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WLPGA – JET HEATING TASKFORCE POLICY MAPPING

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Introduction and Executive Summary

In the current climate of net zero and emission reduction targets there are an increasing number of policies and regulations that aim to reduce the use of fossil fuels, including LPG. Some of these restrictions, such as bans on gas boilers, also apply to biofuels such as bioLPG. This repository catalogues and evaluates damaging legislation for LPG and bioLPG to aid the prioritisation and focus of resources, and in the future to enable the sharing of best practice and evidence-based responses to key advocacy themes.

The scope of the project includes policies, proposals, regulations and reports that directly or indirectly restrict the use of LPG and natural gas in the UK, EU, New Zealand and some regions with the most ambitious climate policies in the United States of America.

The policies are ranked in terms of importance based on the scale of the impact on the LPG sector and the timeframe for delivery using the following matrix.

		Timescales		
		1 = After 2030	2 = Between 2025 and 2030	3 = Before 2025
Impact	1 = No or limited impact on LPG business	1 = Watch	2 = Watch	3 = Influence
	2 = Impact on new build/new connections	2 = Watch	4 = Influence	6 = Act
	3 = Impact on existing LPG customers	3 = Influence	6 = Act	9 = Act

Figure 1 - Document importance matrix

Table 1 - Summary of Policy Document Rankings by Country

Country	Watch (1-2)	Influence (3-5)	Act (6-9)
UK	0	2	3
EU	0	0	1
New Zealand	1	2	0
United States	2	11	4
France	0	2	1
Germany	0	0	1
Canada	0	2	2
Australia	0	0	2
Total	3	19	14

Table 2 - Summary of Policies with an Importance Rank Between 6 and 9 (Act)

Region	Policy
France	RE2020 - Exclusion of gas, and liquids gas for new buildings from 2022
Germany	Programme/Coalition contract of new Government and Action Package II - Restriction requiring new heating installations to preferably use at least 65% renewable energy from 2024
Australia	Rental phase out LPG space heaters from 2019
	Yarra Valley Council gas ban for council buildings from 2030
UK	Phasing out the installation of fossil fuel heating in businesses and public buildings off the gas grid from 2024 for large buildings (>1000m ²) and 2024 for smaller buildings
	Phasing out the installation of fossil fuel heating in domestic buildings off the gas grid from 2026
	Heat and Buildings Strategy outlines decarbonisation plan including above two policies
EU	Energy Performance of Buildings Directive Amendment - a clear legal basis for national bans of boilers based on fossil fuels and removal of subsidised for fossil-fuel boilers as of 2027. RePower EU proposed phasing out Member States' subsidies for fossil fuel-based boilers in buildings as of 2025 as a minimum and encouraging redirection to incentivise support schemes for heat pumps instead.
Vermont	The Climate Council and Climate Action Plan requires fuel suppliers to reduce emissions of their fuels or purchase credits from other suppliers from December 2022
<u>California</u>	
CA Air Resources Board	2022 SIP/Scoping Plan - Zero-emission standard for space and water heaters
San Luis Obispo	Building Electrification Ordinance - Requirement for new builds to be ready for electrification from 2022
Half Moon Bay	Building Electrification Ordinance - Requirement for new builds to be ready for electrification from 2022
<u>Canada</u>	
Quebec	Ban on new buildings using an oil boiler from 2021 and ban on replacing an oil boiler with any fossil fuel from 2023
British Columbia	Zero emission standard for new builds from 2022 and zero emission standard for replacement heating systems from 2025

Summary of policies identified by region

The UK

The UK have recently consulted on phasing out the installation of fossil fuel heating in domestic and non-domestic buildings off the gas grid. This would begin in 2026 for domestic buildings and between 2024 and 2026 for non-domestic buildings based on building size. The future buildings standard and future homes standard will also effectively ban LPG installations in new buildings and homes from 2021.

The EU

The EU are currently proposing amending the Energy Performance of Buildings Directive to require new builds to be zero-emission buildings which should not generate carbon emissions on site from 2030 and all buildings to be zero-emission by 2050.

New Zealand

New Zealand's Climate Change Committee and government are proposing introducing a ban on new connections to the gas grid from 2025.

The United States of America

The policies considered in the USA focus on the New England States (Connecticut, Vermont, Rhode Island, Massachusetts, Maine, New Hampshire) and California. The majority of policies in the New England States are focused on emissions reduction targets such as the Global Warming Solutions Act in Vermont which requires a 26% reduction in emissions by 2025 (from 2005 levels), 40% by 2030 (from 1990 levels) and 80% by 2050 (from 1990 levels). Failure to deliver an actionable plan in 2022 or emission reductions mandate in 2025 will result in a lawsuit. In Vermont, the Climate Action Plan is expected to be implemented in December 2022. This will include an obligation for fuel suppliers to provide an increasing proportion of clean heat over time either through their own activities or purchasing credits from other parties.

In California there is a potential requirement for all new builds to be electric ready from 2026. Some areas such as San Luis Obispo and Half Moon Bay are moving quicker and will require all new builds to be ready for electrification from 2022. There is also a zero-emission standard for space and water heaters from 2025.

Germany

Germany is introducing an obligation to "preferably" use 65% renewable energy in every new heating installation as of 1st January 2024. This applies for new and existing buildings in the domestic, commercial, and industrial sectors.

The expected preference of new heating systems is:

1. Heat pump first
2. Hybrid gas boiler/heat pump with min 30% contribution to heat output
3. Renewable ready heating such as a hybrid solution to be realised within two years
4. Heating with 65% biomass/biogas
5. Exemptions in special circumstances

For each lower step in the cascade an expert opinion necessary.

Australia

Rental LPG fuelled heaters are being phased out in Australia from 2019. As well as this there is expected to be a gas ban on council properties from 2030.

France

France is introducing a fuel ban on gas and liquid gas for new buildings from January 2022 for residential buildings and July 2022 for office and school buildings. There is also a ban on boilers if the energy generates more than 300gCO_{2e}/kWh, this is only the case for oil boilers. Fossil fuel advertising is also expected to be banned in France, although this is only in the draft decree discussion period.

Canada

Canada is introducing Clean Fuel Standards which require liquid fuel (gasoline and diesel) suppliers to reduce the carbon intensity of their fuels over time, resulting in a 13% reduction in carbon intensity of liquid fuels by 2030. The LPG industry is aiming to have propane included in these as a clean fuel and is awaiting publication of the final regulations expected later in 2022.

In Ontario, municipal governments have passed motions requesting the provincial government ban natural gas fired power generation in an effort to meet climate change targets. The energy minister has asked the electricity system operator to evaluate a moratorium on procurements of new natural gas generating stations and develop a pathway to zero emissions in the electricity sector by November 2022.

Quebec introduced a ban on oil use in new builds in December 2021. From December 2023 residents will not be able to replace oil heating systems with any fossil fuel alternative.

British Columbia is introducing a zero-emissions heating system requirement for new builds from 2022 and replacement heating systems from 2025.

Summary of Key Themes

Restrictions on LPG Boiler Installations in Existing Buildings

- **UK** – Consultations on phasing out the installation of fossil fuel heating in domestic (2026) and non-domestic (2024-2026) buildings off the gas grid
- **Germany** – Is introducing an obligation to "preferably" use 65% renewable energy in every new heating installation as of 1st January 2024
- **Australia** – Introducing a gas ban on council properties by 2030
- **British Columbia** – Replacement heating system must be zero emission from 2025
- **Half Moon Bay / San Luis Obispo** – Building Electrification Ordinance from 2022

Restrictions on LPG use in New Builds or New LPG Connections

- **UK** – Future Homes and Building Standards
- **EU** – Energy Efficiency of Buildings Directive Amendment; RePowerEU
- **New Zealand** – Consultation to end new fossil gas connections
- **California** – 2025 State Energy Code/Building Electrification Ordinance
- **British Columbia** – New builds must have a zero-emission heating system from 2022
- **Quebec** – Residents will not be able to replace an oil heating system with any form of fossil fuel from 2023
- **Germany** – requirement for new heating systems to preferably use minimum 65% renewable energy from 2022
- **France** - Exclusion of gas, and liquids gas for new buildings from 2022

Timeline

Before 2025

- **UK** – Consultations on phasing out the installation of fossil fuel heating in non-domestic buildings (larger than 1,000m²) off the gas grid (2024)
- **Germany** - Obligation to "preferably" use 65% renewable energy in every new heating installation (2024)
- **Australia** – Phase out of rental space heaters (2019)
- **Quebec** – Residents will not be able to replace an oil heating system with any form of fossil fuel (2023)
- **British Columbia** – New builds must have a zero-emission heating system (2022)
- **Half Moon Bay/San Luis Obispo** – Building Electrification Ordinance (2022)
- **Vermont** – Climate Action Plan (2022)
- **France** - RE2020 (Exclusion of gas, and liquids gas for new buildings) (2022) and installation of new oil boilers (2022)
- **Germany** – Requirement for new heating systems to preferably use minimum 65% renewable energy (2022)

Between 2025 and 2030

- **EU** – Proposal within the Energy Performance of Buildings Directive for a clear legal basis for national bans of boilers based on fossil fuels and removal of subsidised fossil-fuel boilers as of 2027. RePower EU proposed phasing out Member States' subsidies for fossil fuel-based boilers in buildings as of 2025 as a minimum and encouraging redirection to incentivise support schemes for heat pumps instead.
- **UK** - Future Buildings and Homes Standard (2025)
- **New Zealand** - Consultation on end to new fossil gas connections (2025)
- **UK** - Consultations on phasing out the installation of fossil fuel heating in domestic and non-domestic buildings (smaller than 1,000m²) off the gas grid (2026)
- **Australia** – Ban on gas use in council buildings (2030)
- **California** – State Energy Code (2025)

After 2030

- **USA** – Emission reduction targets

Annex: Summary of EU Member State Fossil Fuel Phase Outs

Country	Date of fossil fuel phase out	Type of fossil fuels considered	Type of infrastructure considered	Type of legislation	Specificities
AT - Austria	2021 (oil, new installations) 2025 (gas, new buildings) 2035 (oil, all buildings) 2050 at the latest (milestone by 2030)	Oil-fired heating systems	Residential heating	National Energy & climate plan	Funding priority to phase out fossil-fuel powered heating systems in residential housing (Oil Phase-Out Premium)
BE - Belgium	Flanders: 2021 for new constructions (oil, new buildings and major energy efficiency retrofitting - under discussion_ 2035 for existing buildings) Bruxelles (2025) Wallonie (2035)	Oil fired heating systems (only the selling is banned not the use of it yet)	Residential heating	Under the energy performance EPB scheme (for the Flemish Government) + pacte energetique interfederal (Accord de Gouvernement)	-
DE - Germany	2026 (oil, all installations) - when a low-carbon alternative is feasible	Oil-fired heating systems	All buildings	Climate Action Programme 2030 of the federal government	Under the EnEV34 law, standard oil-boilers older than 30 years are replaced. Under Ecodesign, a new (condensing oil-boiler can be installed only in combination with solar thermal panels and/or a heat pump in a hybrid system).
DK - Denmark	2013 (oil, new buildings) 2016	Oil fired boilers and natural gas heating New oil-fired boilers	New buildings Existing buildings	Danish Climate Policy Plan	Oil for heating purposes and coal are to be phased out by 2030, and electricity and heating supply is to be 100% covered by renewable energy by 2035.
FI - Finland	Already	-	-	-	-

FR - France	<p>1 July 2021 (new buildings) > 2022?</p> <p>1 January 2022 (existing buildings)</p> <p>1 January 2022 (mono gas boilers in new single-family homes)</p> <p>2024 (mono gas boilers new collective housing)</p>	<p>Oil-boilers</p> <p>Gas boilers</p>	<p>Residential and tertiary (buildings for professional use - 1000 m²)</p>	<p>Draft Decree after the Public Consultation</p>	<p>A GHG threshold not to be exceeded + a gradual entry into force (2021, 2024 2027 & 2030)</p>
IE - Ireland	<p>2020 (oil, new buildings)</p> <p>2022</p> <p>2025 (gas, new buildings)</p>	<p>Oil boilers</p> <p>Gas boilers</p>	<p>New buildings</p> <p>Existing buildings</p>	<p>Part L (Energy) of the ROI Building Regulations (2019)</p>	<p>–</p>
IT - Italy	<p>2050 (global date)</p> <p>2025 (coal exit)</p>	<p>All</p> <p>2025 (coal phase out)</p> <p>2050 (exit from gas and other oil products)</p>	<p>All (gas plants, coal fired plants)</p>	<p>National Energy Strategy PNIEC to be updated on the basis of new emission reduction targets PNRR introducing 51% emissions reduction</p>	<p>Legambiente's campaign to build a coalition of relevant stakeholders in Italy from the business community, local authorities, unions and others to advocate for decarbonisation of residential heating.</p> <p>At the moment no policy or target decided in Italy is particularly ambitious.</p>
LU - Luxembourg	<p>2023 (oil and gas, new buildings)</p>	<p>–</p>	<p>–</p>	<p>–</p>	<p>–</p>
NL - The Netherlands	<p>Unsuccessful for 2021 but over 90% of newly built dwellings are not connected to the gas grid</p>	<p>Gas boiler (fossil only)</p>	<p>New buildings</p>	<p>New Climate Package</p>	<p>For the time being there will be no ban on gas fired central heating boilers (the Netherlands has no oil-boilers). After 2025 the necessity of banning gas-boilers will be revisited.</p>

NO - Norway	2015 2020 (oil, all buildings)	Fossil-fuel boilers not allowed for new buildings and major renovations Fossil-oil boilers not allowed for existing buildings	Both new and old buildings and both private and the public space of businesses and state-owned factories	Directive	–
SE - Sweden	Already	–	–	–	Relying on district heating combined with heat and power production. The policy pressure on the building and heating sector has been quite strong.
SK – Slovakia	2023 (oil, new buildings)	New oil-boilers	New buildings	National Energy and Climate Plan	To reduce the use of fossil energy sources, Slovakia plans a ban on the sale and installation of new fuel-oil boilers by 2023.
ES - Spain	1 st January 2022 (coal, Madrid region)/2030 (oil, Basque Country region)	Coal-boilers (Madrid)/ Oil-boilers (Basque Country)	New buildings/ Existing buildings	Air Quality and Sustainability Plan (Madrid)/Law on energy sustainability in the Basque Country	Basque Country region - Appropriate regulatory measures will be put in place with the aim of achieving complete substitution by 31 st December 2030.