



Toolkit on Heating & Cooling Planning by Local Authorities: Navigating the New Obligations under the Revised EU Energy Efficiency Directive (EED)

[Updated June 2024]

New obligations on local authorities regarding the production of heating and cooling plans are outlined in the revised EU Energy Efficiency Directive ([Directive \(EU\) 2023/1791](#)). A local heating and cooling plan is a strategy developed by local authorities to manage and optimise the heating and cooling systems within a specific area.

The purpose of the plan is to enhance energy efficiency and the use of renewable energy sources for heating at the local level. In this way they will form an important element of decarbonising the built environment sector in accordance with Ireland's carbon budget programme and ensuring phase out of fossil fuel use, in particular gas and oil in residential heating.

The purpose of this Toolkit is to provide an overview of the relevant EU obligations, as well as to provide a list of relevant resources and analysis pertaining to the H&C plans, in order to assist local authorities and other stakeholders.

Friends of the Earth welcomes the opportunity to engage further with local authorities and stakeholders as part of transposition of the EED and development of such plans. We also intend to update this toolkit and welcome input on other relevant resources.¹

EU Obligations

Under Article 25 of the revised EED, local authorities now have the following obligations.

1. Local Heating and Cooling Plans:
 - All regional and local authorities in municipalities with populations over 45,000 must prepare local heating and cooling plans. These plans must be based on comprehensive heating and cooling (H&C) assessments and should map out the potential for increasing energy efficiency and the use of renewable energy sources for heat such as solar thermal, geothermal, biomass, and waste heat recovery.

2. Involvement of Stakeholders:
 - Local heating and cooling plans must be prepared with the involvement of all relevant stakeholders, including local energy infrastructure operators and the general public.

¹ Please contact clare@foe.ie or info@foe.ie

3. Financial and Technical Support:
 - The H&C plans must assess how to finance the implementation of the proposed measures and identify financial mechanisms that support consumers in transitioning to renewable heating and cooling options
4. Addressing Energy Poverty:
 - Local heating and cooling plans must include measures that address energy poverty. This involves prioritising energy efficiency improvements for households at risk of energy poverty and ensuring that these households benefit from the transition to more sustainable energy systems.
5. Role of Energy Communities:
 - The plans should assess the role of energy communities and other consumer-led initiatives in contributing to local heating and cooling projects. This includes promoting active participation from these groups

Under the revised Energy Performance of Buildings Directive ([DIRECTIVE \(EU\) 2024/1275](#)), Member States will also have to set out policies and measures to phase out fossil fuels in heating and cooling as part of national building renovation plans (Recital 14, Article 3 and Annex II)

(ii) Key Considerations for Irish Local Authorities

1. Gas Network Lock-in

Further installation of fossil fuel boilers, in particular gas boilers and further expansion of the gas network, does not align with obligations under the EED. Gas network expansion risks locking-in consumers to polluting (and expensive) fossil gas use for years to come. It also risks undermining renewables development and restricting households to a specific fuel type, which can limit the adoption of more sustainable and diverse energy solutions like heat pumps or new district heating networks. Additionally, [new district heating networks](#) require a guaranteed “anchor load” of public, commercial and/or residential end users in order to be cost-effective. This is put at risk by new gas connections made in areas suitable for sustainable district heating. **It is important for H&C planning to reject new gas connections and plan for fossil fuel phase out.** Long-term dependency on gas in particular will hinder the transition to renewable energy sources and make it significantly harder to deliver Heating and Cooling planning obligations.
2. Vulnerable Households

Given the critical context of continued high energy costs driven by fossil fuels and a rapidly worsening climate crisis, local authorities must prioritise [solutions that address the structural causes of energy poverty](#) through effective heating and cooling planning. Local authorities can play an important role in mitigating energy poverty by identifying at-risk households, developing and implementing strategic local heating

and cooling plans, and proactively engaging a wide range of stakeholders in H&C plan development process. These plans must prioritise energy efficiency and the integration of renewable energy sources, as outlined in the revised Energy Efficiency Directive.

The inclusion of measures tailored to vulnerable households is essential, such as retrofitting the worst-performing social housing first, targeting support to areas most in-need through GIS mapping, and establishing local Community Energy Advisors. These advisors can offer personalised advice, support energy-poor households with energy efficiency interventions, and facilitate access to financing schemes and grants.

By ensuring stakeholder involvement in the H&C planning process, leveraging existing infrastructure, and focusing on community-specific needs, local authorities have the opportunity to create long-term, sustainable solutions that not only reduce energy poverty but also contribute to broader climate goals. Initiatives like retrofitting all social housing to higher energy performance standards and transitioning to renewable heating solutions are critical steps in this process, helping to alleviate energy poverty and improve the quality of life for vulnerable groups.

Resources List:

See below a list of relevant analyses and resources relating to Heating and Cooling Plans

- Energy Cities: Local Heating and Cooling Plans: Findings & Policy Recommendations [link](#)
- Energy Cities has put together an online tracker of national heating and cooling policies to shine a light on which countries are doing well and which countries need to step up their game in the challenge of decarbonising heat. See Ireland's progress here: [link](#)
- Covenant Of Mayors (2024) 'How Can Cities Decarbonise Heating & Cooling' [link](#) - this brings together a large number of EU resources on H&C implementation.
- EU Energy Efficiency Directive [link](#)
- EU PowerPoor Project (2021) 'Energy Poverty Guidebook for Energy Planning' [link](#)
- RESCoop (2023) 'Guidelines on Community Heating and Cooling' [link](#)
- SEAI (2022) 'National Heat Study' [link](#). See specific report on 'Low Carbon Heating and Cooling Technologies' [here](#).
- EU Decarb Cities 2050 (2021) 'Guidance for Cities' [link](#)