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For immediate release



chpa

Bringing Energy
Together

Efficiency Directive to capture waste heat opportunity

- **New Directive proposes high efficiency CHP as the default for thermal generation**
- **National heat plans to site sources of waste heat close to points of demand**
- **Further incentives may be needed to deliver on European Commission's intent**

Combined Heat & Power
Sustainable Energy Services
District Heating & Cooling

A new Energy Efficiency Directive proposed by the European Commission looks to promote greater efficiency in energy generation by making combined heat and power (CHP) with district heating the default option.

The Energy Efficiency Directive (EED) identifies that the existing Cogeneration Directive that the new Directive replaces, promoted efficiency within cogeneration processes, but failed to ensure actual deployment of CHP plant within Member States. To this end, the Commission proposes that all new and refurbished thermal electricity generation plant should be fitted with high efficiency heat recovery equipment. Through encouraging siting of generation stations near to sites of heat demand, the Directive is aimed at driving the exploitation of cogeneration opportunities as a key mechanism for increasing energy efficiency across the EU. The Commission also proposes that CHP electricity should also benefit from priority grid access and dispatch to bring it on par with electricity from other forms of renewable generation.

Commenting on the proposals, CHPA Director Graham Meeks said:

"The Commission's proposals are a clear step in the right direction. Energy efficient solutions are among the most cost effective ways of reducing emissions, and this Directive seeks to drive a step-change in energy efficiency across the EU. With consumers bearing the growing costs of decarbonising the UK economy, it is vital that everything possible is done to minimise those costs on the consumer.

Pressing for CHP to become the default option for new thermal power generation is a clear statement of intent. Even in the UK where new planning guidelines encourage developers to consider CHP, we still see power-only plant being given consents whilst the opportunity to double our CHP capacity remains under-exploited. And we are still only scratching the surface of the opportunity to develop district heating networks as a pathway to cutting emissions in our towns and cities. So there may be a limit to the effect that a regulatory approach can have.

We very much welcome the direction of travel, and can see the obvious benefits from CHP becoming the norm for new energy plant. However, we question whether the measures set out in the Directive on their own will be sufficient to deliver the transformation that the Commission seeks."

The Directive would also require member states to establish national plans for district heating and cooling and that this should be incorporated into local spatial plans to coordinate the deployment of heat loads close to the point of demand. Member States would facilitate the development of district heating and cooling infrastructure to exploit CHP opportunities as well as the capture of surplus heat from industrial processes

The Commission suggests that these proposals will overcome the persistent barriers to CHP that the Cogen Directive and the EU Emissions Trading Scheme have so far proved ineffective in tackling. Between 2004 and 2008, the share of electricity from CHP in the EU only increased from 10.5% to 11%. The EED proposals for CHP alone are projected to save up to 25m tonnes of primary energy and 55m tonnes of CO₂ emissions per year from 2020.

ENDS

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Notes to Editors:

Read the European Commission's press release [here](#).

About CHP

Combined heat and power (CHP), integrates the production of usable heat and power (electricity), in one single, highly efficient process. Delivering a minimum of 10% energy savings, it makes the very best use of renewable and fossil fuels. This efficiency means less stress on precious fuel resources and lower carbon emissions.

CHP works by recovering heat from the power generation process and putting it to work in industry, buildings and homes, often delivering significant cost and CO₂ savings. CHP currently provides 7% of UK electricity and in 2009 provided emissions savings of 14 million tonnes of CO₂.

About district heating

A district heating scheme comprises a network of insulated pipes used to deliver heat from the point of generation, in the form of hot water or steam, to an end user. District heating networks provide the means to transport heat efficiently. Heat networks can also be supplied with heat from a diverse range of sources including; power stations, waste-to-energy facilities, biomass-fuelled boilers and CHP plants, gas-fired CHP units, heat pumps, electric boilers and even solar thermal arrays.

About the CHPA

The Combined Heat and Power Association (CHPA) is the leading advocate of an integrated approach to delivering energy services using combined

heat and power and district heating. The Association has over 100 members active across a range of technologies and markets and is widely recognised as one of the leading industry bodies in the sustainable energy sector.

For more information about the CHPA see: www.chpa.co.uk