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City of
Gothenburg



Gemeente
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GREATERLONDONAUTHORITY



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Open letter to:
Commission Vice-President Maroš Šefčovič
Commissioner Miguel Arias Cañete

cc:

Dominique Ristori, Director-General, Directorate-General Energy
Pierre Schellekens, Deputy Head of Cabinet, Commissioner Miguel Arias Cañete
Peter van Kemseke, Cabinet Expert, Vice-President Maroš Šefčovič
Yvon Slingenberg, Senior Adviser, Commissioner Miguel Arias Cañete
Telmo Baltazar, Economic Adviser, Cabinet of President Jean-Claude Juncker
Marie Donnelly, Director Renewables, Research and Innovation, Energy Efficiency, Directorate-General Energy

21st January 2016

Dear Commissioners,

RE: European Commission's Heating and Cooling Strategy

This letter is from the five partner cities: Gothenburg, Cologne, Genoa, London and Islington Council, and Rotterdam; in the CELSIUS project. The CELSIUS project is co-funded by the FP7 Smart Cities Programme and aims to illustrate the important role that district energy has to play in creating integrated energy systems capable of supplying EU consumers with secure, sustainable, competitive and affordable energy. It is doing this by the delivery of innovative demonstration projects and active knowledge transfer to cities and stakeholders across the EU.

As cities we welcomed the launch of your European Energy Union Package and were particularly delighted that there was explicit recognition of the important role that heating and cooling, both at a system and building level, has to play in this transition. The subsequent requirement for an EU Heating and Cooling Strategy that sets the framework within which Member States can address the challenge posed by heat, which accounts for nearly 50% of the EU's energy demand, and consider it alongside power in developing integrated energy systems is very forward thinking.

We have provided submissions during the consultation process on how district energy, deployed where there is sufficient demand for heating and cooling, can play a very important part in developing integrated energy systems capable of meeting our climate targets in the most cost effective way. We look forward to the launch of the Strategy and hope the Commission will acknowledge the important role that district energy has to play in addressing this challenge.



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Each of our five cities have particularly ambitious climate and energy goals and district energy, which exploit renewable, environmental and waste heat sources, will play an integral part in achieving those goals as well as keeping energy affordable and helping to address fuel poverty. As part of the CELSIUS project we are actively supporting other cities across the EU to realise their district energy ambitions. Based on our own and our 36 replication cities' experience, we are developing a comprehensive understanding of the technical, legislative and financial barriers to large scale roll-out of district energy across Europe and are keen to continue sharing our findings with you and your officers.

To help create a more level playing field for district energy in the development of integrated energy systems we would ask the Commission to:

1. Promote in their Heating and Cooling Strategy the important role that low carbon district energy can play in developing cost effective integrated energy systems. They are not only very carbon and cost effective, in urban environments with high heat densities but they also support the integration of intermittent renewable technologies and enable the exploitation of available renewable, environmental and surplus heat sources in a city. This allows them to make significant contributions to energy efficiency at a city level and directly reduce greenhouse gas emissions and primary energy demand.
2. Propose an approach that drives cost effective solutions and maximises reductions in greenhouse gases and primary energy demand so that district energy solutions can compete fairly with building level heating and cooling solutions. The Heating and Cooling Strategy should encourage consideration of both system and building level solutions allowing the most cost effective solution to be identified and implemented.
3. Encourage approaches that develop low carbon neighbourhoods or districts by pursuing energy efficiency and decarbonisation of energy supply measures simultaneously, as this will deliver the most cost and carbon efficient solutions.
4. Establish an investment mechanism or fund that recognises the inherent risk profile of district energy projects, high in their development and early operational stages and dropping off as consumers are signed up. This would provide long-term flexible capital, up to 15-20 years, catalysing delivery of district energy projects and triggering private sector investment in them.

Thank you very much in advance for your time and interest.

Yours sincerely,

Anneli Hulthén, Mayor and Chair of the City Executive Board, City of Gothenburg
Matthew Penchartz, Deputy Mayor for Environment and Energy, Greater London Authority
Claudia Webbe, Executive Member for Environment and Transport, Islington Council, London
Pex Langenberg, Vice Mayor for Mobility, Sustainability and Culture, City of Rotterdam
Marco Doria, Mayor, City of Genoa
Gabriele C. Klug, City Treasurer, City of Cologne

