

CA IV EED Plenary Meeting Helsinki

Energy Efficiency solutions
for energy poverty

Good practices
in Flanders (Belgium)

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FLEMISH BUILDING STOCK

13.522 km²

population > 6,5 million – 485 / km²

> 2,6 million buildings



RESIDENTIAL

3,1 million dwellings in 2,3 million buildings
= 13,7% of total energy use

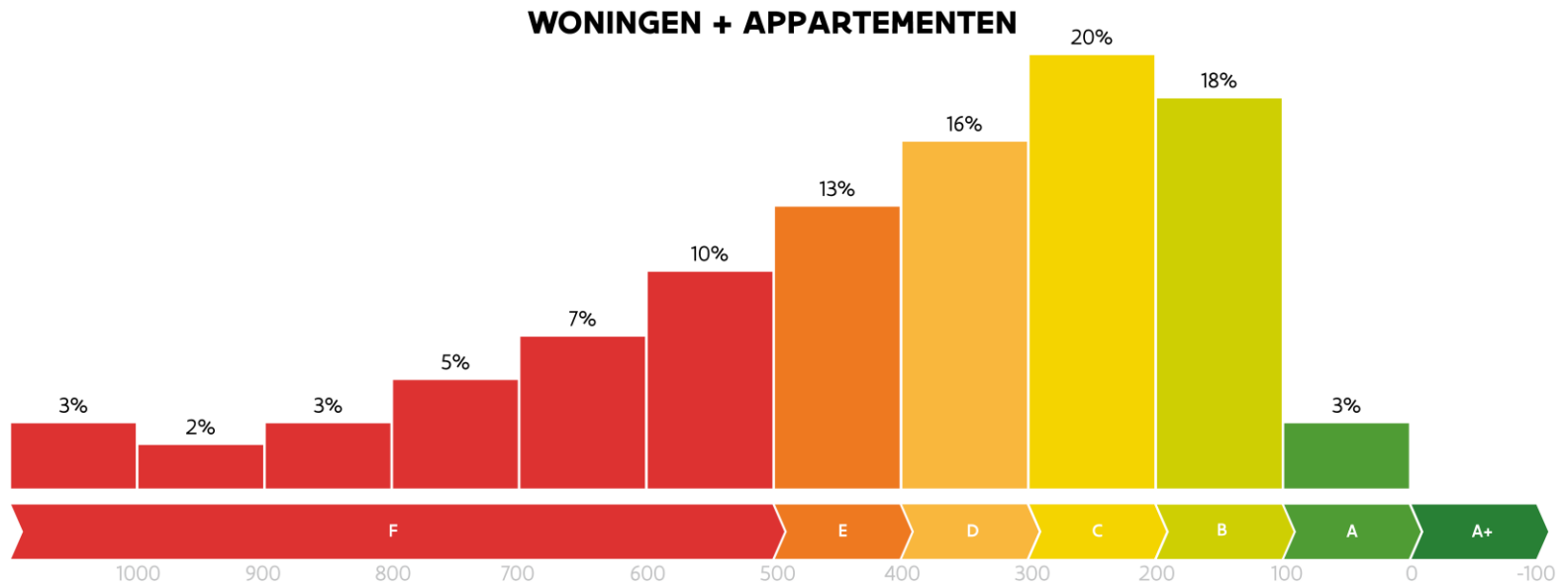
Population grows older (share of + 65)



RESIDENTIAL BUILDINGS

- ▶ Over 3 million dwellings
 - 60% over 50 years old
 - 30% 'label F', only 3% 'label A'

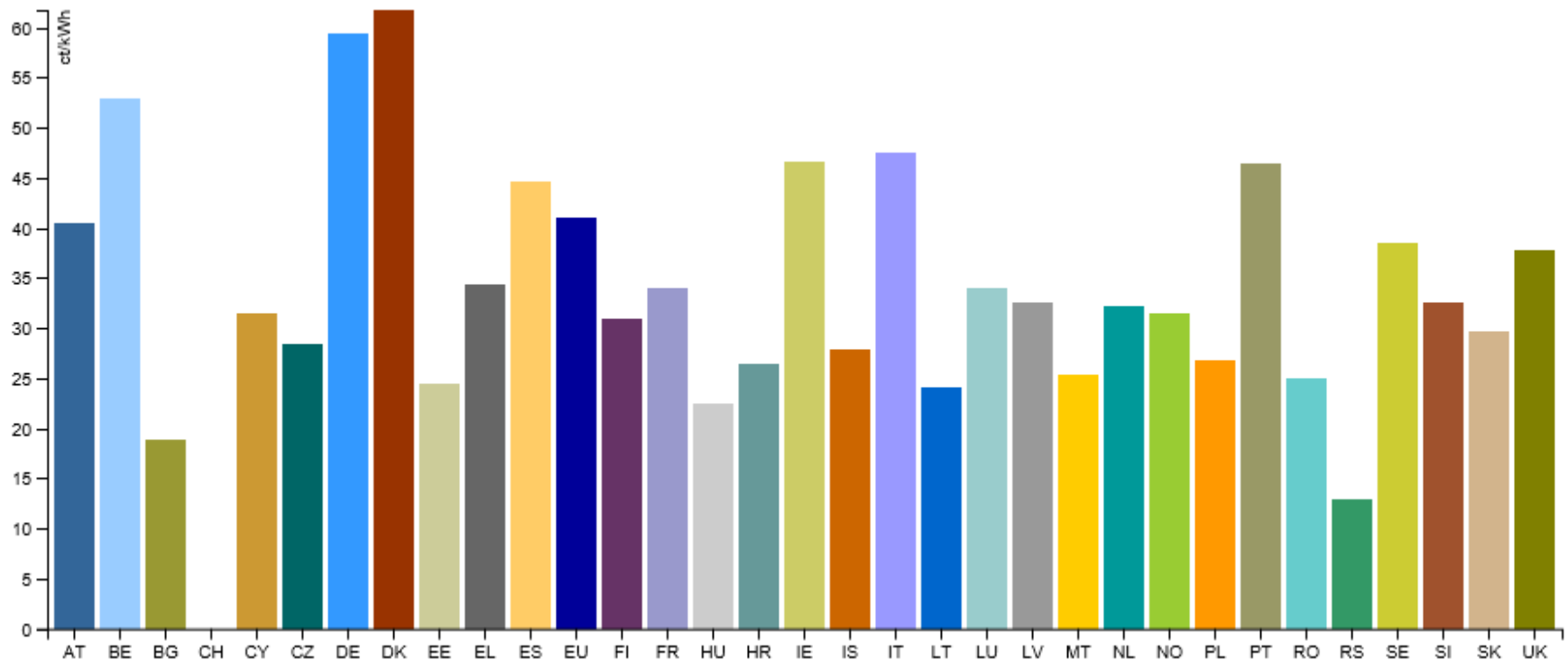
A = goal 2050



Infografiek Vlaams Energieagentschap, op basis van gegevens uit EPC-databank (januari 2018)

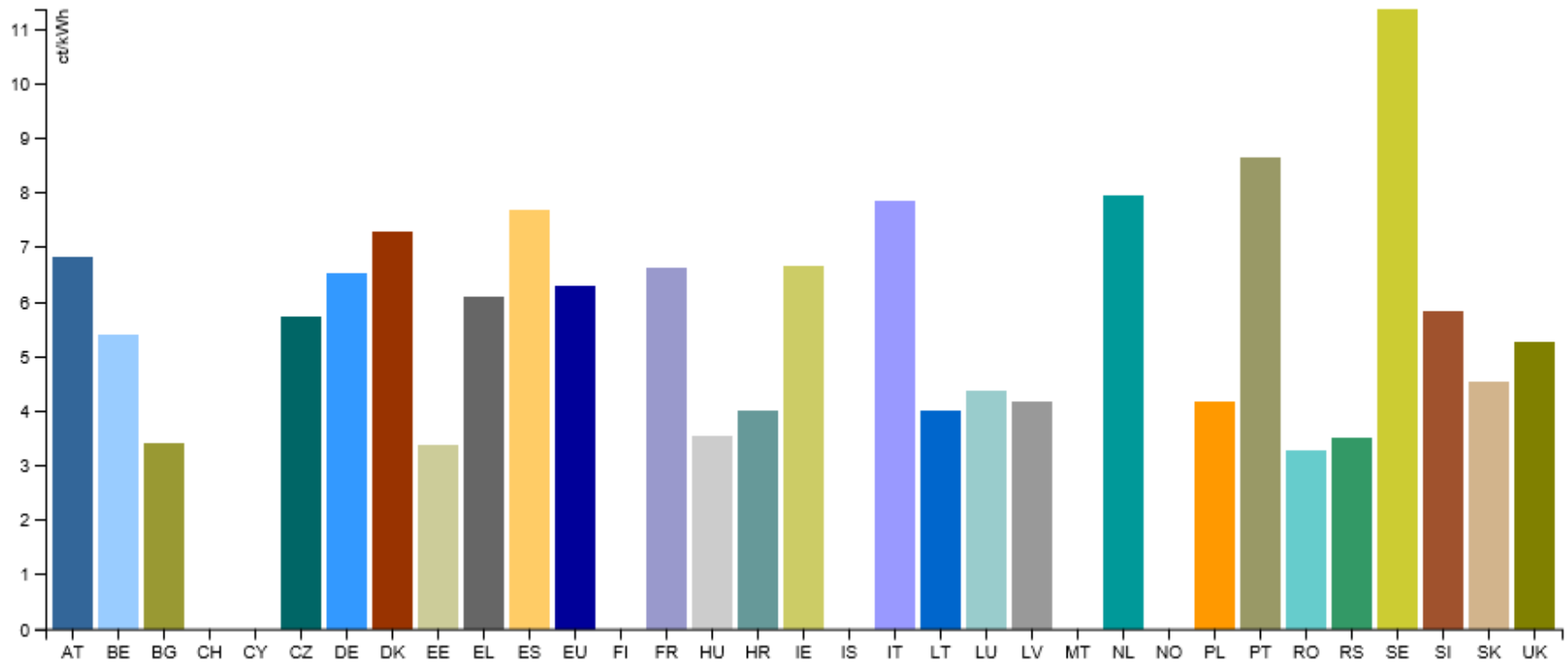
HIGH ELECTRICITY PRICES

HOUSEHOLD ELECTRICITY PRICES | 2016



GAS PRICES

HOUSEHOLD GAS PRICES | 2016



HOUSING SURVEY

1 million homes

do not meet minimum requirements of Flemish Housing Code

13% or 350,000 dwellings

of structurally insufficient quality : not fit for rent in theory

5.1% or 136,000 structural problems

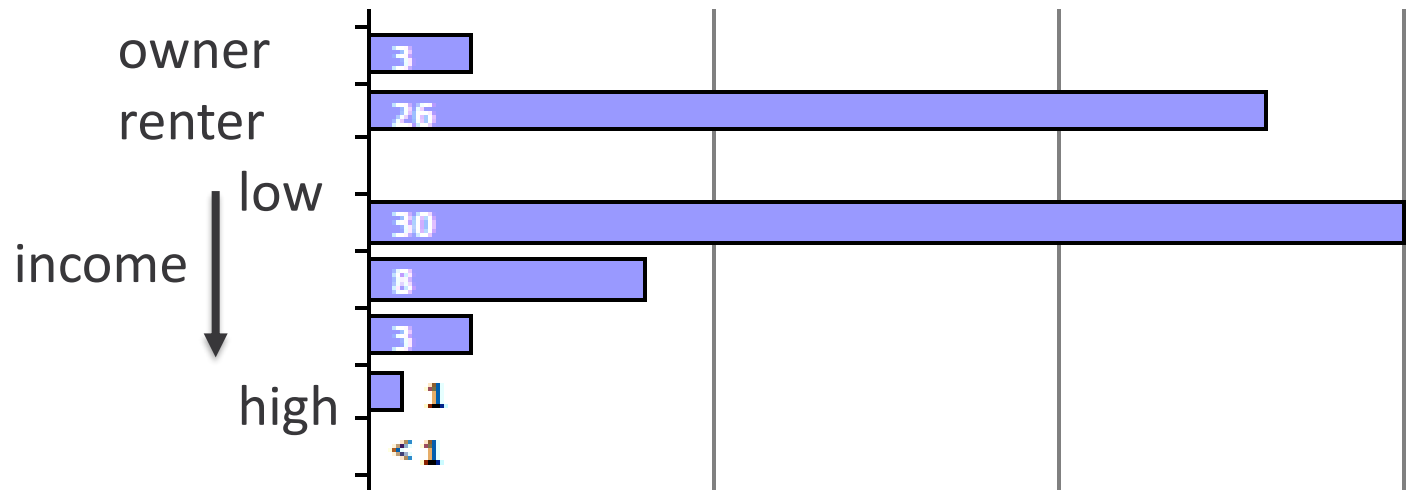
Recent research shows rent increase after limited renovation is high: affordability problems especially in lowest segment

ENERGY POVERTY DEFINITION

NO UNIQUE DEFINITION – VARIOUS APPROACHES & INDICATORS

A) Total cost for housing > 40 % of available income

- ▶ 8% of the population (510.000 individuals / 220.000 households) (Armoedemonitor 2014)



ENERGY POVERTY DEFINITION

B) Over 10 % of income is spent on energy

▶ 1 out of 10 or 260.000 families

C) Traditional descriptive definition:

Indicators/year: energy debts – payment plans, termination of energy delivery contract, energy cut-offs, number of prepayment meters



POLICY MEASURES

► PROTECTION AGAINST CUT-OFFS

Public service obligations for energy companies and grid operators.

A cascade of measures offers an **extensive protection against the cut-off of power supply**, including the use of prepaid meters. Very few families are cut off. 1300 electricity en 1500 gas in 2017.

Digital meters offer additional possibilities for a more proactive approach in avoiding energy debts, a pilot project that was concluded in 2018 showed. Roll-out of digital meters expected to start this summer.

POLICY MEASURES

▶ TARGETED ENERGY EFFICIENCY MEASURES:

- ✓ free domestic energy scans
- ✓ higher grants for EE for vulnerable families
- ✓ specific grants for rental houses
- ✓ public zero interest energy loans
- ✓ revolving fund in preparation
- ✓ network of local Energy Houses with a broad service on energy

ENERGY SCANS

What? Free made to measure energy advice in your house

- ▶ Since 2005 over 200.000 scans (up to 20.000/year)
- ▶ Only for vulnerable groups
 - Protected consumers (= right to social tariff for energy)
 - Income < 31.040 euro
 - Users of prepayment meters
 - People who rent under 500 euro/month
 - ...
- ▶ Basic audit of the house, the behaviour and installations

ENERGY SCANS

- ▶ Services:
 - Comparison of energy suppliers + switch to cheaper contract
 - Small energy savings measures for free (value €20)
 - × lamps, timer, insulation of heating conducts or windows, energy saving shower head
 - Report with tips for behaviour AND EE measures
- ▶ 2-3 hours
- ▶ By social economy actors
 - Organisation: grid operators (public service obligation)
- ▶ Second visit possible
- ▶ Budget: 200 euro/scan



ENERGY SCANS

+	-
LOW TRESHHOLD	TARGET GROUP ALMOST DONE
WELL KNOWN: 20.000 scans / year	ONLY VERY FEW SCANS LEAD TO ACTUAL RENOVATION MEASURES
LOTS OF EXPERTISE	RICH DATA COLLECTION COULD BE USED FOR TARGETED APPROACH

PRICE REDUCTION FOR ELECTRONIC HOUSEHOLD APPLIANCES

- ▶ For protected consumers
- ▶ Washing machine A+ or better, or fridge AAA
 - Application: grid operator issues a voucher
 - To be used in selected shop (database online)
 - Direct reduction in the shop
- ▶ + : direct reduction
- ▶ - : not in all shops (1000-1500 vouchers/year)



-€150 btw incl.

Bij aankoop van een koelkast met label A+ of A++ of voor een wasmachine met label AAA.

Wes-Im, distributie en speciaal
ZIE OOK: www.wes-ime.be
OP DE WEBSITE VAN DE BOV



BONUS ON ENERGY GRANTS

For protected consumers

- Exclusive grant for condensing boiler: 1800 euro
- Roof insulation: 10,5 euro/m² vs. 4
- Double glazing: 56 euro/m² vs. 10
- Wall ext/int: 22,5 euro/m² vs. 15
- Cavity wall: 9 euro/m² vs. 5
- Floor: 9 euro/m² vs. 6
- Solar boiler, heat pump boiler and heat pump: 20% bonus

+	-
Something extra	Basic grant is low
	Low take up

SPECIFIC GRANTS FOR PRIVATE RENTAL

- ▶ Private rental houses with vulnerable renters:
 - Combination of support & extra high grant for the owner for:
 - × Roof insulation: 20 euro/m²
 - × Double glazing: 85 euro/m²
 - × Cavity wall insulation 12 euro/m²
 - Assigned project promotor
 - × A-Z support of renter and owner
 - × Search for contractors and price offers;
 - × Applies for grant
 - × Gets 200 euro per case
 - Owner
 - × Can not raise the rent / stop the contract
 - × Pays the balance

SPECIFIC GRANTS FOR PRIVATE RENTAL

Linked to obligations in the Housing Code

- Minimal roof insulation 2020
- No single glazing in living spaces, kitchens and bathrooms 2023

⇒ 67% owners anticipates, 40% already did the works

+	-
Unburdening of owner and renter	Compensation for promotor = too low (200 euro)
Higher grant	
800-900 each year	Large potential > 200.000

PUBLIC ZERO INTEREST ENERGY LOANS

- ▶ Max 15.000 euro for energy savings measures: insulation, glazing, heating, PV, solar boiler, heat pumps,...
- ▶ 0% interest – public funding
- ▶ max 10 year payback time
- ▶ Free support:
 - Selection of works;
 - Price offers;
 - Selection of contractor;
 - Follow up;
 - Grant application

PUBLIC ZERO INTEREST ENERGY LOANS

- Target group: protected consumers / Income < 31.040 euro + 1340 for each additional family member
 - Default payment almost zero

- Issued by 19 Energy Houses

	2015	2016	2017	2018	total
LOANS	4 470	4 406 -1,4%	3 687 -16,3%	5 856 +58,8%	18 419
BUDGET (MEUR)	33,30	32,37 -2,8%	28,2 -12,9%	54,8 +94%	148,7
AVERAGE LOAN (EUR)	7 450	7 348 -1,4%	7 771 +5,8%	9 356 +20,4%	8 071

REVOLVING ENERGY FUND

= renovation loans with delayed repayment

→ Public revolving fund

→ Loans are issued by local welfare organisation based on a call

→ Credit line/actor max 900.000€ - 2019 start budget 12,5 million euro (Climate Fund)

× For 500 renovations

→ Adopted in December 2018, start Spring 2019

REVOLVING ENERGY FUND

The Loan

- Max. 25.000 euro
- 0% interest
- **REPAYMENT**: starts after the house is sold/inherited or after 20 years
 - × + small share of added value (formula)
 - × Possible to spread repayment over 15 additional years
- **Risk reduction** for local welfare actor: pre-emptive right to buy the house + secured by mortgage
- **Combination** with basic zero interest loan possible
 - × => $15.000 + 25.000 = 40.000$

REVOLVING ENERGY FUND

- ▶ Targeted to “**emergency buyers**”
 - families having difficulties to find a place to rent and are forced to buy a cheap house in bad shape

- ▶ Conditions for the houses
 - Inhabited by emergency buyers
 - × Natural person
 - × Full ownership
 - × No other real estate

 - Primary residence (population register)

 - Structural problems safety, health, quality

REVOLVING ENERGY FUND

- ▶ Conditions for the house

- Action is required!

- × Improvement of energy performance

- × Building physics performance:

- In order to obtain conformity with the Flemish Building Code

- AND financing via traditional private loan would lead to payment default (solvability check)

- ▶ Idea is to fund the fund on a regular basis + regular calls

LOCAL ENERGY HOUSES

- ▶ = the actors issuing the 0% interest loans
- ▶ 19 Energy houses operating in 300 municipalities
- ▶ Recently reformed to low threshold one-stop-shop in every municipality
- ▶ Obligatory minimal services
 - 0% interest energy loans
 - Basic information on grants, loans, renovation

LOCAL ENERGY HOUSES

▶ Obligatory minimal services

→ Guidance and support

- × Energy contract comparison + switch to cheaper contract

- × Price offer demand

- × Follow up of renovation works

- × Interpretation of heat maps, Energy Performance Certificate with Renovation Advice,...

→ Coordination of local energy services (energy scans, project promotor insulation private rental sector,..)

→ Referral function

LOCAL ENERGY HOUSES

► Financing

→ 725 euro / energy loan

→ + for the service package

× According to size of working area

→ 20.000 euro / each share of 50.000 inhabitants

→ 20.000 euro / working area 1-5 municipalities + 3.000/
additional municipality

→ 240 euro for a support during renovation works

→ For additional innovative experiments/projects

→ Total budget = 5 million euro/year



CONCLUSIONS

- ▶ Measures are included and monitored in **Energy Poverty Program** (part of LTRS) since 2014
 - Reason: ALL houses need to be deeply renovated
 - Shows importance to the political level
- ▶ 2018: evaluation of this program with stakeholders
- ▶ Measures lack power and scope
- ▶ Target group needs intenser personal guidance and support
- ▶ A lot of work ahead of us!

THANK YOU!

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