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The Heat Coalition calls for the 2030 framework for climate and energy policy to adequately address the crucial role of Heating and Cooling

The Heat Coalition welcomes the Green Paper and public consultation as offering the opportunity to openly assess the current framework and to make constructive recommendations for the future of European climate and energy policies.

The existing legislative framework looking up to 2020 does not address heating and cooling in a coherent way. Looking into the future, the Energy Roadmap 2050 rightly acknowledges that renewable heating and cooling and waste heat recovery are vital to decarbonisation, yet it falls short in drawing the necessary consequences for policy making and implementation. Again, more focus is given to the electricity sector. The other recent communication from the Commission on energy technology and innovation does not have any focus on heat.

Unfortunately, the stance taken on heating and cooling in the Green Paper confirms this tendency. With virtually no mention of this sector or any reference to the challenges it faces, the Green Paper fails to consider the relevant issues.

Positive acknowledgement has been recently given by other EU institutions; the European Parliament responded to the European Commission's Energy Roadmap 2050 by calling on the Commission to "consider the full integration of the heating and cooling sector into the transformation of the energy system"; stressing that "readily available renewable energy solutions (geothermal, biomass including biodegradable waste, solar thermal and hydro/aerothermal), in combination with energy efficiency measures, have the potential to decarbonise the heat demand by 2050 in a more cost-effective way, while addressing the problem of energy poverty". Moreover, the Council's conclusions on the renewable energy Communication, agreed in December 2012, stated that "more attention should be paid to the widely untapped potential of renewables in the heating and cooling sector".

Designing the future of European climate and energy policies requires a holistic approach involving all forms of energy supply and demand across sectors (i.e. heat, transport, electricity) and any levels of governance (i.e. European, national, local). Neglecting the production and use of thermal energy which represents 47% of Europe's final energy consumption would inevitably continue to lead to distorted results. For the successful development of a post-2020 energy policy framework, Europe needs to understand thermal energy flows within and across sectors.

In this context, the Heat Coalition outlines the following key recommendations.

Appropriateness and continuity of targets: no GHG-only approach

The Heat Coalition believes that a three-target approach for energy efficiency, renewable energy sources and CO2 reduction - covering electricity, heating and cooling, and transport in accordance with their respective potentials - in the time horizon 2030 is therefore the most appropriate tool to ensure that the EU energy and climate objectives are achieved and that the sector develops in a future proof way.

A single CO2 policy track approach is bound to fail in promoting more energy efficient production and use of energy as well as greening the energy mix in the most cost-efficient way. The designing of the forthcoming 2030 climate and energy framework shall be done using a bottom up approach, starting with a thorough evaluation of the current and forecasted heating/cooling demand and a proper consideration of individual and system solutions to meeting that demand in a cost effective with low carbon energy. Our assessment of the existing 2020 framework is that it did not work, as heating and cooling policies have not been put at the forefront of the legislative landscape and investment have not been streamlined.

Decarbonising the energy system (heat & electricity) requires a market-driven and cost-efficient approach, integrated solutions, partnerships and triggers which cannot be leveraged by a GHG-only approach. The approach should maximize the different sectors' potential, where they contribute most efficiently to the targets in order to reduce costs and produce substantial side-benefits, including employment and local economic development.

Coherence of policy instruments and measures

1. Comprehensive strategy on Heating and Cooling

The Heat Coalition offers its full support to the European Commission initiative to put forward a comprehensive strategy, based on adequate data collection, analysis and modelling of the heating and cooling markets, to promote innovative technologies using renewable energy sources and providing energy efficient solutions throughout the entire energy value chain.

The Heat Coalition strongly believes that the current reflection on the future energy and climate policy offers an opportunity to develop a comprehensive European approach and better understanding of the heating and cooling sector, towards making energy more affordable and keeping European businesses competitive.

This would require the starting of a debate across different Commission services and stakeholder communities, which could materialise in a strategy document to be proposed by the European Commission, with a view to better understand interactions between heating and cooling and other parts of the energy sector, as well the effect of existing policy measures. The analysis of the heating and cooling sector must be based on appropriate data collection (e.g. energy sources and uses of heating and cooling, types of users and sectors).

2. Conceptual alignment of Heating and Cooling for future policy framework

The Heat Coalition stresses the importance of making clear reference to heating and cooling in any future initiatives pursuant of the Green Paper, or related reviews of the existing legislative framework.

When referring to "energy", thermal energy should be addressed with the same importance as electric energy. This has not been done in the past and thus the sector's potential in energy savings and the use of renewable energies remains largely untapped.

Moreover, an overestimation of ‘electrification’ of heat is present in the Energy Roadmap 2050. This is, among others, due to the fact that the PRIMES model neither takes into account current heating demand nor does it sufficiently reflect heat production in Europe. Neglecting the production and use of thermal energy inevitably leads to distorted results, in particular to a complete reliance on electricity in decarbonising the energy sector.

3. Coordination of existing instruments and measures

The Heat Coalition calls on the European Commission to ensure the coordination and appropriate use of resources within its services, in order to coherently implement existing policies and take into account existing gaps in new initiatives/reviews.

The adequate implementation of existing legislative measures across the EU is key to the success of any future policies.

Reporting procedures under the Renewable Energy Directive, the Energy Performance of Buildings Directive and the Energy Efficiency Directive should be synchronized. Environmental state aid notification procedures should be streamlined and support these policy goals. A single set of definitions should be used across energy related legislation to ensure clarity and a common understanding.

4. Shaping the future by research and innovation by promoting energy efficient technologies and locally available resources

The Heat Coalition believes that the energy sector needs to focus both on technological innovation, as well as on societal, financial and organisational innovation in order to maximise success, especially when dealing with the development of emerging technologies, in both the heat and electricity sectors at local and regional levels.

The focus on technologies is often seen in the Green Paper and other documents, however one should not overestimate the potential of technology innovation alone to reach the EU climate and energy goals. With various efficient technologies already available, the main success factor for their implementation lies in tapping local/regional resources (natural, human, financial) to their full potential in order to accelerate the energy transition and maximise market uptake of innovative solutions.

Fostering competitiveness of the European Heating and Cooling sector

The Heat Coalition calls for a future climate and energy framework that fully supports the EU’s technological leadership in heating and cooling systems, leading to economic growth and jobs creation.

Targets and policies on efficient and renewable heating and cooling will foster EU competitiveness, as expenditure for energy imports is reduced and employment is created in an industry where predominantly European companies create sustainable jobs.

The market uptake of efficient and renewable heating and cooling technologies will facilitate the improvement of energy efficiency in both new and existing buildings. Obtaining the greatest increase in efficient and renewable heating and cooling, for the lowest societal cost (EUR government investment/GJ heat consumed) should be the goal, but also taking into account all potential co-benefits including reduced heating/cooling costs, improvement of energy supply security, greenhouse gas emissions reduction, industry development, employment, improved health and local environment and smarter energy systems.



Associations supporting this statement:

AEBIOM is the European Association representing the bioenergy sector in Europe. The main aim of AEBIOM is to develop the market for sustainable bioenergy such as bio heat, electricity from biomass and biofuels (including biogas).

Cecodhas Housing Europe is the Federation of social, cooperative and public housing, a network of national and regional social housing federations

CEWEP is the European umbrella association of Waste-to-Energy Plants. They thermally treat household and similar waste (not suitable for recycling) and transform it into energy, which is delivered to citizens and industry.

COGEN Europe is the European Association for the Promotion of Cogeneration. Its principal goal is to work towards the wider use of cogeneration in Europe for a sustainable energy future.

EFIEES is the European Federation of Intelligent Energy Efficiency Services, represents private companies (Energy Efficiency Services Companies, EESCs) providing an overall energy management service to end-user.

EGEC is the European Geothermal Energy Council, an international non-profit association, whose aim is to promote the use of geothermal energy in Europe.

EHI, the Association of the European Heating Industry, represents and promotes the common interests of 40 market leading companies and 13 national associations in the European thermal comfort sector, which produce advanced technologies for heating in buildings, including: space heaters (boilers, electric and fuel driven heat pumps, micro-cogeneration), heating controls and components, heat storage and heat emitters (radiators, surface heating and cooling systems), renewable energy systems (solar thermal, geothermal, biomass).

European Heat Pump Association (EHPA) represents stakeholders from all parts of the heat pump industries value chain in Europe. Its main target is the technologies proper recognition in European legislation and the dissemination of related information

Energy Cities is the European Association of local authorities inventing their energy future.

ESTIF is the European Solar Thermal Industry Federation representing the whole value chain of solar thermal from research and testing to manufacturers and service providers

Euroheat & Power is the international association representing the district heating and cooling (DHC) sector in Europe and beyond.