## TACKLING ENERGY POVERTY THROUGH A HOLISTIC SOCIAL, ENVIRONMENTAL AND ENERGY POLICY

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Investing in Energy Efficiency – IENE

Athens, 24 May 218

# Tackling energy poverty through a holistic social, environmental and energy policy

- Energy poverty key-facts
- Energy poverty drivers/policies in Greece
- Energy poverty multifaceted nature
- Holistic policy scenario
- Interesting examples
- Steps ahead
- Questions

#### Energy Poverty key-facts (1)

- Inability to keep homes warm/cool or pay the bills
   No common European definition
- Root causes:

Low income High energy prices Poor buildings efficiency

- limits access to old or poor quality buildings -

Scale: 50-125 million people in the EU are at risk of energy poverty Energy poverty in Greece close to 36% (2015) One in three households in Greece faced housing overburden in 2013 Low-income households, women, single-parent and multichild families, elderly, vulnerable groups

#### □ Impacts:

#### **SOCIAL**

- -Health problems
- -Excess mortality(winter/summer)
- -Absence from work/school
- -Stress
- -Depression

#### **ECONOMIC**

- -Increased operating costs of public health system
- -Misuse of public financial resources
- -Undermined collectability of tax and bank liabilities of citizens
- -Tax evasion due to increased smuggling

#### **ENVIRONMENTAL**

- -Smog
- -Increased illegal wood cutting

- 2,8-6% annual deaths attributed to EP in Greece (2003-12)
- □ 650 mil. Euros spent on heating oil benefits (2012-14)
- Not dealing sustainable with energy debts affects market liquidity (security of supply risk)
- 30% increase of suspended particles in Athens (winter 2012)

CAUSES	DRIVERS	POLICIES
Low income	Austerity policies as a response to the financial crisis led to high unemployment (esp. women, youth), salary reductions, increased taxation	Rent subsidy

- The highest unemployment rates in the EU: 20,9% and 43,7% among youth
- Social housing is limited but holds huge untapped energy efficiency potential
   2012: Workers' Housing Organisation is abolished

CAUSES	DRIVERS	POLICIES
High energy prices	Regulatory measures (taxation on property that was collected via power bills, CO2 rights emissions), slow pace of islands interconnections, energy imports costs	Oil benefits Social electricity tariff Free power for vulnerable households (300kW,2015)

- Increased taxation on heating oil in 2012 led to a decrease in consumption (from ~66% to ~38%)
- Smog appeared in the winter of the same year
- Greek state responds with unsustainable policies in the form of benefits

CAUSES	DRIVERS	POLICIES
Poor buildings	Old buildings, inefficient systems,	Energy performance of
efficiency	energy consumption behaviour,	buildings regulation
	unfavorably investment conditions,	Savings at Home program I, II
	lack of capital, owner-tenure	Energy Efficiency Contracts
	conflicts	Energy Savings Obligations

- Savings at Home I: bureaucratic, banks had a central role, complex application process for multi-apartment buildings
   Savings at Home II about to commence with improvements
- ESCOs have been active in projects with low risk (street light upgrade, municipalities)

#### Energy Poverty drivers and policies in Greece (4)

 Law 4513/2018 on Energy Communities to promote social and solidarity economy and innovation in the energy sector

Example 1: Home owners/tenants set up an EC, install RES technology, apply net-metering or virtual net-metering to counterbalance their own consumption

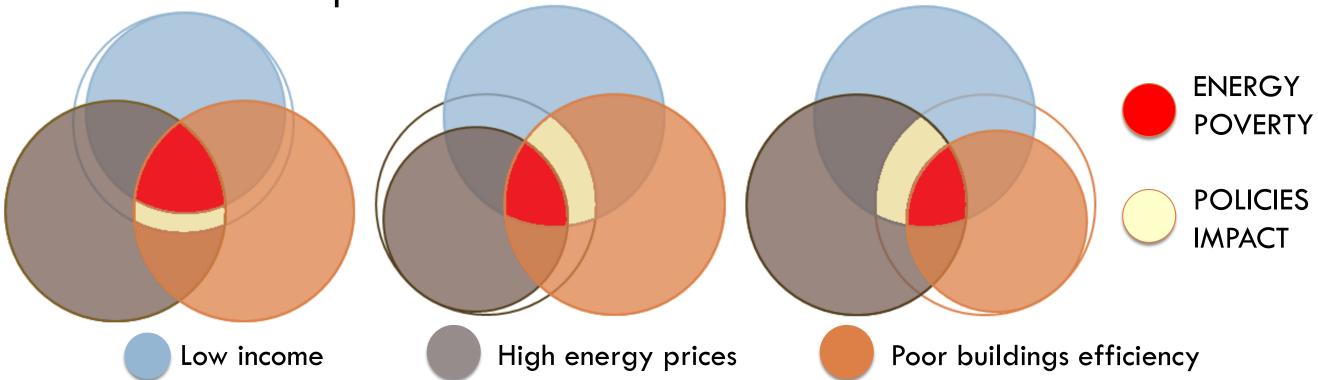
Example 2: Three municipalities found an EC, install RES technology, apply virtual net-metering to provide affordable clean energy to vulnerable citizens

Example 3: Citizens, municipality, local businesses etc of an island set up an EC, install RES+storage system and pursuit island's energy autonomy

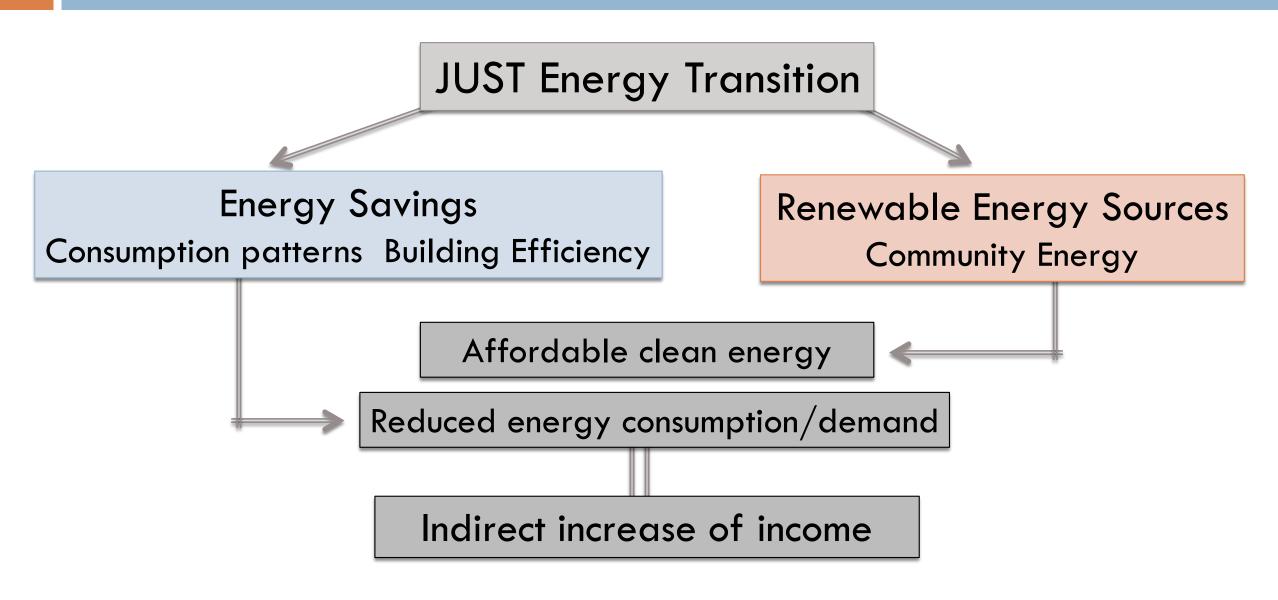
### Energy Poverty multifaceted nature

- Energy poverty has been introduced to the political agenda only recently
- Awareness over the multifaceted nature of the phenomenon is still low among policy makers (local, regional, state level), business actors, wider society

 Policies that deal with one root cause of energy poverty at a time have little impact



#### Holistic policy; social, environmental, energy mix



**Energy Poverty Mitigation** 

# Interesting examples State institutions, regions, municipalities

## □ <u>Picardie Pass Rénovation</u>, France

- Energy renovation of 2000 private homes through energy performance contracts
- Collaboration between the region, the Public Service for Energy Efficiency+ESCOs
- Provision of technical and financial support
- Full utilization of EU funds (European Fund for Strategic Invesments, ELENA + Picardie regional funds



#### Results - 05/02/2018









2015-Feb2018:

~54% reduction of energy consumption

20% of the projects reached the BBC-Effinergie Renovation level (low energy renovation standard)

70% of the monthly payments covered by the savings

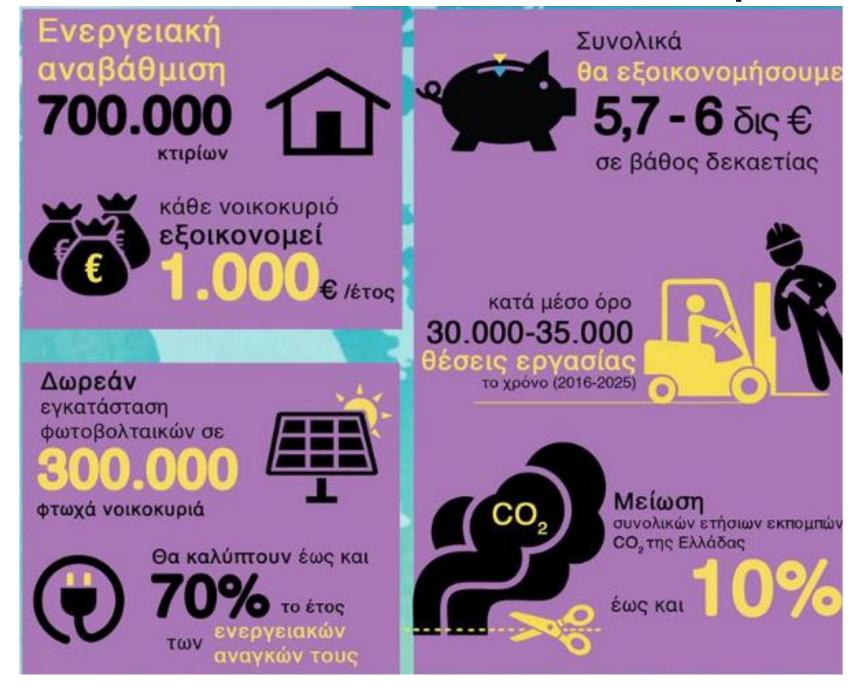
## Interesting examples Energy cooperatives

### □ Energie Solidaire - Les Amis d' Enercoop

- Selection of donations of Enercoop customers through their power bills
- Donations used to support local energy poverty mitigation actions, development of the project, specific measures for precarious households (water and energy savings kit, personalised technical support etc)
- Donations start from 2€, income tax deductible

# Interesting examples NGOs, citizens groups

#### □ Solarize Greece - Greenpeace



-Net-metering and virtual net-metering technologies are the key for citizens' energy

# Interesting examples Private energy companies

### Carbon Emission Reduction Target, UK

- British gas and electricity suppliers are obliged to finance or support households in order to reduce their energy consumption (Energy Savings Obligations program)
- 2008-2012:
  - 41,3% reduction in energy consumption 27.000 new jobs in the renovation sector
- Collaboration with local actors for the identification of vulnerable groups

### Steps ahead for Greece...

- Agree on an official definition on Energy Poverty
- Draft an energy poverty mitigation roadmap Transition from a benefit-based social policy to a holistic, social green innovative policy based on the investment of many
- □ Emphasise on raising awareness+education
  Passive position → informed consumer → prosumer
- Facilitate the energy upgrade of building stock
   Collective schemes, energy performance contracting +
   EU funds to reduce the risk
- Utilize renewable energy sources
   Self-generation, virtual net metering, energy coops, partnerships

#### THANK YOU



"Energy poverty in Greece today"
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The <u>report</u> is available in Greek
An <u>executive summary</u> is available in English