

Promotion of Renewable Energy for Heating and Cooling in Germany

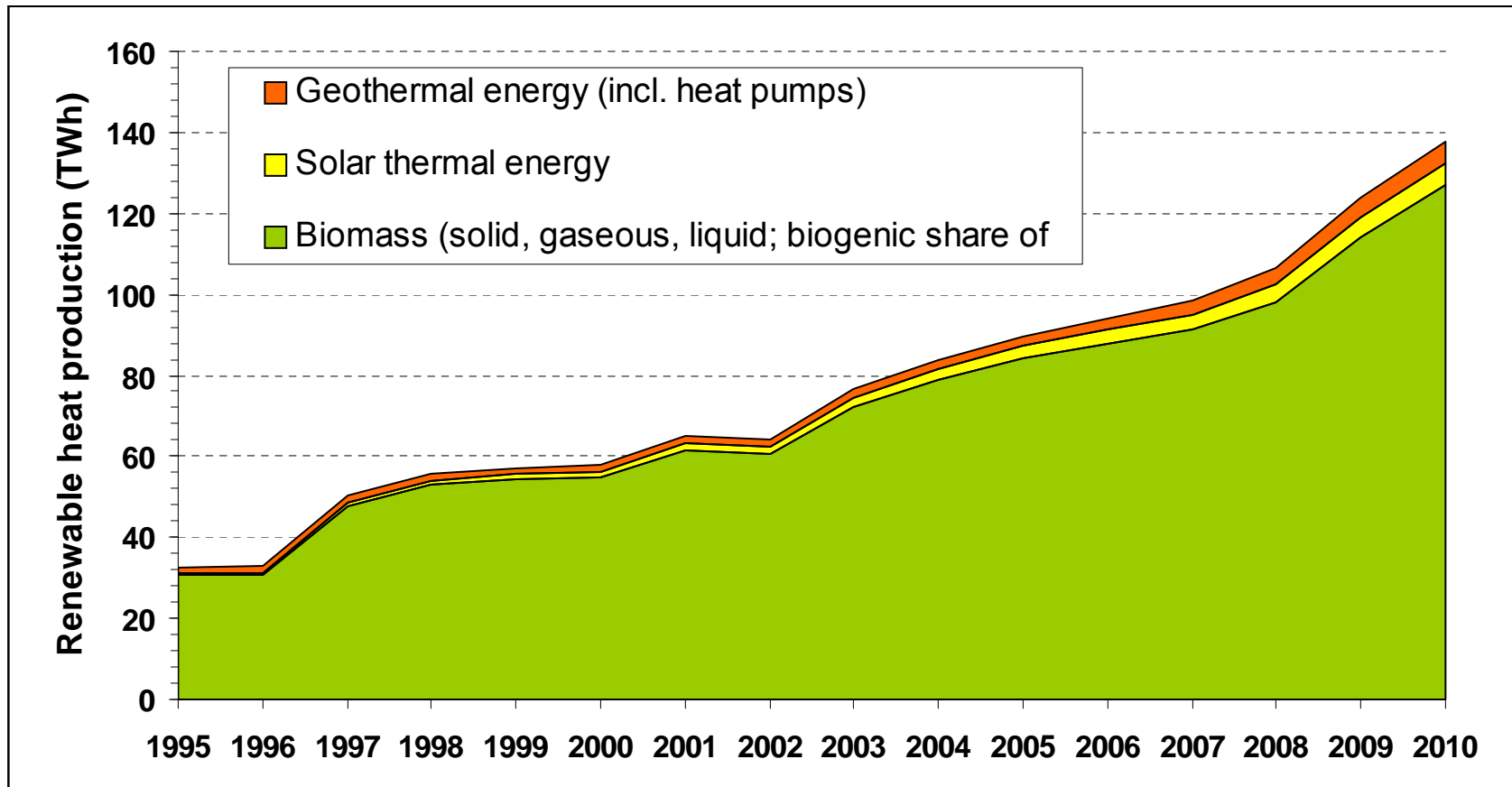
Conference

"Policy Options Boosting Renewables in the Heating Market"

Brussels, 14 April 2011

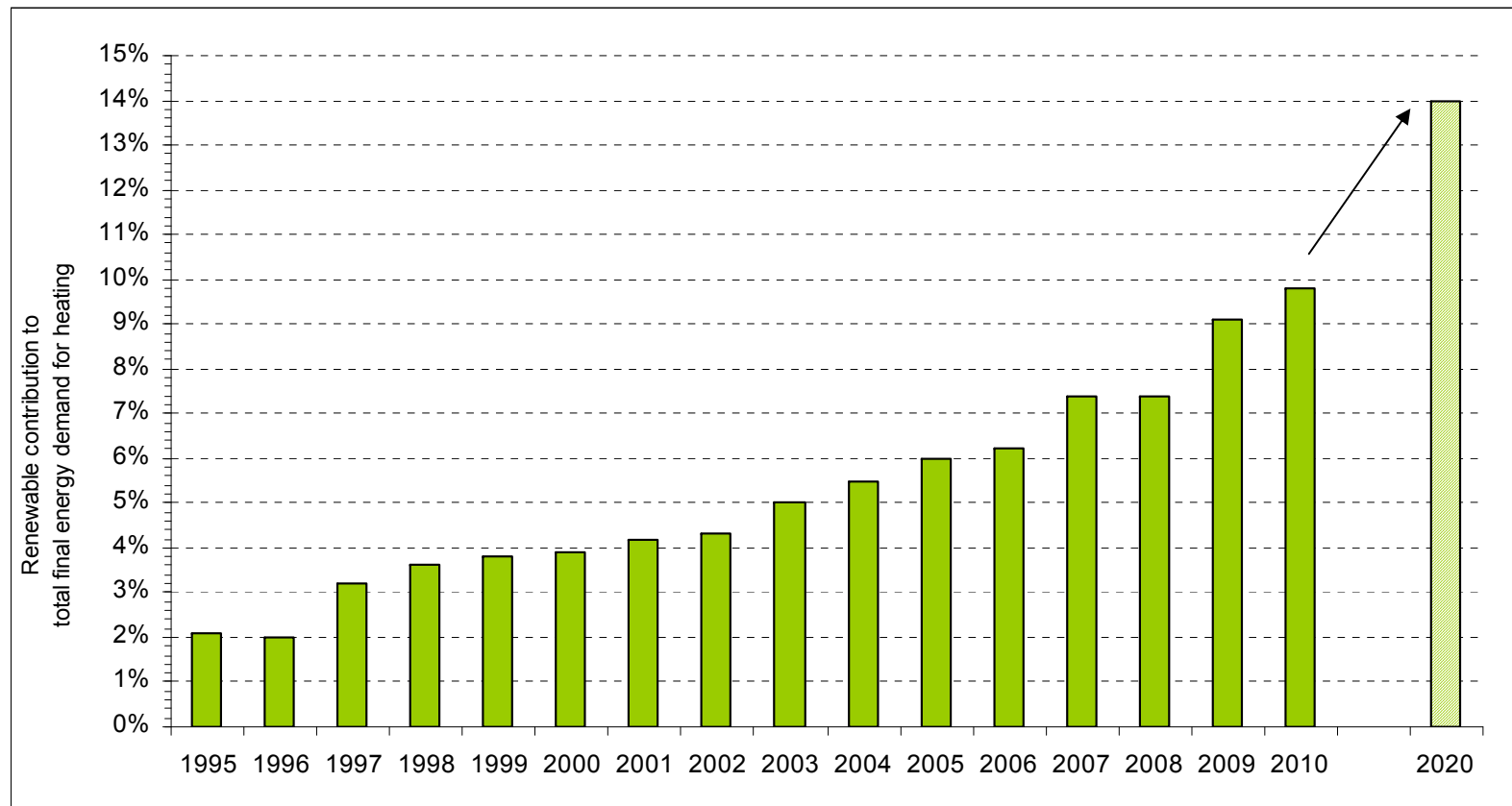
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Contribution of RES to heat supply in Germany



Source: BMU (2011) – Erneuerbare Energien in Zahlen

Renewable contribution to total final energy demand for heating



Source: BMU (2011) – Erneuerbare Energien in Zahlen

Support framework for renewable heating and cooling

German support framework for renewable heating and cooling:

- Element 1: **Use obligation** for the installation of renewable heating and cooling devices for **new** buildings: **EEWärmeG**
- Element 2: **Financial support:** *investment grants* and *soft loans* for the installation of renewable heating and cooling devices in **existing** buildings:
Market Incentive Programme (MAP)

Use obligation for new buildings: EEWärmeG

- Act on the Promotion of Renewable Energies in the Heat Sector (EEWärmeG) came into force 01 January 2009
- Owners of newly constructed buildings (obligated parties) must cover a share of their space heating and hot water demand with renewable energies (please note: rate of new buildings only 0,5-1% per year)
- Minimum share is depending on technology (e.g. solar thermal 15%, biomass 30-50%, heat pumps 50%)
- Obligation covers residential and non-residential buildings
- Investors are free to choose their type of renewable energy source
- Alternative measures
 - heat supply by CHP or district heating fulfilling minimum efficiency criteria
 - extended energy saving measures at the building envelope (insulation)
- Regions (Bundesländer) are allowed to extend the obligation to existing buildings

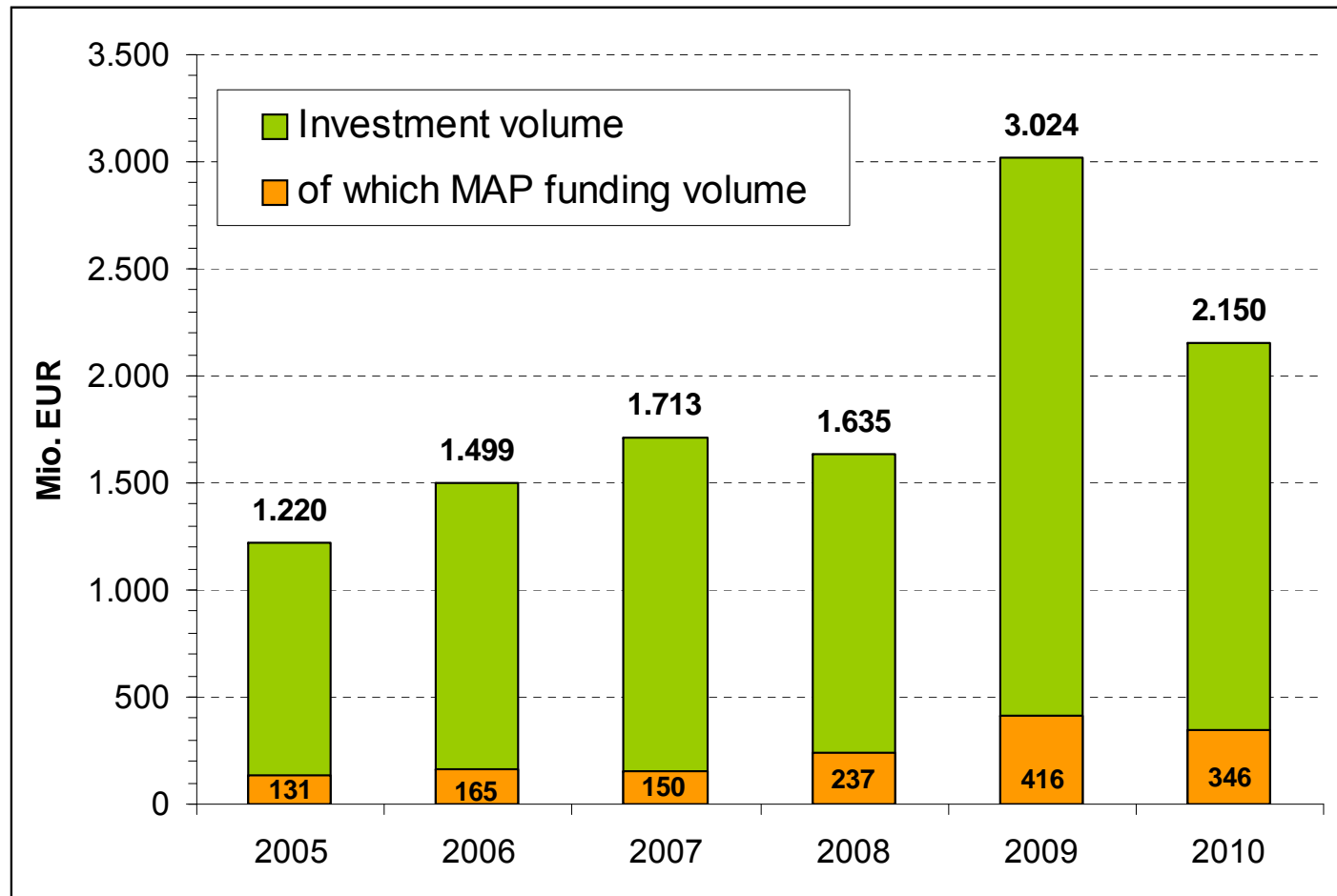
Use obligation for new buildings: EEWärmeG

Energy Source	Minimum share	Additional requirements
Solar thermal	15%	Solar collectors are certified with the European quality label "Solar Keymark"
Biomass solid	50%	Biomass boiler must meet minimum efficiency and emission requirements; biomass must meet certain sustainability criteria
Biomass gaseous	30%	Biogas must be used in a CHP installation; processing and feed-in of biogas must comply to sustainability criteria
Biomass liquid	50%	Bioliqids must be used in condensing boilers; bioliqids must fulfil sustainability criteria
Geothermal and Heat pumps	50%	Heat pumps must meet minimum seasonal performance factors; heat pumps must be equipped with heat volume and electricity meters

Subsidies: Market Incentive Programme (MAP)

- Market Incentive Programme MAP (*Marktanreizprogramm*)
- Two support elements:
 - Technology specific investment grants for smaller applications (e.g. solar collectors) -> roughly 10% share of investment costs
 - Soft loans with low interest rates for larger applications
- Eligibility to be funded is linked to technology specific minimum requirements
- MAP is financed through the federal budget
MAP volume: 200-450 million EUR per year
- Roughly 95% of all solar collectors and wood boilers (mainly pellets) are funded through the MAP

Available funding and initiated investment volumes in the MAP



Source: BMU (2011) – Erneuerbare Energien 2010

Potential future policy development

Quote from the Governmental Energy Concept adopted in September 2010

- ▶ To further develop the use of renewable energies in buildings, the market incentive programme to promote the use of renewable energies in the heating market will continue from 2011 with additional resources from the special energy and climate fund pursuant to its economic plan. Moreover, we will consider non-budget-related support through a market-based incentive system for renewable heat.

Thank you for your attention

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