

Large ST Systems!

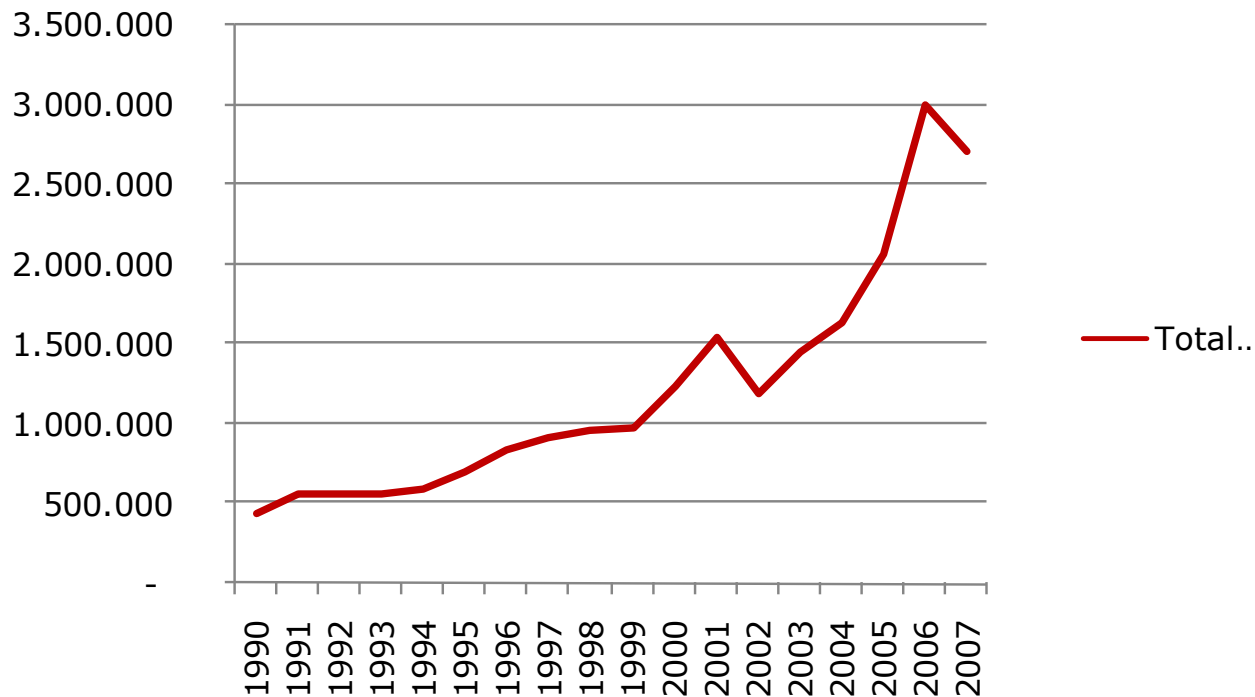
How governments can help develop the market for large solar thermal systems

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European solar thermal market (EU27+CH)



Still dominant role of individual water/space heating

- >90% of the market is individual
- Two very positive trends:
 - more combisystems (domestic hot water + space heating)
 - solar thermal systems supplying multi-family houses, office buildings (Collective Solar Thermal Systems, CSTS)

Why the CSTS segment is less developed

- technically more complex
- different owners, different motivation
- low awareness for solar thermal options
- owner-tenant-dilemma
- in absolute terms: higher initial investment costs
- commercial pay-back times



Overcoming the barriers: technical

- the technology is largely available
- but: know-how is missing amongst professionals; this results in
 - insufficient marketing
 - possible problems in planning and installation
- Recommendation: Training of professionals (architects, planners, installers); support of further R&D to enhance CSTS

Overcoming the barriers: (commercial) owners

- More complex decision-making process
- Commercial considerations often more important than for private individuals
- Energy independence and environmental benefit less of a selling point
- Recommendation: Enhancing the value added by a ST system, e.g. in Energy Performance Certificates

Overcoming the barriers: awareness

- Awareness raising often targets (only) private households
- Missing technical details, examples of successful projects
- Recommendation: Targeted awareness raising, highlighting technical issues, proven solutions, financial viability



Overcoming the barriers: owner-tenant-dilemma

➤ In a rented apartment/office:

- the owner decides about the heating system, pays for the investment
- the tenant benefits from lower conventional energy demand, but cannot chose solar thermal himself

➤ Recommendation: Legislation/regulation must clearly allow to pass on the higher initial investment costs!



Overcoming the barriers: initial investment costs

- Almost the total cost of solar thermal occur at the beginning, the benefit is realised over time!
- Making a decision about 20, 30 or 40 000 EUR is serious business
- Recommendation: Public loans with low interest and/or deferred payback can help make the decision for ST



Overcoming the barriers: pay-back times

- Private individuals more easily decide to invest long-term
- Companies expect very short pay-back times
- Recommendations:
 - For new buildings, ESTIF recommends solar obligations, requiring that a certain share of the heat demand is covered with solar thermal
 - For existing buildings, ESTIF recommends financial incentives to retrofitting them with solar thermal



Important note on solar obligations

- Different market
- Not anymore voluntary = possibly not interested in good working conditions
- Trend towards cheap and possibly low-quality products
- Recommendation: Quality assurance is essential in obliged market – for hardware AND for installation



Important: Coherent mix of support measures!

- Training of professionals
- Energy performance certificates explicitly showing the (missing) solar thermal option
- Specific, targeted awareness raising
- Legislation allowing to pass on investment into ST
- Favourable loans
- New buildings: solar obligations
- Existing buildings: financial incentives



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