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Energy Efficiency Obligations - an introduction

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Market-based Instruments for Energy Efficiency

Policy Choice and Design

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Five questions on EEOs

- 1) What are EEOs and what makes them different?
- 2) Where can they be found?
- 3) How much investment is triggered by EEOs?
- 4) How (cost)effective are EEOs?
- 5) How to design an EEO?

What are EEOs and what makes them different?

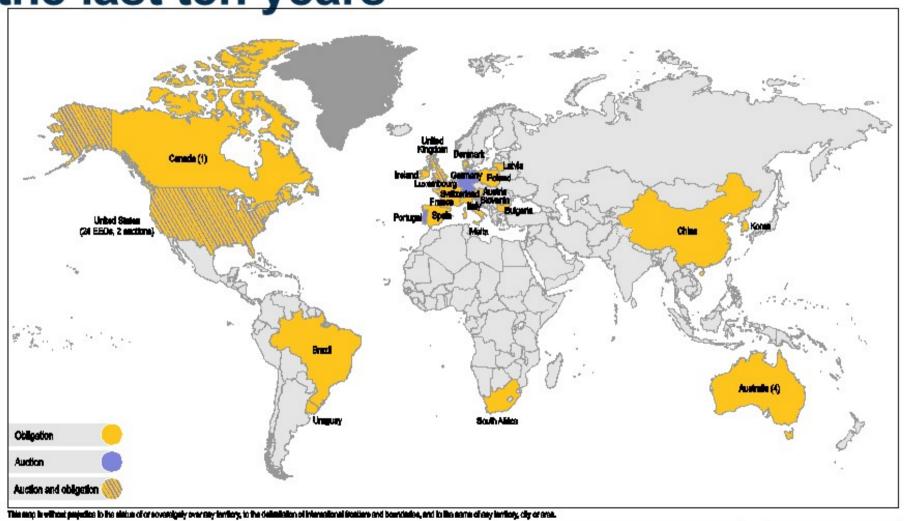




2 Where can they be found?



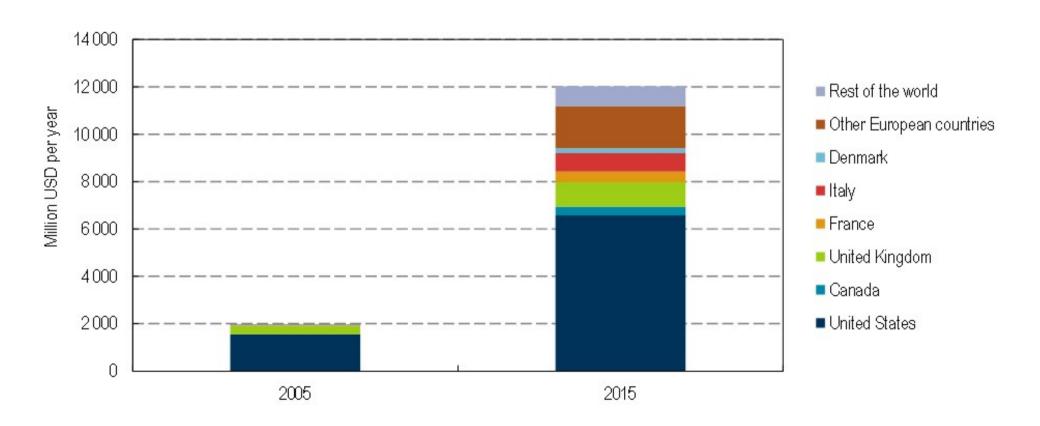
Number of EEOs has quadrupled over the last ten years



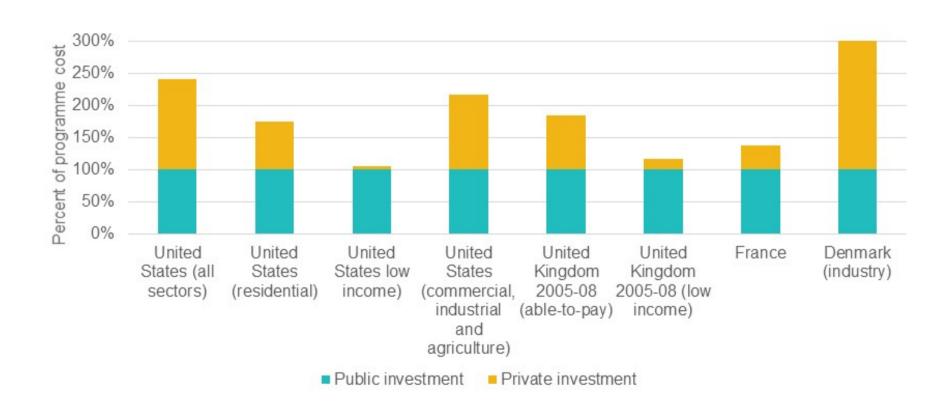
How much investment is triggered by EEOs?



Rise of public investment through EEOs



Different EEOs reveal different leverage ratios



4 How (cost) effective are EEOs?



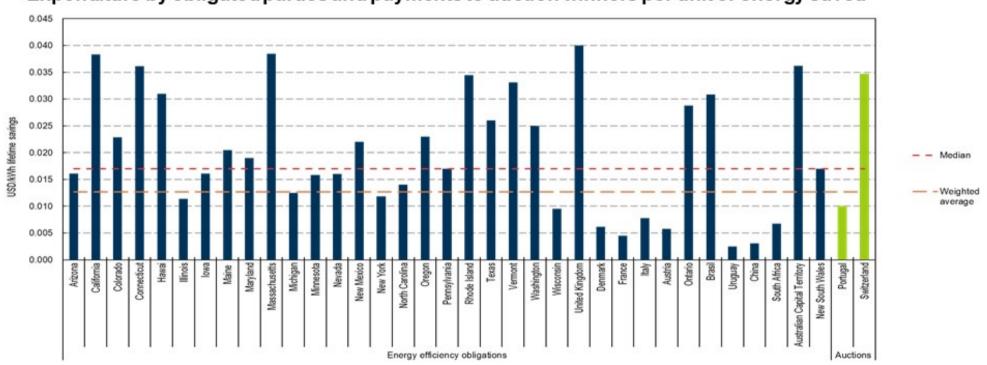
EEOs can deliver significant savings – example UK





Available data indicates that EEOs are cost-effective

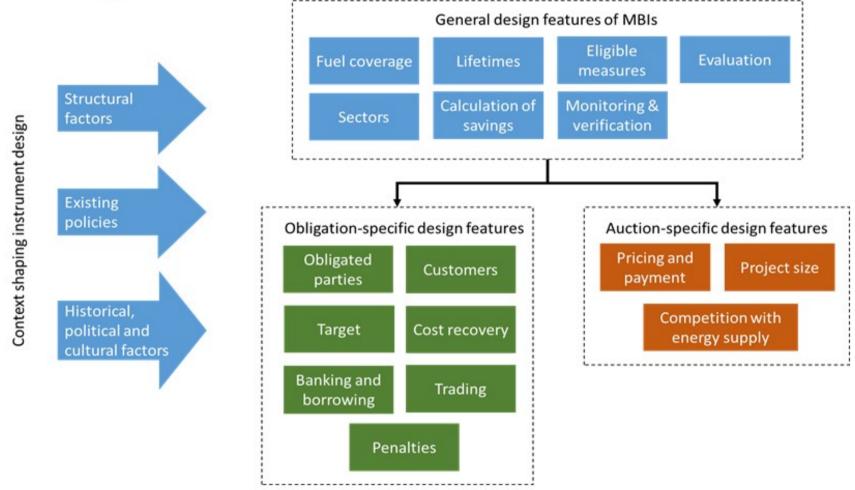
Expenditure by obligated parties and payments to auction winners per unit of energy saved



How to design an EEO?



Design choices for EEOs

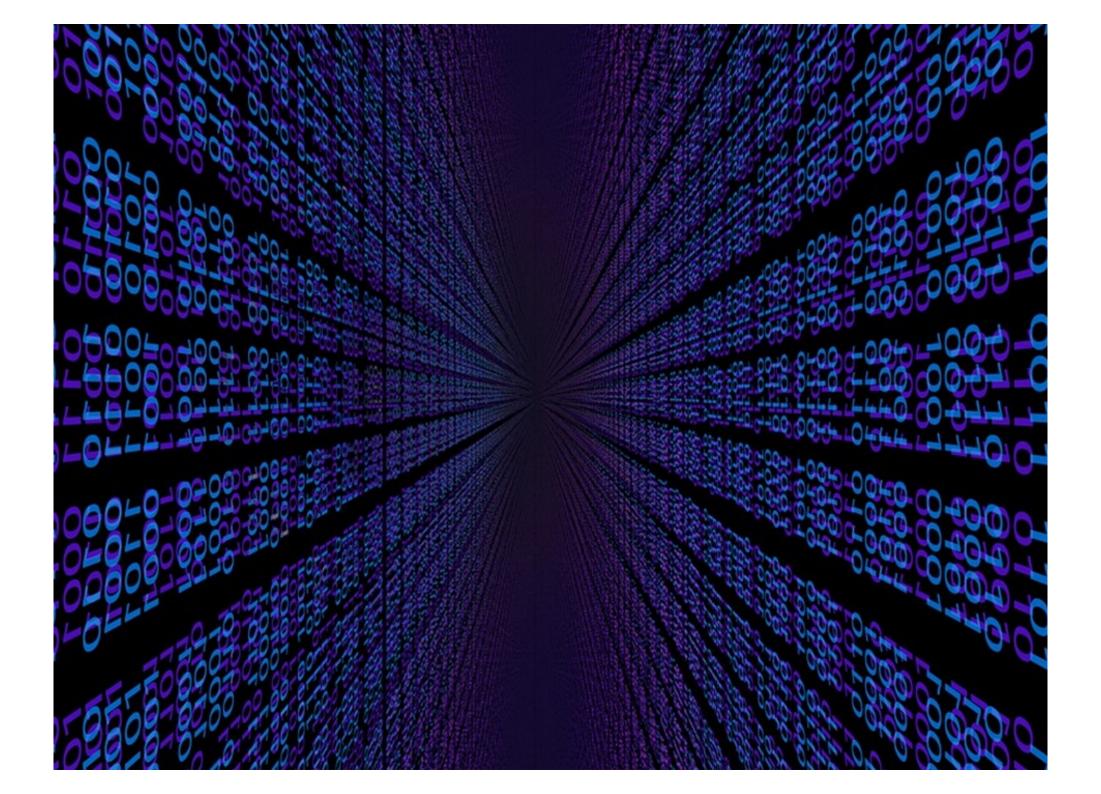


Plentiful option menu to choose from for designing market-based instruments needs to be tailored to (policy and cultural) context

6 Outlook











About RAP

The Regulatory Assistance Project (RAP)[®] is an independent, non-partisan, non-governmental organization dedicated to accelerating the transition to a clean, reliable, and efficient energy future.

Learn more about our work at raponline.org



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