

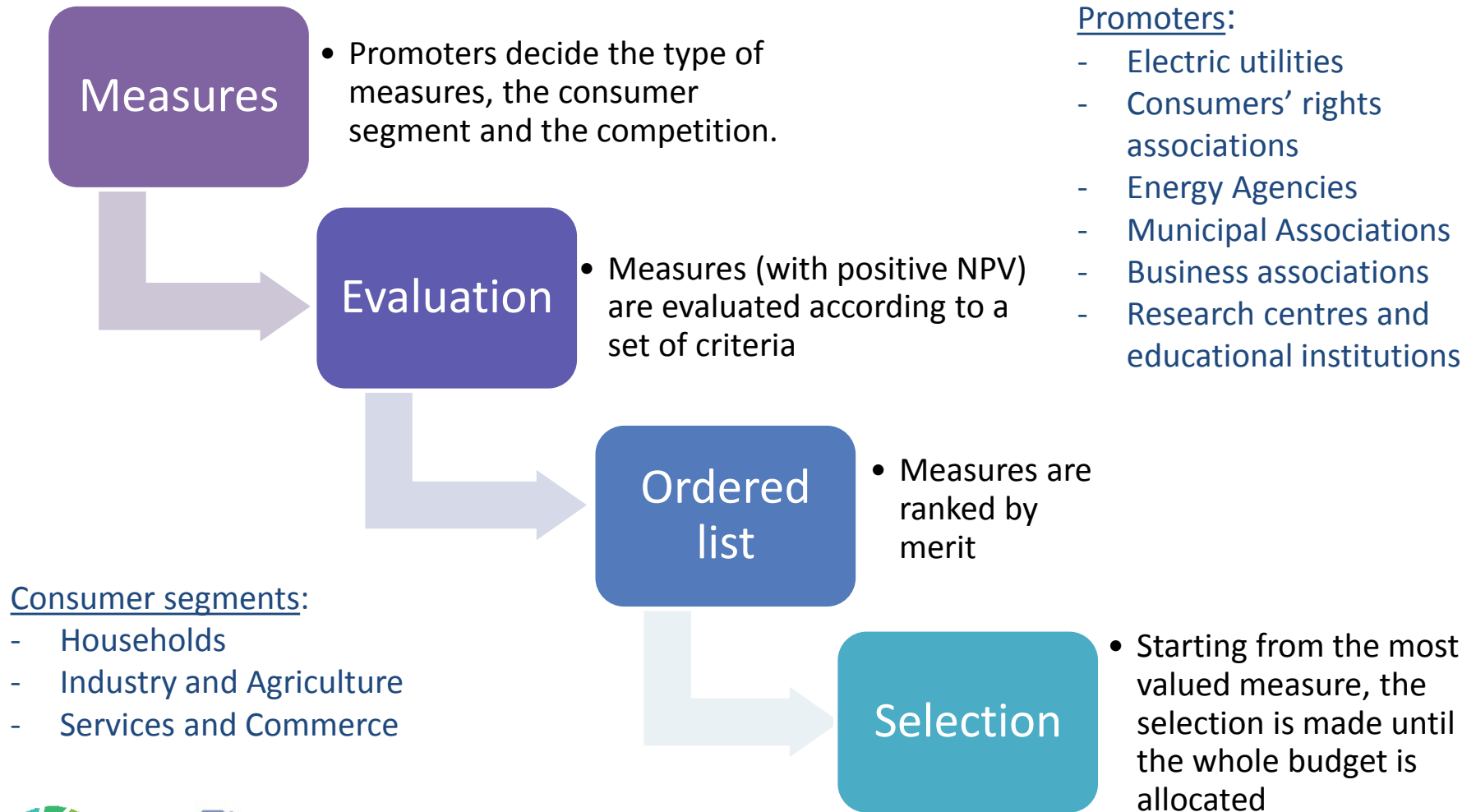
**Market-based Instruments (MBIs): Policy choice and Design of Energy Efficiency
Obligations and Auctions**

Portuguese Plan for Promoting Efficiency of Electricity end-use

José Luís Sousa

Brussels, 24 January 2017

PPEC – Plan for Promoting Efficiency of Electricity end-use



Competitions with own budget

All promoters

Tangible - Industry

Tangible - Services

Tangible - Households

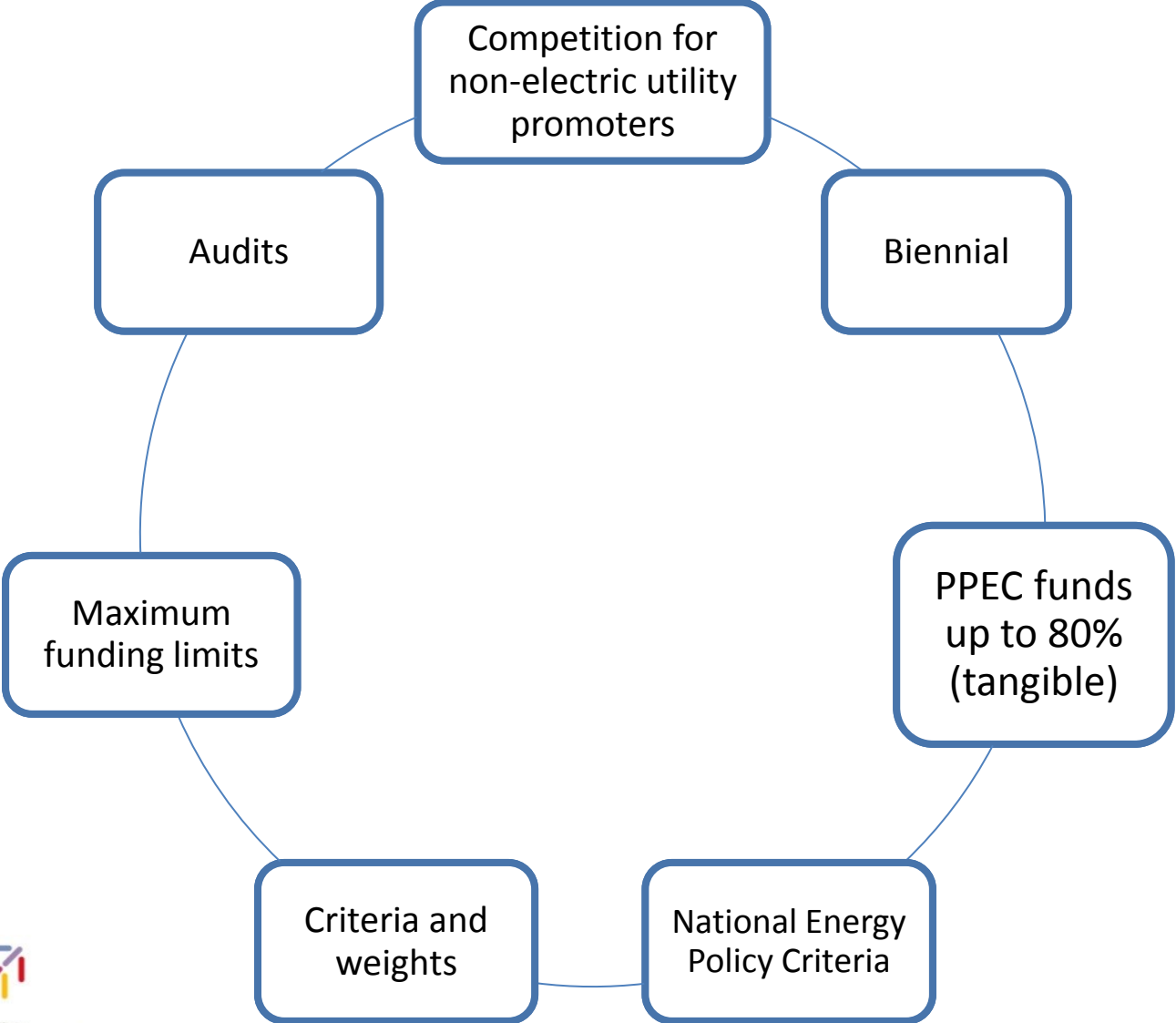
Intangible

Non-electric utility promoters

Tangible
(Industry / Services /
Households)

Intangible

Some challenges and learnings



Funding

System Global Use Tariff (paid by all customers)

- 11,5 million Euros/Yr → 23 million Euros by PPEC Edition)

Competitions own budget

- All promoters – Tangible: 14 M€
- All promoters – Intangible: 2M€
- Non-electric utilities promoters - Tangible: 4M€
- Non-electric utilities promoters – Intangible: 3M€

Criteria

- Economic regulation (Benefit-Cost ratio, Scale risk; Weight of the investment in equipment)
- National Energy Policy (In line with other policy instruments, territorial coverage, ...)

Deeper savings

Participation of beneficiaries in costs

Mandatory Measurement & Verification Plan

Audits

High number of promoters, partners and consumers

Only technologies with efficiency above the market standard are financed

PPEC 2017-2018

- 223 candidate measures (61,5 Million Euros); 79 promoters; 107 partners.
- Selected measures
 - 50 tangible
 - 26 intangible.
- 111 million euros in benefits (avoided consumption and emissions)
- 1470 GWh of lifetime savings.

Market-based Instruments (MBIs): Policy choice and Design of Energy Efficiency Obligations and Auctions

Portugal Energy Efficiency Promotion Plan

José Luís Sousa

António G. Martins



Some results from PPEC Editions

	2007	2008	2009- 2010	2011- 2012	2013- 2014	2017- 2018
N. of Promoters	8	21	29	48	65	87
N. of Measures *	62	131	125	159	207	223
<i>Tangible</i>	25	70	61	75	86	103
<i>Intangible</i>	37	61	64	84	121	120
Cost of the measures (k€)*	26 631	46 272	58 116	57 081	58 840	61 586
<i>Tangible</i>	19 315	37 534	39 844	38 822	30 640	36 973
<i>Intangible</i>	7 317	8 737	18 272	18 259	28 200	24 614

* Considering only eligible measures

In PPEC 2017-2018 evaluation under the economic regulation perspective (in Portuguese)

PPEC costs of the measures

		PPEC average costs (€/MWh)
All promoters	Tangible – Households	12,02
	Tangible - Commerce and Services	16,08
	Tangible - Industry and Agriculture	12,88
	Total	13,49
Non- electric sector promoters	Total	17,27
	Total	14,12