### The role of energy efficiency

#### **Peter Bach**

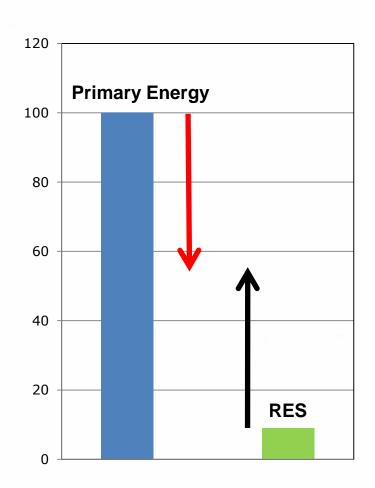
Chief adviser Danish Energy Agency
President eceee

PEPDEE-EU workshop Brussels, January 18, 2012



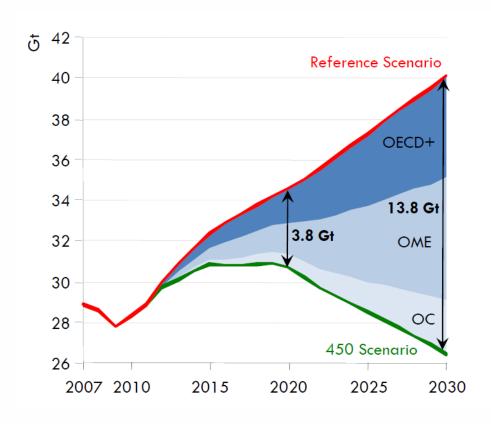
## Challenges

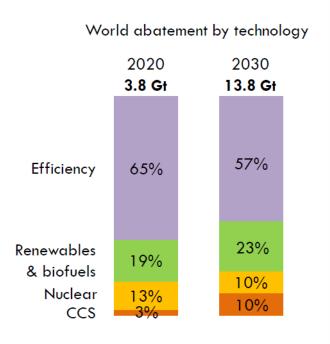
- 80-95 pct. reduction of EU's GHG in 2050
  - No emissions from fossil fuels
- Energy security
  - Scarce resources
  - Also biomass
- Competitiveness
  - Increasing energy prices





## Energy efficiency – the main solution

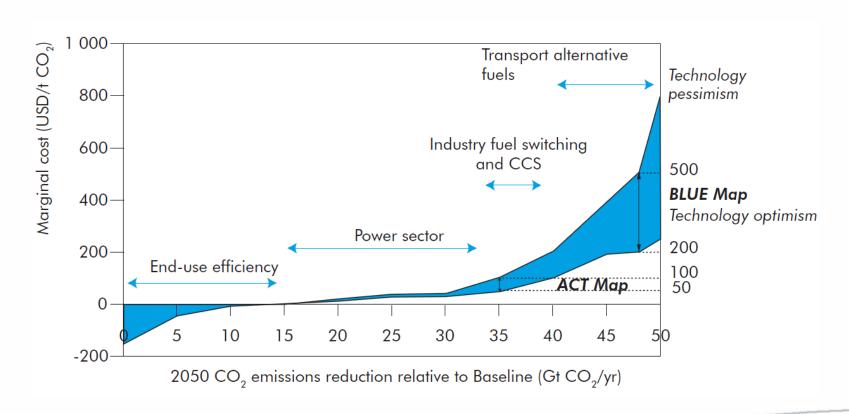




Source: IEA WEO2009



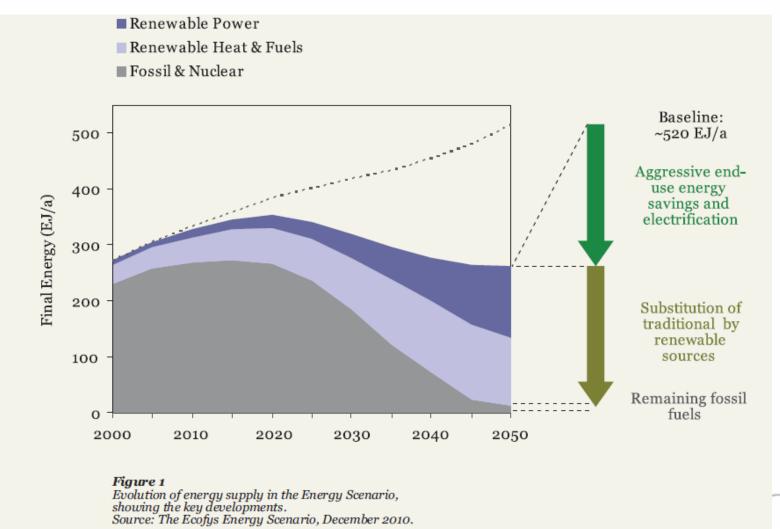
## Energy Efficiency – the cheap solution



Source: IEA Energy Technology Perspective 2009

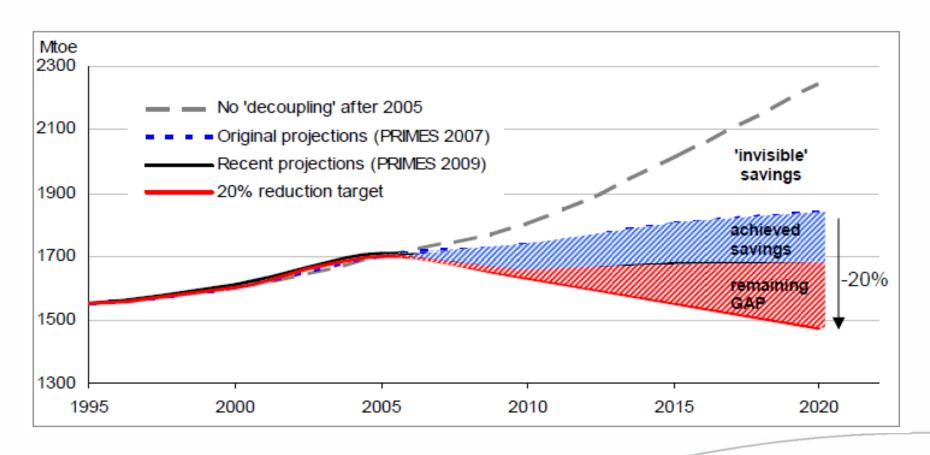


## End-use energy efficiency first





## 20% EE target – not on track





#### Need to act now!

- To meet the 2020 targets as first step
  - 2020 is not far away
  - What we do today shall be seen in the longterm perspective
  - Deep renovations not cream skimming
- More expensive to wait
  - EE best and cheapest as part of normal renovations and investments
- Long-life time of energy systems
  - Especially buildings



#### Action – what is needed?

- The market will not deliver enough!
  - New measures are needed
- Measures at EU or national level?
  - Both!
  - Common EU action: Bigger and cheaper savings
  - EU shall put pressure at member states
  - Flexibility for member states is needed



### Measures: Combinations of...

- Taxes on energy and CO2
  - Incentives to reduce consumption
- Regulation
  - Standards, norms, etc.
  - Both at international and national level
  - Especial buildings and products and cars, etc.
- Information, campaigns, market transformation, etc.
- Help to implement savings
  - Obligations for energy providers, subsidies, etc.
  - Especially existing buildings and private enterprises



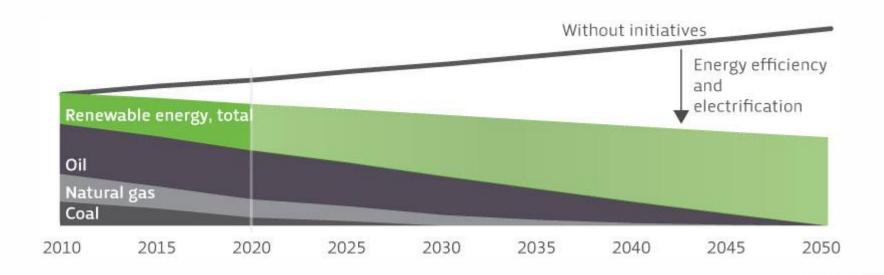
# Why obligations for energy providers?

- Help to implementation
  - Are close to the consumers
  - Cover all part of a country
- A secure and stable way to <u>finance</u> energy savings activities
  - Difficult to get money over the state budget
- Transformation of the utilities to energy service providers
  - Deliver the consumers need for energy services in the cheapest way



## Conclusions (1)

- New energy efficiency measures is needed
  - To meet the 20 % target in 2020
  - To meet the long term objectives





## Conclusions (2)

- Obligations for energy providers is a part of the solution
  - Necessary help to implementation
  - A cost-effective measures
  - National schemes flexibility in common rules

- Thanks for your attention
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