

## KeepWarm

Improving the performance of District Heating Systems in Central and Eastern Europe



This project is funded by the EU's Horizon 2020 research and innovation programme under grant agreement N°784966, and lasts from April 2018 – September 2020.





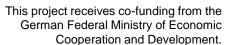
## KeepWarm Showroom of

# replicable and bankable DHS pilot projects





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## About the KeepWarm project

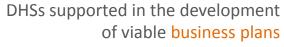
KeepWarm supports **forward-looking district heating systems** (DHS) in seven countries of Central and Eastern Europe (CEE) to develop and implement pilot projects which **retrofit** their systems in a more **sustainable** manner.

To **overcome barriers** to DH deployment across the region, KeepWarm facilitates DHSs via a multi-stage approach:





Increased capacities of specialists working in DHS companies by offering training workshops







DHSs advised on how to mobilise funding for bankable pilot projects







Facilitating the multi-level integration of DHS retrofits into key strategies and plans



## KeepWarm Showroom

Following KeepWarm's suggested action-hierarchy below, DHSs will have more efficient operations from such cost-effective investments, and which provide even more reliable services to their customers while still contributing greatly to climate-related goals.

The following pages exhibit KeepWarm's portfolio of leading DHS demo cases as a means to:

- Inspire other DHSs to replicate their successes
- Stimulate investment in worthwhile opportunities
- Attract customers to the viability of DHS services
- Showcase DHSs' justifiable role within energy policies

 Retrofitting and optimising DHS networks for grid/production efficiency

> Accelerating the use of nearby renewable energy in heat production

 Integrating sustainable excess heat from industrial and/or commercial facilities

 Using waste-to-energy solutions in line with waste-reduction strategies

 Deploying smart heat distribution and control management systems

5th

2nd

3rd

4

### **Croatian DH context**



DH covers 15% of total heat demand in Croatia, with DHSs of many different sizes and type. Around 110 DHSs are regulated by the national energy regulator HERA. Most of the DHSs are owned by public companies

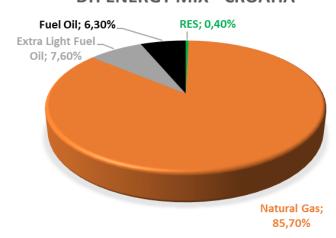
#### Challenges

- Distribution networks tend to be old and inefficient
- DHSs require significant investments to renovate and modernize
- Lack of proper energy planning which would enable cooperation
- Lack of legal framework for systematic decarbonisation



Source: WIKIPEDIA

#### **DH ENERGY MIX - CROATIA**



### Framework & action

#### **Trends**

- CHP remains the core of Croatia's DH sector
- Heat consumption is decreasing due to increases of energy efficiency among newer/renovated buildings
- Slow integration of RES
- Increase of energy efficiency in production and distribution

#### **Policy stance**

- Goal of 1% annual increase of RES in DHSs for 2021-2025
- Measures to stimulate increased efficiency of DHSs
- Support of highly efficient cogeneration and RES

Investment subsidies covering:	
New DHS /expansions of DHS	$\overline{\checkmark}$
DHS retrofits for EE / RES	$\checkmark$
Consumers / connections	$\overline{\checkmark}$
Soft loans and other financing	$\overline{\checkmark}$
Tax incentives	X

#### **Recommended actions**

- Introduction of solar energy in DHS
- Investigating the potential of excess heat, large scale solar and geothermal energy
- Connection of individual boiler rooms (smaller DHS) into a single distribution network
- Revitalisation of heat distribution network

## KeepWarm Renewing district heating

### **DHS Samobor**

(HEP Toplinarstvo Ltd)

Location: Samobor, Croatia

Operating since: 1986

Ownership: national company

Grid: 3 081 m (owned by the DHS)

Customers: 1 263

Connected load: 9 525 kW

Boiler output: 16 600 kW (6 boilers)

Type of DHS: hot-water

Current fuel: Natural gas

Potential renewables nearby:

solar thermal energy



Source: own picture

#### **Investment plans:**

**Connection** into a single DHS and integration of solar thermal energy (optimization included)

#### **Timeline**

End of 2020 – detailed feasibility study

Mid 2021 – engineering study

End of 2021 - investment

#### Integration of solar thermal



#### Primary work-steps and investment drivers:

- First planning phase Feasibility study
- Detailed planning (+external expertise)
- Negotiations with existing and prospective customers
- Obtaining permits & Tendering
- Construction integration of solar energy

#### **Strategic background documents:**

- OP (Operative Programme Competitivness and Cohesion)
- SECAP Samobor





#### Stakeholder involvement:

- Leading: HEP Toplinarstvo, REGEA, TVP Solar
- Other: City of Samobor, existing and prospective customers, financial institutions

#### **Required resources:**

Financial investment:

3 750 000 kn (500 000 EUR)

Additional staff: -

Other: External experts



#### **Results:**

- Collector area:
  - 3 000 m<sup>2</sup>
- RES-share increase:
  - **0**% **⇒** 4%
- RES/fossil heat production
  - ratio: 1:25
- Reduction of losses: 0%
  - Primary energy factors:
  - 1.69 ⇒ 1.45
- Emission reductions:
  - **₽151 tCO**<sub>2</sub> (-4.90%)
- Payback period:
  - **12.25** years

#### Want to adapt our work to your DHS?

Contact us using the information below!

Marko Čavar (REGEA)

### **DHS Velika Gorica**



(HEP Toplinarstvo Ltd)

Location: Velika Gorica, Croatia

Operating since: 1984

Ownership: national company

Grid: 9 836 m (owned by the DHS)

Customers: 5 902

Connected load: 46 275 kW

Boiler output: 69 612 kW (33 boilers)

Type of DHS: hot-water

 Current fuel: Natural gas and extra light fuel oil

Potential renewables nearby:

solar thermal energy



Source:

https://turopoljeinfo.files.wordpress.com/2018/03/toplanajakus.jpg?w=816

#### **Investment plans:**

**Connection** of boiler rooms into a single DHS network, optimization of new system and integration of solar thermal energy

#### **Timeline**

End of 2020 – detailed feasibility study Mid 2021 – engineering study

End of 2021 - investment

For more information:

https://keepwarmeurope.eu/countries-in-focus/croatia/english/http://www.hep.hr/toplinarstvo/

## Interconnection of boiler rooms & integration of solar thermal



#### Primary work-steps and investment drivers:

- Feasibility study & scenario evaluation
- Detailed planning (+external expertise)
- Negotiations with regional authorities and customers
- Obtaining permits & tendering
- Construction phase solar plant & interconnection

#### **Strategic background documents:**

- OP (Operative Programme Competitiveness and Cohesion)
- SECAP Velika Gorica





#### Stakeholder involvement:

- Leading: HEP Toplinarstvo, REGEA, TVP Solar
  - Other: City of Velika Gorica, existing and prospective customers, financial institutions, planning and construction companies, equipment producers





• RES-share increase:

0% ⇒ 3%

 RES/fossil heat production ratio: 1:32.3

Reduction of losses: 0%
 Primary energy factors:

1.29 ⇒ 1.14

Emission reductions:

 ↓816 tCO2 (-5%)

Payback period: 10,1 years

#### **Required resources:**

Financial investment:

7 500 000 kn (1 000 000 EUR)

Additional staff: -

Other: External experts



#### Want to adapt our work to your DHS?

Contact us using the information below!

Marko Čavar (REGEA)



## **DHS Zagreb**

(HEP Toplinarstvo Ltd)

Location: Zagreb, Croatia

Operating since: 1954

Ownership: national company

Grid: 271 395 m (owned by the DHS)

Customers: 99 004

Connected load: 1 186 815 kW

Boiler output: 1 378 000 kW

Type of DHS: hot-water and steam

Current fuel: Natural gas (cogeneration)

Potential renewables nearby:

geothermal, solar thermal energy

Source: Andrej Majcen, Razvoj izvora CTS grada Zagreba **Investment plans:** 

**Optimization** of current cogeneration plans, increase in energy efficiency in distribution network, reconstruction of direct heating stations

#### **Timeline**

End 2019 – detailed feasibility study April 2020 – securing external financial funds 2021 - 2023 - Investments

#### **Distribution network revitalization**



#### Primary work-steps and investment drivers:

- Feasibility studies and scenario evaluation
- Obtaining necessary permits
- Securing funds
- Tendering; equipment, construction work, supervision, revision, project management and promotion
- Construction, supervision and revision

#### Strategic background documents:

 SECAP Zagreb, OPKK (Operational Programme Competitiveness and Cohesion)





#### Stakeholder involvement:

- Leading: HEP Group
  - Other: Government bodies, Ministry of Finance,
    Ministry of Regional Development, Ministry of
    Environment, Croatian Energy Regulatory Agency,
    City of Zagreb, consulting, planning and construction
    companies...





- Reduction of heat losses28%
- Primary energy savings5.31 GWh/year
- Emission reductions:

   ↓816 tCO₂
- Internal return rate:cca 15%

#### **Required resources:**

Financial investment:

around 573 000 000 kn (76 500 000 EUR)

Additional staff: -

Other: External experts for revision, construction and promotion



#### Want to find out more about this project?

**Contact us using the information below!** 

Marko Čavar (REGEA)



## DHS Zaprešić

(HEP Toplinarstvo Ltd)

Location: Zaprešić, Croatia

Operating since: 1984

Ownership: national company

Grid: 2 368 m (owned by the DHS)

Customers: 2 372

Connected load: 15 172 kW

Boiler output: 20 360 kW (19 boilers)

Type of DHS: hot-water

 Current fuel: Natural gas and extra light fuel oil

Potential renewables nearby:

solar thermal energy



Source: own picture

#### **Investment plans:**

**Connection** into a single DHS system, optimization of new system, connection of potential customers and integration of solar thermal energy

#### **Timeline**

End of 2020 – detailed feasibility study Mid 2021 – engineering study

End of 2021 – Investments

For more information:

https://keepwarmeurope.eu/countries-in-focus/croatia/english/

## Interconnection of boiler rooms & integration of solar thermal



#### Primary work-steps and investment drivers:

- Feasibility study & scenario evaluation
- Detailed planning (+external expertise)
- Negotiations with regional authorities and customers
- Obtaining permits & Tendering
- Construction phase solar plant & interconnection

#### Strategic background documents:

- OP (Operative Programme Competitivness and Cohesion)
- ECAP Zaprešić





#### Stakeholder involvement:

- Leading: HEP Toplinarstvo, REGEA, TVP Solar
- Other: City of Zaprešić, existing and prospective customers, financial institutions, planning and construction companies, equipment producers

#### **Results:**



RES-share increase:
0% ⇒ 17%

RES/fossil heat production
 ratio: 1:4.8

Reduction of losses: 0%
 Primary energy factors:
 before 1.20 ⇒ after 0.86

Emission reductions:

 ↓1046 tCO₂ (-22.07%)

Payback period: 21,4 years

#### **Required resources:**

Financial investment:

26 250 000 kn (3 500 000 EUR)

Additional staff: -

Other: **External experts** 



#### Want to adapt our work to your DHS?

**Contact us using the information below!** 

Marko Čavar (REGEA)



## KeepWarm inspires

Now that you have discovered our front-running DHSs all across the CEE region, we hope that they have inspired you to replicate their successes for your own DHSs, as well as set up effective policy frameworks to support them further and inject investments into their bankable DH projects.

To facilitate your next steps, please keep reading the remaining few pages to see how we can help you to KeepWarm.



## Keep learning with KeepWarm

In order to help you on your way, you are highly recommended to explore further the **KeepWarm website**, including its **Learning Centre** with numerous resources from KeepWarm and many other <u>related</u> <u>projects</u> and EU-led initiatives, not to mention our latest <u>news</u>.

In particular, you can discover numerous guidebooks, tools and other useful materials to help you on your way to modernising DHSs:

- case studies of DH retrofits and sustainable-energy upgrades
- spatial mapping about heat supply and demand across Europe
- free-to use thermal planning software
- policy recommendations
- insights into finance and technical assistance
- Inspire Events, many of which are now being done online...

... and much more!



## Keep going with KeepWarm

Finally, it is worth highlighting that the <u>KeepWarm</u> consortium is especially well-suited to use its competence to help you achieve your DH goals! Our diverse group of experts can apply our great experience all across Europe, especially in countries of the CEE region.

Contact us (centrally or via links on the next pages) so we can know how our expertise can benefit your work towards making your DH more efficient and sustainable:

- Technical consultancy
- Feasibility studies
- Financial guidance
- Strategic action-planning

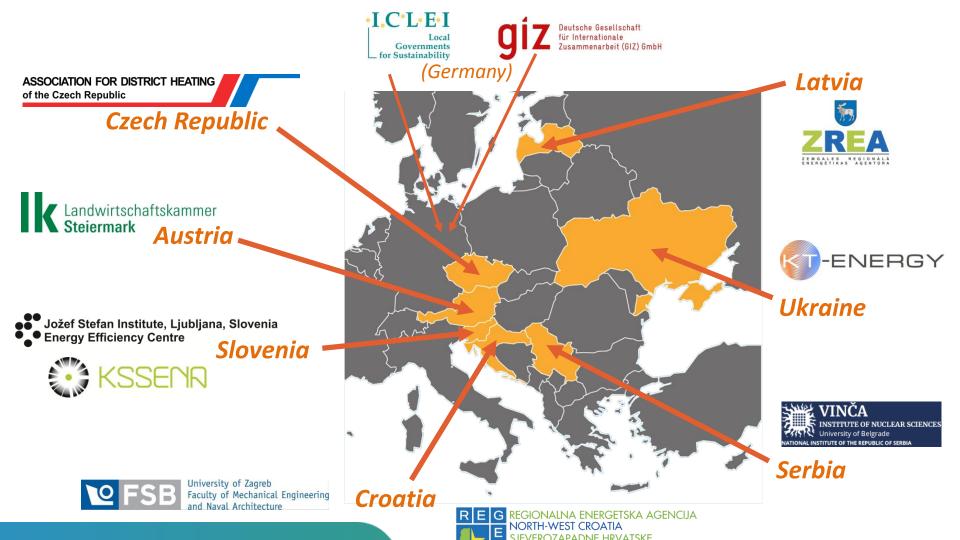
- Policy/market integration
- Staff/stakeholder trainings
- General advice

... and much more!



## International project partners

REGIONAL ENERGY AGENCY





#### For more information:

visit our website

www.KeepWarmEurope.eu

contact us at:

<u>info@keepwarmeurope.eu</u>

or at:

keepwarmeurope.eu/contact

follow us on Twitter:

@KeepWarm EU





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