



EUROHEAT & POWER

Celsius Summit
Renewable Energy Directive (REDIII)
What's in it for cities?

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25 November 2021



EHP IN BRIEF

- International association for district heating and cooling and network of professionals
- Headquarters in **Brussels**, Belgium
- **100 members** from more than 30 countries
- **Advocacy & Representation | Research & Innovation**
- National DHC associations, utilities, manufacturers, universities, research institutes and consultancies

We Are All **Connected**

Decarbonising District Energy For Our Cities

#DHCities



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THE RENEWABLE ENERGY DIRECTIVE

The Renewable Energy Directive is the legal framework for the **development of renewable energy** across all sectors of the EU economy

2001

- Directive on renewable energy use in electricity generation

2003

- Directive on biofuels and renewable fuels

2009

- The Renewable Energy Directive mandates levels of renewable energy use within the European Union from 2009 to 2021
20% RES in 2020

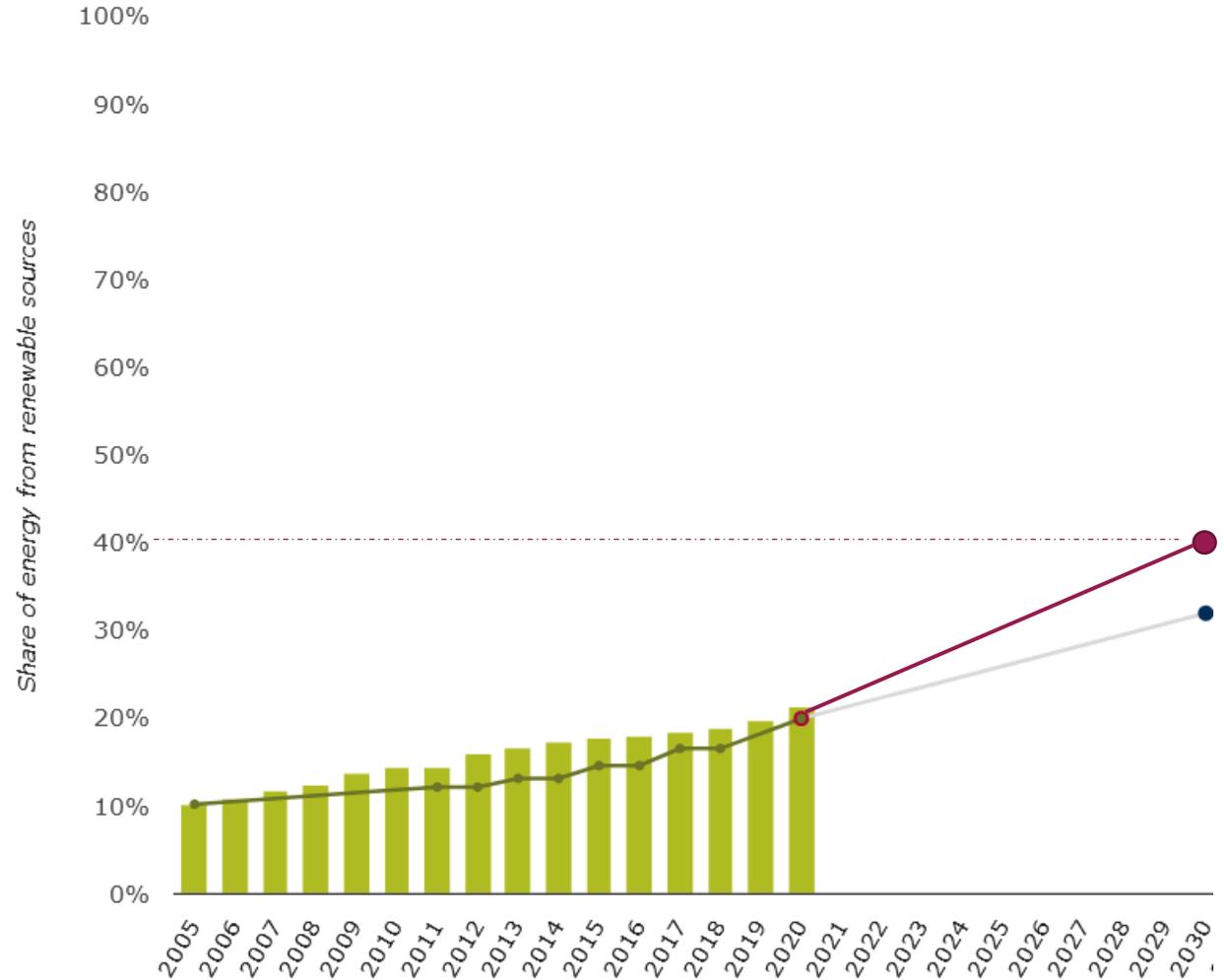
2018

- Revision as part of the Clean Energy for all Package – Directive 2018/2001/EU – REDII
32% RES in 2030

2021

- European Commission’s proposal on 14 July, as part of the Fit for 55 Package – REDIII
40% RES in 2030
in line with more ambitious climate targets
-55% GHG by 2030 & Net Zero by 2050

Chart – Progress towards renewable energy source targets since 2005



REDIII: MOST RELEVANT ELEMENTS FOR CITIES



Targets

Article 3, 15a, 23 and 24

- **Headline target:** Mandatory EU target of least **40%** in 2030 Renewable Energy
 - Indicative Union target of renewables in **buildings** by 2030 of **49%**
 - Mandatory annual increase of **1.1 p.p + national top-ups** for renewables in **heating and cooling**
 - Indicative annual increase of **2.1 p.p** renewables in **district heating and cooling**
- **Set direction** for Member States and operators



Toolbox for Member States

Article 23

- To achieve the renewable in H&C targets, article 23 lists a broad range of measures:
- **Direct incorporation of RES or WH** in energy sources supplied for H&C
 - Installation of highly efficient renewable heating and cooling systems in **buildings**
 - **Capacity building** for national/local authorities to plan and implement renewable projects and infrastructures
 - Creation of **risk mitigation frameworks**
 - Renewable **heat planning**, incl. cooling

REDIII: MOST RELEVANT ELEMENTS FOR CITIES



Third Party Integration *Article 24*

- TPI is the **default setting** for larger systems (25MW)
- **Exemptions** mostly kept from REDII: DHC operators can refuse to connect if not technically and commercially viable, but they will have to justify



Cooperation on Waste Heat *Article 24*

Member States to set **coordination frameworks between waste heat actors** to ensure dialogue for the use of waste heat and cold. Should involve:

- DHC operators
- Industrial and tertiary sector enterprises
- Local authorities responsible for planning and approving energy infrastructures



Sustainability of biomass *Article 3, 29*

Reinforcement of the sustainability criteria for biomass:

- GHG criteria
- Extension of no-go areas
- Lowering of the threshold for application of the criteria

CONCLUSION

- Good progresses to push for heating and cooling decarbonisation
- Other key aspect: carbon prices on all fossil fuels → **ETS2** = extension of the ETS to fossil fuels in buildings

Timeline/next steps

- Proposals published in July by the European Commission, the work in the European Parliament and Council of the EU has started
- Climate emergency and need for legislative certainty “By the end of 2022” → EU Commission pushes to speed the process up
- Good time to contact national authorities and Member of the European Parliament to raise issues

Questions

- Will policy be enough for cities to deliver the energy transition? What else is needed?
- What is the role of the other level of governance (EU and national?)



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Thank you!

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