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OPTIONS FOR INTEGRATION OF ENERGY END-USE EFFICIENCY AND ENERGY SERVICES INTO GREEN ELECTRICITY LABELS

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Overview

Several suppliers have been trying to promote energy efficiency and renewable energy in integrated commercial offers. The general objection to these offers may be that electricity suppliers have little incentive to promote reduced consumption as it generally decreases their sales and corresponding profits. This objection reflects old paradigms in which suppliers offer final energy, e.g., gas or electricity, to their customers. However, final energy is not the final product, only an intermediate product. End-users in industry, private and public services, and the residential sector do not benefit directly from final energy. What they need are genuine energy services, i.e. the physical amenity provided by energy-using equipment or buildings, for example cooked or cooled food, illumination, thermal comfort, transportation or product manufacturing.

Thanks to specific national legislative support, energy suppliers are becoming more and more aware of their potential role in increasing end-use efficiency. Customers of green electricity suppliers are very likely to be environmentally aware and may readily accept this new approach.

But, in order to assure the final customer on the quality of the "product" he is buying agreed standards must be defined. This paper proposes a possible pathway.

Methods

First an analysis of the European legislative framework and of previous experiences of integration has been performed. This analysis has led to the definition of a portfolio of different options that has been widely debated within different stakeholders at a European level as well as at a National level in some countries. In particular among the EUGENE members. The European Green Electricity Network EUGENE is a non-profit network which has established a minimum standard for green electricity labelling schemes.

Finally the following recommendations have been agreed upon (in this abstract only Mandatory criteria will be summarised, bearing in mind the EUGENE consortium organisation; in the paper also Optional criteria will be shortly presented.)

An overall reduction of consumption, compared to a Business as Usual scenario, must be assured and not only a change in load curves. In those countries where there is an obligation for energy efficiency activities, only those activities over and above the baseline defined by the obligation should be eligible. Only bottom-up calculation methods may be acceptable for the purpose of this report. All efficiency programmes based on the labelled product should be open to all customers of the respective product.

Labelling bodies should thoroughly develop straightforward and clear messages to communicate the new concept. These messages should also be tested in the relevant consumer groups before the integration of end-use efficiency measures is actively communicated to a broader audience.

Tariffs should by no means have a regressive shape, otherwise an incentive to increase consumption would be given to the final customer.

Results

The recommendations identified will be soon tested at least in one country. In Italy the Bollino Verde label is considering aligning with the Eugene standard. WWF Italy is also proposing to introduce some end use efficiency criteria in the new Green Labelling scheme which is under development. The parties involved are willing to test the inclusion of some energy services into the labelling scheme. In WWF proposal the electricity supplier has a portfolio of options to reach the 100 points needed to achieve the label. Two of these possibilities include end-use energy efficiency: Non-Quantifiable End-Use Efficiency (30 points) or Quantifiable End-Use Efficiency (70 points). The proposal is currently under discussion in the Bollino Verde organisation.

Conclusions

Although some worries have been raised on communicative aspect associated with such an approach, the inclusion of energy end-use efficiency and energy services into green electricity labels is promising and may be one concrete option for a practical enhanced Renewable Energy Sources / Rational Use of Energy integration.

References

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