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# To certify or not to certify – How to mainstream Energy Efficiency?

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...as we heard today:  
Large potential, low implementation

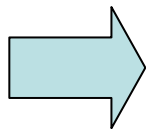
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- Lack of information
- Low energy prices
- Savings dispersed
- Not main business, „unsexy“
- Utilities still sell „energy“, not „energy services“

# How much – and what kind of – regulation do we need???

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- Information policies?
- Energy prices?
- Contracting / DSM?
- Standards?
- White certificates?



„Purist“ Economist's view versus fully-fledged „(over-)regulation“

# „Purist“ Economist's View

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*„Provide relevant information  
& get the prices right!“*

## Information

- Labels *at all* (houses)
- *Better* labels (appliances)
- Smart metering

## Energy Prices

- Still „do not bite“
- Electricity: Load-dependent prices?

 Create markets for EE & enhance participation

# Fully-fledged „(Over-)Regulation“

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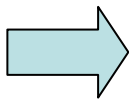
*„Stakeholders don't react (enough) to prices“  
„Necessary Energy Price levels politically not feasible“*

## Standards

- Appliances
- Houses
- Cars

## White Certificate Scheme

- Some national schemes implemented / in preparation
- EU-wide scheme considered



Stakeholders need to be „forced“ to do the right thing

# Incentives & Open Questions

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## Market Instruments

- Information: lowers transaction costs, remedy for split incentives
- High energy prices: extend economic potential & lower rebound effect
- Together they induce competition for EE
- High enough prices politically naive?

## Standards & White Certificates

- Secure the standard
- Rebound?
- Competition for EE?
- transaction costs?

# Conclusions

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## Dynamic Standards

- „Possible“ rate of innovation unknown ex ante
- Becomes subject to negotiation
- Higher energy prices still necessary

## White Certificates

- More complicated than emissions Trade
- National schemes highly specific
- Here too, higher energy prices still necessary

## Higher energy prices

- Unavoidable
- Unavoidable
- Unavoidable



# Thank You for Listening!

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