

Fundamentally Rethinking Energy Efficiency to Mobilise Efficiency Providers

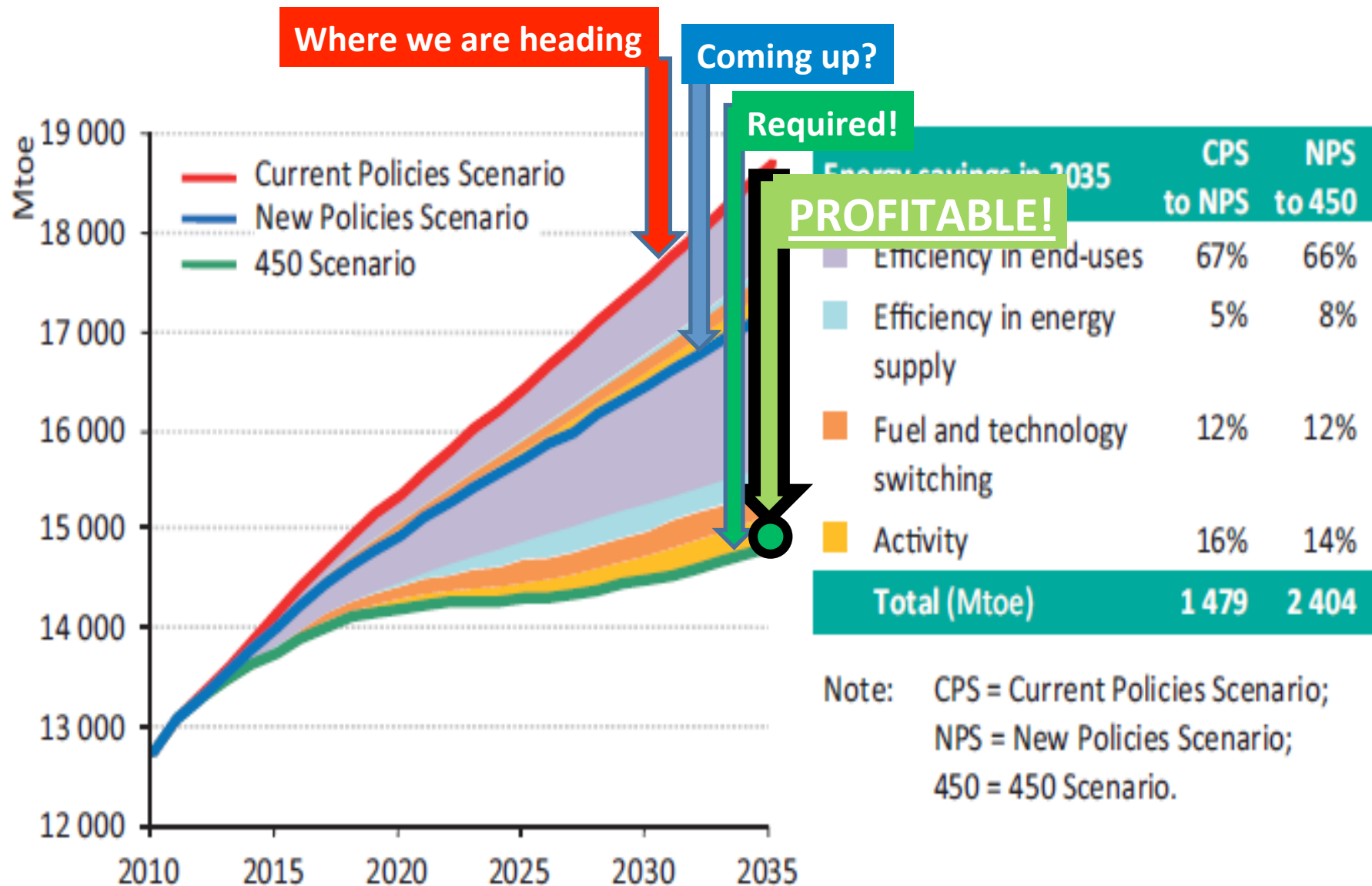
Hans Nilsson

FourFact AB

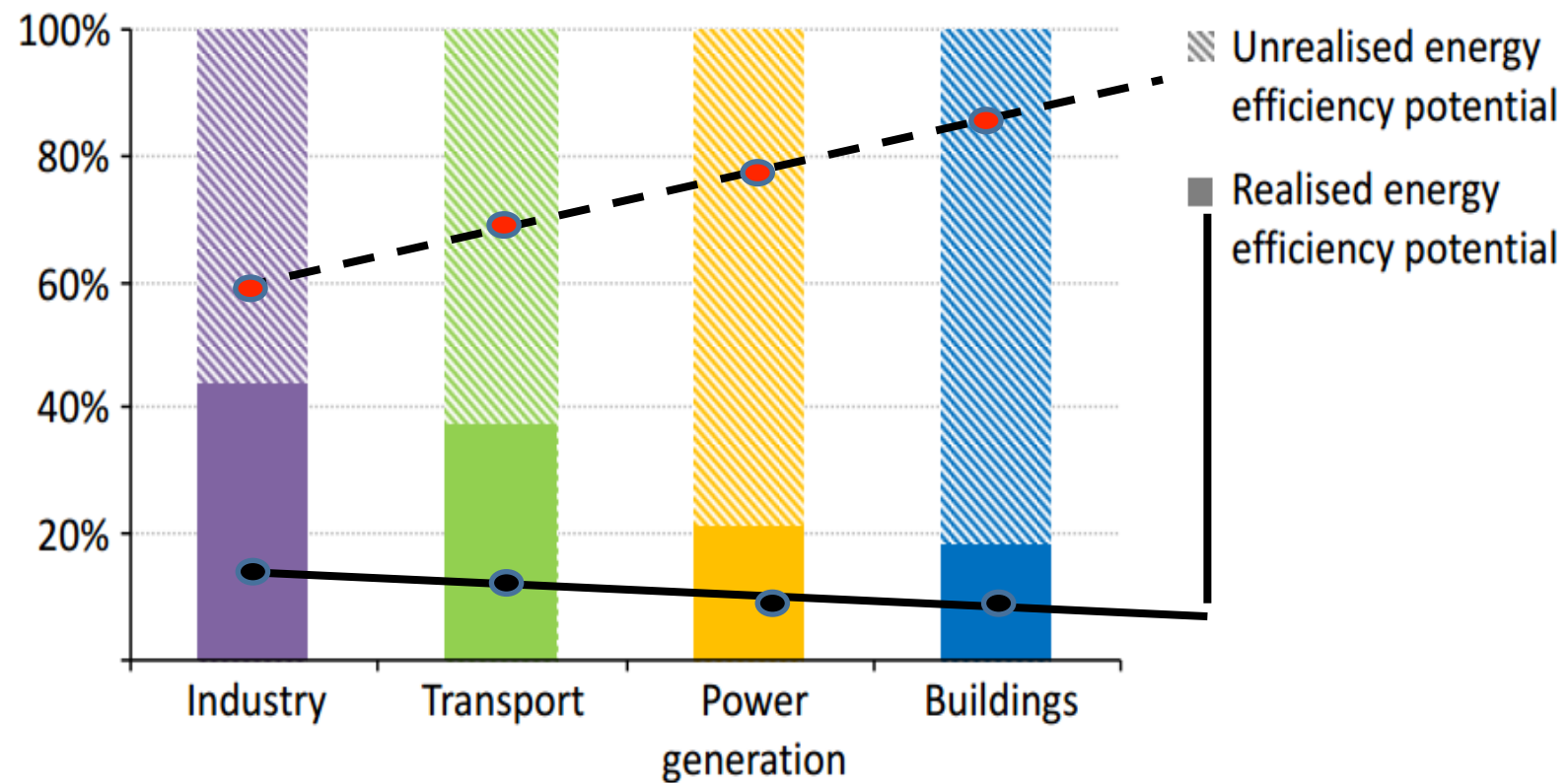
The issues

- Are we really and fully rational?
- Do we have a business perspective?

WEO 2012



Energy efficiency potential used by sector in the New Policies Scenario



Two-thirds of the economic potential to improve energy efficiency remains untapped in the period to 2035

IEAs market reports

ENERGY EFFICIENCY
Market Report 2013

Efficiency is the **FIRST** fuel

ENERGY EFFICIENCY
Market Report 2014

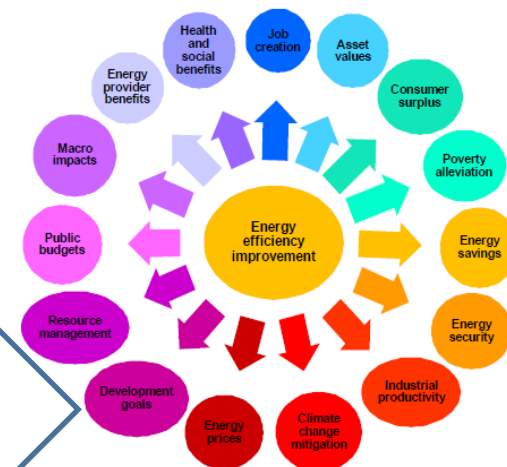
Efficiency is an invisible
powerhouse

ENERGY EFFICIENCY
Market Report 2015

Efficiency is a hidden jewel

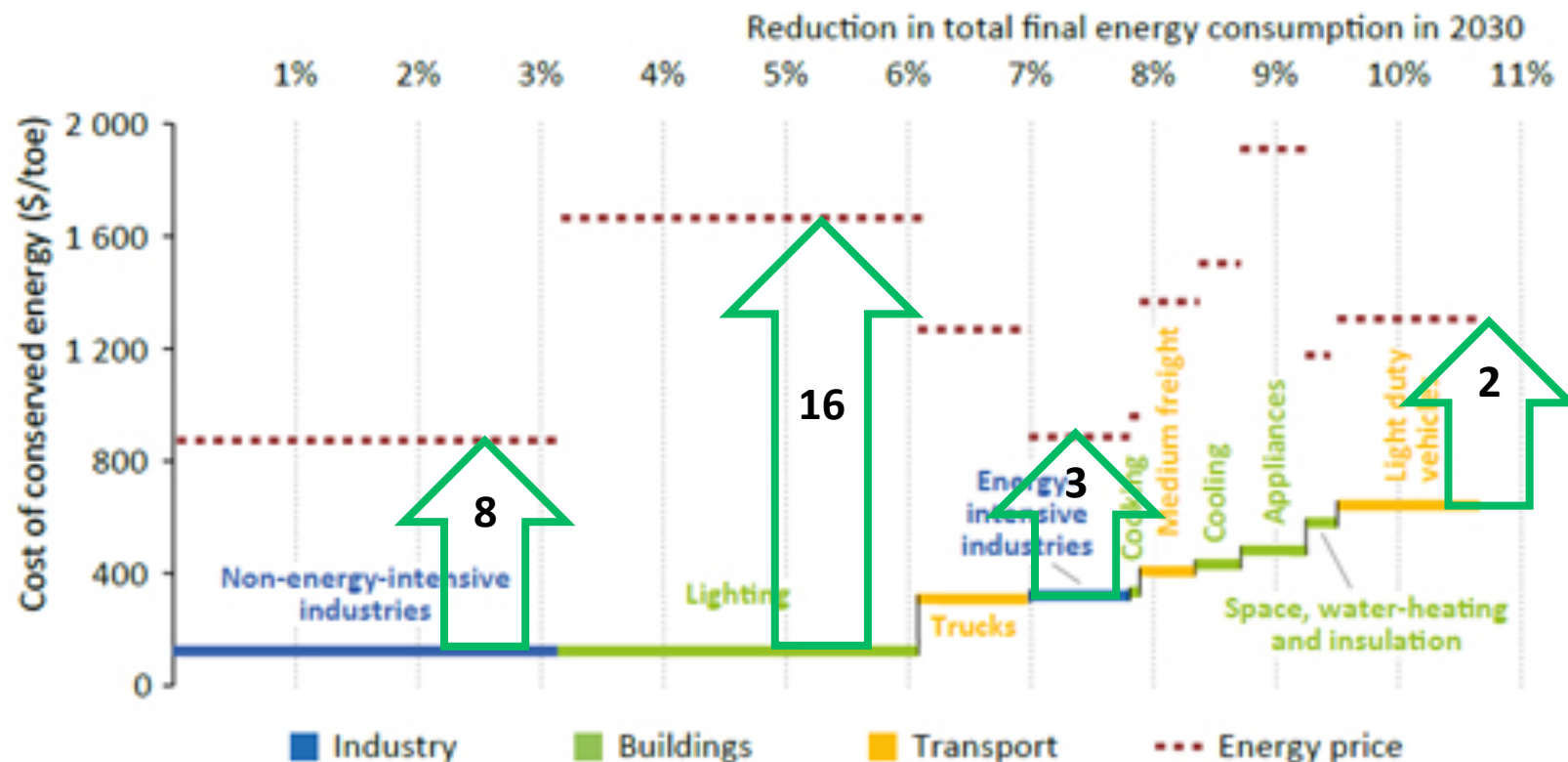
Capturing the
Multiple Benefits
of Energy Efficiency

Efficiency has multiple
benefits



Is the price important?

Figure 10.4 ▶ Cost of conserved energy of the untapped global energy efficiency potential in the New Policies Scenario, 2030

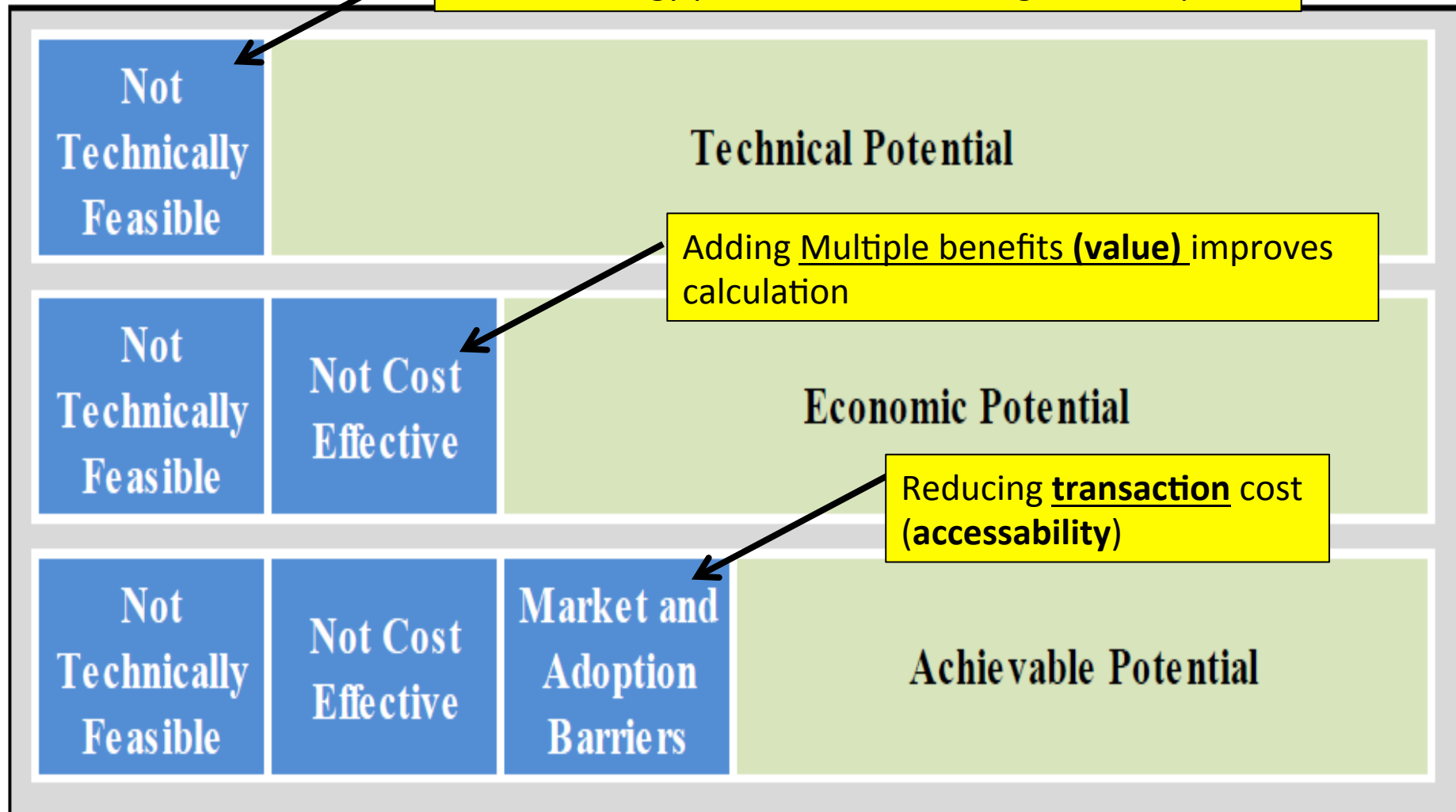


Notes: Dashed dark red lines indicate weighted average energy prices. The reduction in total final energy consumption is calculated for energy demand from new energy-consuming equipment purchased in 2030.

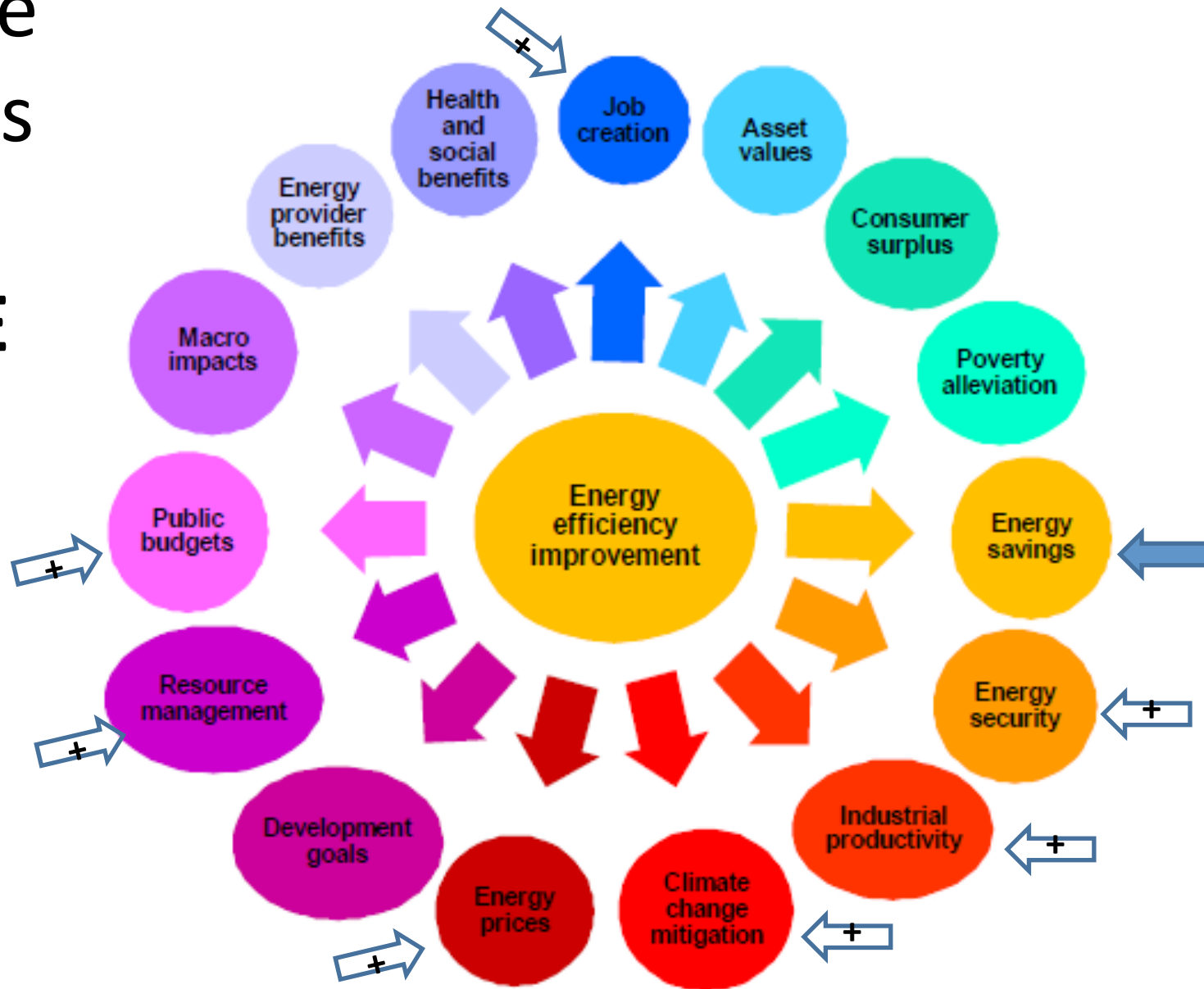
Source: IEA WEO 2015

1. Stretch (redefine) rationality

1. **Deployment** trigger learning and reduces cost
2. Technology procurement challenges development

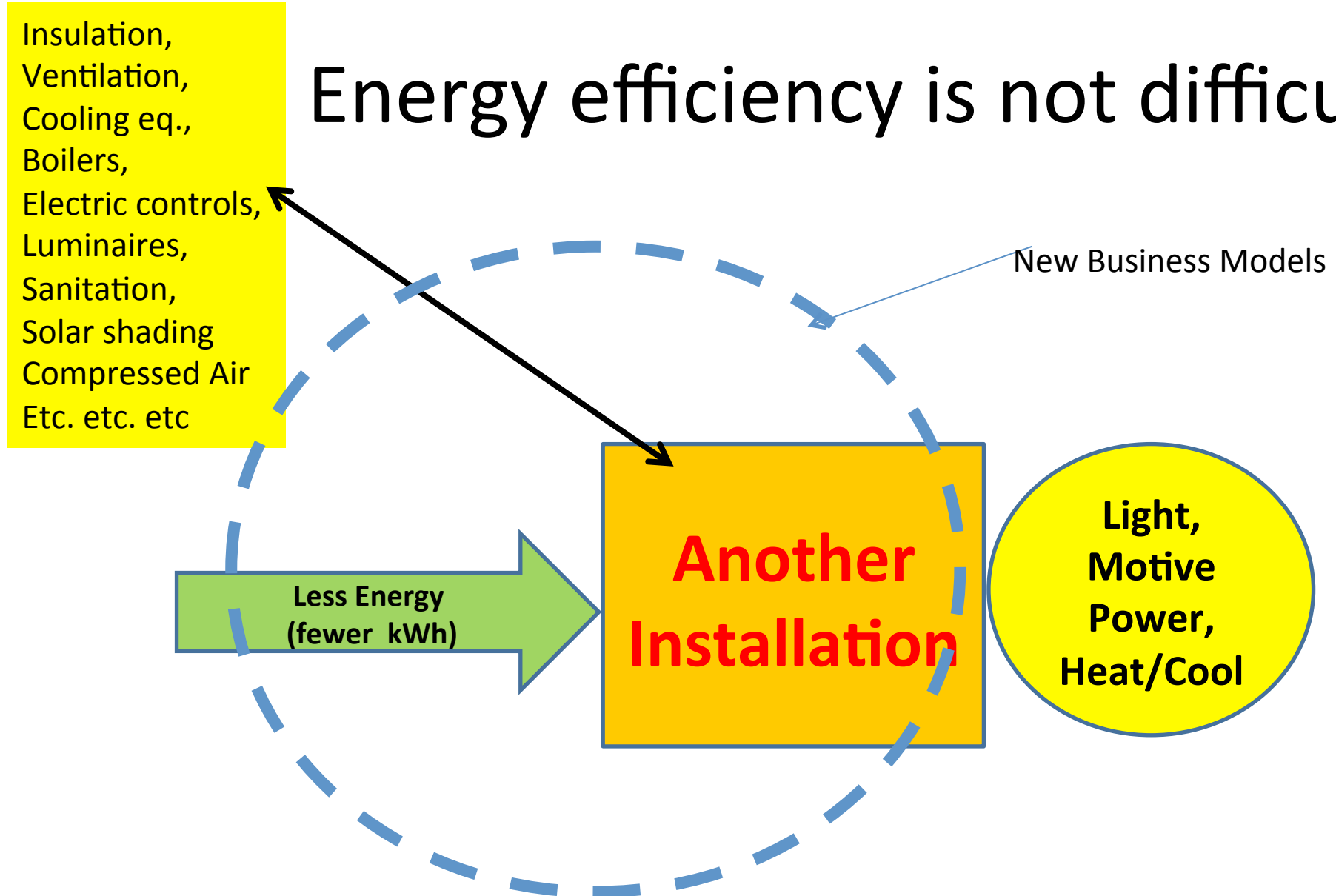


Multiple Benefits spell **VALUE**

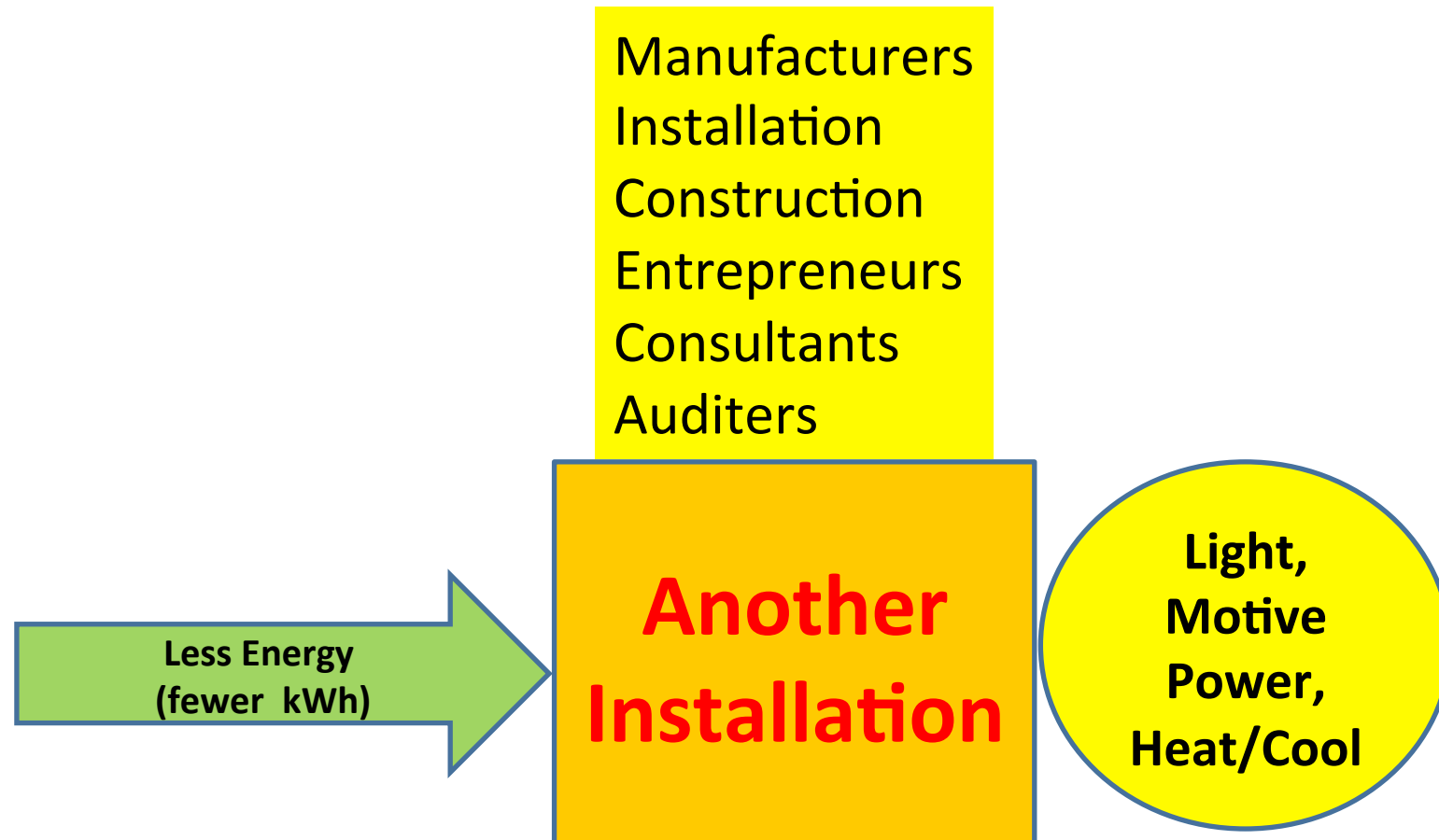


Sources: http://www.iea.org/publications/insights/ee_improvements.pdf
<http://www.iea.org/Textbase/npsum/MultipleBenefits2014SUM.pdf>

Energy efficiency is not difficult

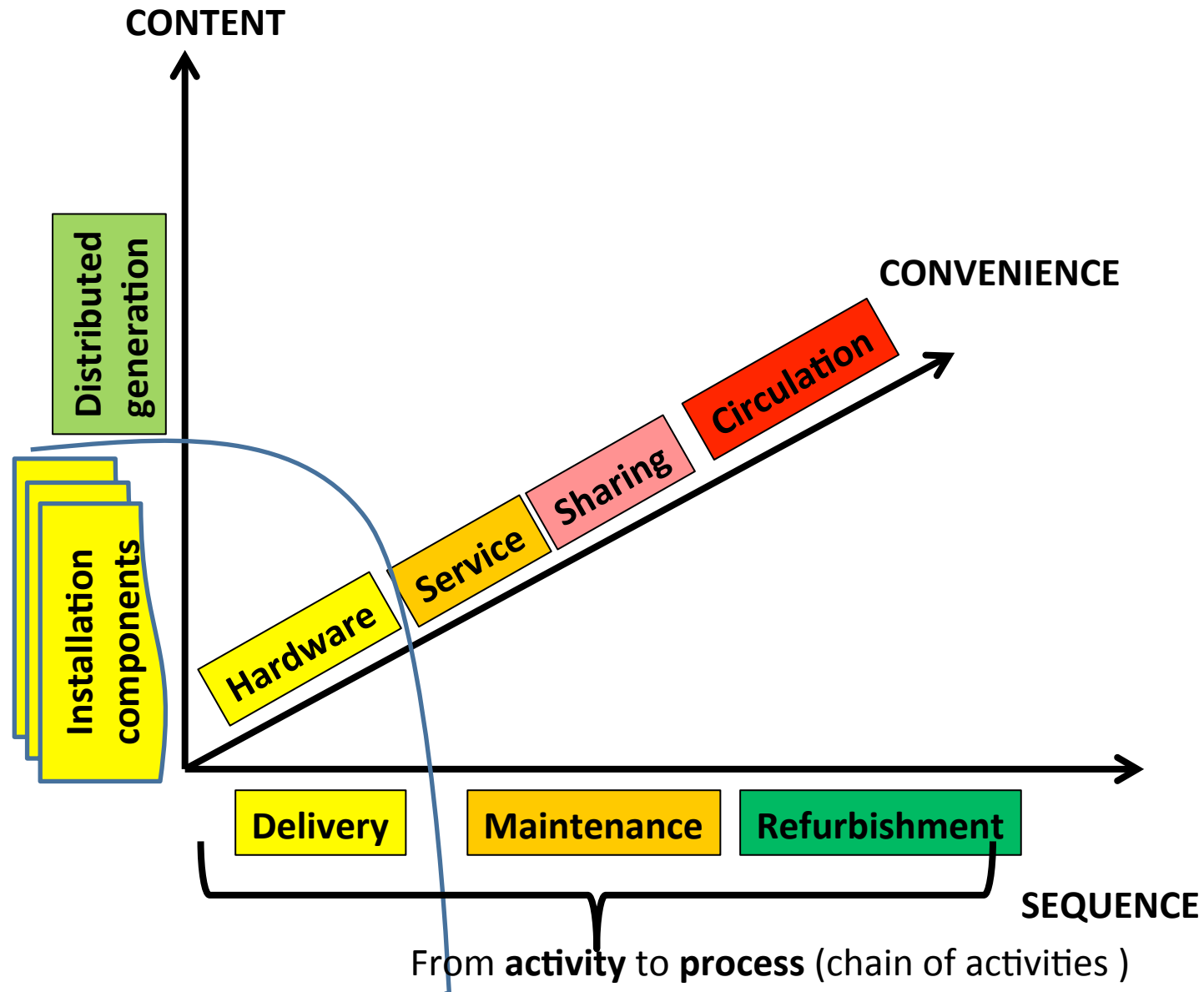


Energy efficiency is not difficultonly complicated

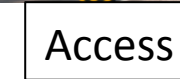
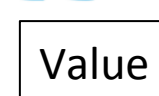
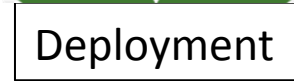


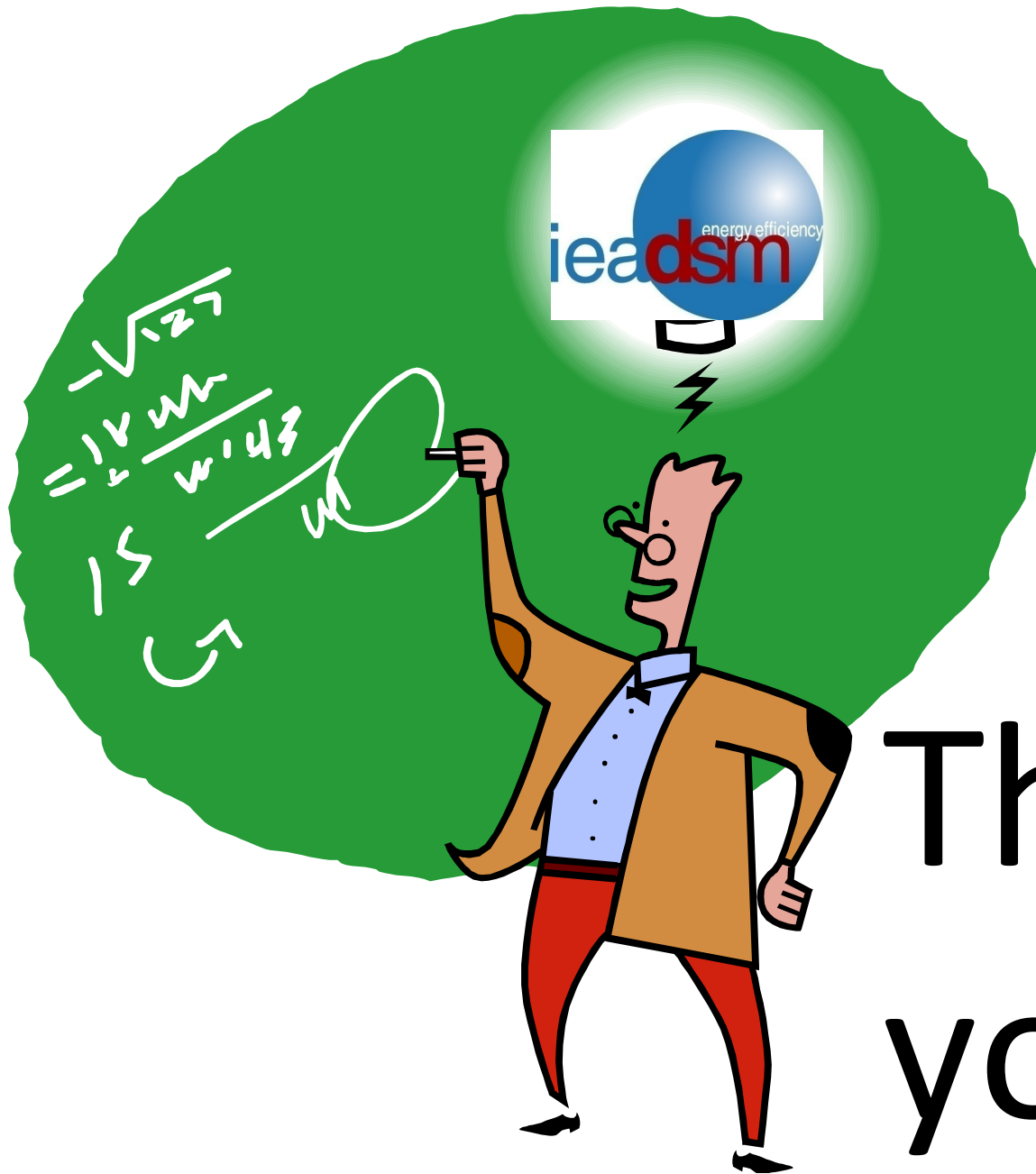
The delivery must be comprehensive, but how "deep" is the knowledge with each actor?

2. Elaborate Business



<u>Instrument</u>
Least Cost Planning
Energy Efficiency Obligations (EEO)
Recognition of Multiple Benefits
Models to distribute Split Incentives
Use of Behavioural Economics and “Nudges”
Development of and Certification of energy services
Obligations for resource management and circular economy





Thank
you !

The 3 dimensions of competitive advantage

