



# Energy efficiency obligation mechanism in Luxembourg

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*Luxembourg, 20th October 2015*



- Cumulative energy savings target: 5.993 GWh
- Obligated parties: Electricity and gaz retailers
- Running from 1.1.2015 to 31.12.2020
- Annual reports
- Penalty of 2€/MWh with obligation to realize the missing savings within the next year



- Involvement prior to individual project
- Individual actions or through third parties
- Free to decide how to interact with end-users (i.e. Financial support, information, advice...)
- Energy savings:
  - All sectors and all energy types
  - Standardized measures – catalogue 34 measures
  - Specific measures = all other type of action
    - Particular cases
    - Exclusions (i.e.: transport, lifetime < 1 year, ...)



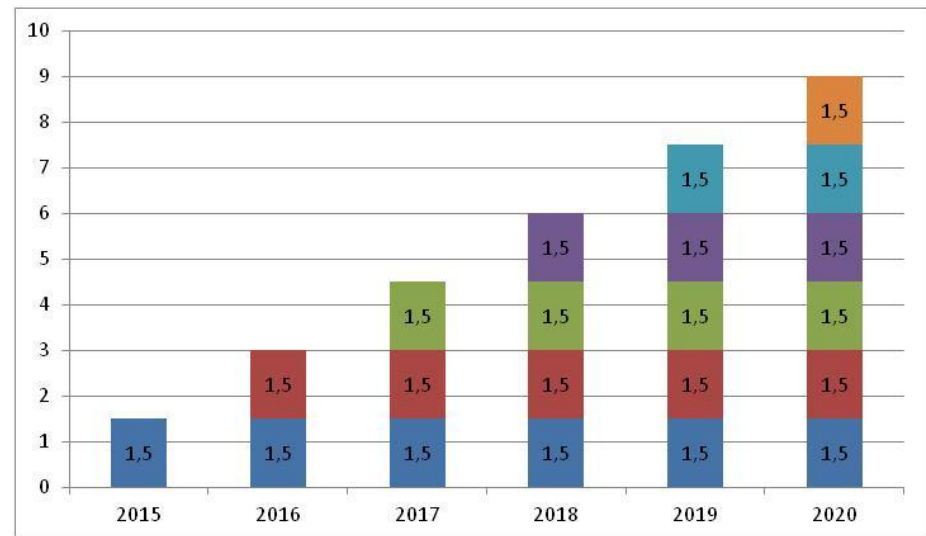
- Annual individual targets (AIT) based on market share (MS):

$$\text{AIT} = (5.993.000 \text{ MWh}/21) * \text{MS}_{n-1}$$

$$\text{MS} = \text{MS}_{\text{gas}} + \text{MS}_{\text{elec}}$$

$$\text{MS}_{\text{gas}} = S_{\text{gas}}/\text{NC}_{\text{tot}}$$

$$\text{MS}_{\text{elec}} = S_{\text{elec}}/\text{Nc}_{\text{tot}}$$





- First year savings (FYS) but lifetime considered
  - Lifetime  $\geq$  2020:
    - Whole first year savings can be counted towards target  
Accountable volume of energy savings (AVES) = FYS
  - Lifetime  $<$  2020:
    - Only a part of the first year savings can be counted towards the target after putting in relation the year of implementation of the measure and the 2020 deadline:  
 $AVES = FYS * LT / (2021 - n)$
  - In case of banking and borrowing:
    - Reported savings =  $AVES * (2021 - n) / (2021 - nR)$



Thank you for your attention

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