Energy market radar Germany

03.07.2025

KEY FACTS

- The status of municipal heat planning varies considerably from region to region. In addition to the pioneer Baden-Württemberg, planning is well advanced in Saarland, North Rhine-Westphalia (NRW) and Rhineland-Palatinate.
- In total, 76% of Germany's inhabitants live in municipalities in which heat planning has begun or has already been completed. In Baden-Württemberg, a quarter of all municipalities already have a heating plan.
- District heating prices in Germany vary widely, regardless of customer category and annual consumption. The maximum price is 3.5 times higher than the minimum price.
- Regionally, there is a clear price differential from the north and east to the south and west. The lowest prices can be found in Rhineland-Palatinate, Bavaria & NRW - Brandenburg & Schleswig-Holstein show the highest prices.

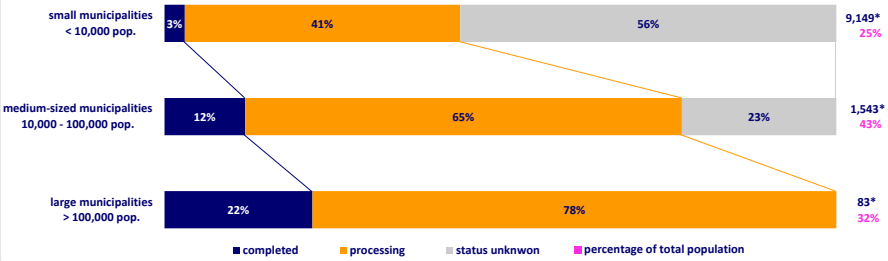
Current status of municipal heat planning by federal state

**Baden-Württemberg highlighted in colour due to its already high completion rate*
Source: Kompetenzzentrum Kommunale Wärmewende, Destatis, Team Consult analysis
Data as of May 2025

- Around 45% of all municipalities in Germany are currently developing a municipal heating plan, while another 4% have already completed the process. For the remaining majority, no reliable data is currently available.
- **Baden-Württemberg** sets the pace in municipal heat planning, with about 25% of its municipalities having completed the heat planning process . Rhineland-Palatinate as second follows far behind with a completion rate of 5%.
- When considering both completed and ongoing municipal projects, the western German states of **Saarland, North Rhine-Westphalia, and Rhineland-Palatinate** rank just behind Baden-Württemberg in terms of overall progress.
- **Berlin, Hamburg, and Bremen** — Germany's three city states — are all in the process of drafting municipal heating plans.
- **Thuringia** ranks last in the nationwide comparison and is significantly behind other federal states.

Current state of municipal heat planning by municipality size

- Larger municipalities are further along in the heat planning process — the bigger the city, the more likely it is to have its heat planning completed or ongoing.
- Smaller municipalities face the greatest need to catch up, as they lack the resources available to medium-sized and large municipalities.
- Roughly 76% of the population live in municipalities that are already actively involved in municipal heat planning.

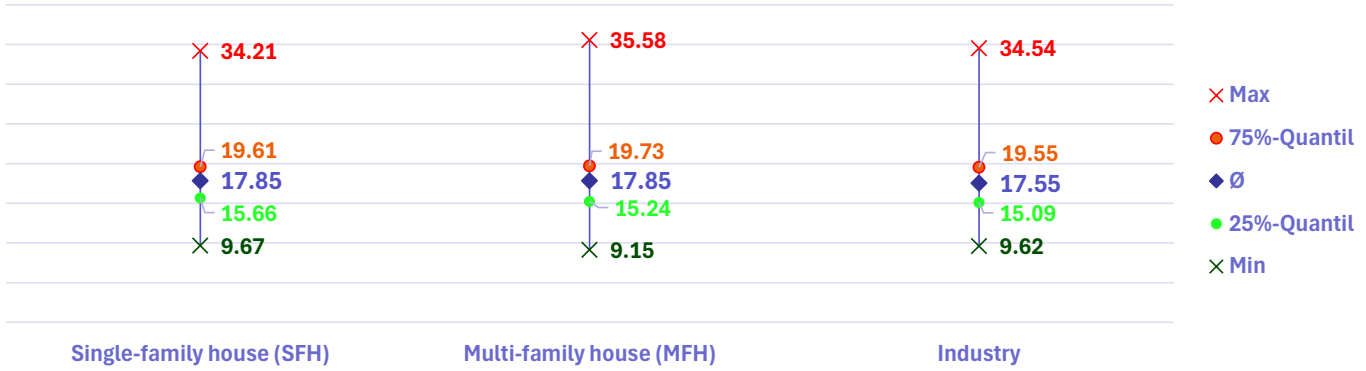


*Total number of municipalities: 10,755 (each with at least one inhabitant). Territorial status according to the Destatis municipal directory as of 31 December 2023.

Source: Kompetenzzentrum Kommunale Wärmewende, Destatis, Team Consult analysis
Data as of May 2025

District Heating prices in Germany

(As of 13-06-2025)

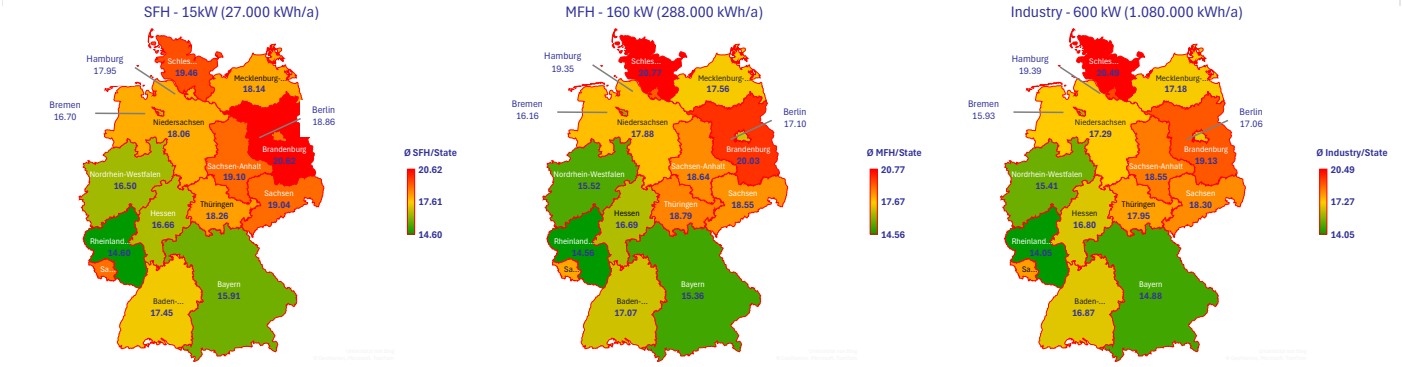


Use cases: SFH - 15 kW (27.000 kWh/a); MFH - 160 kW (288.000 kWh/a); Industry - 600 kW (1.080.000 kWh/a); Prices in €cts/kWh

Source: https://www.waermepreise.info, Team Consult analysis

- District heating prices in Germany fluctuate enormously, regardless of customer category and annual consumption. The maximum price is 3.5 times higher than the minimum price.
- The average price for the use cases analysed is between 17.55 and €17.85 €cts/kWh. The connected load and annual consumption have at most a marginal effect on the price.
- 50% of the prices analysed are within a corridor of +/- 2 €cts/kWh around the respective mean value. 25% are (partially) significantly above this corridor and 25% below.

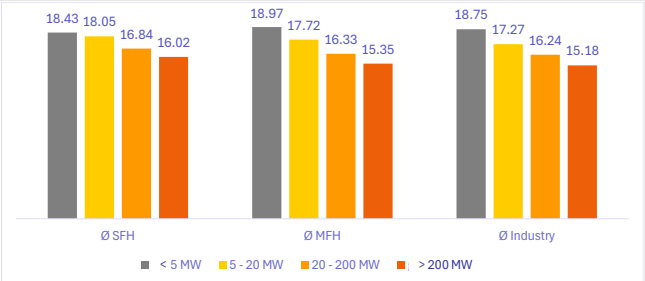
Regional prices for District Heat in Germany



Source: https://www.waermepreise.info, Team Consult analysis *Prices in €cts/kWh*

- The regional comparison shows a clear price differential from the north/east to the south/west. The lowest district heating prices can be found in Rhineland-Palatinate, Bavaria & North Rhine-Westphalia - the highest are found in Brandenburg & Schleswig-Holstein.

District heating prices by grid size



- The price level clearly correlates with the grid size - the larger the network area, the lower the price & vice versa
- Rhineland-Palatinate with its rather low prices has relatively favourable grid sizes (46 % are larger than 20 MW) - in Schleswig-Holstein - a high price region - there are predominantly small grid areas (92 % are smaller than 20 MW)
- Brandenburg has the highest prices despite relatively favourable grid sizes (39 % are larger than 20 MW)

Source: https://www.waermepreise.info, Team Consult analysis *Prices in €cts/kWh*

Imprint

Editor: Team Consult G.P.E. GmbH, Robert-Koch-Platz 4, 10115 Berlin

Contact details: +49.30.400 556 0, info@teamconsult.net