# ARTICLE 7 IMPLEMENTATION IN DENMARK - ADDITIONALITY IN ENERGI EFFICIENCY OBLIGATION SCHEME

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#### DANISH ENERGY EFFICIENCY OBLIGATION SCHEME

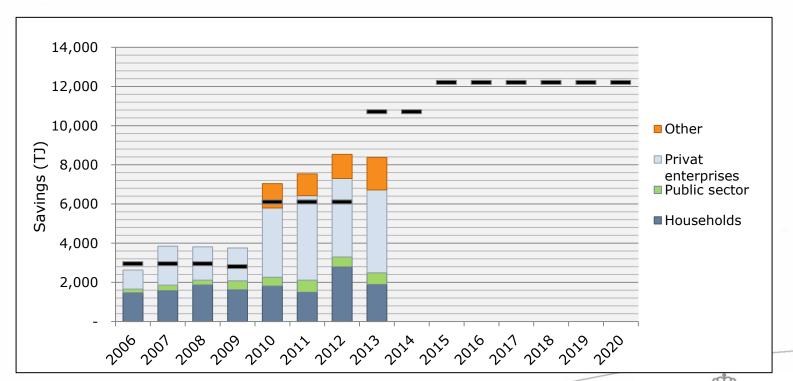
- ENERGY EFFICIENCY OBLIGATION WAS INTRODUCED IN 2006
  - ANNUAL SAVING OBLIGATIONS ON ALL UTILITY COMPANIES WITHIN OIL, GAS, HEAT AND ELECTRICITY
- A LEGAL BASIS FOR SETTING EE OBLIGATIONS FOR
  - ELECTRICITY
  - NATURAL GAS
  - DISTRICT HEATING

WAS AMENDED TO THE SUPPLY ACTS IN 2006

- ANNUAL TARGET A POLITICAL AGREEMENT
- IMPLEMENTED BY A VOLUNTARY AGREEMENT



#### **RESULTS: TARGETS AND DELIVERED SAVING**





## Measurement of savings

#### Calculation methods – three types

- STANDARD VALUES DEEMED SAVINGS
  - AVERAGE SAVING IS CALCULATED FOR STANDARD ACTIVITIES
  - PRIMARILY USED FOR MEASURING SAVINGS IN HOUSEHOLDS
- SPECIFIC CALCULATION SCALED SAVINGS
  - USED FOR LARGE AND INTEGRATED PROJECT
  - ESPECIALLY USED FOR MEASURING SAVINGS IN INDUSTRIES, PUBLIC SECTOR ETC.
- MARKET TRANSFORMATION SURVEYED SAVINGS



## VERIFICATION

- MAIN PRINCIPLE IS SELF-CONTROL
  - THE UTILITIES ARE RESPONSIBLE FOR VERIFICATION, DOCUMENTATION AND REPORTING
  - THEY SHALL HAVE SYSTEMS FOR INDEPENDENT QUALITY CONTROL AND ANNUAL AUDITS
  - DEA DO RANDOM CONTROL OF THE DOCUMENTATION ETC. ON AN ANNUAL BASIS
- STANDARD VALUES ARE APPROVED BY DEA
- UTILITIES ARE RESPONSIBLE FOR SPECIFIC CALCULATIONS
- SIMPLE AND COST-EFFECTIVE MODEL



### **ADDITIONALITY**

ENERGY SAVINGS SHOULD BE ADDITIONAL TO THE REQUIRED MINIMUM EU LEVELS

#### THE DANISH CONTEXT

ADDITIONAL SAVINGS ARE DEFINED AS SAVINGS THAT WOULD NOT HAVE BEEN ACHIEVED IF NOT FOR THIS PARTICULAR MEASURE

- THE PROJECT WOULD NOT HAVE OCCURRED WITHOUT THE MEASURE
- FORWARD THE PROJECT SOME YEARS
- CHOSE A MORE ENERGY EFFICIENT SOLUTION



#### HOW TO INCREASE ADDITIONALITY

- THE OBLIGATED PARTIES MUST ENSURE THAT THERE IS AN AGREEMENT OF COLLABORATION IN PLACE BETWEEN THE END-USER AND THE OBLIGATED PARTY BEFORE THE EE MEASURE IS INITIATED.
- THE OVERALL TARGET SET BY POLITICAL AGREEMENT WAS RAISED BY 15 %.
- NO SUBSIDIES CAN BE GIVEN TO PROJECTS WITH A PAYBACK TIME OF UNDER 1 YEAR (INCLUDING SUBSIDY).
- EE MEASURES WITH VERY LOW "ADDITIONALITY" (E.G. THE REPLACEMENT OF HOUSEHOLD APPLIANCES), OR REGULATED BY OTHER LEGISLATION (E.G. FLUORESCENT LIGHT BULBS) ARE EXCLUDED FROM THE SCHEME (STANDARD VALUE = 0)
- THE STANDARD VALUES OF DEEMED SAVINGS (STANDARD VALUES) ARE LOWERED PERIODICALLY, TAKING INTO ACCOUNT MARKET AVERAGES AND THE DEGREE OF NATURAL REPLACEMENT.



## CALCULATION OF ADDITIONALITY

#### **VARIOUS METHODS**

- ASK THE CONSUMER
- INVESTIGATE MARKETS
- STATISTICAL ANALYSIS WITH CONTROL GROUP
- STATISTICAL ANALYSIS WITHOUT CONTROL GROUP



## **EVALUATION OF ADDITIONALITY**

#### **CONCLUSION 2015 EVALUATION:**

The Energy efficiency obligation scheme does makes a different in order to reduce energy consumption

- In Industry and public sector: 46 %
- In households: 22 %



## THANK YOU

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