

Seeing the invisible giant:

The role of energy savings in climate change policy and energy security

Mark Lister

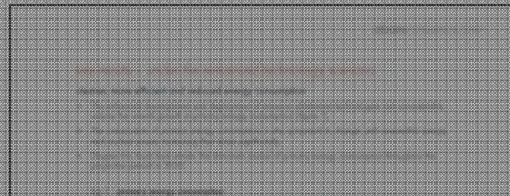
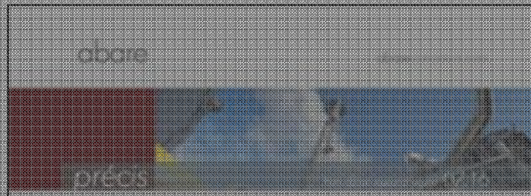
Interim CEO



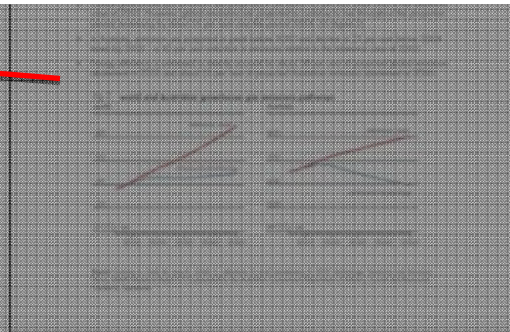
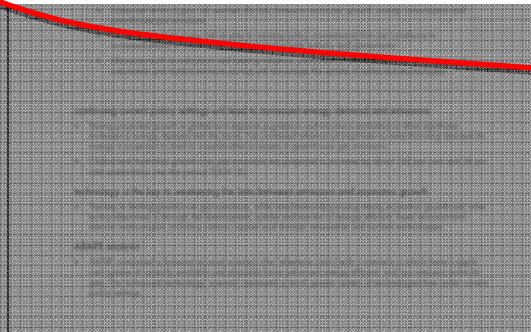
A U S T R A L I A N
A L L I A N C E T O
SAVE ENERGY
Creating an Energy-Efficient Australia

Recognition for the role of energy savings in reducing emissions

ABARE (2007): "Towards a low emissions future through enhanced technologies"



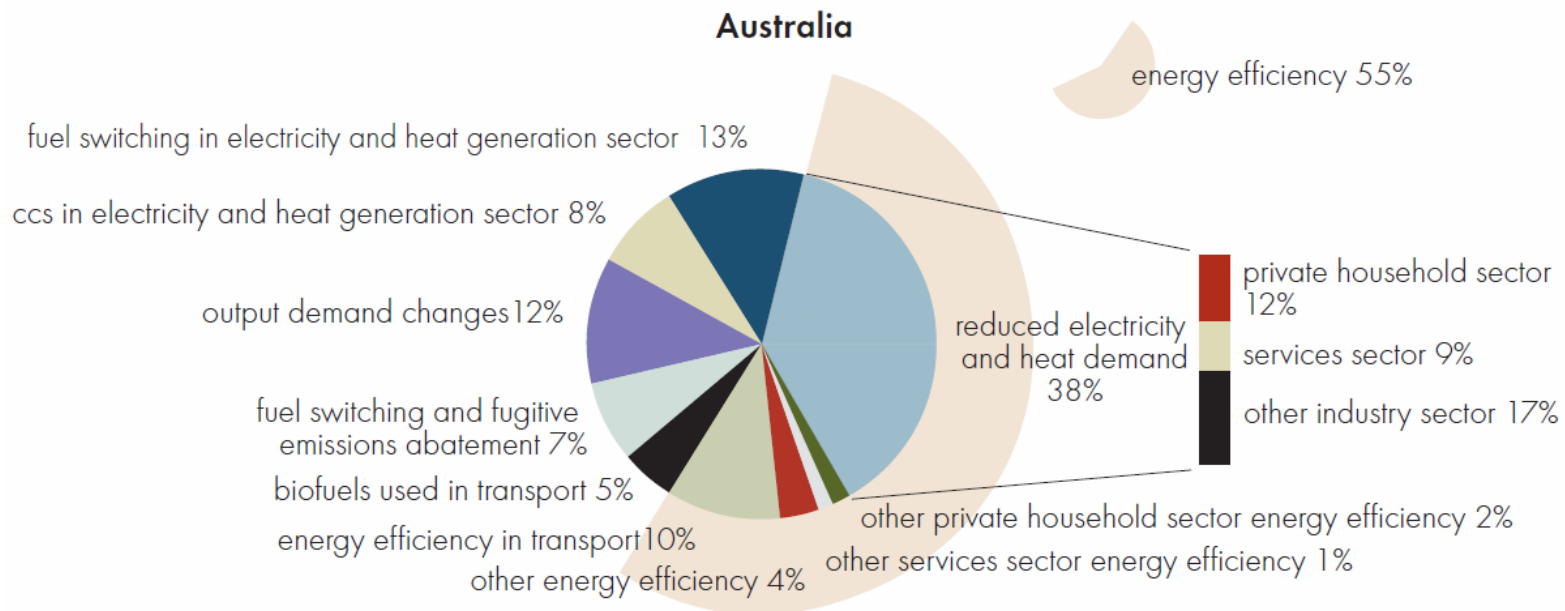
» Energy efficiency is estimated to directly account for about 58 per cent of projected global emissions abatement in 2050 and about 55 per cent of projected Australian emissions abatement at 2050.



Recognition for the role of energy savings in reducing emissions

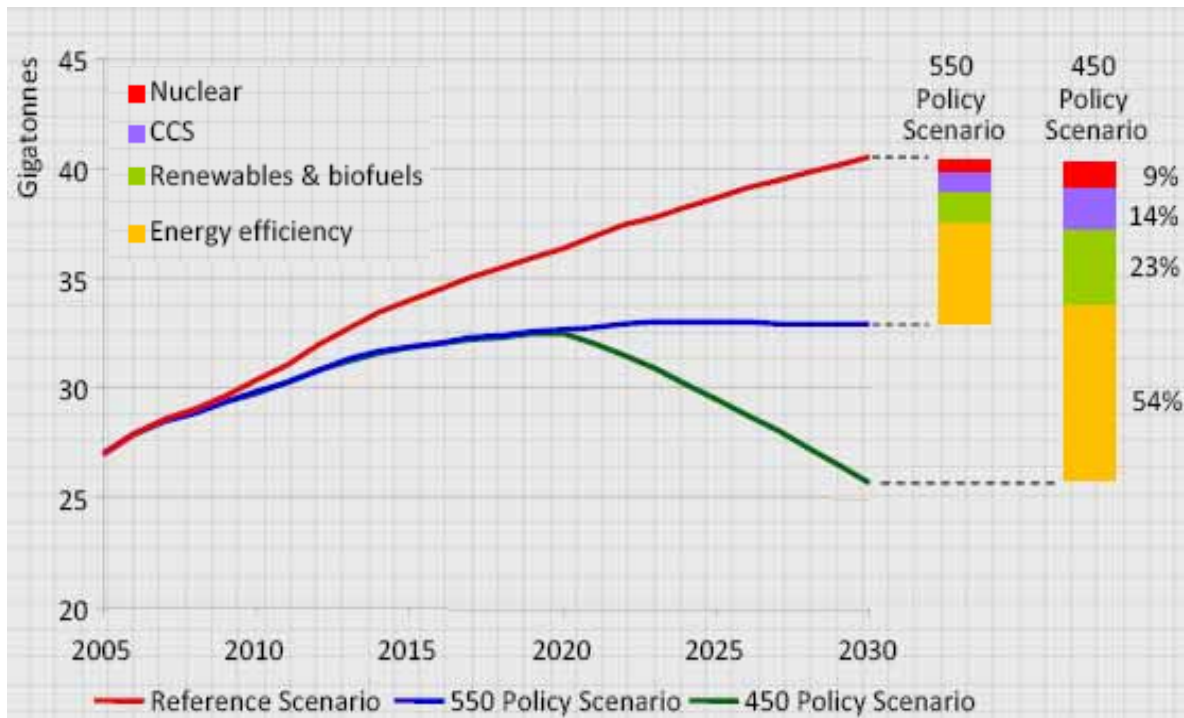
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fig 5 greenhouse gas abatement in the enhanced technology scenario, relative to the reference case at 2050, percentage contribution, by source



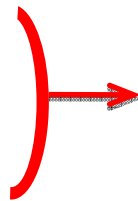
Recognition for the role of energy savings in reducing emissions

International Energy Agency (2008), *World Energy Outlook*



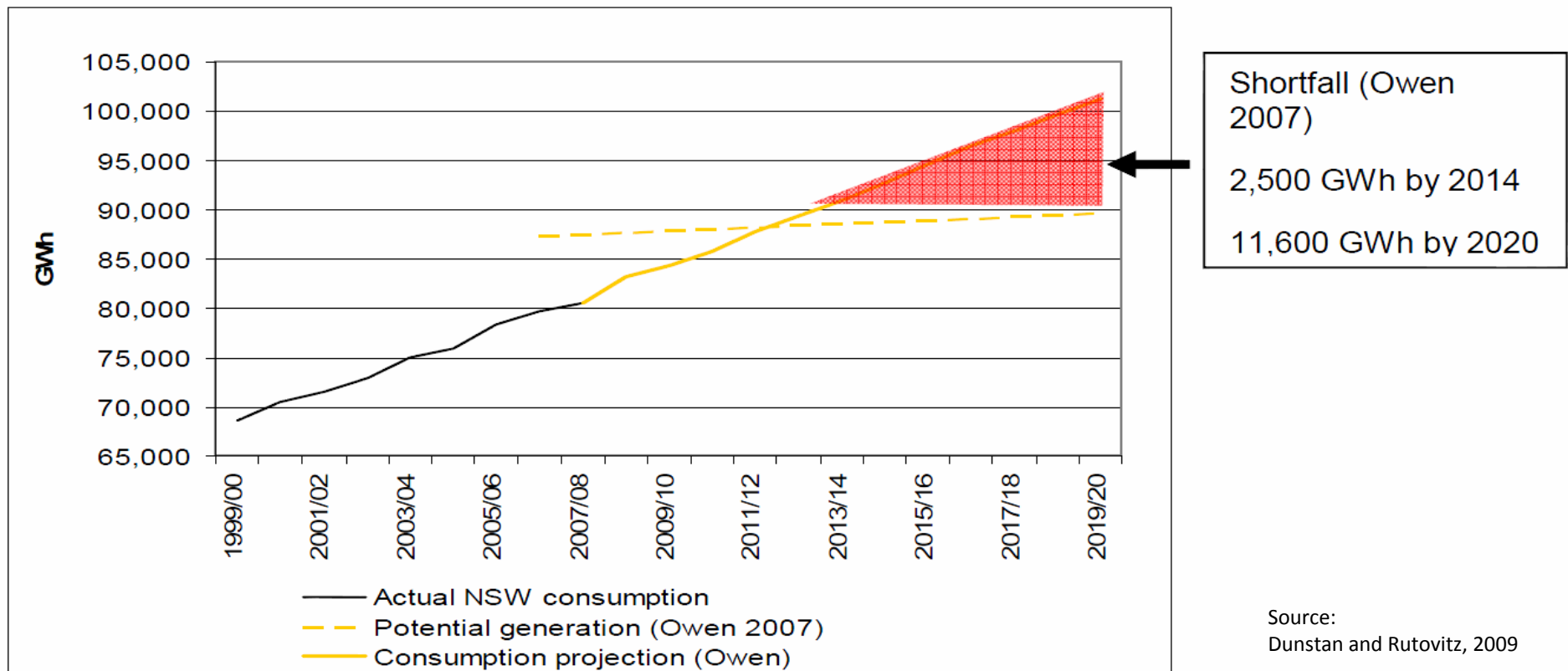
How much potential *really* is there – and how cost effective is it to unlock...?

- Actual energy efficiency potential is probably much higher than forecast, but our data is inadequate to create investment assurances
- e.g. National Framework for Energy Efficiency (2004) estimates of 'cost effective' energy efficiency potential
 - Residential 13-73%
 - Commercial 15-70%
 - Industrial 6-46%

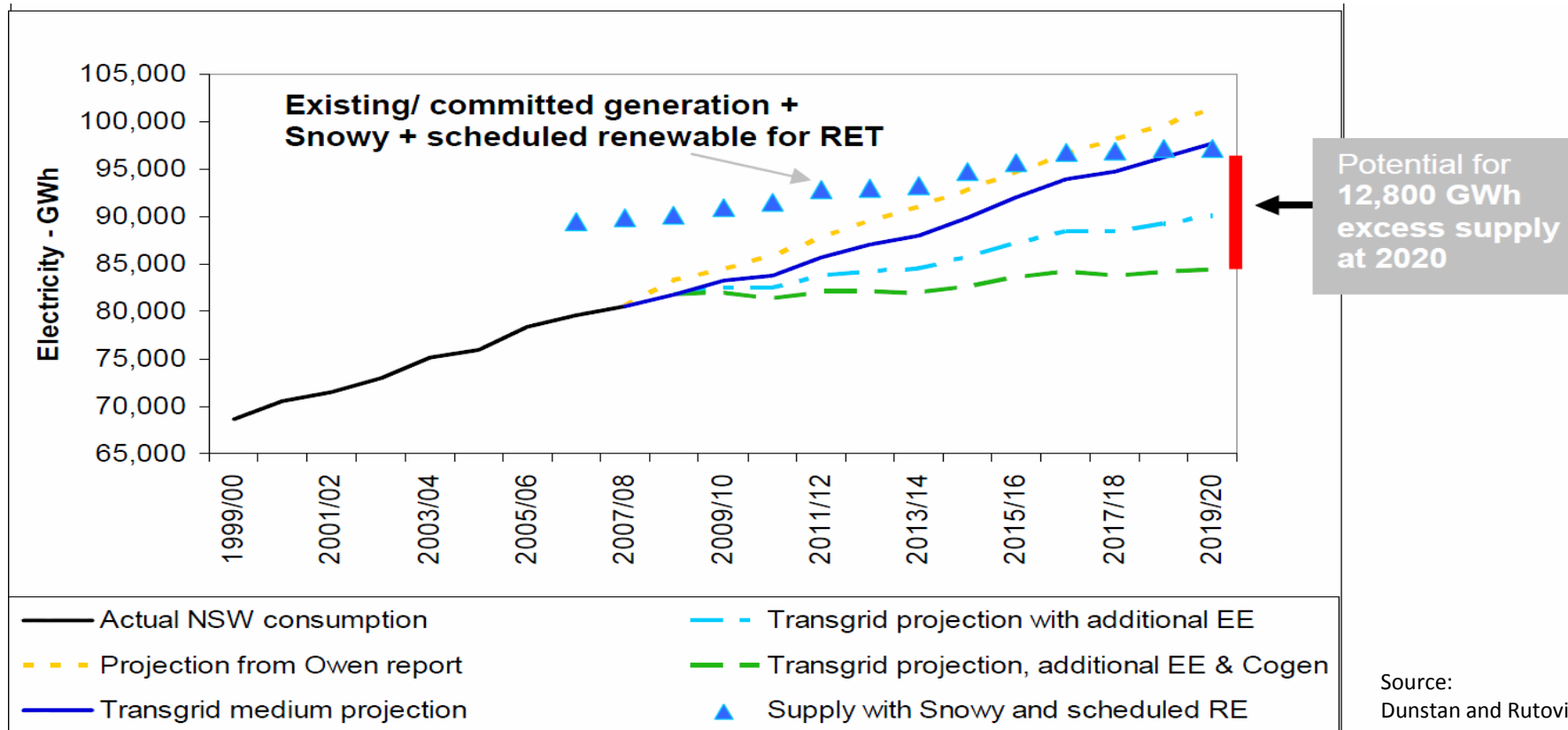


A solid basis for
policy decisions...?

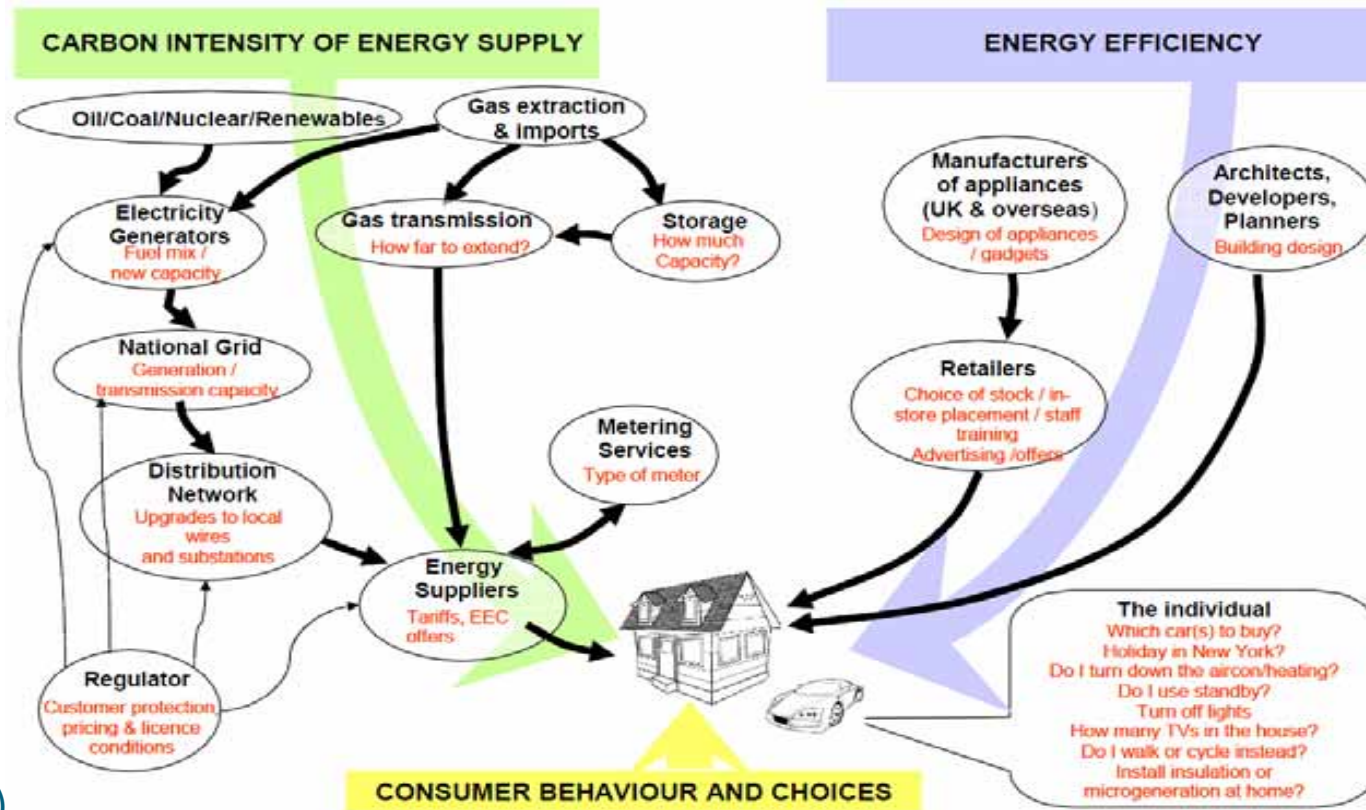
Cost-effective acquisition of new capacity – the NSW example (1)



Cost-effective acquisition of new capacity – the NSW example (2)



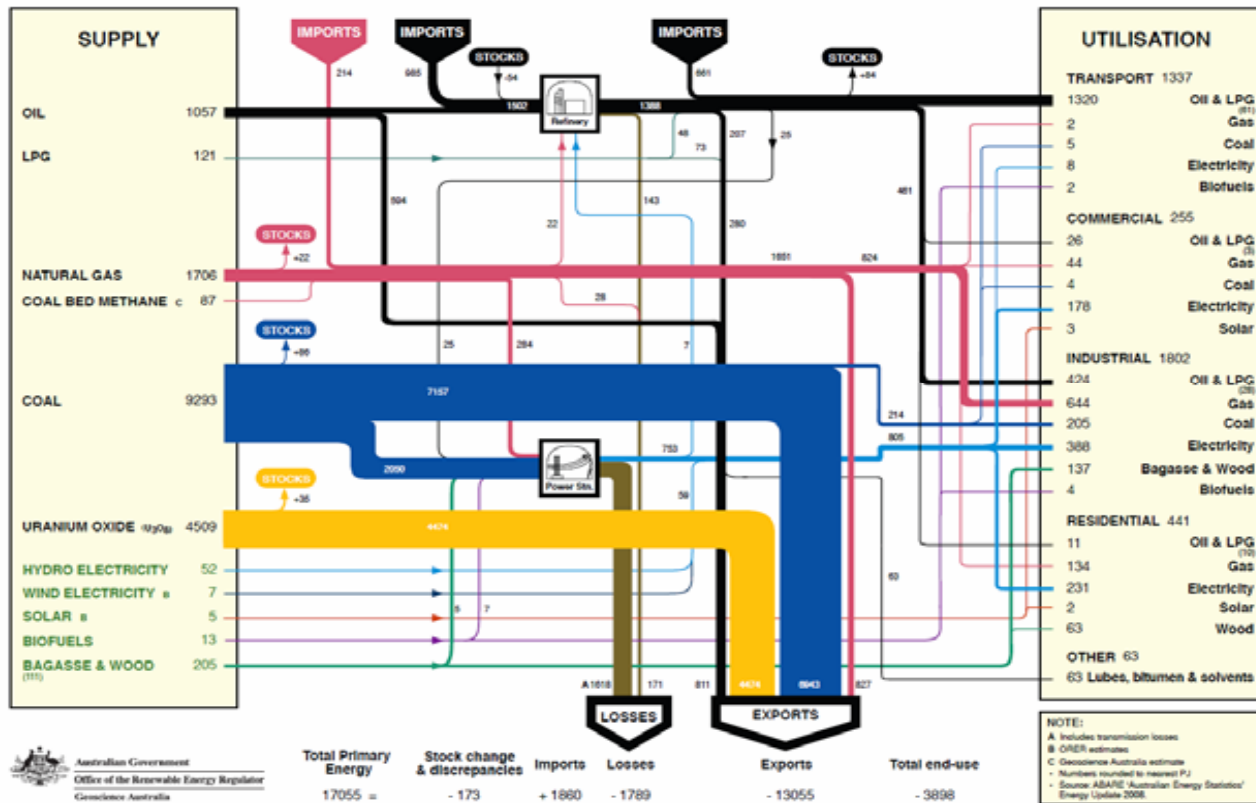
Need a better alignment of objectives



Source:
DEFRA (2008)

The Australian supply side focus in perspective

AUSTRALIAN ENERGY FLOWS 2006-07 (Petajoules)

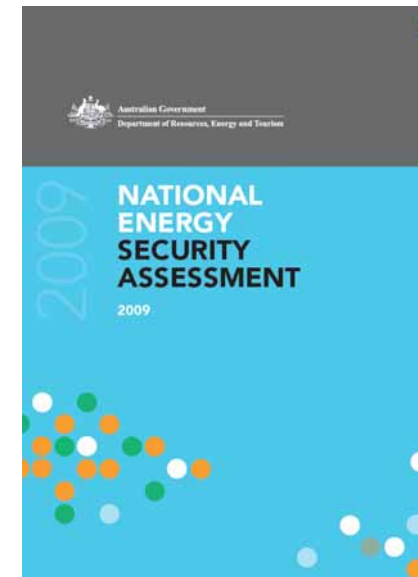


Energy efficiency and energy security

Energy efficiency is key to trade relationships with other countries

Australia's Energy White Paper

“secure cleaner, adequate, reliable and affordable supplies of energy to support our overall economic and social advancement”



Energy efficiency and climate policy

Emissions trading is important to Australia...

but not at the expense of least cost abatement!

- Price distortions affecting supply chain efficiency and energy efficiency behaviour are not solved by emissions trading
- Non price barriers/distortions are the subject of many current policies, but understanding of how energy choices are made is still rudimentary
- The energy efficiency industry is just as worthy of industry development assistance as more expensive abatement options



A new collaborative model – the Australian Alliance to Save Energy

- Reassert the importance of energy efficiency both as an economic reform and first priority for climate response
- A true ‘Alliance’, following the example of the US Alliance to Save Energy
 - Links to research community, government, industry and civil society
 - Bipartisan, independent and collaborative
 - Strong communications and awareness raising focus



Our mission: energy efficiency extreme makeover!



Early A²SE collaborators



Proposed early activities

Independent Research

New Collaborations

Informing the Community

Progress to date

- Formation phase well progressed – entity, strategic plans, online presence
- Endorsement from both sides of Federal Parliament
- Research partnerships nearing completion
- MoU signed with the US Alliance to Save Energy
- Now building the ‘Associates’ program



Thank you

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