



Policy recommendations to tackle energy poverty in the Netherlands

Workshop *'To heat or to eat: Energy poverty and the state of just energy transitions'*

Erasmus University, 27 June 2023



Introduction

- Independent research and consultancy since 1978
- Energy, transport and resources
- Know-how in economics, technology and policy issues
- Not-for-profit

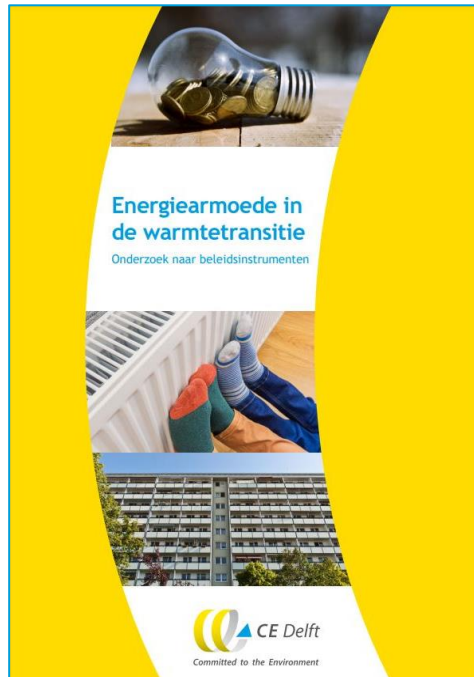


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Our recent research on energy poverty

- *Energy poverty in the heat transition: A study of policy instruments (2021)*
- *Financial compensation of households for high energy prices (2022)*



How will energy poverty develop in the heat transition?

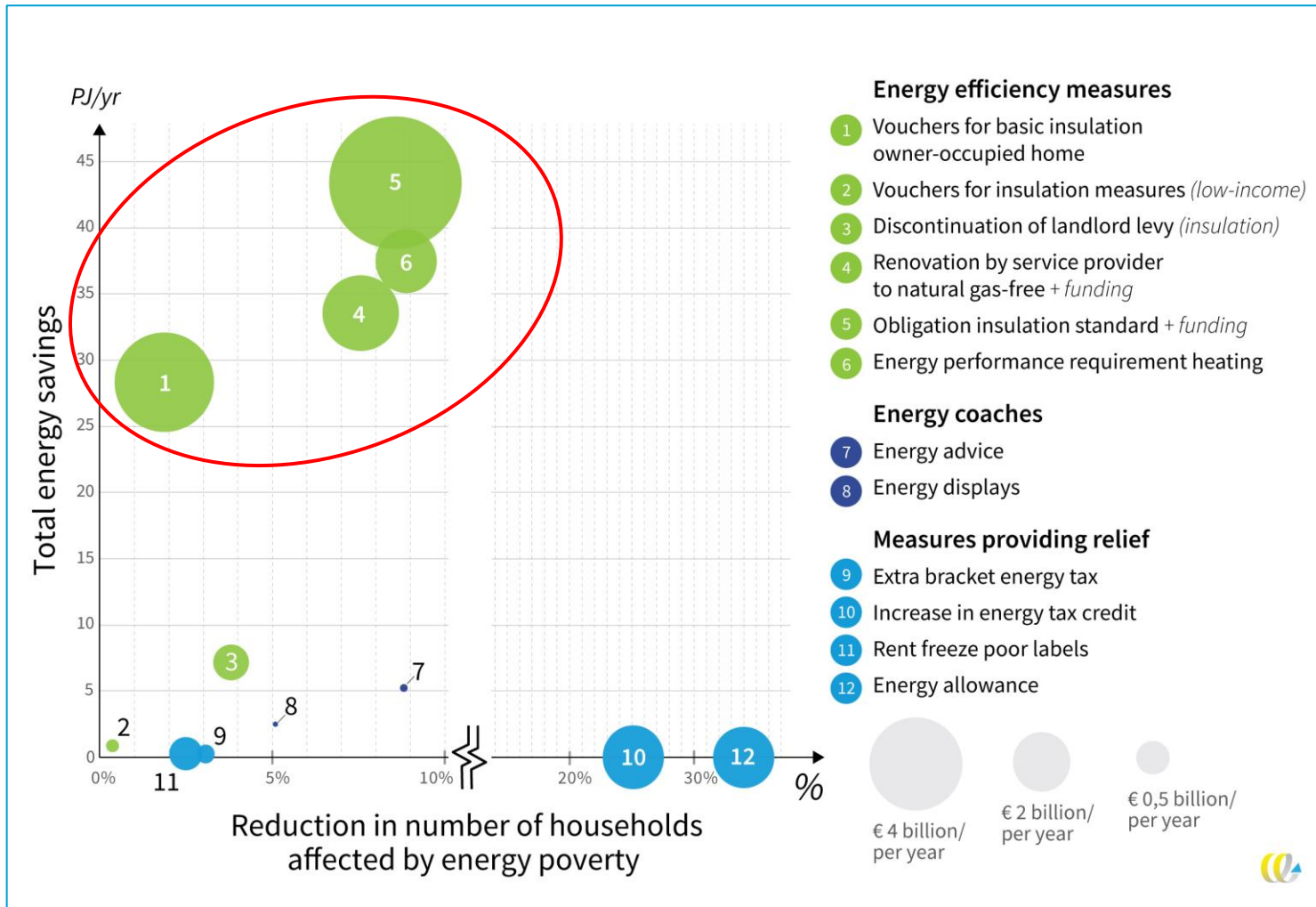
- Two scenarios (2030):
 1. Clean heating technology
 2. Present heating technology & insulation level

Method:

- Energy prices 2030 (PBL)
- WoON2018 data set (CBS)
- CE Delft CEKER model

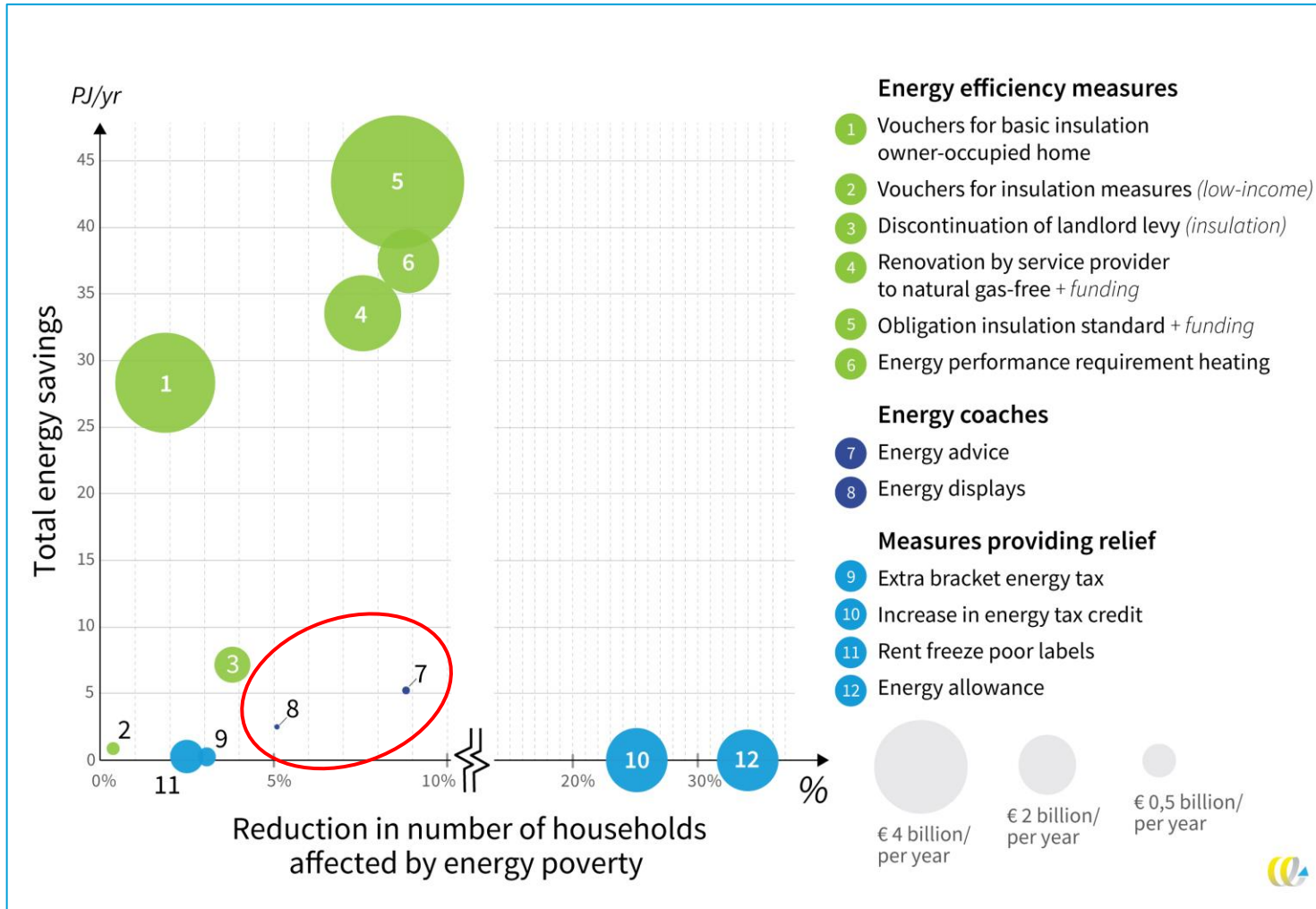
- Without sustainability measures and additional policies, energy poverty increases **by a third** in 2030

Effects on energy saving and energy poverty



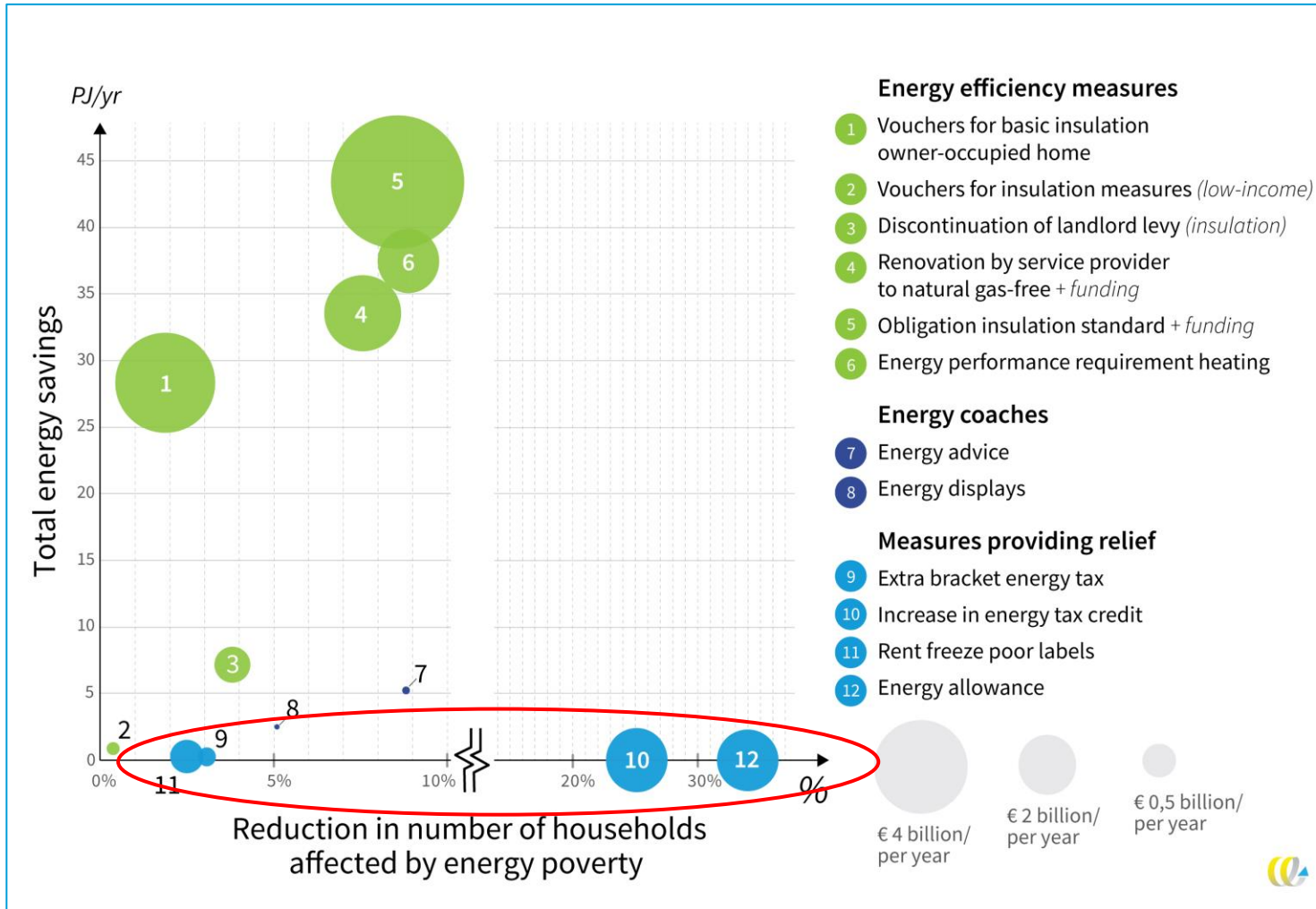
- **Energy efficiency measures:** insulation and clean energy technologies reduce energy consumption. High costs, but structural effect.

Effects on energy saving and energy poverty



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- **Awareness** through energy coaches and energy displays: limited impact on energy poverty and energy consumption, at low costs.

Effects on energy saving and energy poverty



- **Energy efficiency measures:** insulation and clean energy technologies reduce energy consumption. High costs, but structural effect.
- **Awareness** through energy coaches and energy displays: limited impact on energy poverty and energy consumption, at low costs.
- **Measures providing relief:** no impact on energy consumption, relatively large impact on decreasing energy poverty. Effect not structural.



Conclusions

from the study 'Energy poverty in the heat transition'

- Three steps:
 1. First step: energy coaches
 - Identify target groups, public support, awareness, behavioural change
 2. Structural effect: insulation & clean heating technology
 - Obligations, unburdening and subsidies
 3. Remaining group: income measures / financial support

Financial compensation

- six options for financial compensation
- Effectiveness vs. feasibility
- Downsides of price cap ('prijsplafond') for all households:
 - Uncertainty in government spending
 - Also benefits high-income households
 - No compensation for higher than average energy use

Hoge energiekosten compenseren: eenvoudig én goedkoop wordt het niet



Wie energie wil besparen kan radiatorfolie aanbrengen bij de verwarming. Beeld ANP

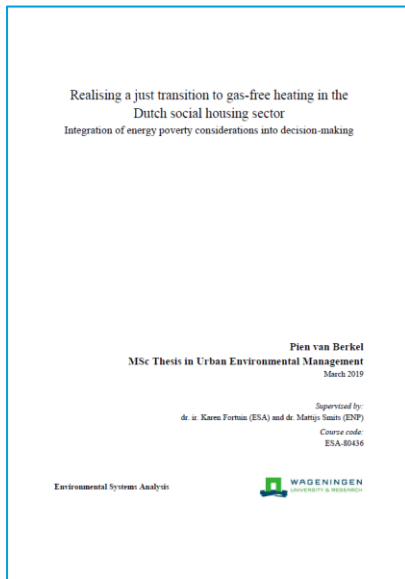
De hoge energiekosten voor lage inkomens verzachten kan op vele manieren. Maar simpel én niet te duur gaan niet snel samen, laat CE Delft zien.

Policy recommendations for financial compensation

- Relevance of financial compensation: energy price forecasts show increase in energy prices

Advantages of high energy prices	Disadvantages
+ Incentivises energy-conscious behaviour	- Increase in energy poverty
+ Reduces payback period of investments in energy efficiency measures	- Threatens public support

- → research needed on the feasibility of income-based compensation



[Link](#) to thesis



[Link](#) to study (Dutch) and English summary



[Link](#) to study (Dutch)



[Link](#) to study (Dutch)



[Link](#) to study (Dutch)



[Link](#) to study (Dutch)



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Thank you!