DG-TREN are then informed about our intension.
- June 2017 EU informs if application: is approved; partly approved; is not selected for funding.
  - > Based on the evaluation it might be needed to make changes in project set-up
- Until September 2017 negotiation period about the contract (called Grant Agreement).
  - > Contract to be signed by each partner September 2017 – until then time to secure all commitment
  - > Each partner has until then still option to withdraw as partner before the project really starts
  
- The message is
  - > Not necessary to have all uncertainties covered before we submit early February 2017
  - > Risk and common mistake to spoil too much time and effort on all kinds of internal discussions
  - > Then actual work on the application starts too late and one fails to submit before the deadline

Step by step increase certainty of commitment from partners



## Decisions needed for next steps in application process

- Agreement between partners on division of application costs
- Conclude partnership
- Contacting Trafikverket in Sweden (Sweco) 14/11
- Contacting CEF-T responsible authority in Finland about dates for summary and draft application
- Secure Letters of Support and Letters of Commitment
- ...



**SWECO**

