

District heating supplier FVS reduces its carbon footprint

Phase-out of coal improves emissions balance and requires adjustment of the tariff system

Saarbrücken. STEAG and Fernwärme-Verbund Saar (FVS) are making further progress with the energy transition. As the district heating supply in the Saar region is to do without energy from hard coal in future, the system, which already plays a part in conserving resources, will now be even more climate-friendly. The new energy mix will also require a change in the tariff system, because it will no longer be possible to calculate the district heating charges on the basis of hard coal price indices.

Germany is to phase out coal-based energy production by 2038 at the latest. For customers of Fernwärme-Verbund Saar (FVS), the coal phase-out will become reality as early as next year. From then on, district heating will no longer be produced with hard coal in the area supplied by FVS.

This will be made possible by forward-looking planning on the part of STEAG and FVS, aimed at gradually switching to other heat sources. Towards that end, STEAG has modernized existing gas engines at the Völklingen-Fenne site, which function according to the principle of combined heat and power generation and are therefore particularly efficient and conserve resources.

To cover peak load requirements, new natural gas fired heating plants will also go into operation in Völklingen and Saarlouis at the beginning of the 2021 heating period, and, together with the waste disposal group Entsorgungsverband Saar (EVS), STEAG is currently converting the Velsen waste to energy plant into a heat supplier for FVS. In future, an additional 170 million kilowatt-hours (kWh) of climate-friendly district heating per year will be available to the district heating system. This will result in several advantages for district heating customers of FVS.

Improved carbon footprint means lower CO₂ levy

Firstly, the carbon footprint of the heating supply system continues to improve. That is not only good news for the climate and the environment, but also for district heating customers' wallets. From January 2022 onwards, a CO₂ levy will also be applied to district heating purchases under the provisions of the Fuel Emissions Trading Act (BEHG). With the improved carbon footprint, the associated additional costs will be

correspondingly lower. STEAG and FVS have absolutely no influence on this price component. It is a legal requirement and will be adjusted annually in future.

Secondly, because heat generation will no longer be based on hard coal as an energy source, STEAG and FVS are adjusting the price change formula. In future, the price index for hard coal will no longer be taken into account, and will be replaced by other price indices. These are calculated and published by the Federal Statistical Office, i.e. by an independent third party. These indices are transparent and can be viewed at any time on the website www.destatis.de.

Cost-neutral tariff changeover

The tariff changeover due to the change in the price change formula will take place for all district heating customers on October 1, 2021. There will be no increased costs for anyone for the current 2021 billing year.

Any questions? Just ask us!

Customers who have questions about the tariff changeover can find information on the FVS website at www.fvs.de or contact the FVS customer service center. It can be reached by telephone on 0681 94 94 91 00 or by email at info@fvs.de.

About STEAG

For over 80 years, STEAG has stood for efficient and reliable power generation, both in Germany and abroad. As an experienced partner, we support our customers comprehensively in all phases of power supply. We design, develop, implement, operate and market highly efficient energy solutions – from distributed generation facilities and those based on renewable sources to large central power plants and recycling of their by-products. Together with customized solutions in the field of electricity and heat supply, we also provide a wide range of energy services – increasingly on the basis of renewables. Successfully so: Since 1990, STEAG has permanently reduced its own CO2 emissions in Germany by approximately 85 percent.

About STEAG New Energies

STEAG New Energies GmbH, a subsidiary of STEAG GmbH, specializes in developing and implementing decentralized energy solutions based on efficient and sustainable concepts. Be it electricity, heat, district heating, cooling, compressed air or process steam: Our solutions give our customers the edge in terms of efficiency – in Germany and around the world. Besides conventionally generated energy, the spectrum ranges all the way from wind and bioenergy through to geothermal energy. In 2019, STEAG New Energies achieved sales of around 241 million euros and employed a workforce of some 400 staff in Germany and abroad (including holdings).

About Fernwärme-Verbund Saar

Fernwärme-Verbund Saar GmbH (FVS) designs, constructs and operates the Saar district heating network. It was founded in 1979 as a joint venture by Saarberg Fernwärme GmbH and the Saarbrücken municipal utilities. STEAG GmbH holds a 74 percent stake in FVS, while Stadtwerke Saarbrücken Netz AG holds 26 percent of the shares. By the end of 2017, FVS had invested a total of 263 million euros in the district heating network. It was predominantly assisted in this by public subsidies amounting to 72 million euros. The Saar district heating network was conceived in the wake of the 1973 energy crisis to secure energy supply by establishing regional structures. The vision was to save primary energy – which is becoming increasingly expensive – and replace it by using combined heat and power and industrial waste heat. That vision became reality. Today, the Saar district heating network has been extended continuously over a length of 19 kilometers from Saarlouis to Völklingen, making it one of the largest regional district heating networks in Germany.

Contact

Daniel Mühlenfeld
Press Spokesman

Tel. +49 201 801-4262
Fax +49 201 801-4250
Daniel.Muehlenfeld@steag.com
www.steag.com

STEAG GmbH

Rüttenscheider Str. 1–3
45128 Essen
Germany
www.steag.com

Registered office in Essen
Registered at Essen Local Court
under number B 19649

Supervisory Board

Guntram Pehlke, Chairman

Board of Management

Joachim Rumstadt, Chairman
Dr. Andreas Reichel
Dr. Ralf Schiele
Ralf Schmitz