

Status quo of alternative measures across EU-countries, sectors & eligible policy measures

17th of June 2015

Niki-Artemis Spyridaki, Danai Manoli,
Flamos Alexandros

University of Piraeus – Department of
Industrial Management & Technology



Status quo on alternative measures across EU-countries, sectors & eligible policy measures

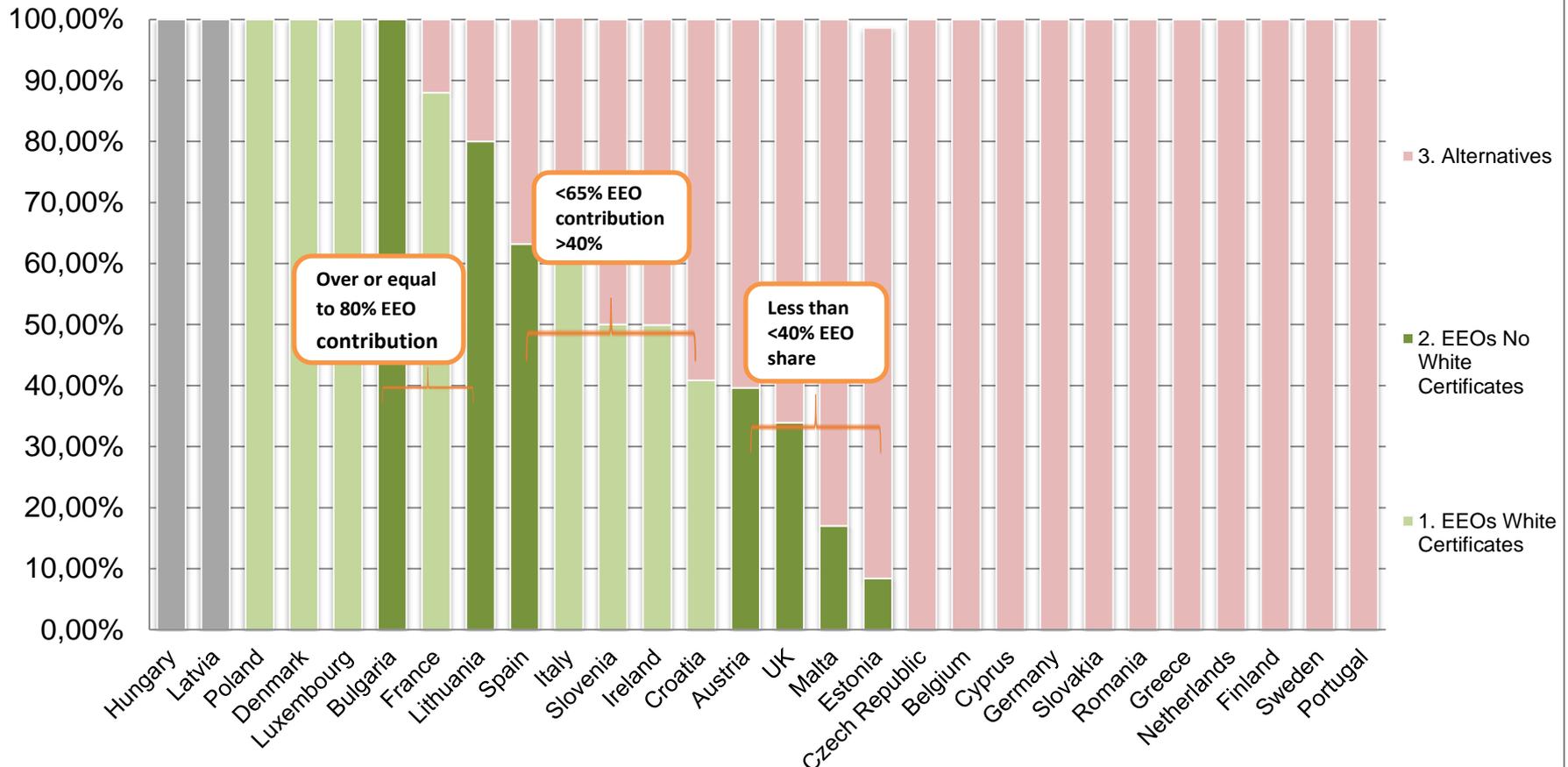
Outline

1. Overview of MS options to comply with Article 7 requirements (EU-28)
2. Classification of alternative measures adopted
3. Technology focus of alternative measures – Is there a regular fit of measures supported by alternatives?
 1. Technical issues: verification, calculation methods
 1. Conclusions



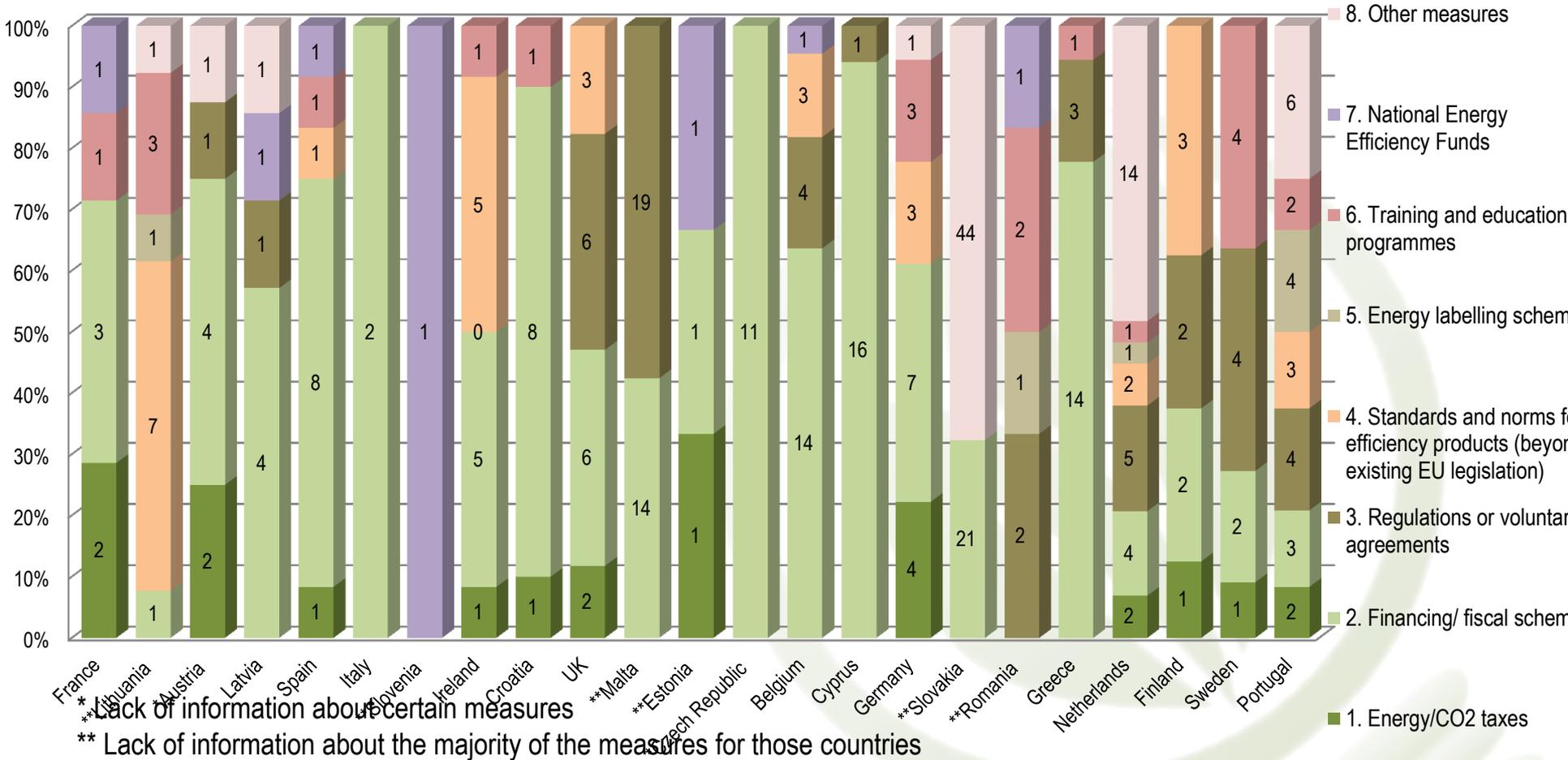
1. Overview of MS options to comply with Article 7 requirements (1/1)

% of national targets for the Article 7 EED



- Only 3 countries, namely **France**, Lithuania and Bulgaria are primarily based on EEOs to bring about savings over 80% out of the total savings to be delivered
- Half of countries opting for a combination allocate a moderate energy savings share to Obligations.
- 4 countries (**UK**, Austria, Malta and Estonia) rely mainly on the savings resulting from alternatives.
- No obvious link between the relative ambition in the target of EEO schemes when combined with white certificates

2. Classification of alternative measures adopted by EU MS countries under Article 7 requirements (1/3)

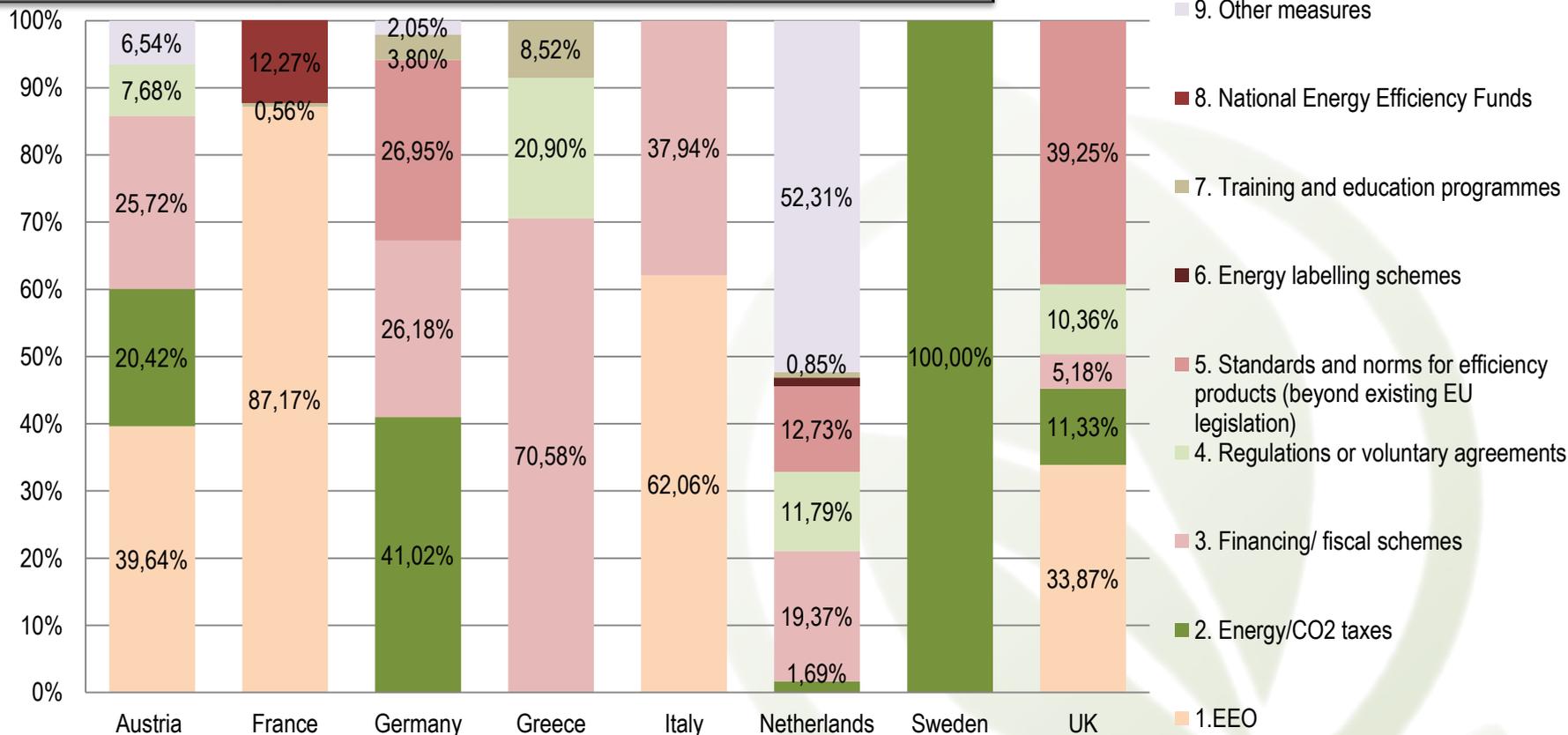


- All MS: at least one financial scheme → sum of Financial/Fiscal measures is more than 40% of the total number of measures.
- Cyprus, Greece and Belgium: the largest number of financial schemes



2. Classification of alternative measures adopted by EU MS countries under Article 7 requirements (2/3)

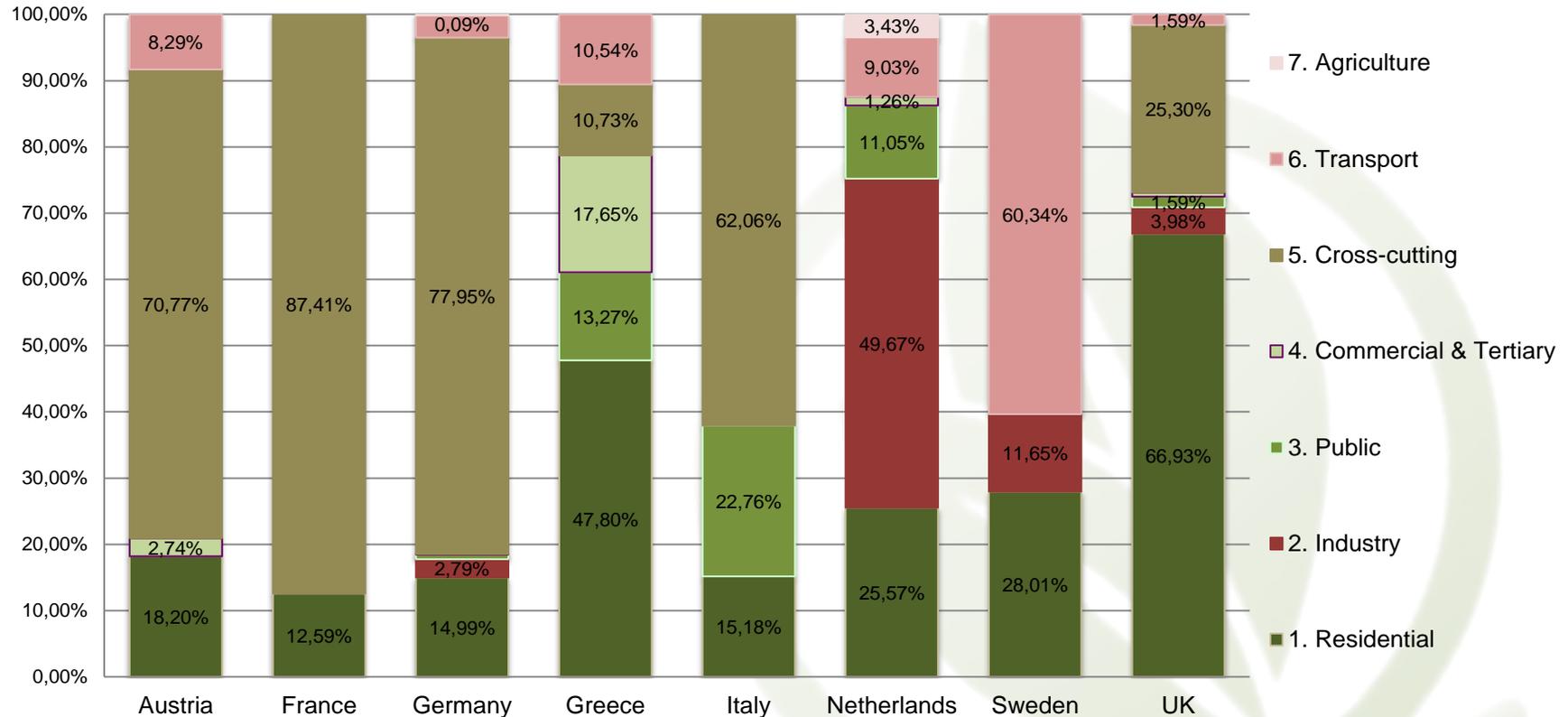
Estimated savings attributed per different type of measure



- Alternative measures savings' often highly depend on: (i) the scale of each measure, (ii) the replication potential
- Rationale of MS notification reports: To show that alternative measures are sufficient to meet the Article 7 target → Each MS will eventually decide what contribution each measure makes to the total target.

2. Classification of alternative measures adopted by EU MS countries under Article 7 requirements (3/3)

Share of sectors in total saving target



- ✓ More than 50% of the target savings of each country is achieved through crosscutting measures (e.g. France, Austria, Italy and Germany).
- ✓ Greece and UK expect most savings: 48% and 62% respectively, from the residential sector
- ✓ Sweden: 70% savings from the transport sector
- ✓ The Netherlands: mainly focus on the industrial sector

4. Technical issues: verification & control over measures, calculation method savings (1/3)

• Pre-existing or New Policy?

- ✓ Majority of measures proposed are an extension of existing measures.
- ✓ New measures (e.g. Greece, France) at an early implementation stage → continuous monitoring.
- ✓ Limited information on costs, usually expressed as total incentive costs.
- ✓ Benefits expressed as expected savings of measures.

• Monitoring & Verification?

- ✓ Most popular calculation method adopted by MS: ex-ante (deemed) savings
- ✓ Deemed savings → risk of poor additionality when:
 - baselines do not adapt to tech. developments or
 - measures are not revised following the evolution of the market.

Existing/ New Policy				
Countries		1. Existing	2. New	TOTAL
1	Greece	6	12	18
2	France	4	4	8
3	UK	14	6	20
4	Austria	8	1	9
5	Netherlands	33	1	34
6	Italy	2	0	2
7	Germany	11	0	11
8	Sweden	11	0	11

Calculation method savings					
Countries		1. Deemed	2. Metered	3. Scaled	4. Surveyed
1	Greece	X		X	
2	France	X	X		
3	UK	X	X		
4	Austria	X		X	
5	Netherlands	X	X		
6	Italy	X			
7	Germany	X		X	
8	Sweden				

Conclusions (1/3)

General points

- Almost all EU MS countries (apart from 5) have adopted alternative measures to comply with Article 7 requirements.
- Higher cost measures (e.g. whole house renovation, solid wall insulation) seem to be the main focus of alternative measures proposed in the residential sector, usually in the form of soft loans and grants.

Countries relying wholly on EEOs

- Only one country of the five planning to rely entirely on EEOs has long and successful experience of this policy (Denmark). It may be a risky strategy for the other three.
- EEOs are a proven and effective route to delivering incentives for proven, low cost, mass-market measures

Conclusions (2/3)

COUNTRY/ Types of Alternative measures	EEO S	Energy/CO 2 Taxes	Financial grants & Loans	Fiscal (tax rebate)	EE Fund	Regulatio n & Standard s	Information, Education & Training	Vol. & Agreemen t	Other measure s	Sum (of alternati ves)
Austria	(N)	(2)	(5)						(1)	8
Italy	(E)		(1)	(1)						2
France	(E)	(2)	(2)	(1)	(1)		(1)			7
Germany		(4)	(7)			(3)	(2)			16
Greece			(14)	(1)		(2)	(1)			18
Sweden		(1)								1
Spain	(N)	(1)	(6)		(1)		(2)			10
The Netherlands		(2)	(8)	(4)		(3)	(4)	(10)		30
UK	(E)	(2)	(6)			(7)		(2)		17

- ✓ Most countries have decided that alternative policies outside the remit of utilities are necessary (e.g. standards, taxation and support for infrastructure and human systems) to meet energy savings' target.
- ✓ In case of multiple alternatives measures, MS have **to ensure** that, when there are overlaps among measures, **no double counting will occur**
- ✓ EEO should perhaps address mainly nonsubsidized areas/sectors (large industries, municipalities, transport).

Conclusions (3/3)

Countries relying partly or wholly on alternative measures

- New measures at an early implementation stage meaning some risk attaches to certainty of savings.
- Additional policy actions by MS are necessary in terms of:
 - (i) monitoring and verification,
 - (ii) work with energy efficiency stakeholders to mobilize capacities and
 - (iii) identify and better understand best practices.

Thank you for
your attention

Contact Details

Ms Niki Artemis Spyridaki
nartemis@unipi.gr

Ass. Prof. Alexandros Flamos

e-mail: aflamos@unipi.gr

Tel: +30 (0) 210 414 2017

