

<i>Title of the measure:</i>	BG30: "Energy Efficiency Measures for Natural Gas End Users through Gas Distribution Companies in Bulgaria" Project (DESIREEGAS)
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General description

In 2016, the Ministry of Energy (ME) concluded a Memorandum of Understanding with gas distribution companies in the country for the gasification of residential buildings as an energy efficiency measure. Within the framework of the National Accelerating Gasification Program, ME received the support of the International Fund Kozloduy (IFC), administered by the European Bank for Reconstruction and Development, for the purpose of joining households to the gas distribution network. This support for the housing sector will be provided through the DESIREE GAS project. Under the project, funded by IFC 20 million, the replacement of heating systems for homes using energy-intensive sources such as electricity, coal, wood or oil and natural gas will be possible. The main objective of the DESIREE GAS project is to provide a special and effective mechanism to support the gasification of Bulgarian households.

It is foreseen that the European Bank for Reconstruction and Development grant will cover the financing of over 10 thousand households, as the project estimates show. The application is made by the individual homeowners and will be possible until the financial resources of the grant are exhausted. With the MPA grant, 20% of the cost of replacement projects for household heating systems with natural gas fired power plants is borne. To provide the 80% own resource, households can benefit from the preferential bank credits developed specifically for this project. This is not a necessity, but an additional opportunity to support consumers.

Specifically, the benefits of the project will be measured in the following objectives:

- Support for the gasification and installation of high-efficiency boilers in about 10,000 households;
- Saving of electricity equivalent to 142 000 MWh per year;
- Achieve additional electricity savings of 70,000 MWh per year as a result of switching from coal, biomass and oil to natural gas due to higher combustion efficiency;
- Savings of about 213 kWh for every 2 leva of the grant for the average economic life of 15 years of installed equipment;
- Reduction of greenhouse gas emissions of 70,000 tons of carbon dioxide annually or over 1 million tons of carbon dioxide for the economic life of the installed equipment.

In a broader aspect, household gasification will contribute to enhancing security of electricity supply by saving direct electricity use and increasing energy efficiency within the heating and hot water supply system.

Impact evaluation

The measure is evaluated by the bottom-up method. In order to avoid double counting, realized energy savings are included in the assessment of measures

implemented by natural gas traders under the liability scheme. The applied specialized methodology for assessment of energy savings after gasification was approved by Order No. E-ПД-16-318/28.03.2017 of the Minister of Energy.

Interaction of measures

BG 25 Cross-cutting

Historical data

References

<http://desireegas.bg>

https://ec.europa.eu/energy/sites/ener/files/documents/bg_neeap_2017_bg.zip