

# **European fuel Poverty and Energy Efficiency**

EPEE project www.fuel-poverty.org



## **Project summary**

- EPEE project aims to improve energy efficiency of buildings for low-income people who often live in uncomfortable dwellings and cannot improve them
- EPEE project aims to facilitate the application of the European directive on the energy performance of buildings by focusing on low-income people
- The study is led in France (coordinator), Belgium, Italy, Spain and United Kingdom
- **Expected results** 
  - Comparison of the situation in the different Partners' Country
  - Evaluation of best practices
  - Identification of new mechanisms
  - Implementation of experimentation



## **Background**

- Fuel poverty describes the situation of people whoa are not able to warm their house properly
- Why the situation is more or more important Causes and consequences of fuel poverty
  - Main causes are
    - Bad quality of buildings
    - Energy prices' increase
- What are the consequences
  - Main consequences are on:
    - Health (physical and psychological)
    - Quality of buildings stock
    - over-indebtedness
    - Climate Change



## **Objectives and main steps**

#### Objectives

- Identify and characterise fuel poverty situation in the partners' Country
- Identify the main actors (National and local) involved in fuel poverty,
- Analyse the existing practices to tackle fuel poverty
- Define new mechanisms to reduce fuel poverty
- Implement a experimentation in each partner's country

#### Main steps

- January 2008: characterisation of the fuel poverty in the different Country
- November 2008: diffusion of a guideline
- Spring 2009: diffusion of national guide for local actors
- Summer 2009: results of the experimentations



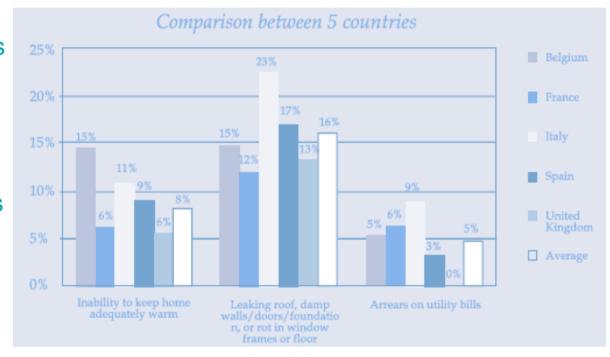
### **Expected results**

- □ Diagnosis of causes and consequences of fuel poverty
- Evaluation of fuel poverty in partners' Country
- Existing mechanisms to tackle Fuel Poverty
- Actors involved in Fuel Poverty
- Analyse of best practices
- Elaboration of new mechanisms
- Publication of national guides for local actors
- Implementation of local pilot actions programmes



## First outcomes: A shared report

- Necessity to act to reduce fuel poverty
  - Nearby 1 in 7 households at at risk of poverty
- Similar causes
  - too heavy loads
  - **Poor Housing**
  - Increase of energy prices
- Same consequences
  - On health
    - Physics
    - Psychological
  - On the buildings stock
  - On the debt
  - On Climate Change

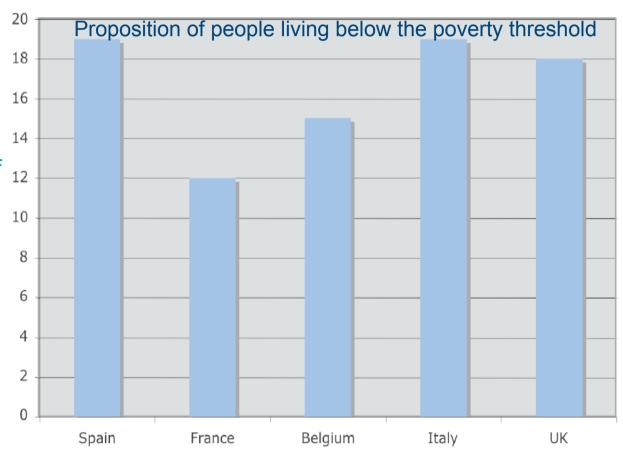






## **But various situations (1/3)**

- More or less accurate definitions
  - UK: "Normal" Energy expenses > 10% of revenues
  - France: Identification of 12 unpaid energy bills
- Different poverty thresholds
  - From 7200 to 8900 € / year / person
  - 60% of median income

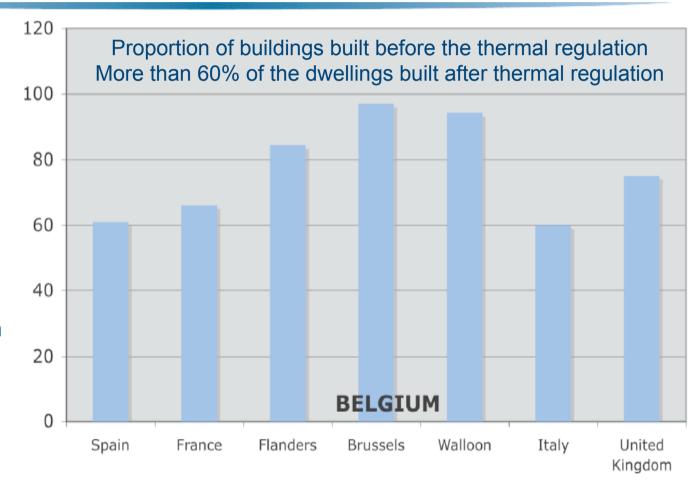




## Various situations (2/3)

#### Thermal different regulations

- Dates of implementation
  - From 1973-74 in Italy, France and United Kingdom
  - 1980 for Spain
  - in 1999 for the Brussels region
- In terms of requirements

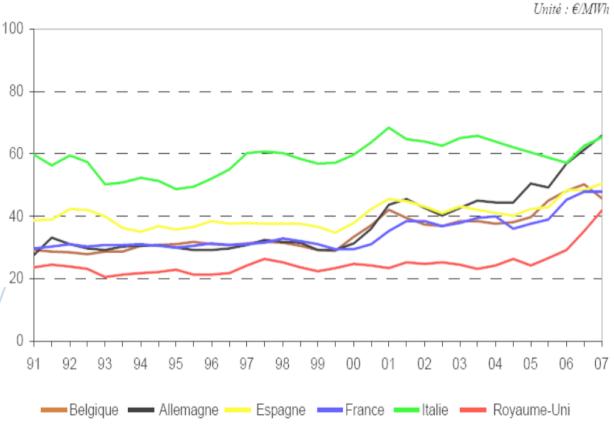




## Various situations (3/3)

#### **Energy prices**

- Everywhere on the rise, 100 from 2005 to 2007
  - gas price increased on 80 average by 18%
  - Electricity price by 14%
- but
  - With variations in the order of over 30% coverage
- Status for opening energy markets a wide range





## General situation in 5 countries: Belgium, France, Italy

### Belgium:

 a considerable degree of social support and consumer protection but a lack of the political awareness needed to develop an effective response

### France: (2 and 5 M of households)

 a good and coherent infrastructure to tackle different manifestations of fuel poverty but policy is not well coordinated

### K Italy:

 The profile of fuel poverty is increasing as an issue of social concern.



## General situation in 5 countries: Spain, UK

### Spain:

- Fuel poverty is not recognised at any significant level. No real remedial infrastructure because there is no perception of fuel poverty as a compelling social problem
- United Kingdom: 4.5 M fuel-poor households, (around 17%)
  - a greatest experience and understanding of fuel poverty issues
  - an objective measure of what constitutes fuel poverty
  - the problem is accurately quantified



## Form emergency to prevention Some best practices (1/2)

#### Energy costs

- Social tariffs
- FSE unpaid energy bill in France
- Premium for the tank in France or Winter Fuel Payment in Great Britain
- Prepaid meters in Great Britain

#### Improvement of housing

- Programs for rehabilitation of private dwellings (ANAH)
- Social funds to help Energy efficiency works (FSATME) in France
- Auto-assisted rehabilitation in France
- Warm Front, Energy Efficiency Commitment (EEC), Carbon Emission Reduction Target (CERT), Decent Homes Standard in Great Britain



## From emergency to prevention Best practices (2/2)

#### Increase of Revenue

Accompanying household to collect aid

### **Training**

Social workers and professionals and artisans



#### What will be done now?

### Epee project will:

- Publish a European recommendation guide for policy makers
- Publish a practical guide to help local authorities to launch project to tackle fuel poverty
- test some new mechanisms in the framework of national experimentations



## What could be done at the European level? (1/4)

#### To have a common definition

- A consistent minimum definition at EU level would guarantee an effect on national Fuel Poverty programs across all Member States
  - « Fuel poverty as a household's difficulty, sometimes even inability; to adequately heat its dwelling, at a fair price »
- To reach a common position on what constitutes 'vulnerability'
- Even if each member state can refine the common definition according to own context



## What could be done at the European level? (2/4)

#### To have a legislative framework

- To use existing EU legal documents as a good starting point
- And to go further with by completing existing regulation
  - To involve Fuel Poverty policies in the future new Directive concerning common rules for the internal market in electricity
  - To impose higher standards for social housing in Directive on energy performance of Buildings
  - To extend regulation to all existing buildings and not only those that are subject to major renovation
  - etc
- To propose new regulations
  - Related to fuel poverty and health
  - Energy consumers' charter
  - Reporting on how member states fulfil their obligations energy consumers
    - Ofgem already reports on progress in meeting its social and environmental duties



## What could be done at the European level? (3/4)

- To have a consistent diagnosis
  - To analyse in detail the current fuel poverty situation
- To improve quality of European data by including new variables
- To create a Working group on fuel poverty data
  - To report on National and European data, energy tariffs and social impact of energy supply, based on
    - On a common set on indicators through the different European Countries
- Effective fuel poverty programmes require reliable information on the scale and distribution of fuel poverty



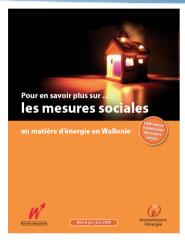
## What could be done at the European level? (4/4)

### To create a fuel poverty Special Interest Group

- To gather all stakeholders from different sectors
  - Consumer protection
  - Energy,
  - Health,
  - Housing,
  - Others
- To share a common reference resource such as a European Fuel poverty watch
- To guarantee the co-ordination between countries, making sure that the regulations are being applied

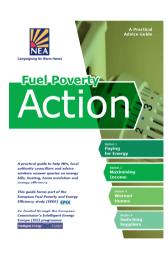


## Publication of 5 guides dedicated to local actors



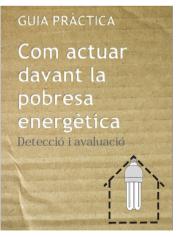














## **Experimentation of local action plans**

- Presently, the experimentation of local actions plan (WP6) is implemented in the different Countries, the territories have been chosen:
  - Belgium: Courcelles and Mons two cities of the Wallony
  - France: a district of Paris named Flandres
  - Italy: South part of the province of Bergamo (Lombardy Region)
  - Spain: Ciutat Meridiana near Barcelona
  - UK: Calderdale (West Yorkshire)
- For all these territories, the needs have been analysed and the definition and the implementation of activities programmes are on process.



#### **Partners & Contact**

#### **France**

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- ADEME and CLER (EDIF, GEFOSAT)

#### **Belgium**

CUNIC (Université de Charleroi)

#### Italy

PUNTI ENERGIA (regio Lombardia)

#### **Spain**

ECOSERVEIS (Barcelona)

#### United Kingdom

NEA (National Energy Action)