

UNAUTHORIZED TRANSLATION

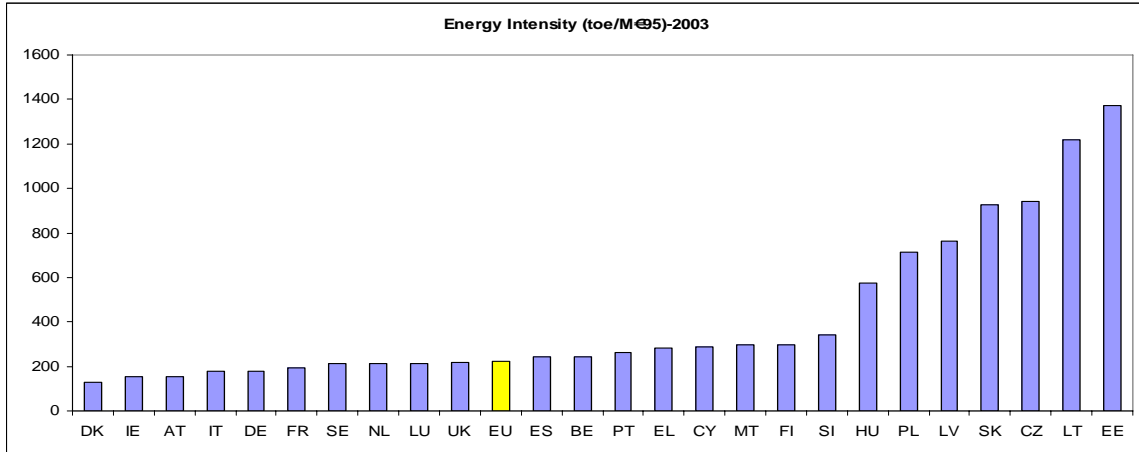
Energy policy agreement, 21 February 2008

FACTSHEET -- Energy savings and energy efficiency

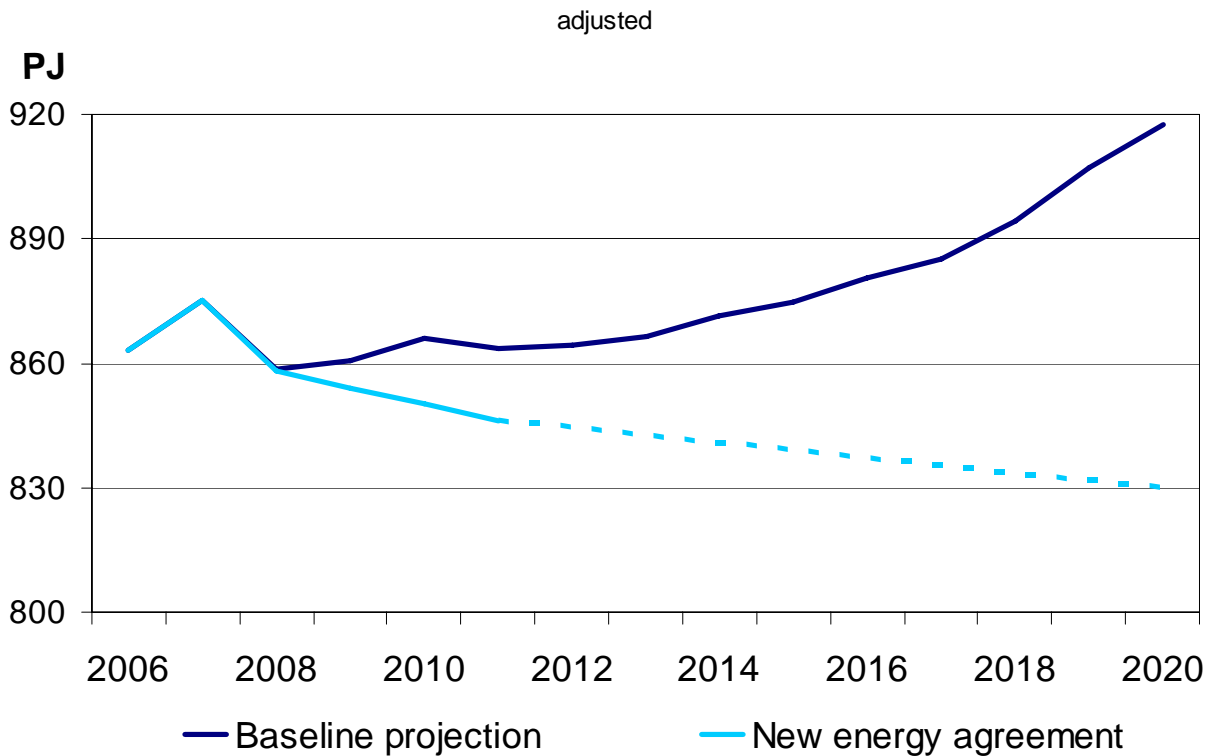
- The agreement establishes a target for the years 2010 to 2020 of annual concrete savings in the end use of energy corresponding to 1.5% of final energy consumption in 2006.
 - The target means annual savings of 10.3 PJ. This corresponds to the energy consumption of about 110,000 residences.
- Compared to the energy-saving agreement of 2005, this is a 1.15% increase in the target up to 2013 and an extension of the target up to 2020.
 - For the period after 2013, this represents a doubling of the annual effort.
 - The total savings in 2020 is increased by fully 70%.
- Compared to growth in consumption without savings measures, a 1.5% annual target would result in a 15% reduction of overall end consumption in 2020.
 - Compared to 2006, end use including transport will be reduced by 1.5%.
- The goal is that total gross energy consumption should fall by 2% in 2011 and 4% up until 2020 compared to 2006, corresponding to a drop from 863 PJ in 2006 to 846 PJ in 2011.
 - This means a strengthening of developments since 1980, in which large energy savings and efficiency have been attained through an increase in combined heat and power production, among other things.
- A very significant portion of further energy savings will be obtained by increasing energy companies' overall energy savings obligation from about 3 PJ/year today to 5.4 PJ/year from 2010. Preparation for the increased savings is being discussed with the companies.
- 20 million kroner annually from 2008-2011 and 5-10 million kroner annually thereafter is earmarked for campaigns for energy savings in buildings. Up to 10 million kroner of this annually in 2008-2011 will be set aside for establishment of a knowledge centre on energy savings in buildings.
- In an extension of the evaluation of overall energy savings efforts being undertaken in 2008, in Spring 2009 a strategy for energy savings in buildings, etc. (cf. the summary of analyses and explanations below) will specify what supplementary initiatives will be taken to reach the energy savings target.
- It will generally be a question of carrying out energy savings that mean lower expenses for households and businesses. This means that the extra investment costs will be able to be paid by reductions in energy expenses as a result of decreased energy consumption.
- No new obligations for households and businesses will be introduced.
- Seen in light of the EU's suggested energy savings target of an average 1% annually, this is a mighty ambitious target.

- In Denmark, over the last 25 years we have implemented major efficiency enhancements, and this has contributed to Denmark today being the most energy efficient country in Europe.

Energy consumption per unit of GDP (Source: European Commission)



Developments in gross energy consumption



Analyses and studies

- Evaluation of the overall energy savings effort, including the energy labelling scheme, will be implemented before the end of 2008 and be open for discussion by the parties by 1 February 2009.
- A position paper on the strategy for reducing energy consumption in existing buildings, including requirements for building regulations, a labelling scheme for windows and finance reforms and use of ESCOs. The project description will be discussed by the parties before 31 March 2008. A position paper will be submitted for discussion by the parties by 1 March 2009.
- An evaluation will be undertaken of obstacles, including those in the social housing sector (new constructions as well as existing housing). A position paper will be submitted for discussion by the parties by 1 March 2009.
- An analysis of the rate structure with respect to creating incentives for reducing energy consumption will be submitted for discussion by the parties by 1 March 2009.
- A position paper on strengthening the energy savings efforts in state institutions through experience-sharing and mapping of obstacles will be submitted for discussion by the parties by 1 October 2008.
- A position paper on the increased use of heat pumps for district heat production and conversion from individual natural gas to district heating will be submitted for discussion by the parties by 1 January 2009.
- A position paper on initiatives for energy-efficient recovery of oil and gas will be submitted for discussion by the parties by 1 January 2009.
- A position paper on possibilities for dissemination of intelligent electricity meters will be submitted for discussion by the parties by 1 October 2008.