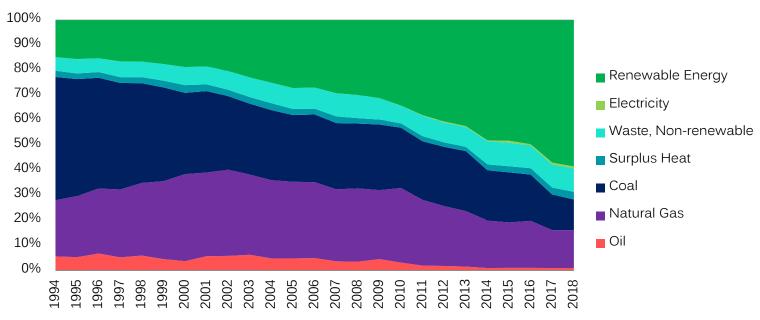


#### Clean heating transition in Denmark

#### FUEL COMPOSITION FOR DISTRICT HEATING, PERCENTAGE OF DISTRIBUTION



Energistatistik, 2018



## INDIVIDUAL HEATING

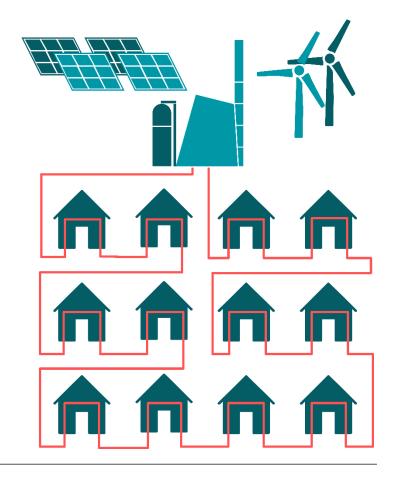
- Minimal governmental intervention
- Cost efficient in some areas
- Hard to convert fuel
- Does not contribute to the rest of the energy system





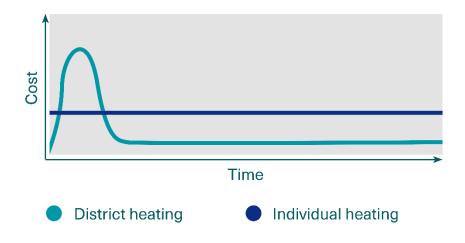
## DISTRICT HEATING

- Low-cost heat
- High security of supply
- Green transition without interfering with homeowners
- Adds flexibility to power generation
- Perquisite for using many different heat sources





### District heating = Infrastructure



Short term, installing the proper infrastructure for district heating is a considerable investment. Over time, the investment pays off.



#### Challenges & how Denmark mitigates them

# **Challenges Danish approach** Natural monopoly Consumer ownership Consumer protection True cost regulation Investor protection Long term planning



#### What Denmark gains from our District Heating approach

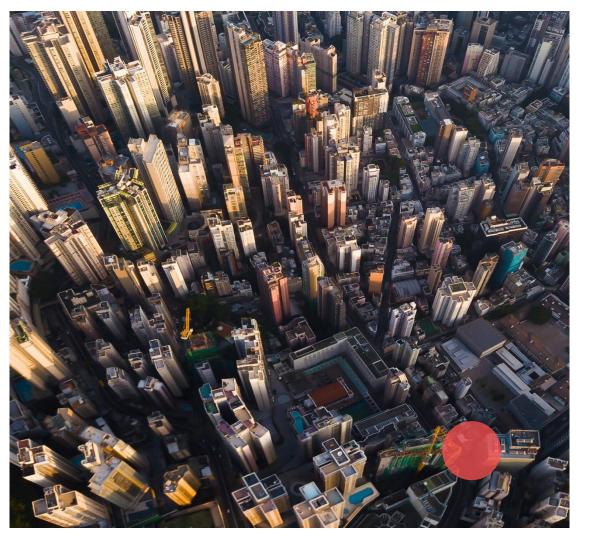
The Danish Government has increased the national CO2-emission target to 70 % reduction by 2030.

 100% of energy consumed by the heat sector will be renewable energy by 2035

Focus will likely be on further integration with the wider energy system

- Heat pumps and electric heaters creates valuable synergies with wind and solar pV
- New surplus heat sources like data-centers is a whole new and large potential
- The gas grid is important, but gas is too valuable to be used for heating





#### **CONSIDERATIONS**

- Long term investments
- Solid regulation and planning needed
- Necessary component for energy integration

### What we do at the Danish Energy Agency





BENEFITS AND CHALLENGES FOR THE ENERGY SYSTEM



MUNICIPAL PLANNING



REGULATION AND HISTORY



INSTITUTIONAL ROLES



LESSONS LEARNED



