# EED ENERGY SAVINGS SCHEME - IMPLEMENTATION IN DENMARK

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### DANISH DISTRICT HEATING ASSOCIATION

An association for 396 members, which deliver 98 % of Danish district heating to 63 % of the Danish house holds.

## 38 public suppliers

Supplies 49 % of all district heating

## 353 cooperatives/privates

Supplies 51 % of all district heating

#### Other members

- 3 transmission companies
- 11 associate members





### DANISH DISTRICT HEATING ASSOCIATION

- Lobbying organisation towards
  - Governmental bodies
  - Other organisations
  - Internationally
- Organizing co-operation between members
  - Common guidelines
  - Know-how groups
  - Communication
- Service to members
- Promoting district heating



#### DANISH ENERGY SAVINGS OBLIGATION SCHEME

- Establish before EED
  - Introduced in 2006
- Designed to deliver on the Danish energy objective
  - Be independent of fossil fuels in 2050
- Energy efficiency improvements
  - Reduction of end-use consumption
  - Conversion from fossil fuels to RES and electrification
- Have been running in 3-4 year cycles
  - Voluntary agreement
  - Independent evaluation
  - Revisions implement experience



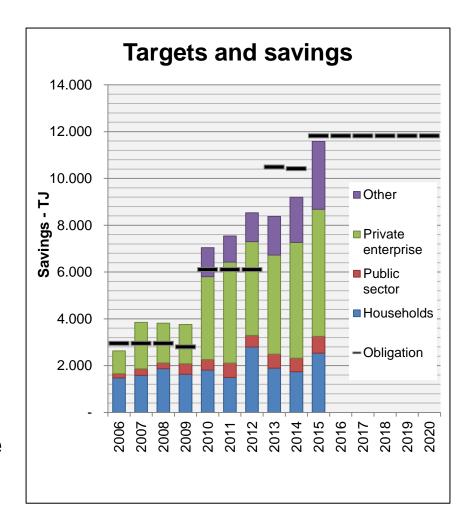
### MAIN PRINCIPLES AND TARGET TRAJECTORY

#### Who?

- Distributors,
- All sectors (electricity, N-gas, district heating, oil)

## **Annual saving target**

- Free choice of methods to deliver savings
- Trade before implementation (not certificates)
- Clear rules for documentation of all projects
- Targets only set at branch level
- Targets have increased
- 60% of savings in industry/private enterprises



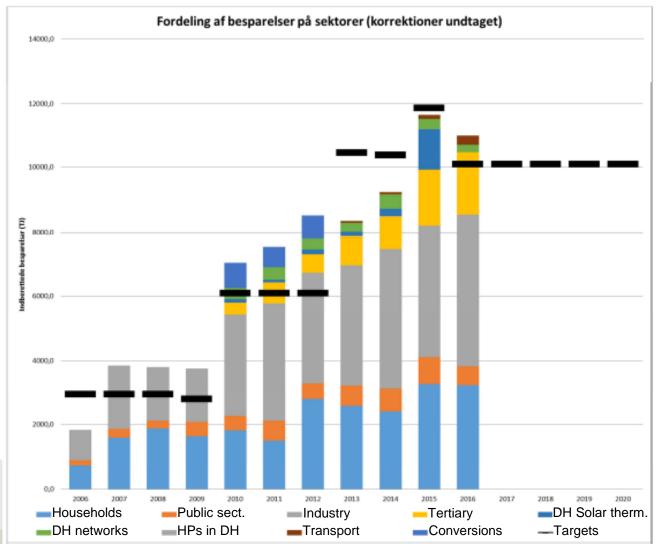
### **SAVINGS – WHERE AND WHAT?**

## Final energy consumption in all sectors

- All end-uses and sectors
- Also consumers covered by ETS
- Energy saving lighting and most households appliances are not accepted +
- Local boilers & heat pumps count
- Not biomass, not PV, ÷
- Some savings in transport included from 201,3 (√)
- Some savings are reduced (additionality)
- Savings in (district heating) grids
- Solar thermal plants for district heating counts (until June 2018) and local solar collectors
- Not all savings count towards EED target √/ ÷



## **SAVINGS BY SECTORS**





### **CALCULATING SAVINGS**

## The main principle

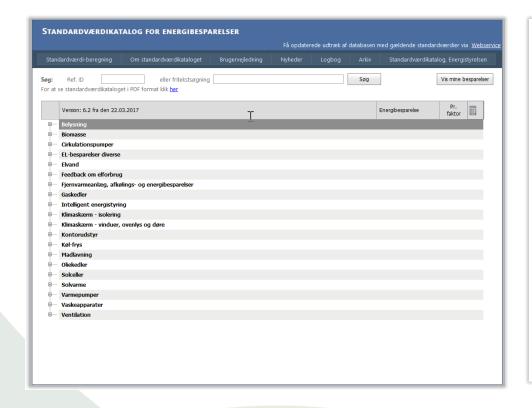
- First year savings not cumulative
- Difference between consumption before and after
- Simple weighting factor was introduced from 2011

#### **Methods:**

- Standard value savings (Mainly households)
  - Average saving for standard activities
  - Developed by experts. Approved by DEA
- Specific calculation/scaled savings (Most savings, industry etc.)
  - Used for all big project, Especially industries, public sector etc.
  - Utilities are responsible for specific calculations
- Market transformation (Discontinued)



#### STANDARD VALUES AND SOLUTIONS



Standardløsninger er en betegnelse for bestemte anvendelsesmetoder og fremgangsmåder, som bruges ved specifikke opgørelser i Energispareaftalen. Standardløsninger er udarbejdet af Teknisk Arbejdsgruppe. Nedenstående er en oversigt over nuværende standardløsninger, der alle skal anvendes i forhold til den aktuelle teknologi. Standardløsninger for udskiftning af traktorer • Excel-beregner - traktorer Standardløsninger for udskiftning af biomasse- og anden fastbrændselskedel Vejledning - biomasse- og anden fastbrændselskedel Excel-beregner – biomasse- og anden fastbrændselskedel Standardløsninger for busser Notat om medregning af besparelser ved energieffektive busser (PDF) Standardløsninger for forbedret afkøling Opgørelse af energibesparelser ved forbedret afkøling Standardløsninger for transporttiltag Opgørelsesmetoder for transporttiltag



#### WHO DO THE JOB?

- The distribution companies are not allowed execute very much by themselves
  - Regulated monopoly companies
- Have to involve an actor
  - Can be subsidiary
  - But is very often a private engineering company or a plumber, construction company, etc.
- There can be several links from the utility to the consumer
- Agreement between customer and obligated utility must be in place before implementation start



### **DOCUMENTATION AND VERIFICATION**

## The obligated parties are responsible for

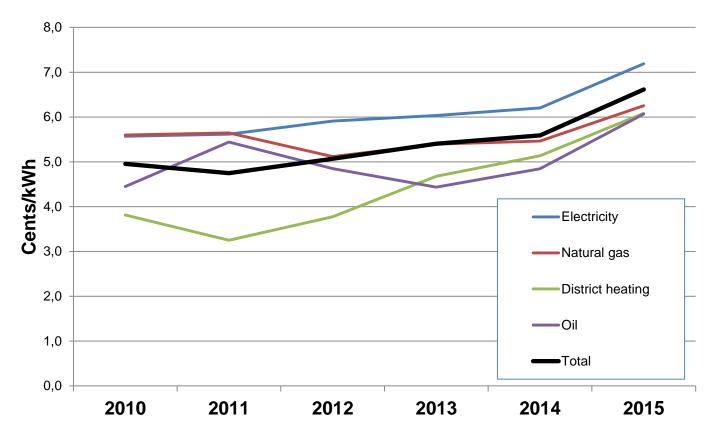
- Verification, documentation and reporting
- Quality control systems and independent annual audits

## Annual random control by DEA

- Quality control systems
- Documentation of actual cases/projects
- Small sample but different every year
- Only very small correction of savings (3-6%)
- Independent evaluation every third year



## **SAVINGS COSTS**



- 6-7 Eurocents per kWh first year savings
- 0,6-0,7 Eurocent per kWh with an average lifetime on 10 years



#### FOR FURTHER INFORMATION

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