

National energy savings' initiative: call for comment

The Australian Government is calling for responses to an issues paper on its planned national energy savings initiative (ESI).



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An ESI is a market-based tool for driving improvements in energy-efficiency at a broad level. It would place obligations on energy retailers to find and implement energy savings in households and businesses. An ESI would help consumers save money by encouraging the take-up of energy-efficient technologies.

ESI schemes already operate in many European countries and the US, often alongside carbon pricing mechanisms. India has introduced a white certificate trading scheme and a number of Chinese provinces are finalising the design of such schemes.

In Australia, the ESI would operate within the government's Clean Energy Future Plan, and would replace existing and planned state energy-efficiency schemes.

The issues paper claims that small-to-medium sized enterprises and low-income households have been slow in adopting energy-efficiency measures, typically due to poorer access to information or capital. The paper gives special consideration to overcoming barriers to uptake in these sectors.

Like existing NSW and Victorian schemes, the ESI is based on tradeable certificates. The 4 per cent energy-use reduction target broadly equates to levels in the existing Victorian, NSW and South Australian trading schemes, but under the ESI would apply nationally.

The ESI will only reward use of 'high-efficiency' products and improvements by businesses, industry and households

that go beyond existing regulated standards (for example, fridges or buildings with an energy-efficiency rating of five stars or above).

The ESI is also designed to tackle the problem of growing peak demand for electricity, which is a significant driver of [rising domestic electricity prices](#).

The submission deadline for public comment on the ESI issues paper is Monday 27 February 2012.

Source: Australian Government [Department of Climate Change and Energy Efficiency](#)

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