



## Andris Piebalgs' priority number one

Posted by [Luis de Sousa](#) on April 9, 2008 - 1:30am in [The Oil Drum: Europe](#)

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Last week's [log entry by Andris Piebalgs](#) starts this way:

Which is the best energy source? This is not an easy question. If we are to apply the European Energy policy, it has to be a source of energy that contributes to our security of supply, that is low carbon and that increases the competitiveness of our economy. Several energy sources answer this question. Renewables, for sure. Some people argue that nuclear is the right choice. Others that we have affordable fossil fuels for many years, and with a bit of carbon capture and storage we can continue our hydrocarbonated lives, like we have done for the last 80 years. All these solutions have their defenders and their opponents. But none of them is my favourite.

Crossposted at [The European Tribune](#).

After an awkward start with bio-fuels, Andris Piebalgs is finally addressing EU's energy future objectively. In a nutshell:

For me the best energy is the energy that we don't use. In other words, energy efficiency. There is no cleaner kilowatt/hour than the one we don't consume. Every cubic meter of gas we don't burn makes us a cubic meter less dependent on foreign supplies. Every barrel of petrol that we don't need makes our economy a barrel less vulnerable to volatile oil prices.

These few sentences address many of the issues raised by the commentators at Andris' blog during the past weeks. But there is more to it than simply facing the coming energy decline, an Energy Efficiency policy can have economic upturns:

To make things more interesting, when we make an investment in energy efficiency we create jobs and growth in Europe. Let's put the case of better insulation for your house. Putting double glazed windows certainly is an investment that has a cost. So has your gas bill. The difference is that the cost of the windows will go to a European window company, and will be installed by European workers. Your double-glazed window will not only help to reduce your gas bill and your greenhouse gas emissions, increase the comfort of your house, but will also help to create new window companies and installer jobs. The alternative consists of taking your hard earned euros and sending them to rich oil and gas producing countries.

This all sounds better than the hollow bio-fuel talk. As we've seen [previously at TOD:E](#) some states in the EU have poor records on GDP unit generated per Fossil Fuel unit consumed. This could be a good measure of how this policy gets under way. As discussed, the 2000\$ / boe could be a tentative target for every state of the EU (accounting for currency oscillations).

Some commentators were fast in reminding that [Jevons' Paradox](#) may indeed imply a different outcome than what would otherwise be expected from energy efficiency improvements. But for energy consumption to increase in face of a technological development, there has to be surplus supply, which at least for Oil and Natural Gas today is not the case.

There are two extra advantages for a Energy Efficiency lead policy in today's energy landscape:

- Alternative energy sources have their own timings entering the market. Even if there's a political shift towards some alternative(s), technological development might constrain its growth (e.g. Photo-voltaics) hence Efficiency might be the best short-term policy against energy constraints;
- Energy Efficiency is popular. It is hard for anyone to be against it, the dependence on foreign sources diminishes as so the bills by the end of the month.

Finally the announcement of how this policy is taking shape:

Certainly, there are many things that the Commission can do at political level, and I'm proud to announce that 2008 will be the European year of energy efficiency. During these 12 months I plan to come up with a number of energy efficiency legislative proposals, including a stronger energy efficiency in buildings directive; a new energy efficiency labelling directive; new standards for energy efficiency in various groups of products; a Covenant of Mayors for energy efficiency and last but not least, an international agreement on energy efficiency that I hope to sign in Japan next June. In my next entry I will explain all these proposals in detail.

The Commission's website on Energy Efficiency can be found [here](#). Also in the Commission's website you can download a copy of the [Energy Green Paper](#) (available in 19 different languages), where the 20% savings figure was divided. The english version can be downloaded directly from [here \[pdf!\]](#).

This political path for Energy security can only be well received. Let's hope that the European year of energy efficiency initiative can be a fruitful one.

### **Previous coverage of Andris Piebalgs blog:**

[Andris Piebalgs : getting a sense of proportion](#)

[Andris Piebalgs on Bio Fuels](#)

[Piebalgs on European Energy Security](#)

[Andris Piebalgs' Blog](#)

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