

Energy Policy for Malta: Recommendations on Draft Document

Policy Area 1: Energy Efficiency



General Comments

- **The Policy is a National one addressing the local (present and future) energy scenario;**
- **EU Directives serve to indicate important areas, reference to them should be restricted**
- **The advantages of energy efficiency and renewable energy should be stated up front and not repeated many times;**
- **The investment in these technologies will be made by consumers not government;**
- **Consumers need motivation and incentives to invest.**
- **Inefficient polluting technologies have to be disincentivated;**
- **Use should be made of numbers in preference to vague terms like reasonable, etc. ;**
- **The lack of sufficient data and analysis must be stated and measures to address this proposed.**



- Negative financial aspects of renewable energy technologies are highlighted whilst not stating that fossil energy is directly and indirectly subsidised;
- It is a *National* rather than a *Government* Policy;
- The Policy is not intended to placate the EU Commission;
- The reference to EU support funding for R&D project fails to recognise the difficulties experienced by applicants due to local infrastructural weaknesses.
- The text could be rephrased as follows:
- ***Improving the efficiency of energy use results in a reduction of consumption of fossil fuels with corresponding reductions in environmental impact and in economic costs (both in monetary and currency terms).***



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- ***There is direct and indirect evidence that the efficiency of energy use in Malta can be improved in the intermediate and long term. Improvements can be achieved in the efficiency of generation of electricity, distribution of electricity and end-use of electricity in all sectors.***
 - ***The improvement in efficiency of end-use of electricity can be achieved by investing in more efficient equipment at the expense of consumers. The Policy has to provide mechanisms to encourage and incentivate the process.***
 - Some figures should be given to back up the arguments (even if they are from other EU states).



- The efficiency and the relative utilisation of each unit must be stated; that the most inefficient units are used most, should be clear; units (12.5 MW) no longer in service need not be mentioned; the Delimara steam cycles are at their mid-lifetime not modern.
- The rate of increase in electricity consumption over the past 20 years should be stated. The increase is mostly due to increased use of air conditioning and also inefficient (old) equipment and lack of public awareness.
- The reference to the use of electricity for space heating and cooling is important. It justifies the need of introduction and enforcement of good standards of thermal performance of buildings.



- The peak demand in summer is becoming more prolonged as compared to the winter peak. The winter demand is rising less steeply than the summer peak as air conditioning equipment in heating mode replaces resistive heating.

Action at EU Level

- The relevance of this section is unclear.
- The NAP 05-07 is essentially business as usual and it is certainly not a driver to improve efficiency. What will the NAP '08-'12 entail that may be relevant to this policy?
- The potential of selling excess CO₂ allocations has to be checked against the price of CO₂ certificates on the ETS market.



1A2: Objectives

- Will the impact be negative or positive and what analysis has been made to back these?
- If negative is this the way to motivate customers?

1A3: Work undertaken

- The results so far are not very evident. In fact no statement is made about the necessity of replacing inefficient plant.



1.A.4: Measures proposed

- is it economically feasible to upgrade inefficient outdated plant?
- The text on demand-side management and CHP should read:
- ***Introducing tariff systems based on instantaneous power demand to make it financially attractive for consumers to shift loads to periods of low demand, thereby reducing inefficient peak power production;***
- ***Promoting Combined Heat and Power (CHP) and Trigeneration (power, heating and cooling: PHC) with a view of increasing overall energy efficiency and of achieving some distributed generation;***
- ***Investigating the potential of CHP and PHC as well as ways of integrating such systems into the grid;***
- ***Investigate the feasibility of installing decentralised power generating units closer to high demand areas, such as tourist concentrations.***
- ***Introduce measures to reduce the ‘unaccounted for electricity’.***



1.B.1: Background

- Wide sections of the community cannot be expected to be knowledgeable about energy efficiency. If they are, the issue is low in their priority list. This has, in the past, been the result of public policy of ‘providing everything for free’.

The text could read:

- ***Whereas consumers may know about energy efficiency they still need motivating to prioritise the issue.***

The investor – user –dilemma can be broken by regulation and information of long term savings. The importance of running costs against capital costs have to be highlighted.



1.B.1: Action at EU Level

- Directive 2002/91/EC on energy performance of buildings needs urgently to be transposed into national legislation and measures to implement and enforce it have to be set up.
- Directives transposed into national legislation require enforcement in view of the inertia of e.g. retailers to follow their obligations with respect to energy labels on appliances. The Policy could foresee punitive measures



1.B.2: Objectives

- It is not obvious that consumers investing in more efficient technology will see a direct return unless the Policy sets out to introduce mechanisms that lead to this.
- The multiplier effect is closer to 5 times, but definitely not 2.



1B.3 Work done

- Is there any record of achievements of the green leader campaign? Has the campaign been adequately funded.
- The reduction of energy consumption for water production came about by raising tariffs, leakage control and process improvement.
- Is the first registration fee waived or not? What are these “similar” grants and to what degree do they provide a subsidy in %?
- Long delays between readings of meters smudge out seasonal variations and make it difficult for consumers to relate readings and bills with their consumption patterns. A more regular (remote) reading of meters would help. Average daily values and values for households with similar numbers of members should be provided.
- What were the measures taken by ME and MTA and what were the results?



1B.4 Measures proposed

- The action plan has to be structured, with simple measures being implemented in the immediate term, less simple ones in the intermediate term and the longer term should be targeted for 2012.
- A specific mention has to be made to standards of the thermal performance of buildings in Building Regulations.
- The text is very generalised and contains no specific numerical targets .



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Thank you

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against the background of

the RISING SUN

