

- An outlook on district and building energy systems

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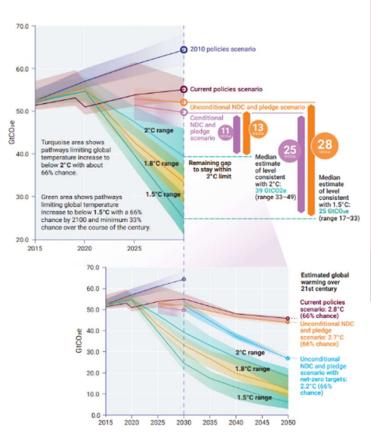


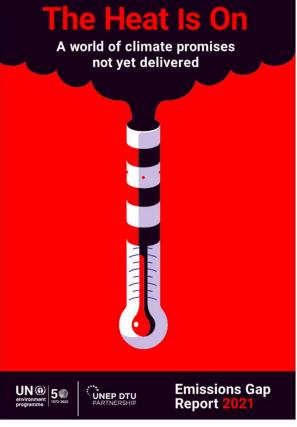


Introduction: Why carbon neutrality?

The new Nationally Determined
Contributions (NDCs), combined with other mitigation pledges, put the world on track for a global temperature rise of 2.7°C by end of the century, even if all new unconditional









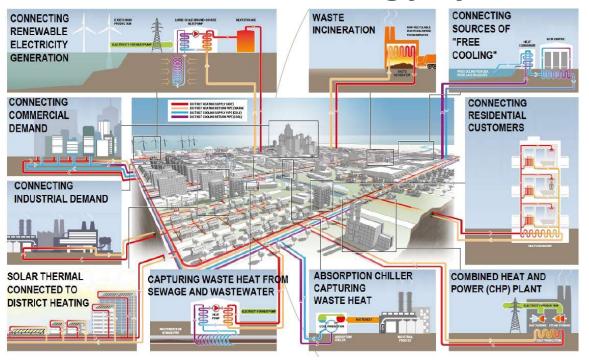
Introduction: Why cities?







Introduction: Energy systems in cities

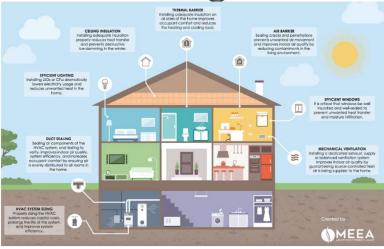


District energy systems for heating & cooling

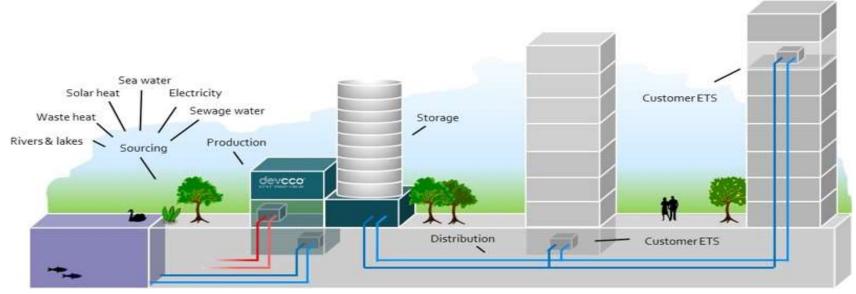


Building energy system





Introduction: Energy systems in cities



District energy aims to use <u>local energy sources</u> that otherwise would be wasted or not used, in order to offer for the local market a <u>competitive and high-energy-efficient alternative</u> to the traditional heating and/or cooling solutions.





Multiple benefits of district cooling for cities

Most DC systems shift peak electricity demand using cold storage lowering power transmission investment

Reduced **HCFC** emission Green Reduced economy emission and resilience Multiple Local Balancin benefits of free and g RE district energy power to cities sources Lower Energy cost of efficiency and access

350K tons of CO2 reduced per year by powering 50% of Paris' district heating with renewable energy

Paris reduced refrigerant emissions from cooling by 90%

Dubai provides cooling that is 30-40% cheaper than stand-alone systems

GIFT City could lower electricity consumption for cooling by 65-80%









District cooling VS. other cooling technologies

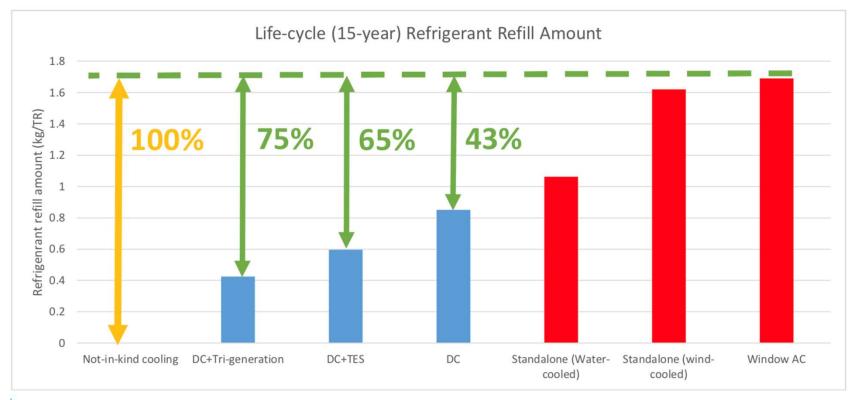
Cooling system type	Primary Energy Efficiency	Peak load shifting factor-Electricity
Split AC, VRF/VRV	25%-30%	0
Conventional Central (water-cooled elec. chiller+ FC/AHU)	20%-30%	10%-15%
Conventional Central (air-cooled elec. chiller+ FC/AHU)	15%-30%	10%-15%
District cooling (all elec. chiller)	25%-30%	15%-25%
District cooling (free cooling+elec. chiller)	30%-60%	30%-50%
Tri generation (electricity, district cooling, domestic hot water)	60%-80%	30%-50%
Tri generation (30%TES)	55%-75%	40%-60%



^{*}Assumption: Grid electricity PEF=35%, cooling factor=0.15, heating factor=0.2, electricity=0.5, all equipment reaches A-level under Energy Star or ASHRAE/ASME



District cooling VS. other cooling technologies





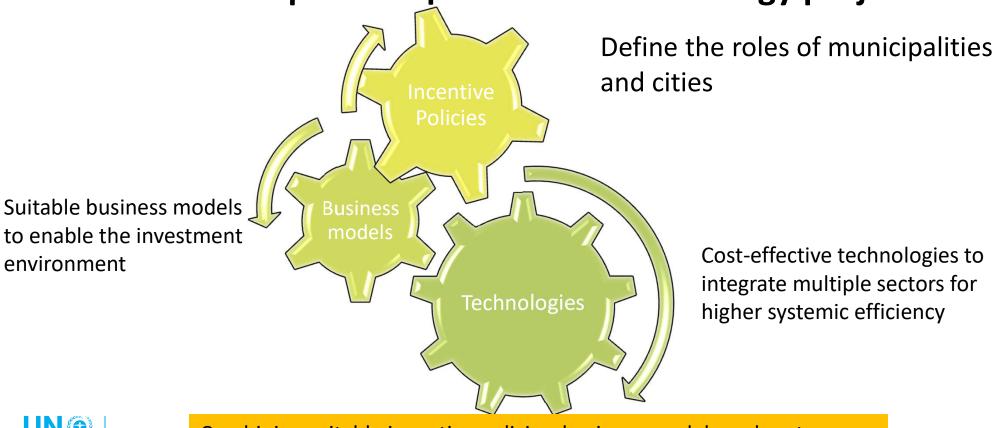
copenhagen climate centre







How to develop and implement district energy projects?





Combining suitable incentive policies, business models and costeffective technologies can accelerate the implementation of carbon neutral communities and scale up after demonstration.



How to develop and implement district energy projects?

Top-down to unlock the DES market (from none to Bottom-up to scale up the DES market (dulplicate national/regiona

demonstration/pilot projects)

National government, Ministries (National goals for air pollution, energy efficiency etc.)

> City, municipality, regional government, urban planning authority

> > Pilot DES projects, demonstration DES projects, utility, building owners, real estate developers, end-users

Action plans for national goals

Incentive policy for DES

Benchmark cooling/heating demand **Energy mapping &**

planning

Long term city-wide DES plan

Design guidelines & standards

Tech-eco analysis (city level rapid assessment)

Business model

Pre-/ feasibility study

Procurement plan

MRV, funding chances



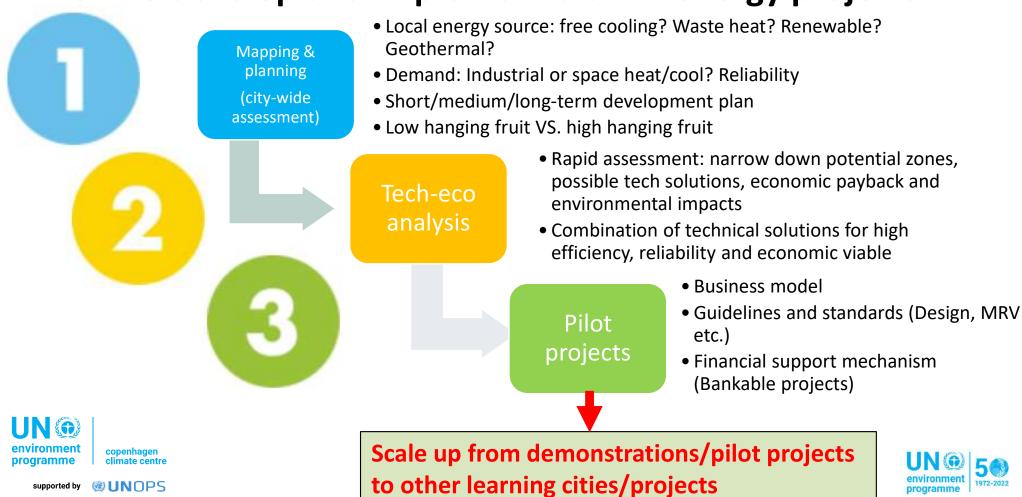








How to develop and implement district energy projects?



What are the challenges?



Lack of local capacity



Lack of data



Design bankable projects



Bridging the gap between the regulatory level and ground level



Long-term support to local authorities



Communication and awareness raising



Standardisation and transferability





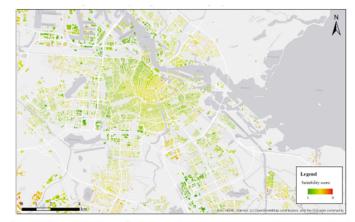


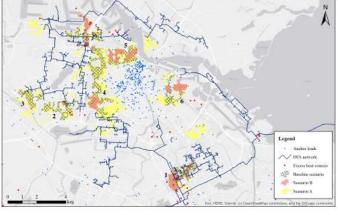


Integrate cool mapping and planning into long-term urban planning

Use GIS data to

- 1) Assist urban planners in master planning
- Decide locations of DC plant
- Integrate land-use of DC to other utilities
- Phasing of DC
- Implementing pipeline routines
- 2) Expand or upgrade existing DC
- Optimize DC and building energy systems operation through connection with smart city platforms
- 4) Facilitate feasibility studies, incentive policies and pusiness plans in later stage









Integrate cool mapping and planning into long-term urban planning

New developments above 50,000m² must provide an "Energy Plan for Effective Utilization" in order to obtain a building permit. This energy plan requires:

- (1) Setting targets for energy saving performance in newly constructed buildings;
- (2) Study of introduction of unused energy and renewable energy;
- (3) Study of introduction of district heating and cooling.

New developments that exceed 10,000m² (20,000m² residential) must do a technical assessment of district energy and demonstrate consultation with district energy suppliers.



- Integrated Energy and Land Use Plan
 Large building developers must develop district heating if connection unavailable
 London required its 32 boroughs to carry out energy master planning
- Encouraging Connection

Connect unless policy

Large new waste heat sources must accommodate connection to district energy

Tariff Regulation and Customer Protection

Tariffs unregulated but city makes recommendations on methodology and contract length



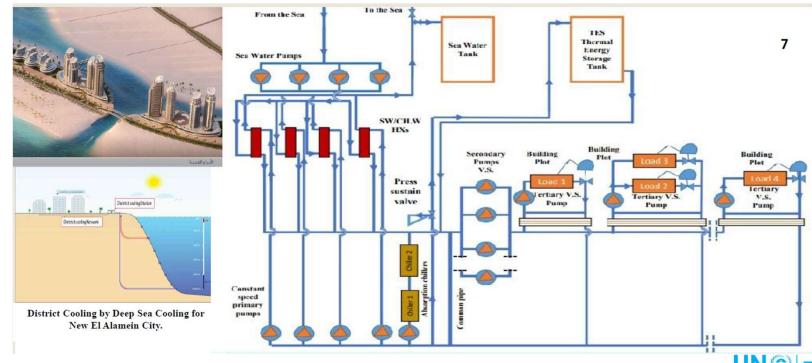
- Innovative technologies for cooling
- 1) Passive cooling technologies in buildings
- Building envelope efficiency
- Green building certification (e.g. LEED, BREEAM)
- Cool roof, green roof
- Nature ventilation
- 2) Active cooling technologies
- Free cooling (e.g. deep sea water, direct condensation)
- Low-GWP refrigerant (e.g. R717)
- Thermal storage of ice and/chilled water
- Multi-sector energy systems integration (e.g. waste heat from industry, IDC & super market)
- 3) BMS for building/district energy system monitor and control
- Al-aided control method





Innovative technologies for cooling

Example 1: District cooling system with deep sea water in El Alamein, Egypt

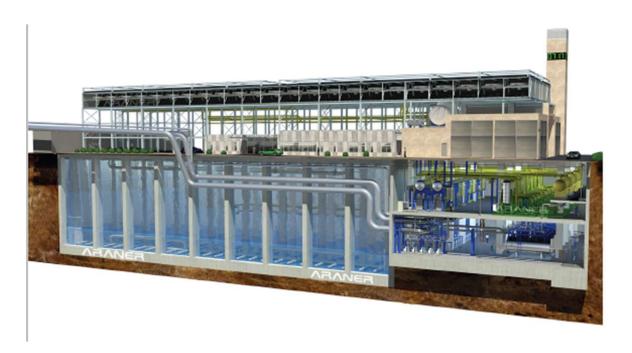




Source: KCEP Egypt project

Innovative technologies for cooling

Example 2: District cooling system with direct condensation chillers in Jordan





Source: EBRD, ARANER

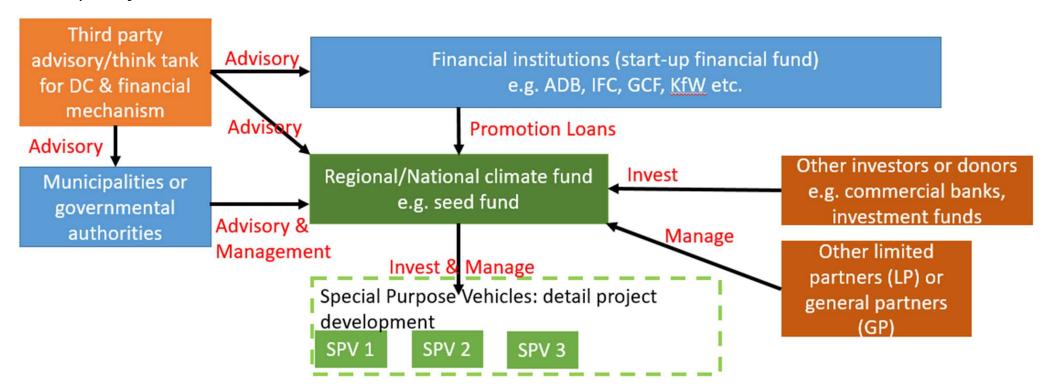


- Innovative business models to bring long-term financial support
- 1) Business models for cooling
- Cooling as a Service (CaaS)
- ESCO
- Design-Build-Finance-Operation-Own/Transfer (DBFOO/DBFOT)
- 2) City climate fund
- 3) Seed funding for carbon neutrality in cities



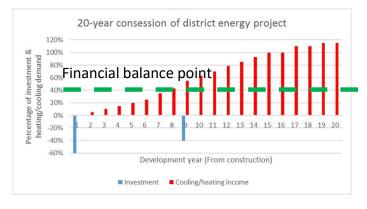


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- Innovative business models to bring long-term financial support
- 3) Seed funding
- District cooling needs more time (normally 5-7 years from beginning) for the demand to grow, and the benefits become steady and secure afterwards.
- **Seed funding idea**: Financial institutions buy-in in first year, bought out in 8th-9th year with higher price by SPV. Funding **reverts back to the seed funding pool and invests in other** district cooling projects.
- Win-win situation: Municipalities achieve their energy saving targets, end-users get cheaper heating/cooling, financial institutions get steady payback.





- Long-term capacity building for cities (e.g. 'Train the trainers' program) by **UNEP CCC**
- 1) Toolkits for evaluating energy efficiency







We provide research-based advisory services to assist developing countries deliver on the Paris Agreement and Sustainable Development Goals

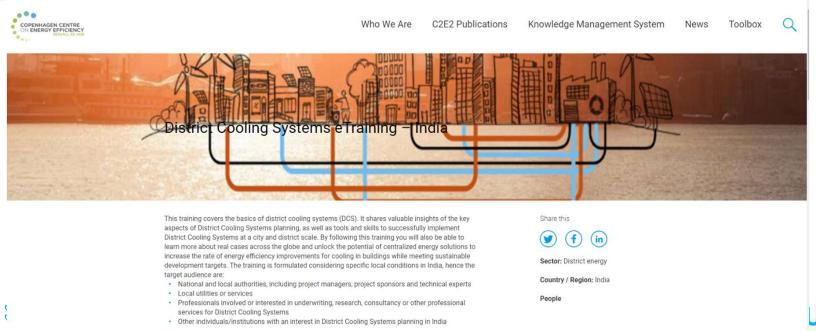








- Long-term capacity building for cities (e.g. 'Train the trainers' program)
- 2) Knowledge Management System (KMS): Virtual knowledge sharing platform https://c2e2.unepdtu.org/collection/district-cooling-systems-etraining-india/







Knowledge management system:

- Hosts the training modules for district energy systems
 - Introduction to District Energy
 - Stakeholder coordination for district energy development
 - Energy mapping and data collection
 - Strategy development
 - Policy development
 - Business models
- Contains best practices and case studies of district heating and cooling projects from both developed and developing countries as well as emerging economics
 - Sino-Denmark clean district heating virtual knowledge center





- ➤ Long-term capacity building for cities (e.g. 'Train the trainers' program)
- 3) District energy project development reports in District Energy in Cities Initiative https://www.districtenergyinitiative.org/











Thank you very much

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