

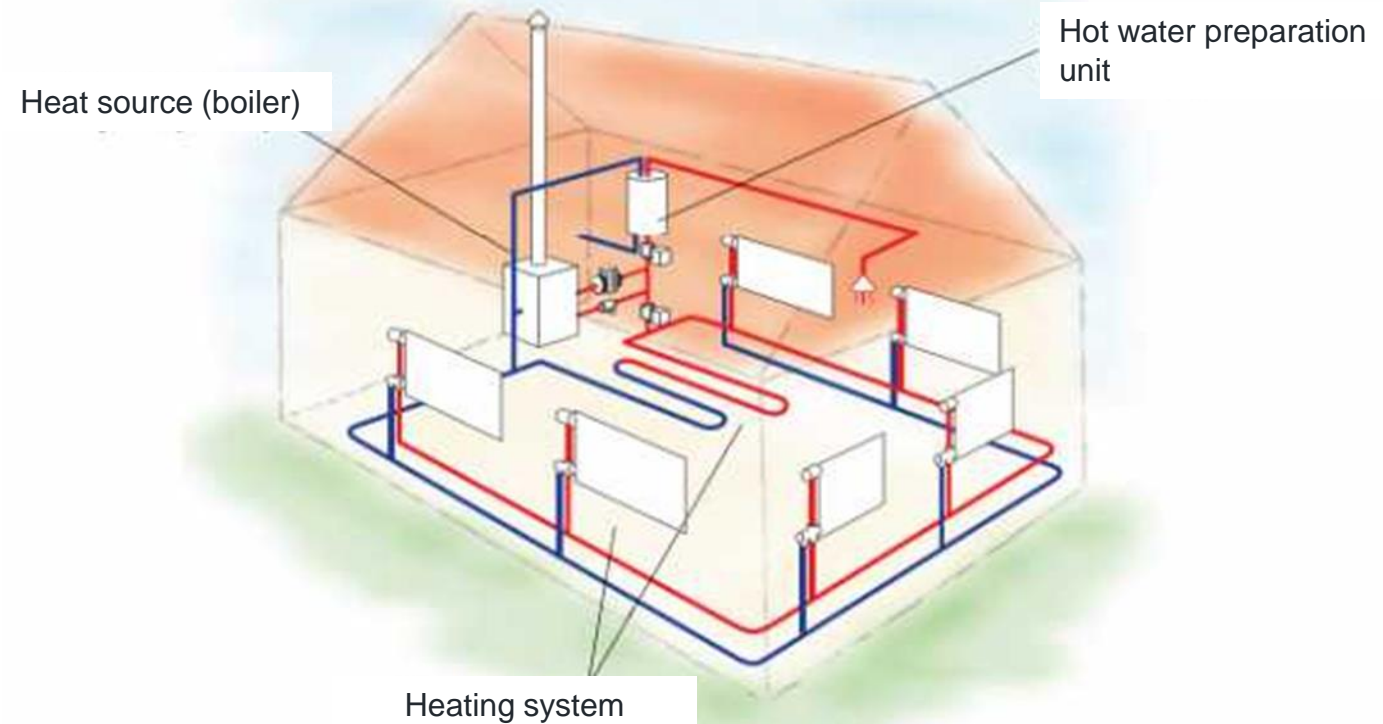


## 2.4 Individual heating systems. Energy saving. RES. Potential. Result.

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Modern heating sector - international trends and challenges for the Republic of Kazakhstan. Webinar Course in connection with the preparation of the “Law on Heating”

**Individual heating** is a system that operates independently of the district heating network and allows only your home to be heated. With individual heating, a heating boiler is installed in the apartment/house that heats the water to heat all rooms.



# Characteristics of an individual heating system

- the source and the consumer are one entity;
- there are no networks.

**There is no one in control at the moment**

## Furnaces / boilers

- Heat generation for indoor heating
- Fuel is supplied manually (solid fuel heating)
- Hot tap water is heated in a separate unit

### Differentiated by:

- By type of fuel used
- By type of heat distribution

## Electric radiators

- Produce heat from electricity
- Produces heat for indoor heating
- Tap water is heated in a separate device
- Usually at least one device in each room of the building
- Each device is equipped with a thermostat

# General information (What do we have?)

## The number of households

- urban areas

**about 5.1 million**

≈ 3,4 million

- rural areas

≈ 1,7 million

Total floor area

≈ 355 million square metres.

Heated area

≈ 283 million square metres.

Total floor area per household

≈ 70 sq. m

Heating surface per household

≈ 56 sq. m

# Heating system used

## District heating

- urban areas
- rural areas

2,64 million

2,59 million

0,05 million

## Autonomous system

- urban areas
- rural areas

0,87 million

0,41 million

0,46 million

## Individual furnace

- urban areas
- rural areas

1,58 thousand

0,41 million

1,17 million

Heated area

≈ 138 mln.sq.m  
about 9.4 million people

≈ 145 mln.sq.m  
about 8.8 million people

*Conclusion: about half of the RK households heat themselves.*

The heating of these households requires:

≈ **30 million Gcal/year** (35 million MWh/year) of heat energy

≈ **12 thousand Gcal/h** (14 thousand MW) of heat capacity, which is equivalent

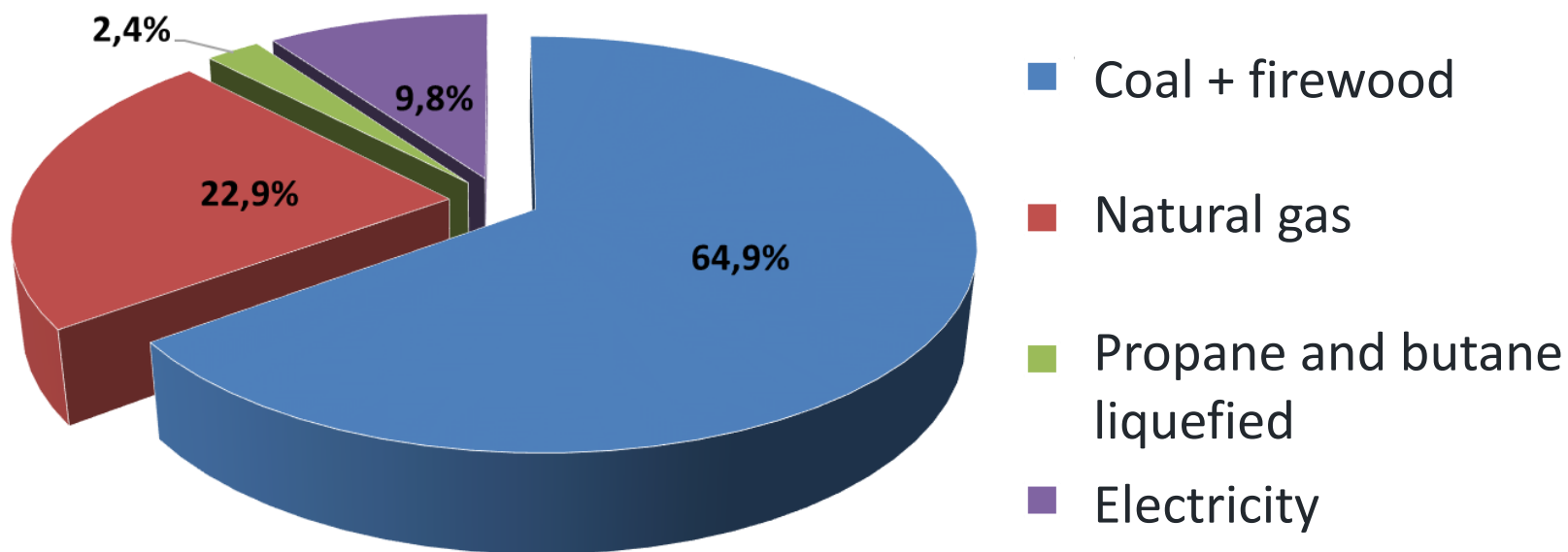
to:

- **9** units of Almaty CHP-2;
- **9** units of Karaganda CHP-3
- **36** HoPs of RK-1, Kokshetau
- **46** HoPs of RK-1 of Semipalatinsk

**It turns out that almost 50% of the RK population "heat whatever turns up".**

**No one knows (does not control), no one evaluates the results!!!**

# Types of fuel and energy used for heating households not connected to the DH system



## CAUTION!!!

More than one third of the population of Kazakhstan use solid fuels for heating. According to statistics, the total annual consumption of coal for heating households is about 9 million tonnes. At the same time, harmful emissions are about 17 million tCO<sub>2</sub>-eq/year (not including dust, ash, nerves, etc.).

**Question? Why are more than 6 million people in the country "fed" by coal?**



# Reasons for the "popularity" of coal among "private individuals"

## Let's compare:

### Advantages??? (there's two sides to that coin):

- Low price !!! ???
- Availability

### Disadvantages (no doubt):

- Low efficiency of boilers (overconsumption of coal)
- Fuel quality is NOT CONTROLLED (*black snow*)
- Low boiler lifetime - around 5 years (heating is expensive)
- Dangerous heating

### Cost of heating 1 m2 of heated area

District heating	100 tg/m2 month
Natural gas	200 tg/m2 month
Coal	300 tg/m2 month
Electric boiler	350 tg/m2 month

***The salary of the stoker is not taken into account***

## It turns out that all the virtues of coal are outweighed:

- poor fuel quality
- high specific costs of the boilers;
- Very low boiler efficiency (excessive fuel consumption);
- need to buy coal in advance;
- "hand and foot" method of heating.

**And for the country, the harmful (disgusting) impact on the environment.**

**For information,** switching households from coal to cleaner fuels would reduce up to 10 million tCO<sub>2</sub>eq, which is about 15% of Kazakhstan's greenhouse gas reduction commitment (the NDC plan).

# How low is the price of coal 'low' (considering the efficiency of the system)?

Let's calculate the cost of 1 Gcal of heat energy from different sources, tg/1Gcal

	Cost of 1 Gcal, tg	Cost of heating boiler 20 kW, thousand tg
District heating	3 500	
Natural gas	3 600	300
Coal (efficiency 40%)*	6 900-10 000	More than 500
LPG	15 000	300
Electric boiler	17 000	400
Heat pump	7 900	

\* According to calculations by a sectoral institute, the cost of 1 Gcal of heat energy for one of Kazakhstan's enterprises, including capital and operating costs, was 28,000 tg.

# How to improve the situation?

If there is no possibility of connection to the DH:

1. Provide the possibility to provide heating from electricity with separate metering and a dedicated tariff, with limitation during peak hours.
2. Provide assistance (subsidy/loan) for conversion of heating from coal to gas
3. In case of lack of natural gas - construction of local gasworks (with financing from environmental funds, subsidies)
4. Conversion to heat pumps when comparing options and economic viability

**The use of heat pumps in households is the most suitable alternative to coal-fired boilers (if there is no prospect of a natural gas connection).**

At the same time:

- Around **1.6 million households** will receive comfortable and safe heating
- **94.1 million sq.metres** of floor area will be heated from modern sources
- About **1.6 million** heat pump units will be required, making heat pump production in Kazakhstan economically viable (indirect benefit: development of new production facilities)

# How much to spend?

The cost of converting heating from coal to cleaner fuels is between \$1 and \$10 billion, reducing emissions by up to 10 million tCO<sub>2</sub>-eq,

To convert all coal-fired households to heat by heat pumps, about **1.6 million** heat pump units are needed, which is about **\$10 billion** in monetary terms.

To reduce the burden on the population due to the high cost of heat pumps, it is possible to provide state subsidies for their purchase (up to 50%), as it has been done in other countries (Denmark, Sweden, etc.).

A positive aspect for the state will be the reduction of greenhouse gas emissions. Conversion to heat pumps will reduce up to 7.5 million tCO<sub>2</sub>-eq., which in terms of money is about **\$ 127 million** (according to the NDC roadmap).

The cost of one carbon unit from 2023 will be 16.9 \$/tCO<sub>2</sub>-eq, and from 2026 - 50.8 \$/tCO<sub>2</sub>-eq.

- One of the highest priority options for the introduction of RES for the population of the RK that uses coal is the use of heat pumps (where there is no natural gas).
- State support is required for subsidies and compensation of part of the cost of the population to purchase heat pumps due to their high cost.
- The state's subsidy costs are offset by the benefits of reduced emissions.
- Indirect benefits are the establishment of production; new jobs; and taxation.

**The unit cost of reducing emissions, through government subsidies for the purchase of heat pumps, is lower compared to other methods and technologies presented in the NDC roadmap.**

<b>Changing heating from coal to cleaner fuels</b>	From 10 to 100 tCO <sub>2</sub> -eq
<b>Subsidies for the purchase of heat pumps</b>	67\$/1tCO <sub>2</sub> -eq
<b>Dissemination of electric vehicle heating technology during cold weather to save fuel and reduce GHG emissions</b>	81,9\$/1tCO <sub>2</sub> -eq
<b>Increasing the share of wind and solar power plants</b>	121,3\$/1tCO <sub>2</sub> -eq
<b>Installation of solar photovoltaic panels on residential roofs</b>	124,6\$/1tCO <sub>2</sub> -eq
<b>Increasing the electric vehicle fleet</b>	7190,6\$/1tCO <sub>2</sub> -eq

# Questions for discussion

1. Do you think the modernisation of the individual heating sector is a private sector problem or is it our common problem? Why?
2. Where do you think it is better to start upgrading: private households or central heating?
3. Are private households eligible for subsidies for thermo modernisation of their homes? Why?
4. We turn to those present who heat themselves (and not only): Have you thought about how much fuel you use? Have you evaluated your fuel consumption? Savings potential?





**Thank you for your attention**

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