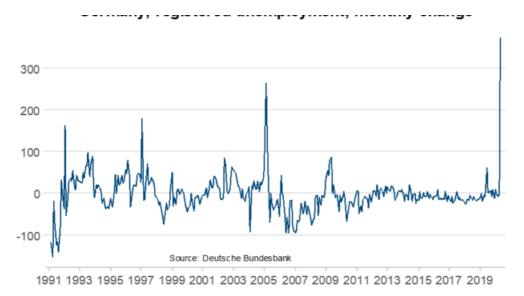


https://blog.en.erste-am.com/renewable-energy-on-the-rise/

Renewable energy on the rise

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Consumption of end-use energy, i.e. the consumption of energy by private households and the corporate sector, has increased in Austria by about 50% in the past 30 years.

Reasons for the increase

Gas consumption has increased significantly in recent years, as has the use of renewable energy carriers and waste in industrial processes. The end-use of renewable energy carriers, for example, increased from 88 Petajoule (PJ) to 171 PJ from 1988 to 2018, whereas the use of coal fell from 54 PJ to 18 PJ during the same period of time.

In 2018, oil products accounted for 38.2% of the volume of energy used by end-users, while gas accounted for 17.5%, and renewable energies for 15.2%. 20.2% was consumed as electricity and 6.3% as district heat. Coal made up 1.6% of end-use volume, and waste 1%.

In spite of the constant increase in the consumption of renewable energy, fossil energy carriers such oil and gas therefore continue to cover the majority of the domestic energy consumption. This is a growing problem in view of the emission of greenhouse gases and the security of supply, not the least since more than 90% of fossil energy carriers are imported.

Share of energy carriers in terms of the consumption of end-use energy in 2018

Gas, Renewable energy, District heat, Coal, Combustible waste, Crude oil, Electricity; Chart and source: Statistics Austria; as of 28 February 2020

Demand for renewable energy has increased drastically

The demand for renewable energy carriers such as hydrodynamic power, wind power, solar power, geothermal heat, and biomass has increased significantly in recent years. Their use has almost doubled in the past 30 years, and more than tripled since the beginning of records in 1970.

The benefits of renewable energy are well-known: it prevents the production of greenhouse gases, and it reduces the dependence on energy imports. Accordingly, the EU defined its "20-20-20" goals in 2008. By 2020, a 20% reduction of greenhouse gases relative to 1990, an EU-wide share of 20% of renewable energies, and an increase of energy efficiency of 20% were to be reached by 2020. In addition, Austria also committed to a target of 34% of renewable energies by 2020. This target was reached in 2018 at 33.4%.

Domestically, renewable energy also accounted for 73.1% of electricity; hydrodynamic power makes up 76.5% of this portion, according to EU calculation models.

While electricity from hydroelectric power plants comes with a long history in Austria and accounts for a significant share of total electricity generation, the use of biomass, wind, or photovoltaics for the production of electricity has only been relevant since 2005.

Water and wind are only used for electricity generation, whereas biogenic energy carriers have a wider scope of applications: on top of the production of electricity and distant heat, they are also used as fuels and to heat households.

What about district heat?

The production of district heat from biomass has increased rapidly in recent years, from 7.3% in 1990 in terms of total district heat production to 47.6% in 2018. 2,000 individual facilities contribute to the production of district heat from biomass across Austria, with the upward trend remaining in place.

Internationally, Austria was ranked 5th in 2018 in terms of its share of renewable energies (33.4%) behind Denmark (36.1%), Latvia (40.3%), Finland (41.2%), and Sweden (54.6%). The European average 2018 was 18.0% and thus 2% below the target of 20% for 2020, as laid down by "Strategy Europe".

Chart: Statistics Austria: source: Eurostat: as of 28 February 2020

Conclusion & outlook

By expanding and stepping up the use of renewable energies, Austria contributes significantly to climate protection and thus sets a clear example for the urgency of containing global warming.

In its national energy and climate plan, Austria has defined the goal to increase the share of renewable energies by 2030 to a range of 46% to 50% and to cover 100% of total electricity demand from domestic renewable sources of energy.

In view of the strategy of the European Commission to turn Europe into the first climate-neutral continent by 2050, the decarbonisation of the energy sector and the resulting expansion of renewable energies is of even more pertinence.

Glossar

Gross consumption of end-use energy: the gross consumption of end-use energy is the energy used by the end-user (end-use of energy) plus losses incurred by the network and own consumption by power plants.

Renewable energies in terms of gross consumption of end-use energy: an indicator that measures the share of use of renewable energies in terms of gross consumption of end-use energy in accordance with the Renewable Energy Directive (Directive 2009/28/EC). The calculation is based on data that are collected as part of the Regulation (EC) no. 1099/2008 and complemented by specific additional data.

Consumption of end-use energy: the consumption of end-use energy is the total consumption of energy by end-users such as private households, industry, services, and agriculture, forestry, and fishery. This is therefore the energy that is supplied to the end-users net of the energy that the energy sector itself uses.

<u>Renewable energies:</u> energy resources that are sustainably available, especially hydroelectric power, wind power, photovoltaics, solar power, ambient heat, geothermal energy, and biogenic energy.

Sources:

- Statistics Austria, Energy balances 2018
- Federal Ministry of Agriculture, Regions and Tourism (formerly Federal Ministry for Sustainability and Tourism) 2019, Integrated national energy and climate plan for Austria
- Eurostat, Renewable Energies 2018
- · Eurostat: Statistics Explained

You can find our dossier on rethinking energy production and consumption at: https://blog.en.erste-am.com/dossier/strom-energie/

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