

Scottish Government Support for Heat Projects

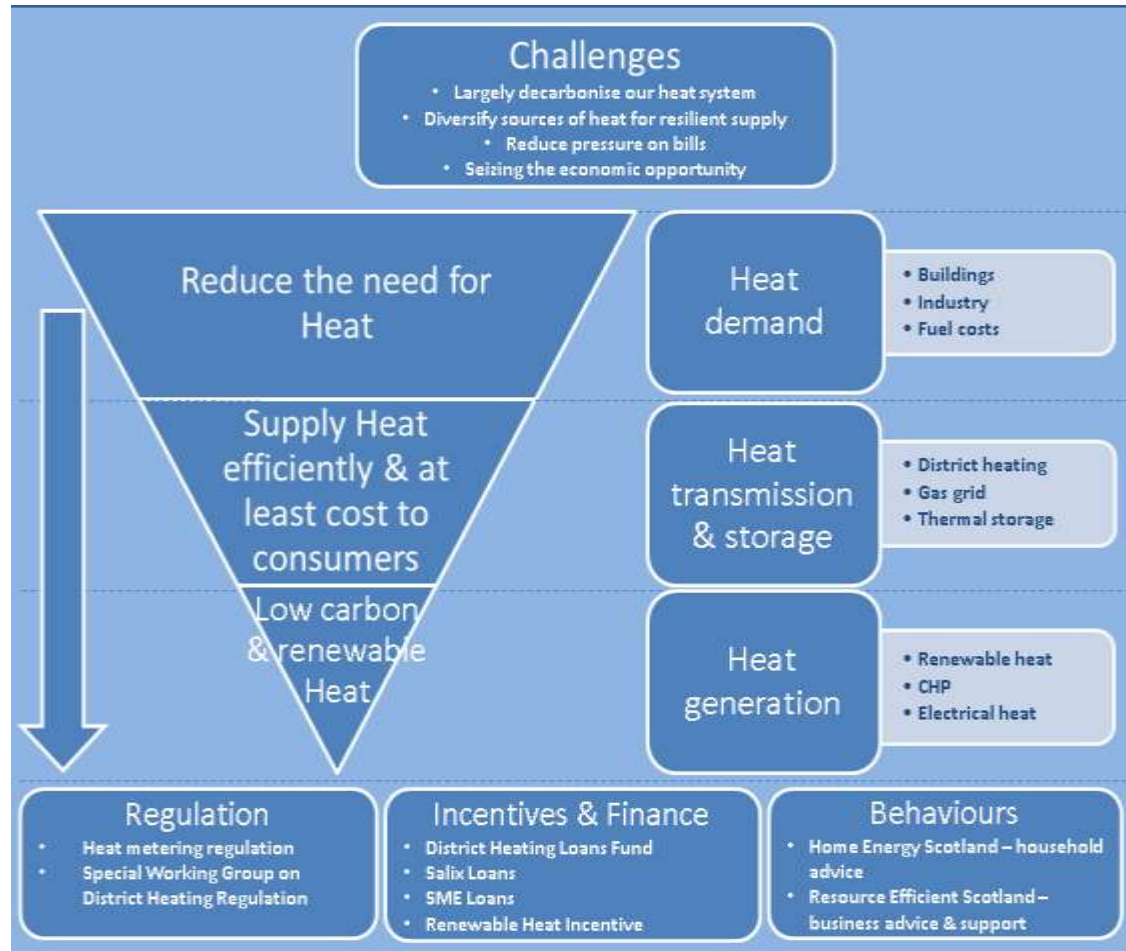
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3 levels of the **Heat** Hierarchy

- **Heat Demand:** Energy efficiency designated as a national infrastructure priority on the 9th of June 2015
- **Heat transmission:** Retain levels of ambition to achieve **1.5 TWh** of Scotland's heat demand to be delivered by district or communal heating and have **40,000** homes connected by **2020**
- **Heat Generation:** Work towards renewable heat target. In **2014** Scotland generated an estimated **3.7 – 3.8%** of its non-electrical heat demand from renewable sources.

Heat Hierarchy



Energy Efficiency

- Supporting resource and demand reduction in the non-domestic sector by investing annually into the Scottish Government's £9.3 million Resource Efficient Scotland programme.
- This programme offers information, advice and support (to private, public and third sector) to implement energy, material resource and water efficiency measures.
- To date we have realised over £49 million and 910 GWh of lifetime energy savings through resource efficiencies since April 2013.
- Scottish Government provides financial support for public bodies through SALIX loans to fund energy efficiency projects in supporting the uptake of low carbon technologies.



Reducing the need for heat

- Energy efficiency designated as a **national infrastructure priority** the cornerstone is **Scotland's Energy Efficiency Programme (SEEP)**
- Further control over energy efficiency and fuel poverty obligations set to be devolved
- Work with stakeholders over the next few years to develop and design the programme

Energy Efficiency: Scotland's heat demand in 2013 was 16.2% lower than 05-07

Home Energy Scotland

www.greenerscotland.org



Scottish Futures Trust

www.scottishfuturestrust.org.uk



 **The Scottish Government**

District Heating

- The Scottish Government's Heat Policy Statement set out our ambition to see a step change in the uptake of district heating in Scotland.
- Over 2,000 homes have been connected to heat networks since March 2014 and current projects in development could connect a further estimated 16,000 homes.
- Completed 19 out of 23 actions under the district heating action plan.
- A list of district heating projects in development was published on the Heat Network Partnership web-page earlier this year and is available at the following link: -
<http://www.districtheatingscotland.com/hnp-projects-map-in-developmen>

Aberdeen



Dundee



Wick



West Highland HA

Support for District Heating

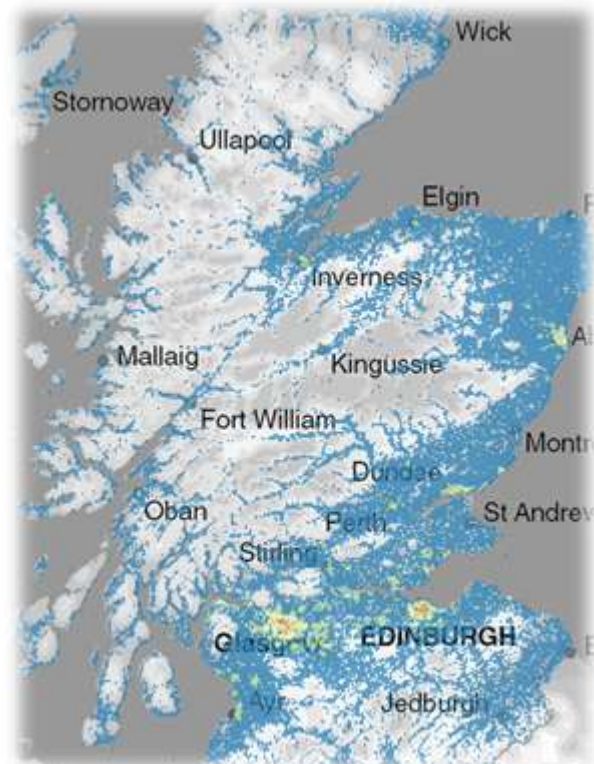
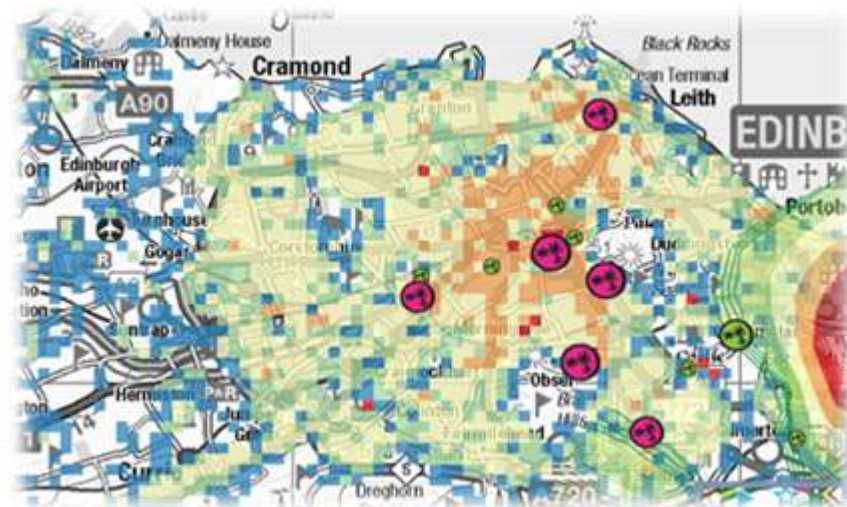
- Continue to support projects through the District Heating Loan Scheme with £8 million committed between 2014 and 2016.
- Heat Network Partnership Coordinated programme of support for DH. HNP partners provided over £300,000 in support for local authority strategies, feasibility and options appraisals.
- The Scottish Government's Heat Network Partnership is also supporting local authorities to take a strategic approach to heat networks.
- 29 local authorities attended the Partnership's District Heating Strategy Support Programme workshops.

energy
saving
trust



Heat Mapping

- Heat mapping is a powerful way to **visualise opportunities**, to **assess who needs heat** (demand) and **where sources of heat might come from** (supply)
- Over 70 public bodies have provided real energy use data for the heat map
- Everyone can use the Scotland heat map interactive web map. Business, developers, housing associations and communities can all find out about the heat demand and supply opportunities.



More information at: www.scotland.gov.uk/heatmap

Public Sector Procurement Framework

- SG working in partnership to develop a non-domestic energy efficiency (NDEE) procurement framework for the Scottish public sector.
- This framework will enable public bodies to procure estate wide energy efficiency works including local energy regeneration, building fabric and building environmental services.
- Utilising experiences from the City of Edinburgh Council pilot programme of non-domestic energy efficiency retrofit measures to inform development.
- Initial indication that projects in the range of £250 - £300 million could be delivered over the next 4 years.



Low Carbon Infrastructure Transition Programme

- The Low Carbon Infrastructure Transition programme (LCITP), supported by European Structural Funds, was launched on 20 March 2015.
- The LCITP is a Scotland-wide, collaborative cross-sector project development unit with the aim of accelerating the number of low carbon infrastructure projects in Scotland to investment readiness stage.
- With £76 million over the first three years, the ambition is to provide an integrated programme of advice and support to over 100 low carbon projects.



Geothermal Energy Challenge Fund

- First project being delivered as part of LCITP.
- Supporting feasibility studies exploring the capacity of Scotland's geothermal resource to meet the energy needs of local communities.
- Grant funding totalling £234,025 was offered to 5 projects. 4 projects have accepted the grant offered.
- As a result, a total of £185,235 feasibility funding will be made available to explore the potential of the geothermal resource in sites in Fife, North Lanarkshire, Aberdeen City and Aberdeenshire.



Water Source Heat Pumps Challenge Fund

- Launched in September 2015 to encourage the development of large scale water source heat pump schemes in Scotland.
- The Challenge Fund is targeted at individuals and organisations from the public, private and community sectors with project proposals which can supply low carbon heat to district heating systems in Scotland.
- £375,000 is being made available to help with the development of investment grade business proposals.
- Support of up to a further £2 million will be available to those with a fully developed investment grade business proposal but who have been unable to identify private investment and are therefore seeking financial support for commercially viable demonstrator project activity.



Local Energy Challenge Fund

- The Local Energy Challenge Fund (LECF) was announced in October 2014.
- It is a £20 million fund offered under the Community and Renewable Energy Scheme (CARES) to demonstrate the benefit of integrating low carbon energy sources in local energy systems.
- Six projects successful in the first round, including examples of projects to deliver renewable heat to local consumers.
- We will run the second round of the LECF making up to £500,000 available for Phase 1 (covering project development and feasibility applications) in 2015/16

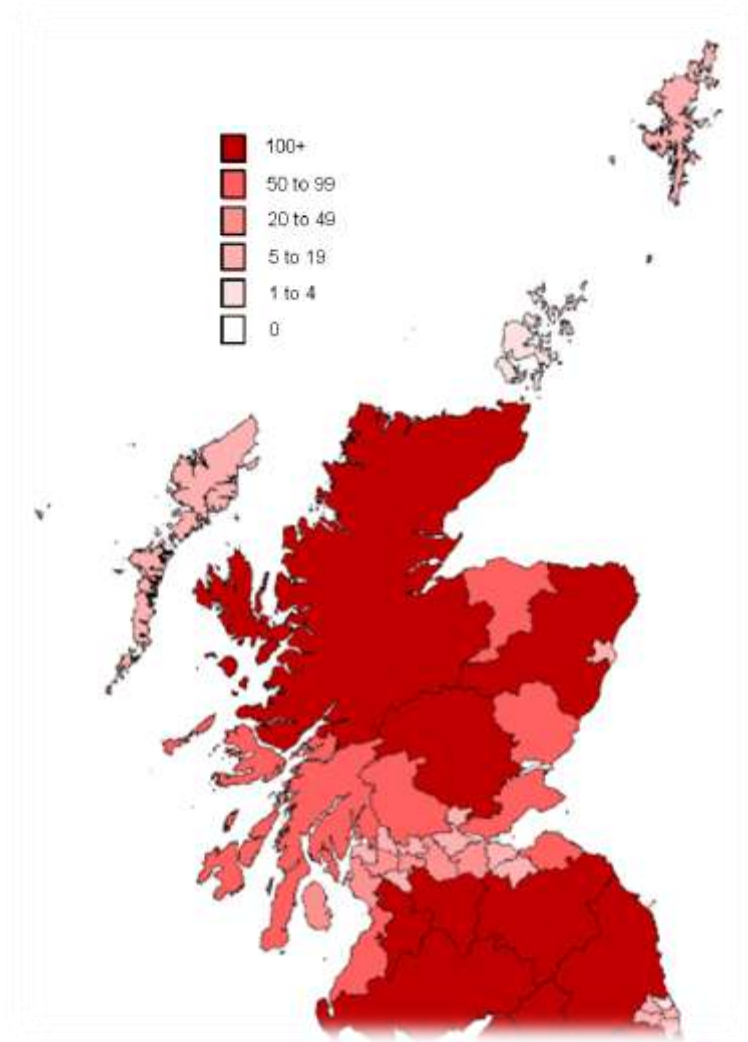
THE
CHALLENGE
FUND



Non-Domestic RHI

- launched in November 2011 to provide payments to industry, businesses and public sector organisations
- Scotland has generated around 19% of the reported renewable heat under the Non-Domestic RHI and accounts for 18% of the accredited installations
- As at September 2015 there were over 2,327 non-domestic RHI accredited installations in Scotland
- Biomass by far the most popular technology uptake accounting for over 90% of accredited installations in Scotland

Number of accredited non-domestic installations by local authority to 30 September 2015



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