Euroheat & Power

EHP position paper on the draft Council Conclusions on Geothermal Energy

Geothermal energy is a locally available, sustainable resource that strengthens the EU's energy security while providing stable and affordable heating for households and industries. The geothermal district heating and cooling (DHC) sector has experienced a 6% annual growth in installed capacity, reaching 262 systems with a total of 2.2 GWth by 2021. According to the European Commission's Joint Research Centre, **DHC systems are the largest and fastest-growing application of geothermal energy in the EU**.

The European Geothermal Energy Council (EGEC) reports that **geothermal energy could meet approximately 25% of Europe's heating and cooling demand** and 10% of its electricity needs. In January 2024, the European Parliament passed a resolution on geothermal energy (2023/2111(INI)) with 96% of MEPs in favour, emphasising that '***the greatest potential of geothermal energy use in the EU lies in district heating and cooling systems providing local, baseload and flexible renewable energy and protection against volatile and rising fossil fuels prices***'.

Euroheat & Power welcomes the Council's commitment to geothermal energy and the ambitious draft text. While expressing strong support for the presidency's draft conclusion, **Euroheat & Power also recommends further highlighting the potential of DHC systems to harness geothermal energy**:

Paragraph 1 – point b a (new) – *that geothermal district heating has the potential to provide affordable and secure heating and cooling supply to decarbonise the residential sector and enhance industrial competitiveness.*

Paragraph 1 – point d a (new) – *that district heating and cooling networks can fully harness all types of geothermal energy, with the option to adjust temperature requirements using heat pumps when necessary.*

Paragraph 2 – point c a (new) – *that district heating and cooling is the fastest-growing application of geothermal energy, with the greatest potential to utilise all forms of geothermal energy. These systems offer local, baseload, and flexible renewable heating while protecting consumers from volatile and rising fossil fuel prices.*

Paragraph 3 - point a a (new) - *to explore the feasibility of introducing an EU-wide insurance scheme for geothermal projects.*

Paragraph 5 - point b a (new) – *to ensure the long-term price and cost competitiveness for renewable energy sources, including geothermal energy, compared to natural gas, as a pre-requisite for investment certainty and reducing the capital cost of new geothermal projects.*

Paragraph 7 - CALLS ON the Commission to ensure promotion, improvement and broadening of the scope of existing projects on geothermal energy data*, including data on existing district heating networks,* as a step towards bridging data gaps and establishing an EU-wide meta-database connecting national geological data repositories, and accessible to all stakeholders *and municipalities* across the EU;

Paragraph 7 a (new) – *CALLS ON the Member States to improve coordination between geothermal energy development and regional planning, taking into account geothermal energy and other sustainable heat sources in the preparation of their comprehensive heating and cooling assessments and the local heating and cooling plans pursuant to Article 25(6) of Directive (EU) 2023/1791, and prepare municipal heat maps to foster the full exploitation of the geothermal energy potential.*