

The future of heating

How heat networks are transforming
the way we heat our homes and buildings



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The Association for Decentralised Energy

Heat networks are transforming how we heat homes and buildings in the UK.



Commonplace across Europe, heat networks offer a competitive, low carbon, efficient and flexible solution to meeting our heating needs.

Today

Over half of domestic energy costs are for heating and hot water. Heating in buildings and industry creates around 32% of total UK emissions

(Clean Growth Strategy 2017)



Only
2%

of our heating needs are met through heat networks



Tomorrow

Heat networks can reduce energy bills and emissions, and could meet

17%

of our heating needs

(Clean Growth Strategy 2017)



What are heat networks?



Heat networks distribute heat produced from a central point through a network of insulated pipes to both domestic and business users.

Heat networks deliver customer, economic and environmental benefits:

Heat networks:

- ✓ Save customers on average **£100 a year*** compared to an alternative heating source
- ✓ Enable capturing heat that would otherwise be wasted, e.g. from power stations, data centres and large industrial sites
- ✓ By accessing local waste heat sources, they can provide long-term price stability
- ✓ Create local, high skilled, construction and maintenance jobs
- ✓ Enable transition to lower carbon heat sources without disruption to the customer
- ✓ Integrate with the local power system to facilitate lower-cost and lower carbon energy through heat production and flexibility

* Source: Department for Business, Energy and Industrial Strategy

Market snapshot

Approximately

17,000

heat networks in the UK supply around 500,000 customers, including 446,517 domestic homes, with approximately 12,000GWh of heat annually.

Source: Department for Business, Energy and Industrial Strategy regulatory data

Heat networks save approximately 3,000GWh of gas imports per year. Over a year, this is the equivalent to:

216,000 households' gas consumption

or

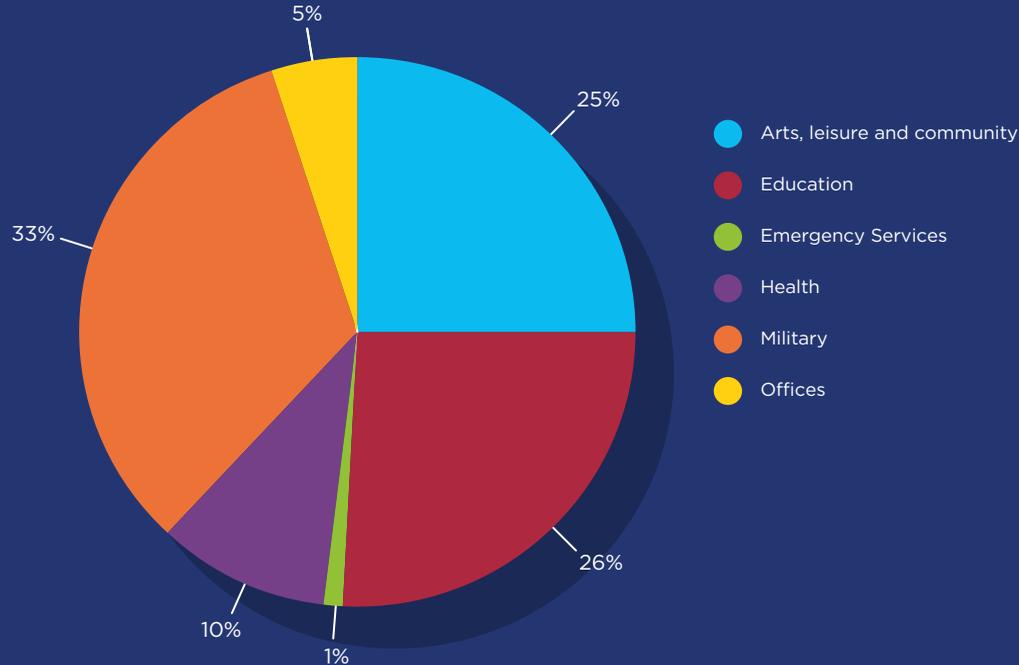
3.5 LNG tankers



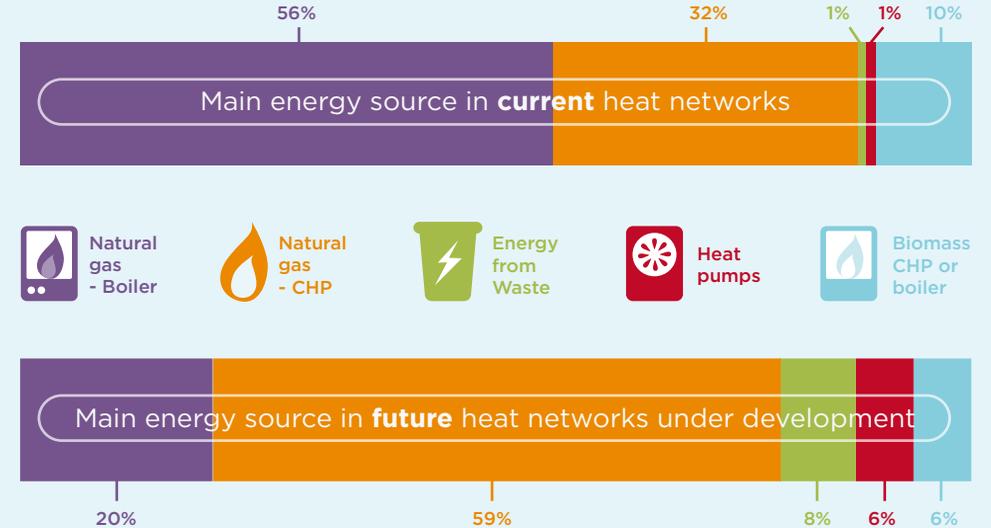
Heat networks reduce carbon emissions in buildings by approximately **0.7 million tonnes of CO2 each year**

Heat networks serve customers in all areas of the economy

Service sectors supplied by heat networks

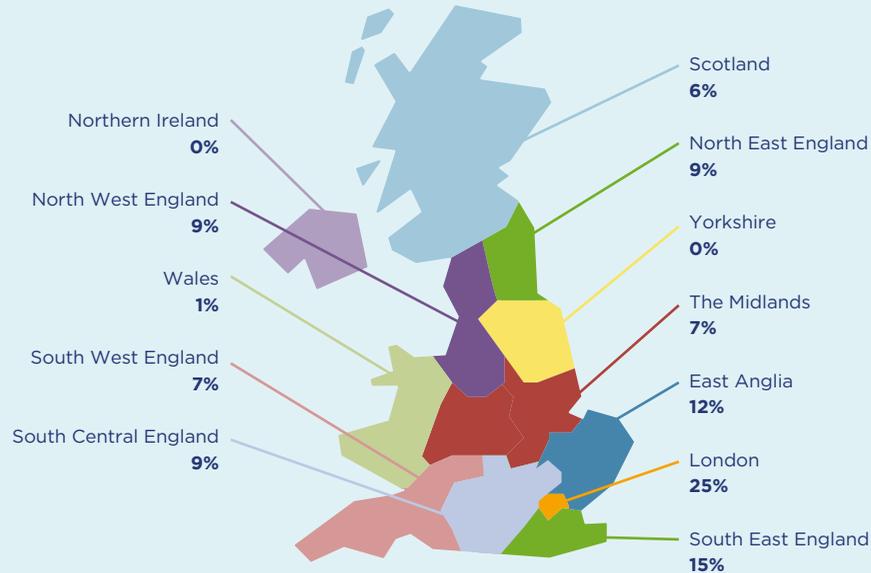


The heat being fed into networks is increasingly made up of renewable, low carbon and efficient energy sources:



Heat network operation drives economic activity all over the UK:

Location and percentage of schemes by region



Meeting government ambitions for clean growth by 2030 for heat networks could lead to up to **64,000 jobs** created annually, over the five year lead-time of a heat network scheme delivery.

Policy framework

There is support for heat networks through the Government's Heat Network Delivery Unit, which works to bring seed projects to commercial readiness, up to 2021. The recently published industry task force report sets out proposals for a regulatory framework to deliver cost-effective market growth and ensure excellent customer service post-2021.



For further information please contact:

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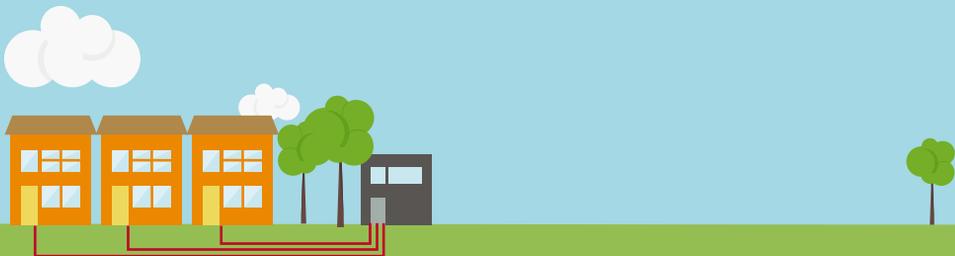
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