

# Demand Side Management: Towards Energy Efficiency



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Chair IEA Experts' Group On R&D Priority Setting and Evaluation





# DSM details...



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# Welcome to IEA Demand Side Management Energy Efficiency

IEA Demand Side Management Energy Efficiency is an international collaboration of 16 countries and sponsors working together to develop and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions to prohibe solutions and promote opportunities for demand-side management IDSML DSM offers solutions to prohibe solutions to prohibe solutions and prohibe solutions to prohibe solutions and prohibe solutions to prohibe solut IEA Demano Side Management Energy Efficiency is an international collaboration of 16 countries and sponsors working togeth to develop and promote opportunities for demand-side management (DSW). DSM offers so utions to problems such as load to develop and promote opportunities for demand-side management (DSW). The work of the programme is organised through a series of Tasks and reported in a number of publications. It is managed by an Executive Committee (Exco). Vicit the Name page for the latest information on our activities.

management, energy efficiency, strategic conservation and related activities.

Executive Committee (EXCo). Visit the News Dage for the latest information on our activities.



# Research Spotlight



Task 75 – Business Models for a more effective uptake of DSM energy services This lask will focus on identifying and creating effective business models providing viable DSM value propositions that lead to the growth of the demand market for specific and the addition, this fact will focus on identifying and creating effective business models providing viable DSM value propositions that lead to the growth of the demand market for specific and the demand market for specific an

that lead to the growth of the demand market for energy efficiency. In addition, this task will focus on identifying and supporting the creation of energy ecosystems in which these business models can succeed.



**New Website!** www.ieadsm.org

## DSM university webinars

#### And more details

# DSM Spotlight Oieadsm

The Newsletter of the International Energy Agency Demand-Side Management Programme



Energy Efficiency Reducing Energy Bills

Energy efficiency improvements since 1990 in IEA member countries saved over USD 550 billion in energy expenditure by 2014 - larger than the European Union's annual fuel import bill. In the Energy Efficiency Market Report 2015, the IEA states that over the last 25 years energy efficiency improvements have saved USD 5.7 trillion in energy expenditures in the IEA's 29 member countries. "Energy efficiency is a virtual supply of energy, meeting energy services for business and consumers while reducing their energy costs", notes the IEA.

Energy efficiency is not only reducing energy bills for consumers, it is helping governments improve energy security by reducing imports and lowering exposure to And Ireland and Nova Scotia

the international energy market. The Energy Efficiency Market Report shows that in 2014, the energy efficiency investments since 1990 have enabled the IEA member countries to avoid USD 80 billion in fossil fuel imports. Germany avoided USD 30 billion in energy imports and boosted its trade surplus by 12% in 2014 while Japan reduced its trade deficit by 8%.

Per capita energy consumption in IEA countries has fallen to levels not seen since the 1980s, yet income per capita has never been higher and access to energy services is continually expanding. The IEA estimates that energy efficiency investments since 1990 have been the most important factor to explain the flattening of

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## Note from the Chairman

#### Which Way are We Heading?

Two articles recently caught my attention. The first was an article in the Dutch Volkskrant on October 27th with the heading "Energy Companies Have Become Less Green". This newspaper annually ranks energy companies and has concluded they used 5% more coal than the year before, as this was the cheapest option. The German company, RWE/ Essent ended in last place with a 3 out of 10 ranking.

The second article, "The Green Oil Man" was published in Politico on September 30th. This article was about Fatih Birol taking the office of Executive Director of the IEA. He wants to turn the IEA into a hub of clean energy. The article contained the

"If there is any energy company in the world which thinks that climate change policies will not affect their business strategies, they are making a grave

By the time this column is published, the Paris COP Summit will have been held, and even if there is an agreement, there will be details to be dealt with. And,

Member Countries

Austria | Belgium | Finland | India Italy | Netherlands | New Zealand | Norway | South Korea Spain | Sweden | Switzerland | United Kingdom | United States

Sponsors



# The main mission of **DSM** – **Energy Efficiency** is to provide to stakeholders:

- Materials that is readily applicable for them in crafting and implementing policies and measures.
- Knowledge about technology and applications that either facilitate operations of energy systems or facilitate necessary market transformation.
- Insights that enables and promotes behavioural interventions to ensure the uptake and implementation of energy efficiency in the society.

The stakeholders should as a consequence be able to structure and design "smart" systems with "High-value Distributed Energy Resources (DER)" that applies "IDSM – Integrated Demand Side Management". Such systems will be characterised by:

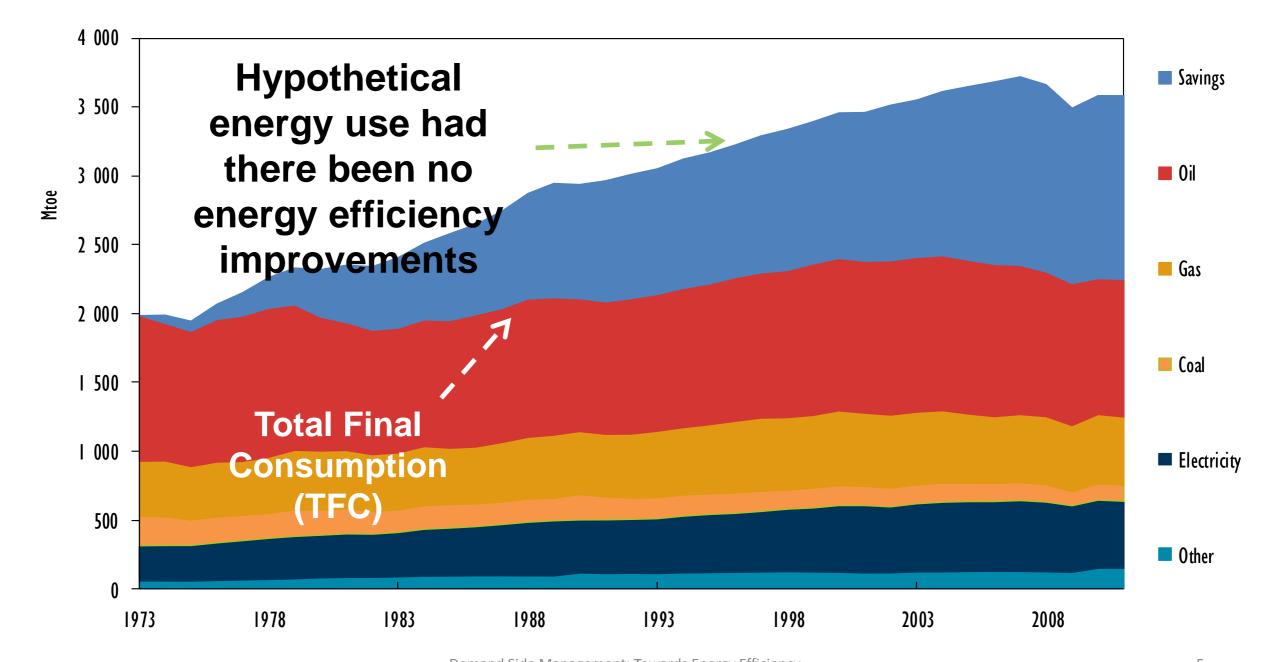
- Resources are both physical (fuel and technology) and human. The user is one of the resources.
- Integration of Load Management (DR), Load Level (EE), Distributed Generation (DG), Storage and Renewable Energy (RES)





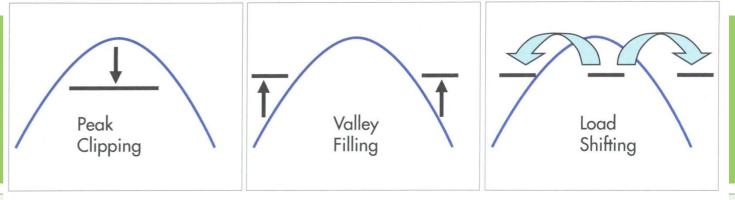
## Output - Energy efficiency: the 'first fuel'

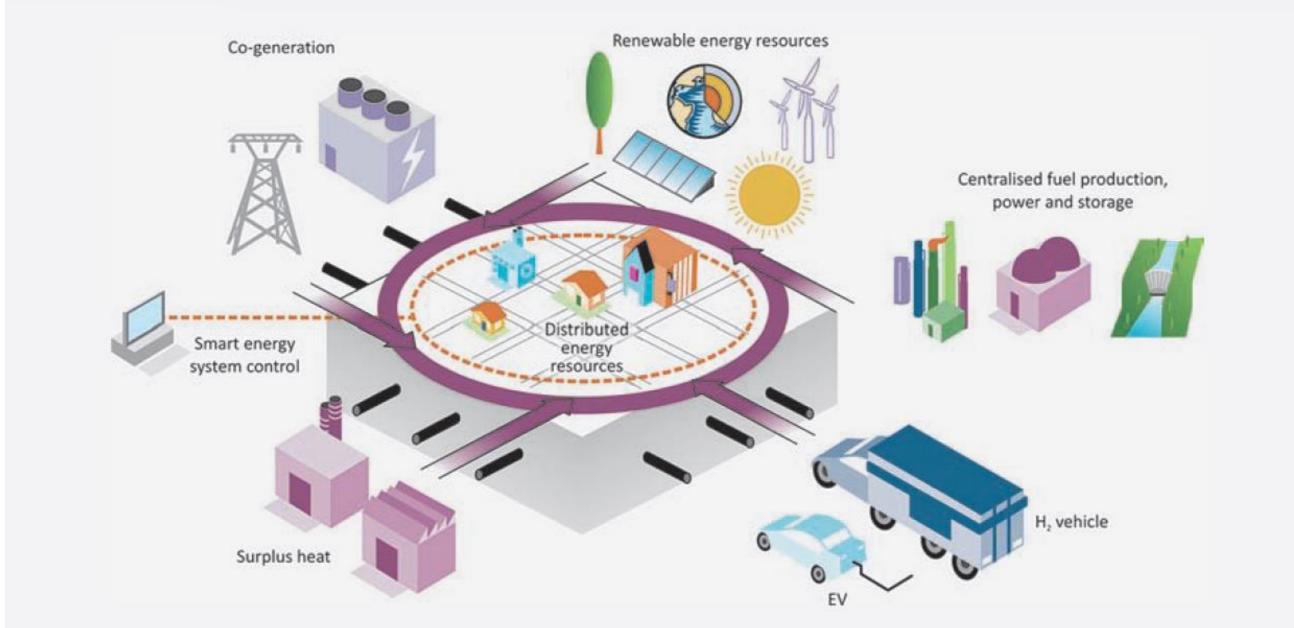
savings larger than the contribution of any other fuel to TFC in 2012



\*IEA-11: Australia, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Sweden, United Kingdom, United States

### Demand response





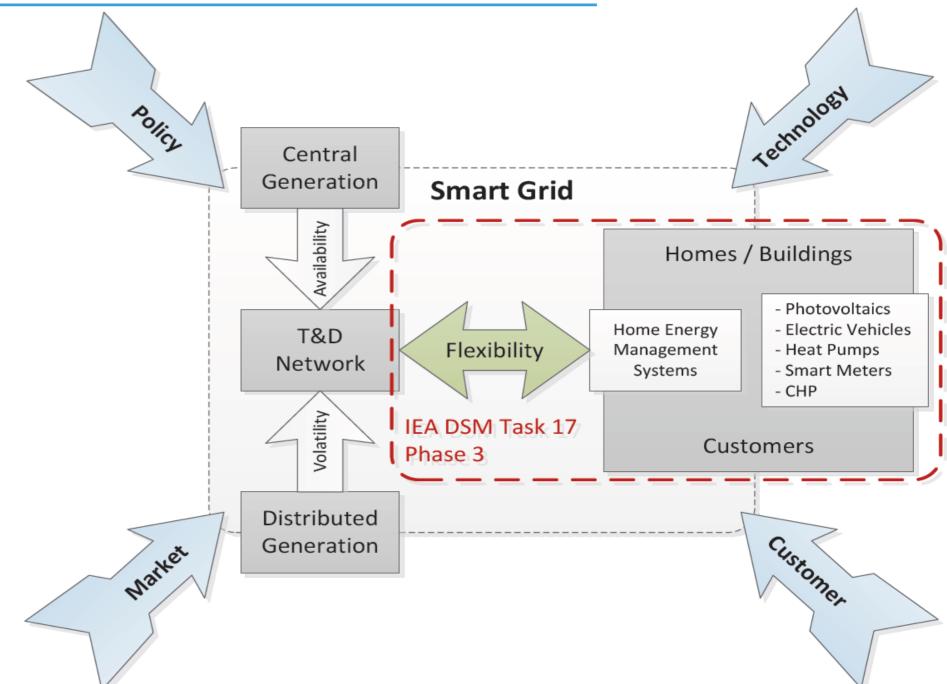
The energy system of the future will integrate the sources of and requirements for energy from all parts of the energy system

Demand Side Management: Towards Energy Efficiency

#### Some of the present work

INTEGRATION OF DSM, DISTRIBUTED GENERATION, RENEWABLE ENERGY SOURCES AND ENERGY STORAGE – PHASE 3

- Collaboration
  - TCP Isgan





#### Some of the present work

#### **Innovative Energy Services**

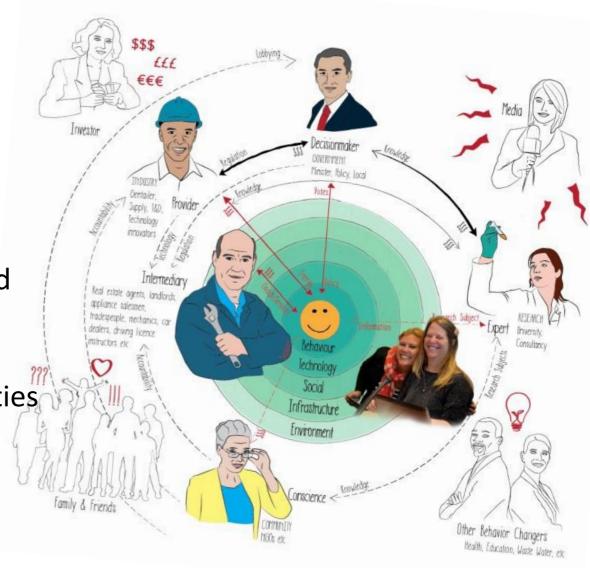
 Simplified M&V, Lessons learned for project & market development (e.g. 'Facilitators')

#### **Helping the Behaviour Changers**

Foster mutual engagement, collaboration and shared learning amongst Behavior Changers

 Backbone support to set a common agenda, measurement systems, mutually reinforcing activities

Monitor and evaluate Behavior Change within EE projects





#### Just starting

# Business Models for a more effective market uptake of DSM energy services

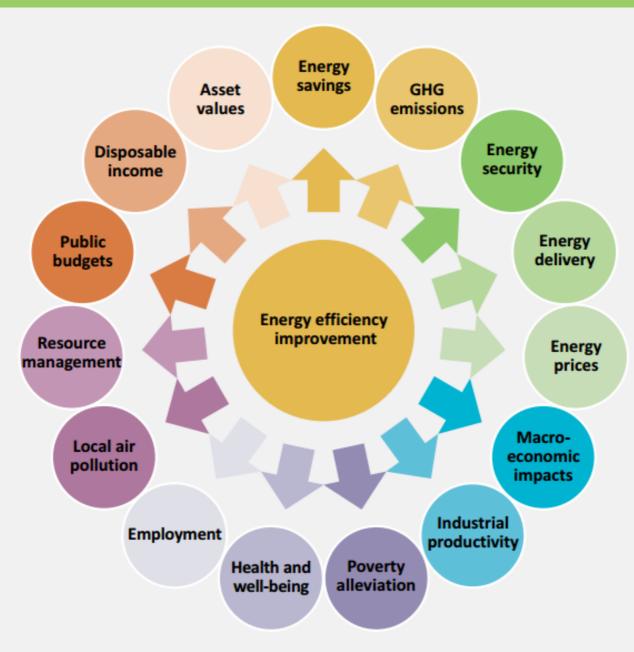
 Identify proven and potentially successful business models for energy services for DSM on a national level, and develop effective policy strategies, stakeholder roadmaps and business models to upscale and mainstream these energy services on a national (ecosystem) level.

#### **Multiple Benefits of Energy Efficiency**

- Economic value of investment in sustainability (starting with Energy Efficiency)
- Based on IEA publication
- With IA IETS
- ... open for everyone to join!



#### Multiple benefits of Energy Efficiency



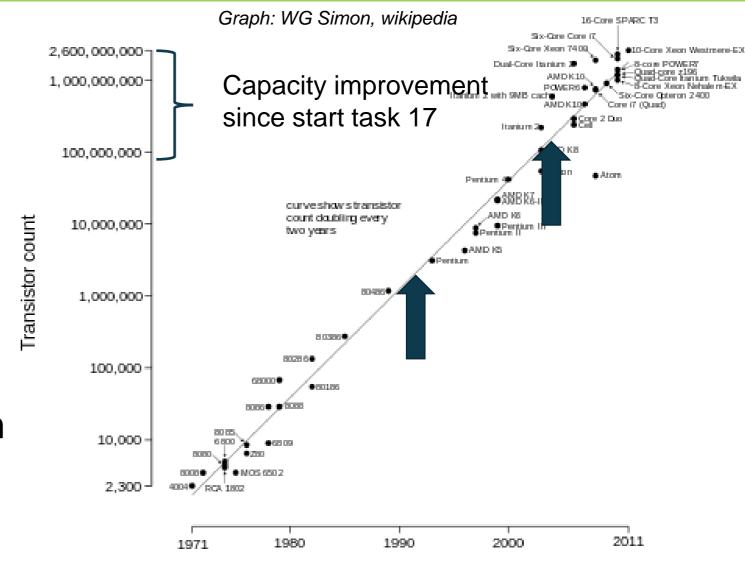
Note: This list is not exhaustive, but represents some of the most prominent benefits of energy efficiency identified to date. Source: Unless otherwise noted, all material in figures and tables in this chapter derives from IEA data and analysis.

A multiple benefits approach to energy efficiency reveals a broad range of

#### And now, for something completely different!

#### Microprocessor Transistor Counts 1971-2011 & Moore's Law

- Moore's law is the observation that the number of transistors in a dense integrated circuit doubles approximately every two years (but slowing down)
- Hard disk drive capacity increased 1 million times in 60 years (175% each year)













#### Towards Energy Efficiency: Our Challenge....

Multidisciplinary approach (Finance, Technology, Social Sciences)

More collaboration among TCP's: combine our strengths with

new developments.

Better links with policies.



#### And above all:

Involvement of consumers/end users: let's be the "Spotify" of Energy Effiiency.



## Tanks for your attention

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