

Overview of National DHC Market

Country

Croatia

Summary of the National DH market

Energy operators in the districting heating sector in the Republic of Croatia provide services of heating and preparation of sanitary hot water for over 155,000 district heat users. Households represent more than 95 percent of the total number of district heating users.

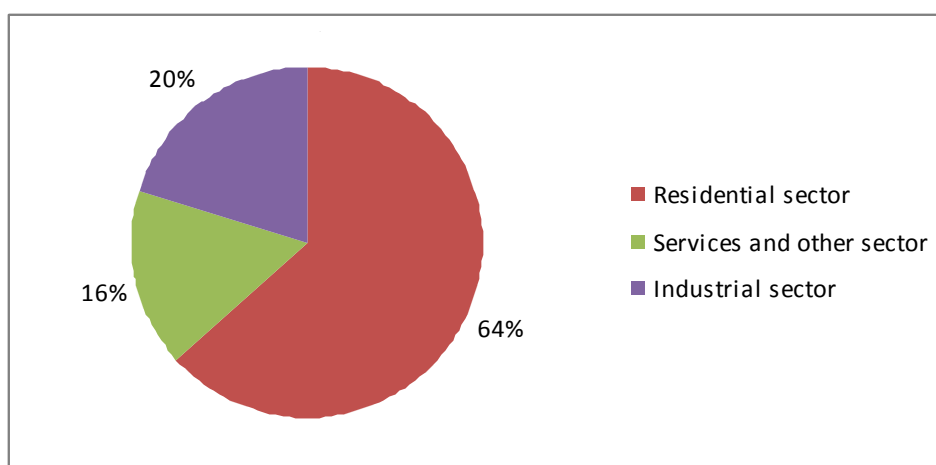
In 2008, there were eleven companies supplying district heat (actively producing, distributing and supplying heat) in 16 towns throughout Croatia, mainly in the continental parts.

Heat supply from district heating systems is present in major Croatian towns and heat is produced either in cogeneration plants for larger town parts or in heating plants for certain residential areas.

Heat is distributed through approximately 430 km of hot water/warm water network to the facilities in which the heat is distributed to the customers.

District heating in Croatia had a share of 9.5% of the energy sources used to satisfy heat demand in the residential, services and other sectors. In total 9,119 TJ were delivered through DH in 2007, whereas the majority (64%) was distributed to the residential sector. The fuels used for district heating in Croatia are natural gas and oil and petroleum products (fuel oil, light heating oil) which are used both in cogeneration plants and local boiler plants. 71.6% of these fuels are used in cogeneration plants.

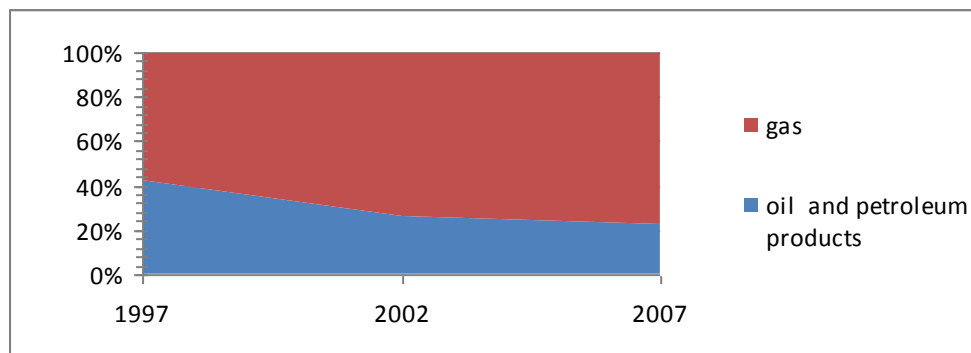
Figure 1: Total District Heat delivery in 2007 by sector



The main energy source for space and warm water heating in Croatia is gas and therefore the primary competitor of DH. The share of CHP in the Croatian electricity production is 21.5% and natural gas is the main energy source in use for CHP.

During the period of the past ten years, the share of natural gas continually increased while the share of oil and petroleum products decreased in the generation of district heat. The following diagram illustrates the fuel shares (in total for year 2007: natural gas 77.1 percent and oil and petroleum products 22.9 percent).

Figure 2: Fuel share in District heating



District heating companies engaged in production, distribution and supply of heat are owned by local government units, by the state or are privately owned. Besides activities related to heat supply, these companies mainly carry out the activity of gas distribution and other utility services.

District heating systems with cogeneration plants (CHP plants) exist only in cities of Zagreb, Osijek and Sisak. In addition to heat intended for heating purposes, these units also produce process steam for the industrial purposes. District heating activity in these cities is carried out by the energy operator HEP Toplinarstvo d.o.o. which supplies heat to over 80 percent of customers connected to district heating services in the Republic of Croatia.

There is no district cooling in Croatia.