## The Economic Conditions for 4<sup>th</sup> Generation District Heating

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#### Content

- 1) Plan for PhD Research
- 2) Results and Potential Results
- 3) Collaboration and Conference 2016

### PLAN FOR PHD RESEARCH

#### **Plan of PhD Research**

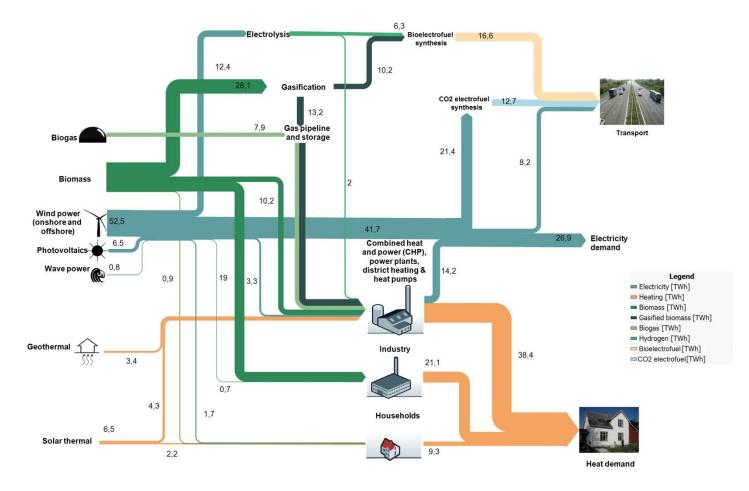
"District heating is here to stay but district heating has to change"



What has to stay and what has to change in my area of district heating research?

4DH-4

#### The role of district heating in a smart energy system



**4DH** – 5

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#### **Plan of PhD Research**

What has to stay? **CHP** units What has to change? Promote **electricity to heat** Minimise **biomass use** 

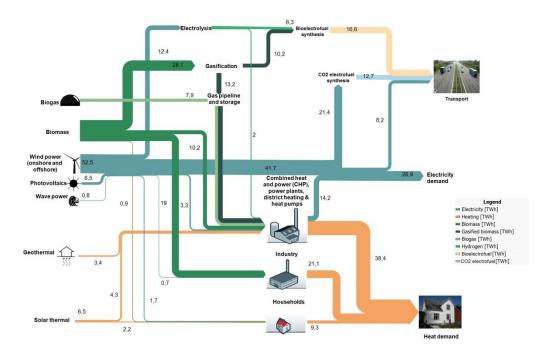


Means for keeping and changing: Economic, institutional and organisational initiatives

**4DH** - 6

#### **Realising the technical potentials**

Behind this diagram we have a lot of **independent and widespread** economic decision makers.



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# Decision making in the current system 1: CHP is disappearing



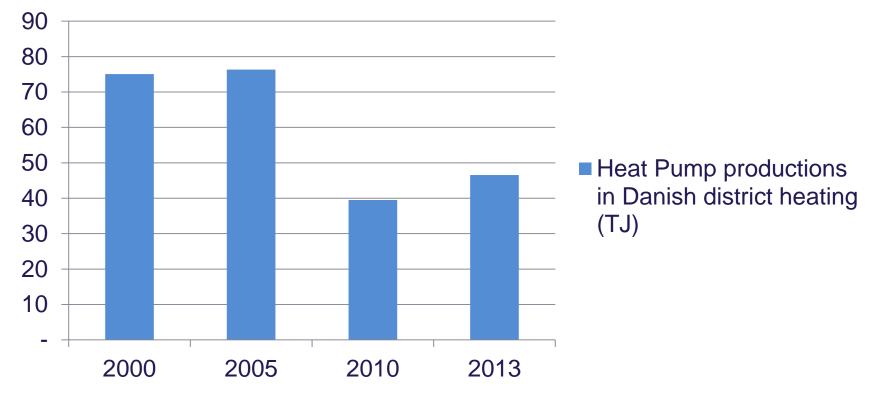
**Production form in Danish District Heating** 

**4DH** – 8

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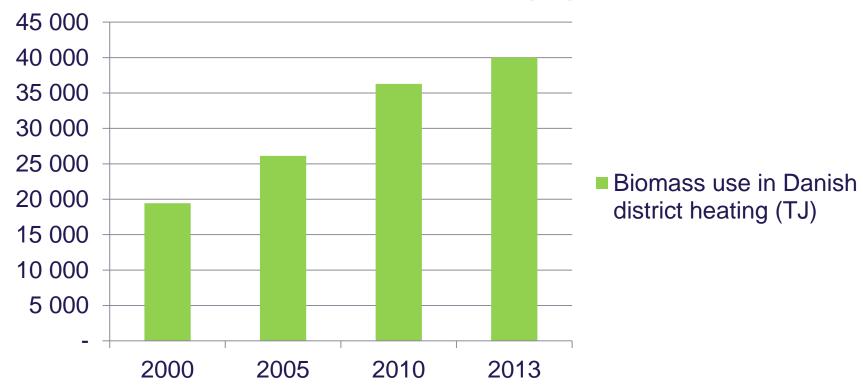
# Decision making in the current system 2: Heat pumps are not entering

#### **Production from Heat Pumps (TJ)**



**<sup>4</sup>DH** – 9

### Decision making in the current system 3: **Biomass** use is drastically increasing



#### Use of Biomass (TJ)

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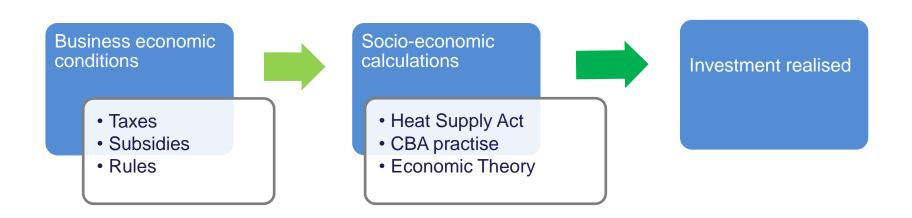
The tasks of keeping some elements and changing others have one thing in common: It requires (re)**investments**.

The approach in this PhD project is structured around *the investment decision*.

We need an economic, institutional and organisational structure that promotes the right **investment decisions at plant level**.

**4DH** – 11

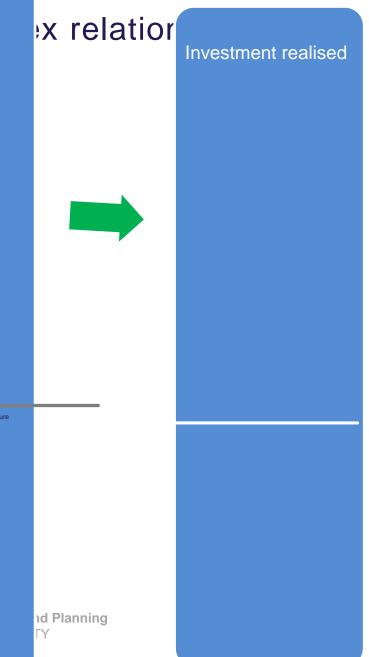
## The Investment Decision in Danish District Heating: **Stages and Key Elements**



## POTENTIAL RESULTS

## **Results:** Understar formulating concret

Socio-economic calculations



Revised energy tax on electricity
PSO 2.0

Business economic

conditions

· Equality between biomass and wind

 How theory works in practice
Proposals for revisions in calculation procedure CO2 price

### **COLLABORATION AND ABSTRACT**

#### 3. Collaboration and Conference 2016

#### **Collaboration:**

Grøn Energi and (former) PhD fellow Peter Sorknæs: Meetings and discussions on proposals and modelling.

#### Ideas for an abstract at the next conference:

The most interesting conclusions from my study... My PhD ends by September 2016.

**4DH** – 16



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