The Coalition for ENERGY SAVINGS

Assessing energy efficiency for its own merits:

The case for a Cost-Benefit Analysis

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Secretary General

Who we are

The Coalition for ENERGY SAVINGS

- 30 industry, NGO, workers, professional and local authorities associations
  - 500 associations, 200 companies
  - 2 million workers, 15 million supporters
  - 2,500 cities and towns in 30 countries in Europe

Advisory members:

Why it matters

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- EC IA on 2030 EE targets (least cost analysis) takes a **private** and **short term** perspective to assess financial impacts

- Partial assessment, not sufficient
  - Energy Union objectives and policies (assessing EE for its own merits).
    - **Missing out economic, social and environmental potential**
  - Commission internal Better Regulation policy
    - **Missing out on Better Law Making**

Objective of the study

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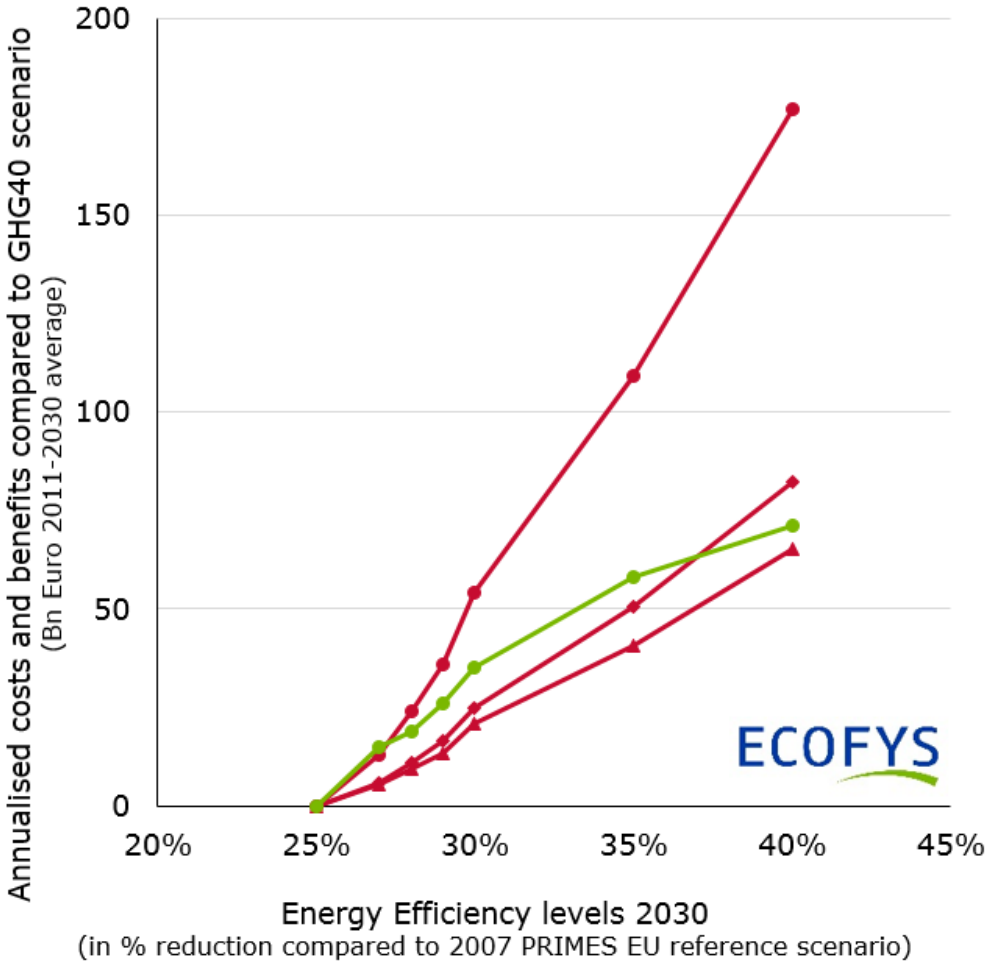
- Study by ECOFYS and The Coalition for Energy Savings

- Toward a Cost-Benefit Analysis,
  - CBA financial analysis takes into account the positive environment created by additional EE policies **(societal perspective)**
  - Application of EE First **(evaluation of EE for its own merits)**

Findings

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Towards a cost benefit analysis for energy efficiency 2030



Upfront investment/capital costs:

- Private perspective* (short term)
- Societal perspective** (long term)
- Societal perspective with assumption of longer lifetimes of investments***

- Energy bill savings*

* Data from SWD(2014) 255 final, 23/7/2014

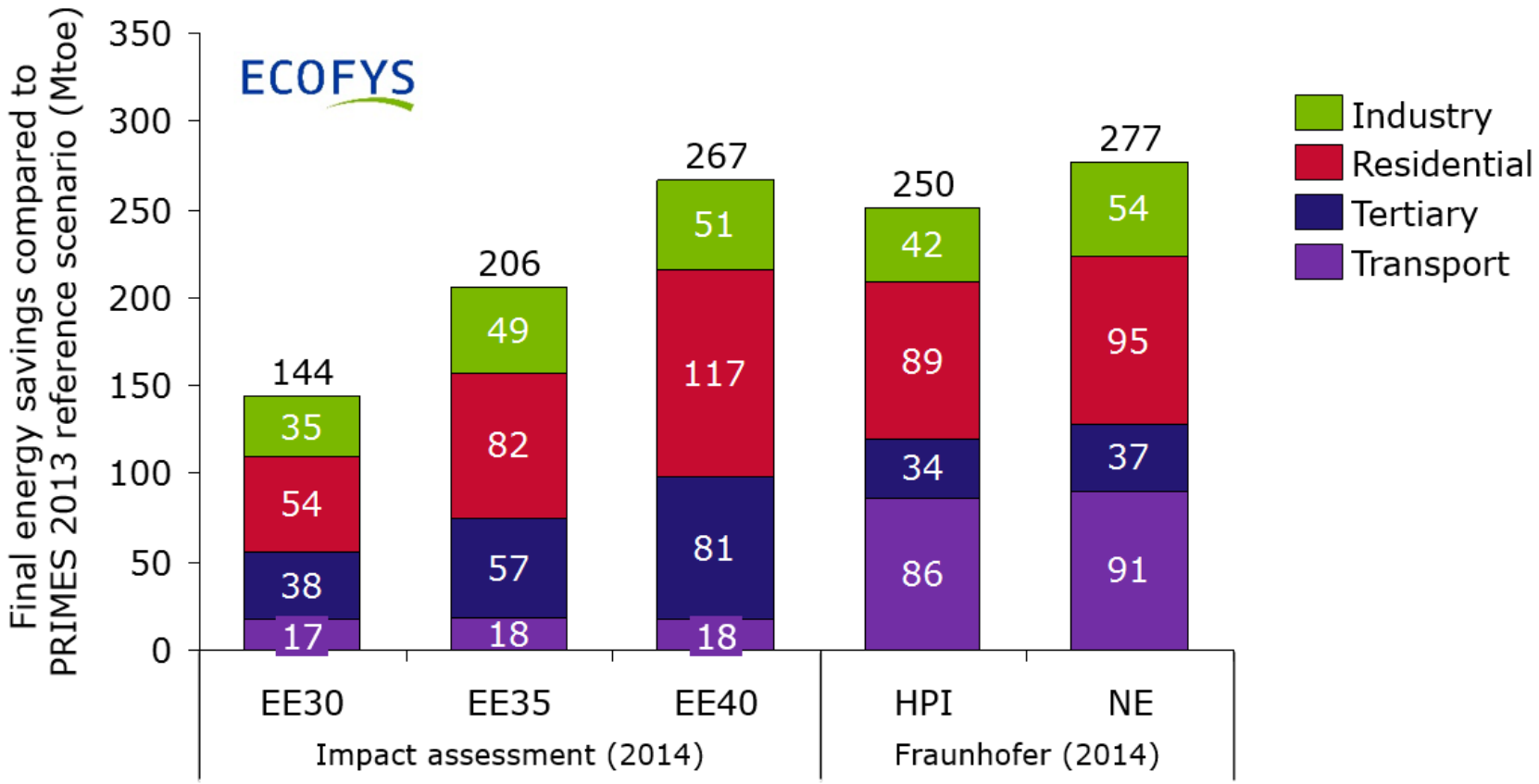
**approximation using EC recommended discount rate

*** 30 years instead of 20 years

Findings

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Sector savings in different models and energy efficiency scenarios



Limits

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- Example for a CBA
- EC energy model has limitations
- Further impacts to be addressed, including multiple benefits of EE. Example:
  - Jobs - 13 to 17 jobs / €1 million EE investment
  - GDP could increase to 4.4% by improving energy efficiency by 40% by 2030
  - 2.6% less gas imports for every 1% of EE
  - Air pollution control costs could be reduced by €7billion by improving EE by 35% by 2030
  - Health: could save the EU's economy as much as EUR 190 billion annually.

Contact

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