

The logo for CERRE, consisting of a dark blue square with the word "cerre" in white lowercase letters.

Centre on Regulation in Europe
Improving network and digital industries regulation

'Energy efficiency first': easier said than done?

CERRE Executive Seminar

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Introductory Remarks

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Saving Energy Is Costly

- Reduced well-being
- Altered behaviour
- Investment
- Research & development
- Administration

Targets Beyond Economic Considerations

- Individual optimisation: balance costs and benefits
- Market imperfections: price signals, information, externalities and transaction costs
- Political ambition: limit climate change
- Policy conflicts: renewables & carbon pricing

Achieving Target at Minimum Costs

- Choosing instrument
 - direct (command-and-control): standards
 - indirect (market based): subsidies, energy-efficiency obligations
- Implementation
 - coverage and participation
 - design
 - approval and supervision
 - trading

Issues

- What instruments are in use?
- How are they implemented?
- What is the practical experience?
- What can be learned?
- Can best practices be identified?
- Are business opportunities created?