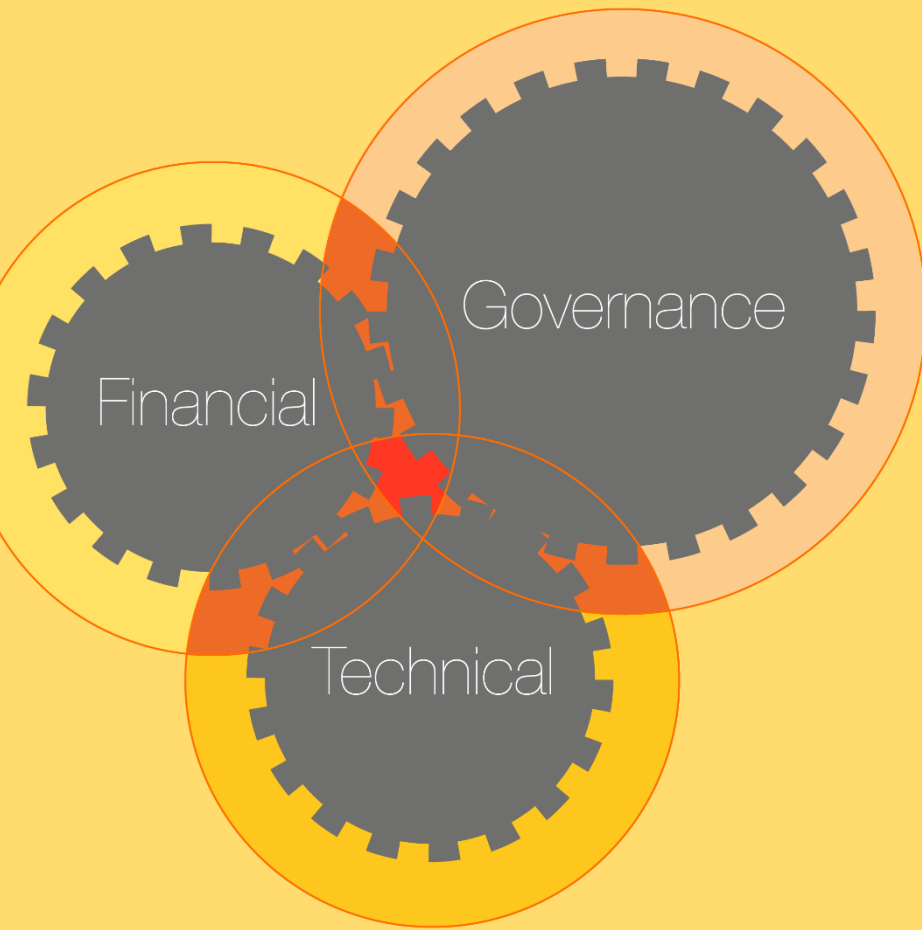


Enabling Policies



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Enabling Policies: Why Do We Need Them?

What Can Policy Do?

- Drive consideration of new DH opportunities
- De-risk investments
- Attract private capital
- Establish framework for repurposing existing assets
- Enhance transparency and build trust among users

Select Enabling Policies

Country	National/State	Municipal/Council
Canada	<p><u>Federal</u>: Establishes overarching emissions goals; no regulatory power</p> <p><u>Provincial</u>: Specific emissions schemes and energy resource priorities</p>	Establishes supportive policies and regulations for buildings
Denmark	Establishes overarching emissions and energy goals; regulates DH prices; establishes policy that enables municipal power	Regulate development of infrastructure; can compel connection if desired; participation in local boards of DH companies
France	Establishes policy framework that supports DH; establishes carbon tax	Oversight of investment and rates

Select Enabling Policies

Country	National/State	Municipal/Council
Netherlands	Regulatory power over prices and customer connection costs	Oversight of new system development
South Korea	Establishes broad regulatory framework for systems; one national company with public ownership owns most of South Korea's DH systems	Integrates heat plans with land use planning activities
Sweden	No regulatory power; establishes emissions and energy resource framework; leads oversight of price transparency	Leads tendering processes and negotiates prices and investments

Select Enabling Policies

Country	National/State	Municipal/Council
United Kingdom	Establishes low-carbon heat goals and policies; could exert regulatory power but does not	Lead tendering process and negotiate prices and investments
United States	<u>Federal:</u> Establishes emissions goals but no direct regulatory power <u>State:</u> Establish energy resource goals; establish emissions valuation framework; no regulatory power over DH	Can require specific conditions be met in land use zones; typically, no regulatory power over thermal energy

Enabling Policies: Spotlight on Success



Vancouver



- City Council regulates city-owned DH
- Clarity on return on investment and rates
- Province-developed policies available for adoption
- Clear community energy planning framework
- Clear emissions inventory framework



Aarhus



- National regulation of prices
- City-wide goal of CO₂ neutral by 2030
- Land use planning + energy planning
- Local connection requirements OK
- National technology catalogs



Toronto



- National goals for harmonized CO₂ price
- Provincial law: cost recovery on municipal energy infrastructure investments OK
- National fund to invest in infrastructure

Enabling Policies: U.S. Challenges

Problem

- No regulatory framework
- Electric-centric energy planning
- Lack of clarity on CO₂
- Inability to monetize ancillary benefits of district heating

Solution

- Zone specific buildings or developments for connection
- Guide local energy planning to augment utility planning
- Encourage assessment of “no regrets” opportunities with CO₂ as lens
- Integrate other benefits (e.g. resiliency) in any RFPs or RFQs