

ENERGY EFFICIENCY AND DEMAND REDUCTION MEASURES IN RESPONSE TO ENERGY CRISIS

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 **INPUT BY OTHER EECG MEMBERS**

BACKGROUND

- ✦ Since February 2022, **EU and Energy Community increasingly focused on energy security issues** and the introduction of emergency measures for the rapid reduction of the use of natural gas from Russia, and an overall reduction in energy consumption.
- ✦ **EU: REPowerEU plan** was adopted, focusing on energy savings, diversification of the energy supply, boosting green energy production and enabling smart investments and reforms. This was followed by further agreements on electricity and gas reductions.
- ✦ **EnC: Contracting Parties** are not addresses of such initiatives, but are encouraged to take a similar approach to mitigate the effects of the current energy crisis, as well as to achieve their energy efficiency targets.
- ✦ **EECG Work Programme 2023-2024 / Expert Area 4: Demand side measures for energy savings / Task 2. Consumer information and demand reduction measures:** EECG will assess via questionnaire the measures adopted and the effects of such measures.
- ✦ **The scope of the questionnaire** is to determine which measures are taken by Contracting Parties in addressing the current energy crisis, and what are the effects of such measures.
- ✦ Reports will be used as **input for the Policy Guidelines** with a set of recommendations supporting the effective implementation energy demand reduction measures and energy efficiency.

QUESTIONS

1. **Key challenges during the energy crisis?**
high energy prices, supply disruptions, protection of vulnerable households, etc.
2. Please share any **specific decision/plan/guideline adopted by the Government** during 2022-2023 to tackle the energy crisis, incorporating energy efficiency and demand reduction measures.
3. What were the **key end-use sectors tackled** (generally all sectors, households, public sector, SMEs/services, large industry, transport) and **supply fuels** (electricity, gas, oil, district heating)?
4. Did the country launch **national energy-saving campaigns?**
(with energy saving tips, information on support programmes etc.)
5. **Key measures/projects** to reduce energy demand in 2022-2023.
6. *If available: **impact of measures, lessons learned and plans***

 **Detailed Questionnaire shared by EnC Secretariat:**

- to be completed by 30 June

- *it will be used as input for the Energy Community Policy Guidelines (Ministerial Council 2023)*

- *General risk of supply disruptions, high energy prices, protection of vulnerable households*
- *Moldova is facing significant challenges in the gas market and the State of Emergency declared since October 2021, with significant price increases recorded*
- *In North Macedonia, the energy crisis was announced for the second time, from 1st September 2022 until 30th April 2023*

SUMMARY FINDINGS

- DECISIONS/PLANS/GUIDELINES ADOPTED



- *Most of the Governments published recommendations on how to save energy*
- *Albania imposed an obligation on public institutions to reduce electricity consumption by 15%, tasking also nominated energy managers to report on the progress and introduced penalties for not reaching this goal. Strengthened the role of energy managers – responsible for implementation and reporting!*
- *Montenegro: Recommendations for households and the public sector on how to save energy (buildings, street lighting)*
- *Moldova: Government Decision no. 606/2022 on approving Measures to Prevent and Mitigate Energy Crisis Impact in case of Gas Supply Curtailment and Preparation for 2022-2023 Heating Season ("Winter plan"); Law on the Fund for reduction of energy vulnerability (5 categories of energy vulnerability for households)*
- *North Macedonia: Government Decision y the Government with obligation for public institutions to achieve at least 15% reduction in energy consumption on a monthly level compared with the previous year. Commission for monitoring the energy system established – participation of Ministries, TSO, DSO, big suppliers!*
- *Regulators introduced block tariffs (MNE, MKD)*
- *EU Energy Support Package for vulnerable households and SMEs (signed, under implementation). Kosovo provided details on current status and measures for mitigating impact of energy crisis*

SUMMARY FINDINGS - KEY END-USE SECTORS AND SUPPLY FUELS TACKLED



- *Albania, Montenegro, North Macedonia: households and public sector (electricity)*
- *Moldova: vulnerable households, public sector, big energy consumers (gas)*
- *Georgia, Kosovo*, Serbia: generally all sectors (electricity, gas, district heat)*

NATIONAL ENERGY- SAVING CAMPAIGNS

- Albania, Georgiaz, Kosovo*: info campaign on the importance of energy savings
- Moldova: National Campaign for moderate energy consumption – „I can control the bill”
- Serbia: large national campaign “Nikola Tesla” aimed at informing citizens about energy and heat savings

SUMMARY FINDINGS - KEY MEASURES/PROJECTS TO REDUCE ENERGY DEMAND IN 2022-2023



- *Voluntary measures or combination of voluntary and mandatory measures for reduction of gas/electricity/heat consumption*
- *Usually mandatory measures for public sector, voluntary for households and other sectors*
- *Moldova set 33 preventive measures and 27 measures to reduce and mitigate the impact of gas curtailment, to be put in place in different scenarios*
- *Installation of district heating meters (KOS*) is foreseen to lower the heating consumption up to 30%*
- *Additional incentives and subsidies for energy efficiency, installation of rooftop solar technologies (ALB, KOS*, MNE, SRB)*
- *The increased national funding (state budget, EE funds)*
- *Strengthening of energy management (ALB, MLD, SRB)*
- *Energy saving & information campaign (ALB, GEO, MLD, SRB)*

SUMMARY FINDINGS - IMPACT OF MEASURES, LESSONS LEARNED AND PLANS



- *Limited availability of data, early to report for most CPs*
- *Moldova reported that the 2022-2023 heating season compared to the 2021-2022 heating season, due to the implemented measures and the higher temperatures compared to previous years, the consumption of natural gas was reduced by approximately 47%, and electricity consumption was reduced by approximately 10%.*
- *Moldova drafted a Plan of measures to prepare for the next heating season and (like EU) aims to implement measures to reduce the consumption of natural gas in the next heating season.*

CONCLUSIONS

- + Various demand reduction measures introduced by Contracting Parties*
- + Mainly short- to mid-term measures to tackle the energy crisis*
- + Combination of voluntary and mandatory measures (e.g. mandatory measures for the public sector, voluntary for households)*
- + Coordination on a national level (Government, Ministries / Agencies, Regulators, energy companies - coordination groups)*
- + The important role of leading energy efficiency bodies (Ministries, Energy Efficiency Agencies, EE Funds) to monitor implementation*



THANK YOU
FOR YOUR ATTENTION!

**ANY QUESTIONS OR
UPDATES BY OTHER EECG MEMBERS?**