

Triple Point Heat Networks Awards £40 million to Projects

The first projects to receive gap funding for heat network schemes have been announced today by the Department for Business Energy and Industrial Strategy (BEIS) in partnership with Triple Point Heat Networks Investment Management. With over £30 million awarded to five local authority projects and a further £10 million awarded to two exciting private sector projects in South East London and Liverpool.

Marking another step forward in the government's Clean Growth Strategy, the money will come from the £320m Heat Networks Investment Project (HNIP) fund. These projects are the first beneficiaries to be formally announced by the scheme which is open to public and private sector organisations in England and Wales.

The Heat Networks Investment Project (HNIP) has offered funding to:

Barking Town Centre Strategic Distribution Energy Scheme (Funding Award: £5m)

To create a low carbon district heating scheme in Barking Town Centre, serving a mixture of new developments comprising more than 8,000 homes as well as a number of existing buildings.

Bristol City Council: Old Market Heat Network (Funding Award: £6.59m)

To support the installation of a key phase of the city centre-wide provision of low carbon heat. The Network will supply 17 buildings including 10 office blocks, 4 residential blocks, two hotels and one school.

Bristol Redcliffe Heat Network (Funding Award: £3.6m)

To expand the existing network and the installation of a second low carbon energy centre, supplying heat to a number of new commercial developments.

Leeds City Council (Funding Award: £2.4m)

To extend a recently completed heat network into the city centre. The extension will deliver low carbon heat from the Recycling and Energy Recovery Facility (RERF) to five council buildings and has been oversized to allow existing buildings and developments to connect in the future.

Energetik: Meridian Water Heat Network (Funding Award: £14.76m)

To supply low carbon waste heat to 10,000 homes and eventually connect to three other housing developments in the Borough to supply over 15,000 homes. The network has capacity to expand and the company hopes to connect to supply heat to neighbouring London boroughs.

Veolia: South East London Combined Heat and Power Heat Network (Funding Award: £5.5m)

To create a new pipework branch from South East London Combined Heat and Power (SELCHP) – a major energy from waste plant – to transport waste heat to 3,500 new homes.

Peel Energy, part of Peel L&P: Liverpool Waters Heating Network (Funding Award: £1.3m)

To support the supply of heat to multiple residential and commercial buildings with a temporary energy centre and an accelerated transition to a low carbon heat source.

Ken Hunnisett, Project Director at Triple Point Heat Networks Investment Management said:



“We are delighted to offer funding to these highly deliverable projects, each of which scored well in the opening funding rounds in terms of the key scheme metrics of heat delivered and carbon saved.

Of course, this is only the beginning of the story. We know that there is a substantial pipeline of projects out there and as such this announcement today will be the first of many. We hope it helps to build confidence in the market and that it encourages others to come forward and take advantage of this unique opportunity. People need to engage with some urgency as HNIP is a time-limited scheme that closes in March 2022. Heat networks offer a unique opportunity to utilise a range of heat sources to deliver low carbon heating and cooling to multiple properties. We look forward to working with future applicants to support them throughout their application journey.”

ENDS

Below is a summary of the schemes to be awarded funding

Round 1

Barking Town Centre Strategic Distribution Energy Scheme (Award: £5m of grant funding for commercialisation and construction)

Barking and Dagenham Council has been awarded £5m to co-fund the creation of a landmark low carbon UK district heating scheme in Barking Town Centre.

The project has been classified as strategically significant by the GLA and builds on the borough’s ambitions to become the green capital of London. It involves modification of the existing energy centre on the Gascoigne East Estate, Weavers Quarter, and the construction of a new large-scale energy centre. Together these will supply over 30 GWh per year of low carbon heat into a new Barking Town Centre wide heat network, serving a mixture of new developments comprising over 8,000 homes, together with existing buildings.

Initially, supplies of heat will come from gas-fired combined heat and power units, but over time these will be replaced with existing sources of waste heat in the borough to deliver zero carbon heat supplies.

Bristol Redcliffe Heat Network (Award: £3.60m of grant funding for commercialisation and construction)

The extension of the Bristol Redcliffe heat network will involve the expansion of the existing network and the installation of a second low carbon energy centre to supply heat to a number of new commercial developments in the area. The current scheme, which utilises biomass boilers, was completed in 2016 and supplies 700 social housing properties.

The extension will use the additional capacity within the current energy centre as well as the new energy centre, located within the council's offices, which will include new gas CHP and back up boilers. The scheme will also include future proofing works to enable the network to be connected to additional existing loads and proposed new developments around Bristol Temple Meads. In addition to this section of the network the council will also be expanding to new areas of the city which will be served by new renewable sources such as water source heat pumps and geo-thermal technology.

Leeds City Council (Award: £2.4m in grant funding for construction)

The Leeds PIPES scheme is a recently-completed district heat network that has already begun delivering heat to Leeds. It currently comprises a network of around 16km of pipework, delivering low carbon heat and hot water, generated from waste steam created by the Recycling and Energy Recovery Facility (RERF), to commercial properties and council-tenanted properties. HNIP funds will be used to extend the network into the city centre, connecting five council buildings and allowing other existing buildings and developments to connect in the future.

The pipework therefore will be sized to enable a future extension to the South Bank, an area of major development and regeneration. The extension of the network comes at a key time, as Connecting Leeds will deliver extensive highways remodelling in the city centre.

Veolia: South East London Combined Heat and Power Heat Network (Award: £5.5m of grant and loan funding for commercialisation and construction)

The network will consist of a spine running from the plant to Lewisham and connections to an anchor load comprised of commercial and residential units. This will create a network of approximately 1.7 km capable of delivering in excess of 30 MW of low carbon heating demand. The proposed heat network will provide immediate and long term carbon reduction to these developments compared to alternative heating options while providing good value heating to residents and businesses.

Round 2

Bristol City Council: Old Market Heat Network (Award: £6.59m of grant funding for commercialisation and construction)

A new network in Bristol, as the City Council seeks to install a city centre-wide provision of low carbon heat through heat network pipes. Designed to supply low carbon heat from the Energy Centre at the current Castle Park Council Depot site, at full build out the energy centre will comprise of a Water Source Heat Pump, Gas CHP and Gas peak and reserve boilers. The Phase 1 Old Market Network will supply 17 buildings including 4 residential blocks, 10 office blocks, 2

hotels and 1 school with an annual demand of 14.4MWh, through 1.6km of DH pipe. Over the next 25 years, the Old Market Network Phase 1 project will save around 76,911 tonnes of carbon. In the longer term, there may be more opportunities for new low or zero carbon sources of heat to connect to the network.

Energetik: Meridian Water Heat Network (Award: £14.76m of grant and loan funding for construction)

Meridian Water Heat Network will supply waste heat to at least 15,000 homes, with potential to rise to in excess of 30,000 over the lifetime of the network. The project is planned to be operational in 2022 and will be extended as new developments are built. Connection to the North London Waste Authority's new Energy Recycling Facility (ERF) when built in 2026 will provide a very low carbon heat supply.

The energy centre will initially use gas fired boilers, enabling the heat network to supply customers with heat from 2022 before connecting to the ERF to supply up to 60MW of waste heat. The network's construction will enable 8.9km of heat network piping to be installed, eventually serving multiple large housing developments. Once the ERF is connected in 2026, the equivalent annual carbon savings will exceed 2200 tonnes and will rise rapidly over the next 10 years to over 5700 tonnes per annum in 2036.

Peel Energy, part of Peel L&P: Liverpool Waters Heating Network (Award: £1.3m of grant funding for construction)

Peel Energy, through its supply company (ESCo) Mersey Heat is delivering a district heat network to serve Peel L&P's Liverpool Waters development and surrounding areas including 2,000,000m² of development floorspace, 9,000 residential units, 315,000m² of business space and 53,000m² of hotel and conference facilities. The awarded funding will support the supply of heat to multiple residential and commercial buildings with a temporary energy centre. A planned transition to a low carbon heat source will occur in the future to reduce carbon emissions.

NOTES TO EDITORS

The government investment for the £320 million Heat Networks Investment Project was first announced in the Spring Budget 2015. <https://www.gov.uk/government/publications/heat-networks-investment-project-hnip-scheme-overview>

Triple Point Heat Networks Investment Management website: www.tp-heatnetworks.org

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