

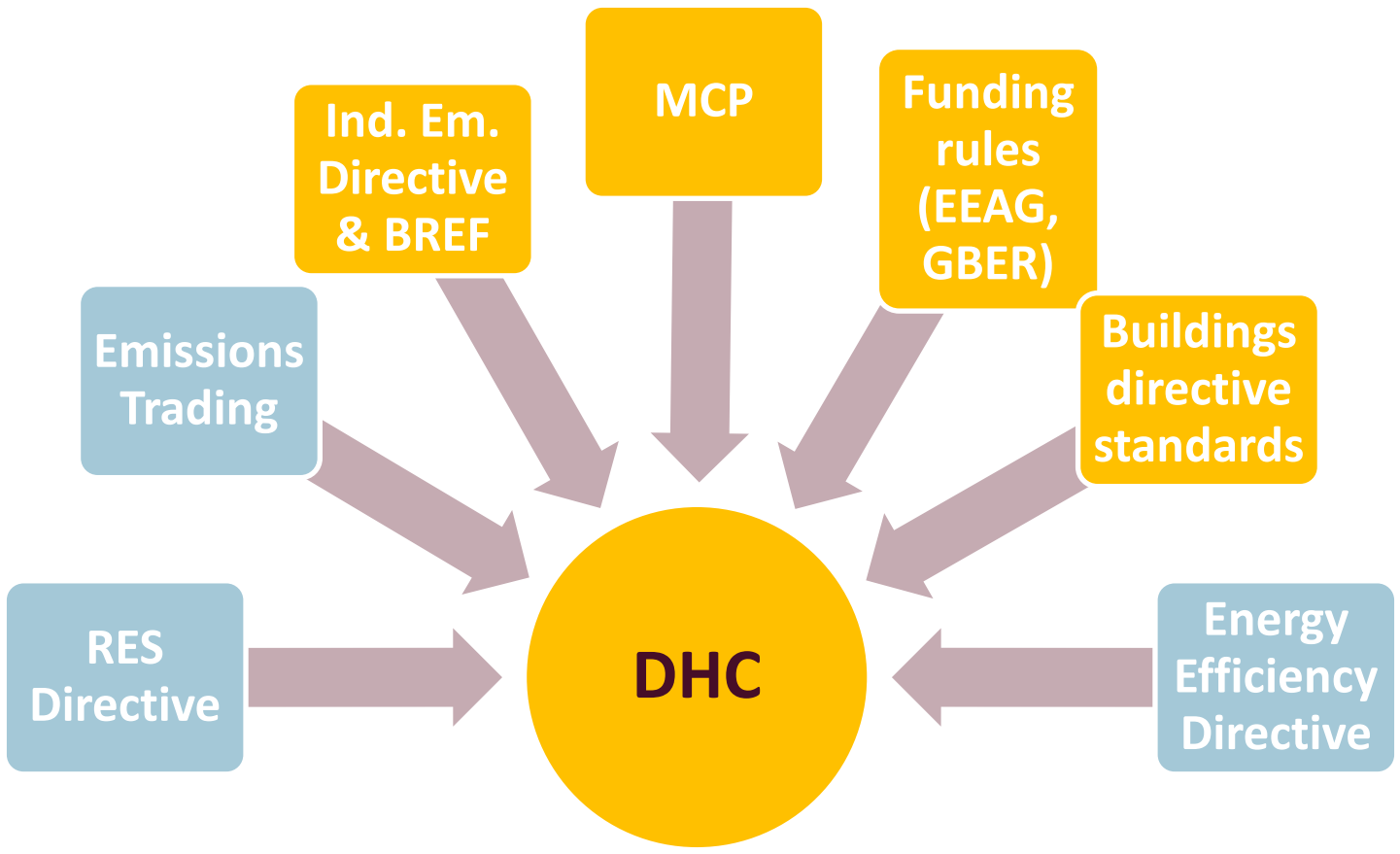
DHC on the political agenda of the EU



Frédéric HUG
President

District Heating Days
Helsinki 28 Aug 2014

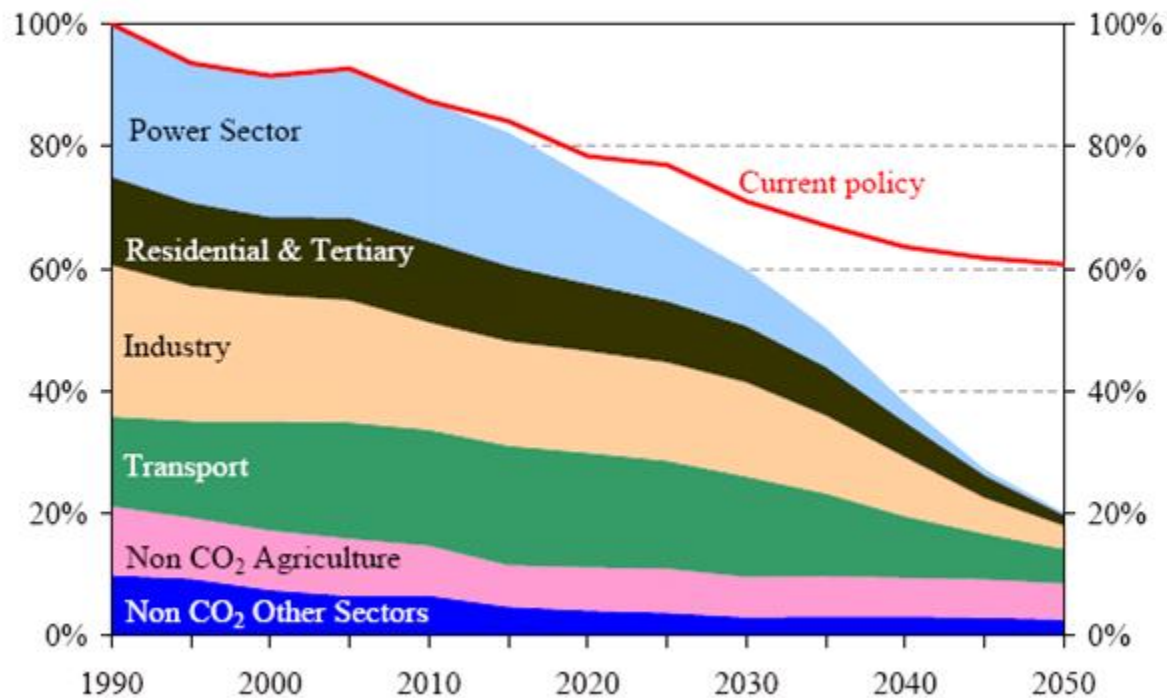
Many EU policies deeply affect DHC...



... and keep us busy!

... while it's not always taken into account
as it should.

Figure 1: EU GHG emissions towards an 80% domestic reduction (100% =1990)



But what are the policy targets?

2020

20%

greenhouse
gas reduction

20%

renewable energy

20%

energy savings

2030

≥27%

renewable energy

40%

greenhouse
gas reduction

30%

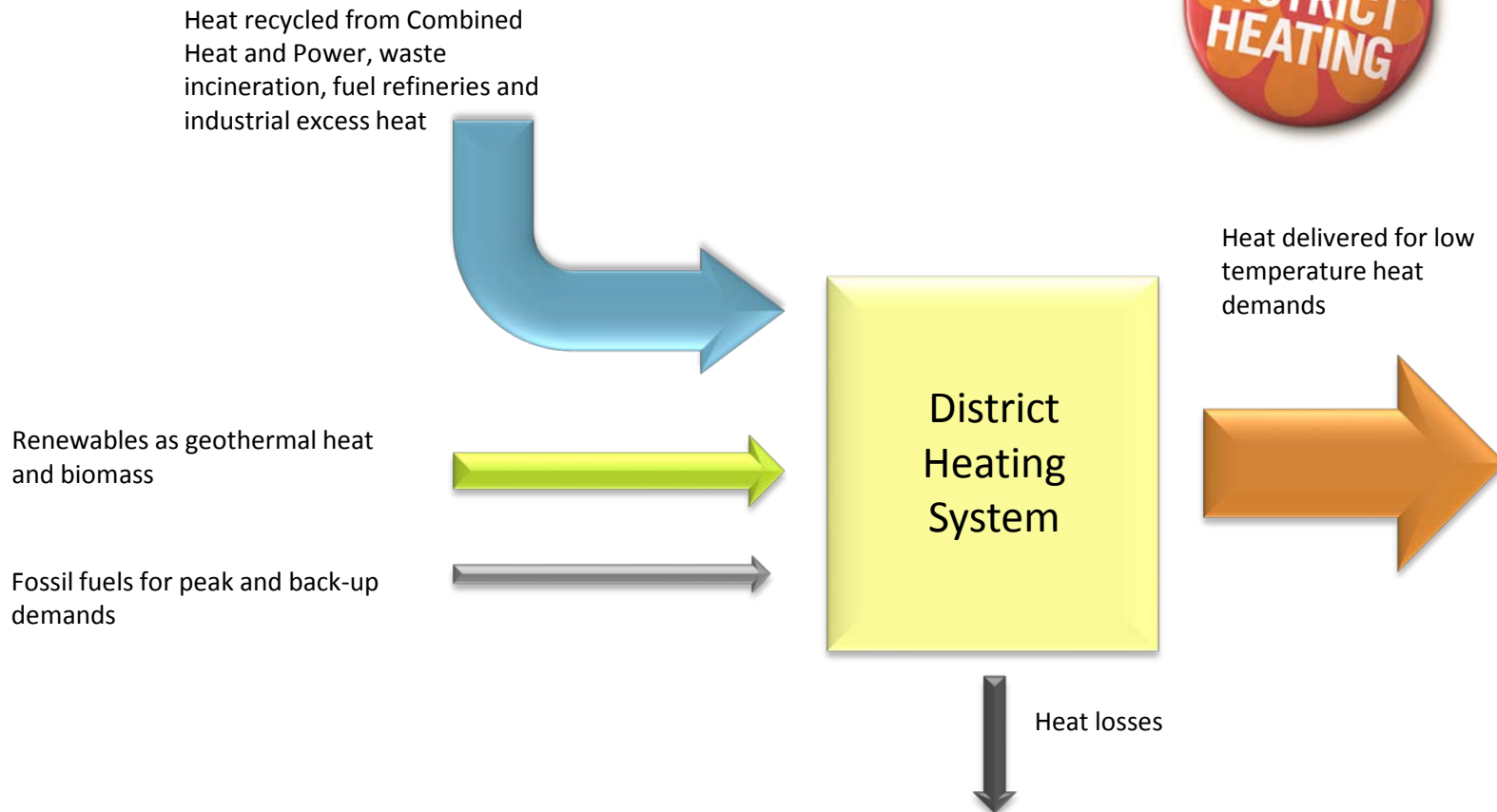
Energy efficiency

EU Energy Policy fundamentals...

The 3x20s for 2020, the proposed 2030 targets, the Energy transition, the 2050 Energy Roadmap all derive from 3 overarching objectives:

- **Fighting climate change**
- **Security of supply**
- **Affordability/Competitiveness**

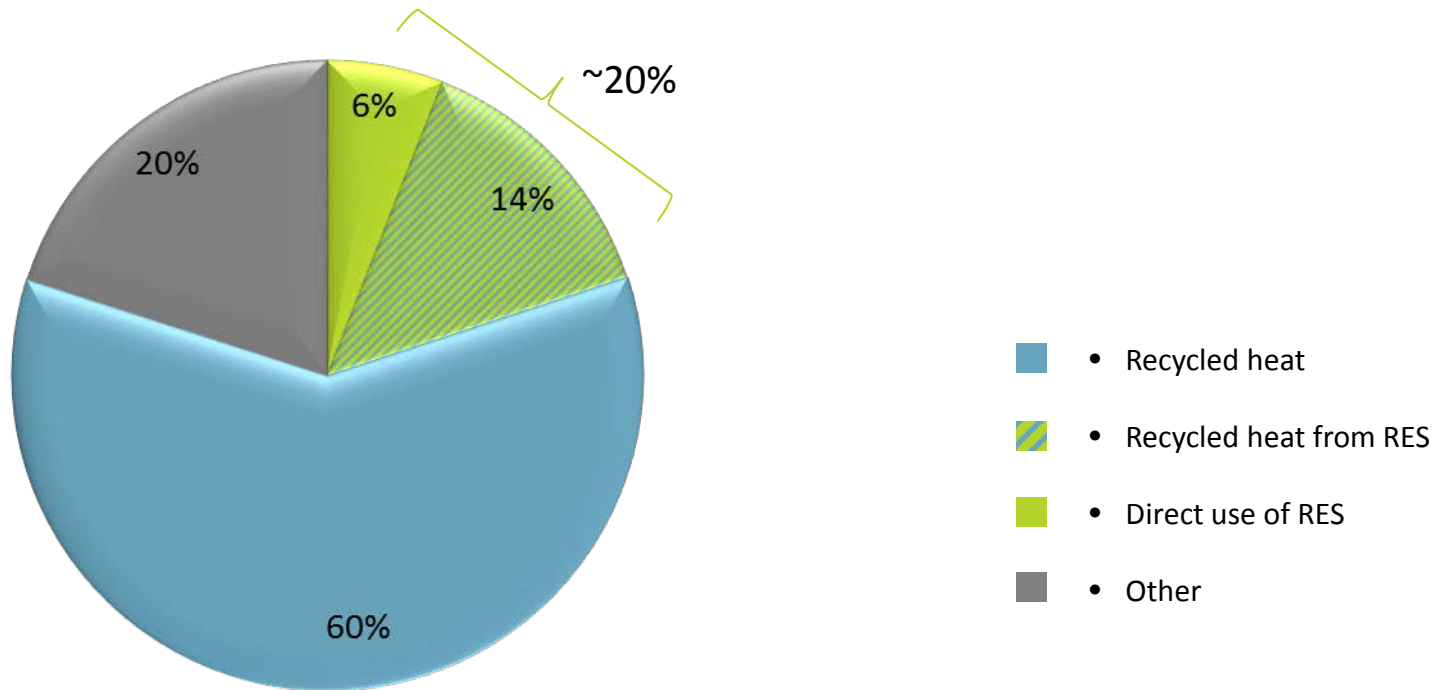
... are fundamentally good for DHC, as DHC are ~~good~~ best for them!



Source: Ecoheat4EU project (2011)

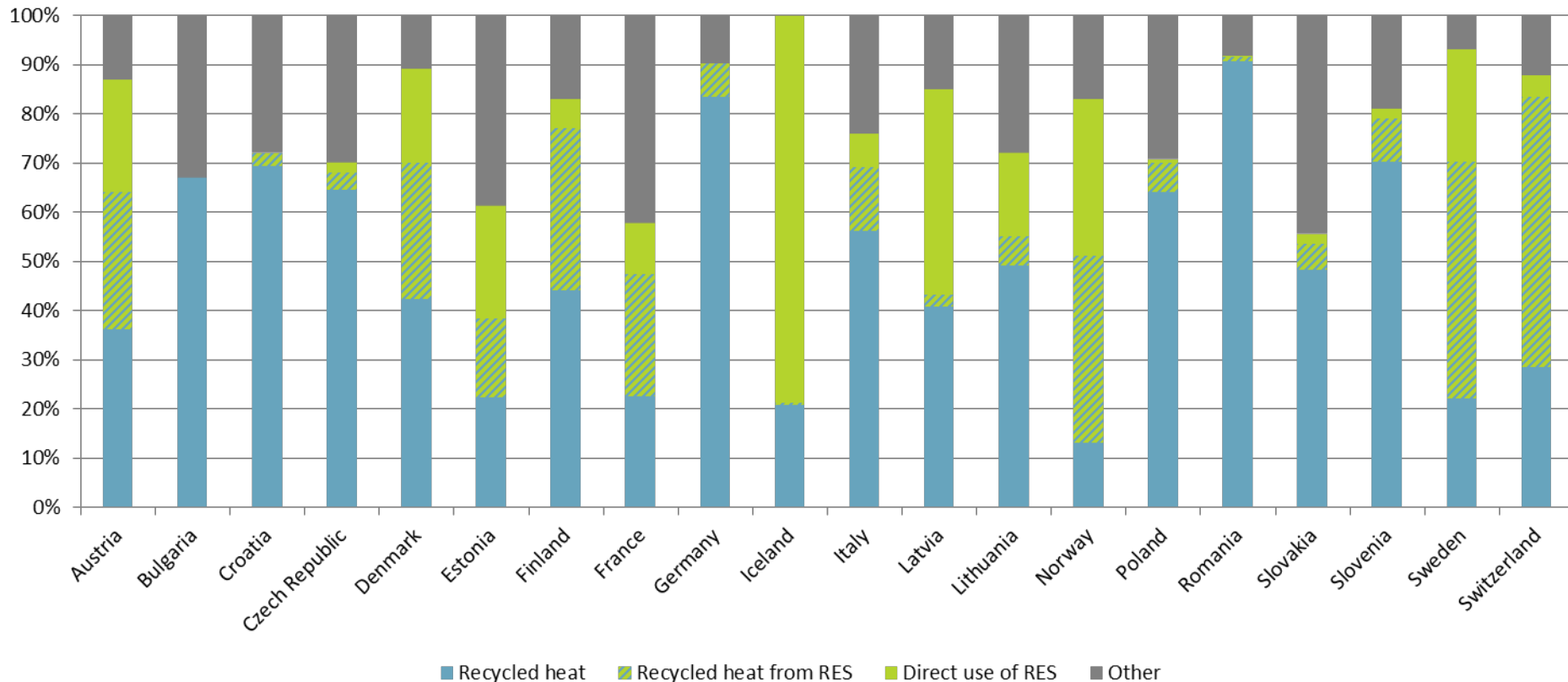
Why so? Well, DHC does mean Efficiency...

**Energy supply composition for DH generated in EU
for 2011 (EHP categories)**



... and brings EE & RES to our cities while fitting with local specificities

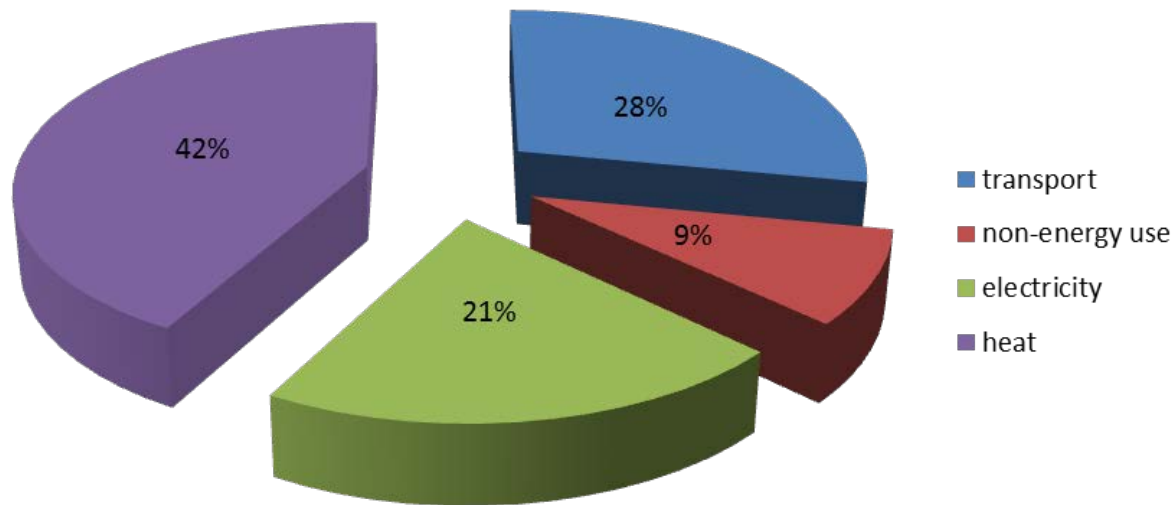
Energy supply composition for District Heat generated in 2011



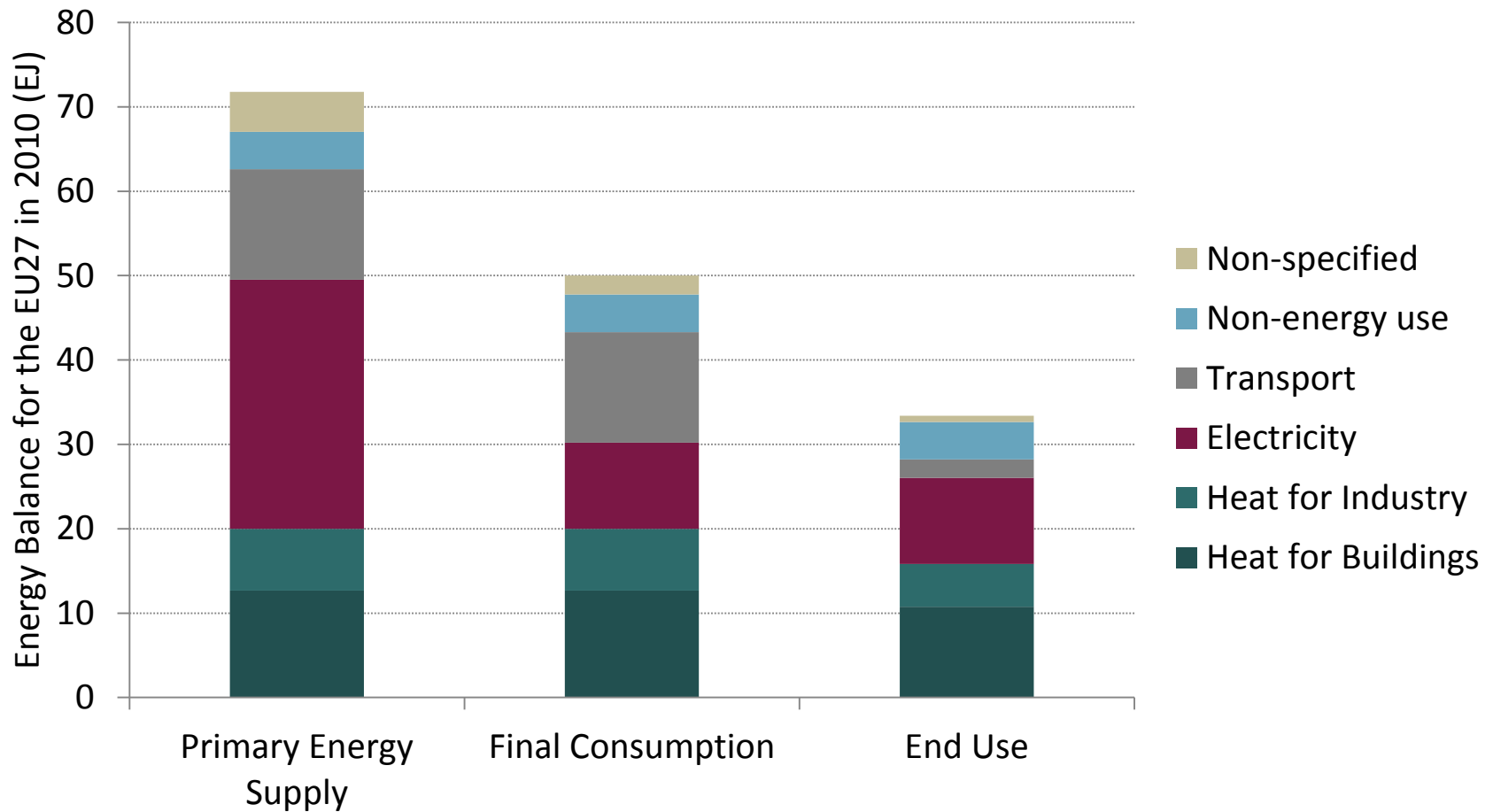
Source: Euroheat & Power (DHC Country by Country survey 2013)

By the way, this is really needed!

Final energy demand by energy service, 2011 (EU 27)



And there's room for it!



So why are *(were?)* we getting this wrong?

- 1. Ignorance of heat. Confusion between energy and electricity (esp. as for RES)**
- 2. Heating (and DHC even more) seen as a “local” matter**
- 3. Belief that heat requirements will disappear due to “Zero” energy buildings**
- 4. Belief that any residual demand will be covered by carbon-free electricity, whereas DHC is often perceived as “fossil-based”**

Could we do something about it?

What we had (*and still have*) to substantiate

- 1. Heat should be considered in its own respect; its real weight (now and tomorrow) should be acknowledged**
 - 2. Though decentralised and city-friendly, DHC is shaped by EU-level orientations.**
 - 3. A more realistic and balanced view of the City of tomorrow would bring significant benefits.**
 - 4. DHC as a future-proof infrastructure (ao for energy recovery)**
- ➔ Strategic initiatives, with “Heat Roadmap Europe” as their cornerstone**

Benefits of 50% DHC by 2050



1. Cheaper Comfort

Annual savings of
B€100/year while still
achieving decarbonisation

15% lower total heating and
cooling costs

Lower costs of the EU28
energy supply for citizens
and businesses

220,000 more jobs per year
than in business as-usual
scenario in the energy
sector



2. Faster Decarbonisation

Infrastructure that ensures
efficient use of renewable
heat and electricity

Recycling of heat otherwise
wasted and an increased
penetration of renewable
energy

Large heat savings and new
more efficient energy
conversion

Supports the general goals
in the Energy Efficiency
scenario from the European
Commission



3. Better Energy

Increases the security of
supply with local resources
and renewable energy

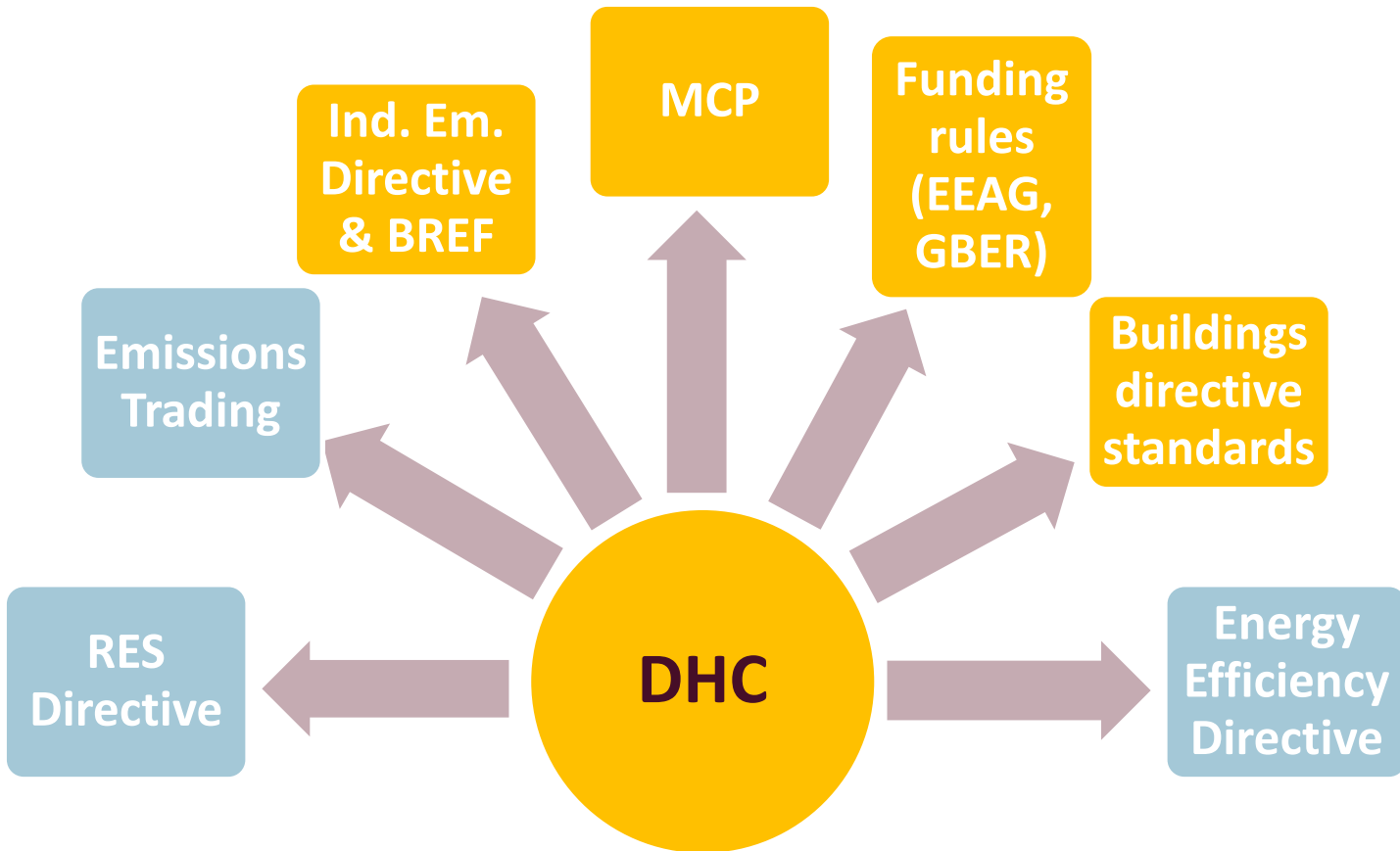
Creating a flexible
infrastructure

Enhanced energy efficiency
with a balanced choice of
technologies

Reducing risks and the
adverse effects of
technology lock-ins



So where are we? Not *there* yet of course!



There are encouraging signs though

- More consideration for heat and DHC
 - European Parliament’s recognition of the role of heat and of the importance of the sector in decarbonising energy
 - Commission publication of 28.05.14 on Energy security, calling for “reinforced regulatory and public financial support to accelerate the renovation rate of buildings and the improvement in/roll-out of district heating systems”
 - DHC among the Commission’s investment priorities; this translates into favourable measures re State Aids
- More favourable context
 - Return of experience from the first steps of the Energy transition
 - Growing interest for Eco-districts vs “zero” energy buildings
 - Economic drivers

What should we do now?

- Improve again our story in Brussels and provide supporting showcases (e.g. in the process of the review of the EED)
- Dovetailing national stories
- Do not miss the slot! Energy transition is at a critical point: got started/rules not solidified yet.

There's a lot we can offer → claims & responsibility A lot to do together. To be sure, success is at reach!

THANK YOU



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