

# **Energy Management and Energy Efficiency Lessons from the EEO Program**



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### Managing Energy – Australian Government Perspective

#### Key drivers

- Rising energy prices
- Low cost abatement
- Productivity

#### Policy Responses

- Energy White Paper
- Carbon price fixed for 3 years before moving to an emissions trading scheme
- Energy Market Reform
- Demand Side Management

#### Support Programs

- Information: Energy Efficiency Opportunities Program (EEO), Energy Efficiency Exchange (EEX)
- Incentives: Clean Energy Finance Corporation (CEFC), Australian Renewable Energy Agency (ARENA),
  Clean Technology Innovation Program (CTIP)





### **Energy Efficiency Opportunities (EEO) Program Key Policy Drivers**

#### Key policy drivers:

- to address information failures within business that impede prudent and objective decision making on cost effective energy savings opportunities;
- to build industrial capability and capacity to identify, assess and implement energy saving opportunities,
- to improve energy productivity and to deliver associated cost savings;
- to facilitate ongoing / systemic behavioural change in organisations
- Is a unique program in that it sits half way between a voluntary program and a targets based compliance program
  - participation and assessments are mandated, but implementation of identified energy savings is not (that is a business decision for companies)





## **Energy Efficiency Opportunities (EEO) Program Key Levers**

- Mandatory Assessments
  - Rigorous
  - Verified
- Quality, evidence based information supported by data
- Involvement of decision makers
  - Technical
  - Financial
  - Senior management

Quality, evidence based information supported by data

Reporting to the Board/ Public on assessment outcomes and business response



#### **EEO Assessment Framework**

#### Rigorous and Comprehensive Assessments



Leadership

People

Information, Data & Analysis

Opportunity Identification & Evaluation

**Decision Making** 

Communicating outcomes

Six key elements





#### **Effective Approaches for Energy Management**

- Energy Mass Balances (EMB) / Energy Material Flows
- Energy Optimisation Tools
- Theoretical Benchmarking
- International Collaboration in the use of ICTs to develop tool to allow for real time data analysis
  - Demand Side Management (government)
  - Demand Side Participation (Industry)

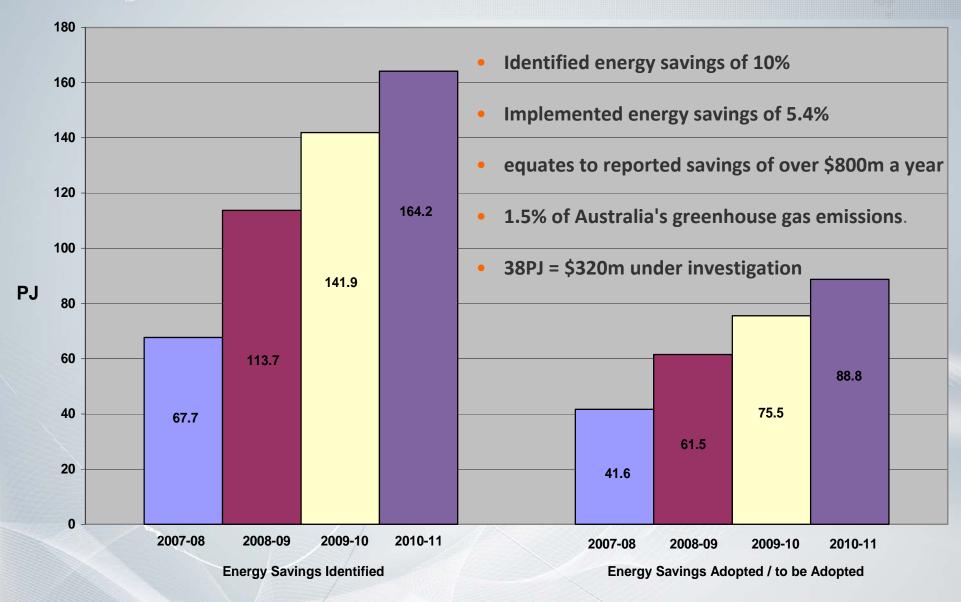


## **Energy Efficiency Opportunities (EEO) Program Implementation – Key Insights**

- Importance of leadership support at all levels
- Involve people from a range of backgrounds
- Analysis of data key to identifying opportunities
- Link the business case to key business drivers and highlight additional business benefits
- Communication of successful projects to assist in building further support
- Involvement of the Board
- Public Testament of accuracy in reporting



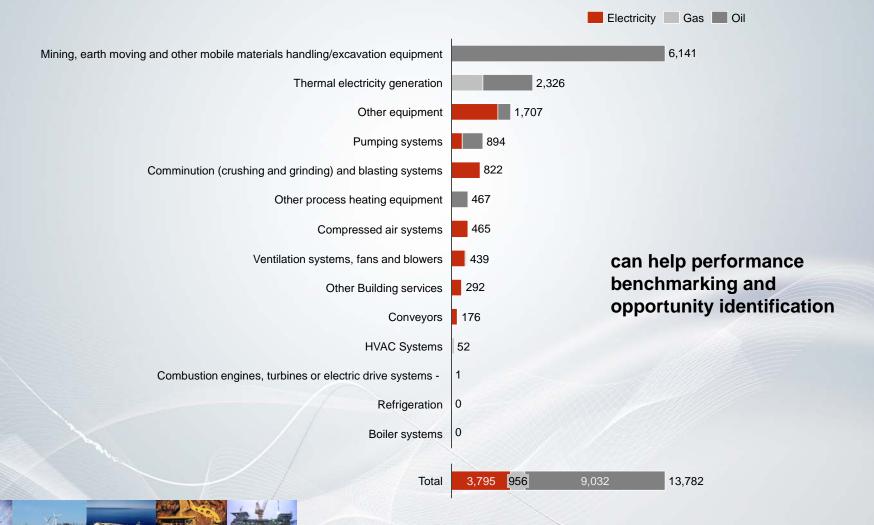
### **EEO Program – Results**





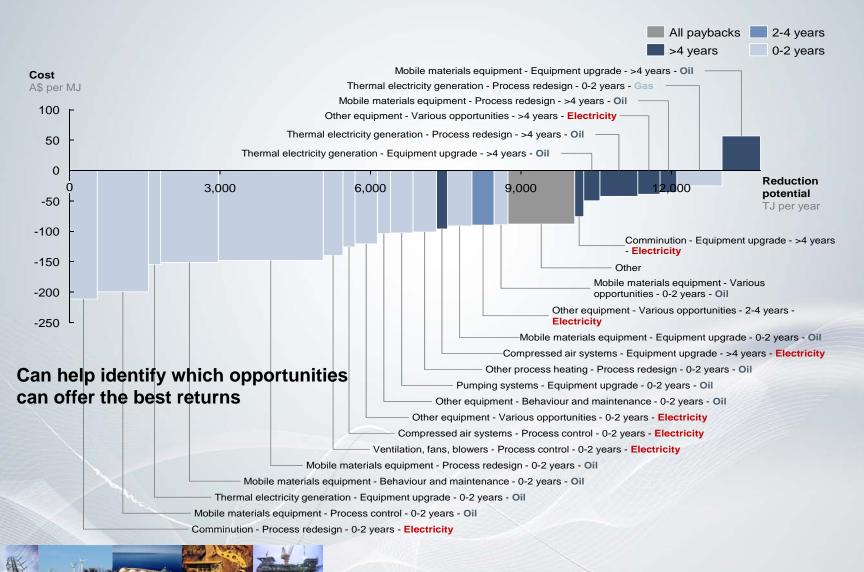
### Using Data to Improve Decision Making - Industrial Energy Efficiency Data Analysis (IEEDA) Project

Metal Ore Mining Sector: Identified energy savings by technology/process and fuel category





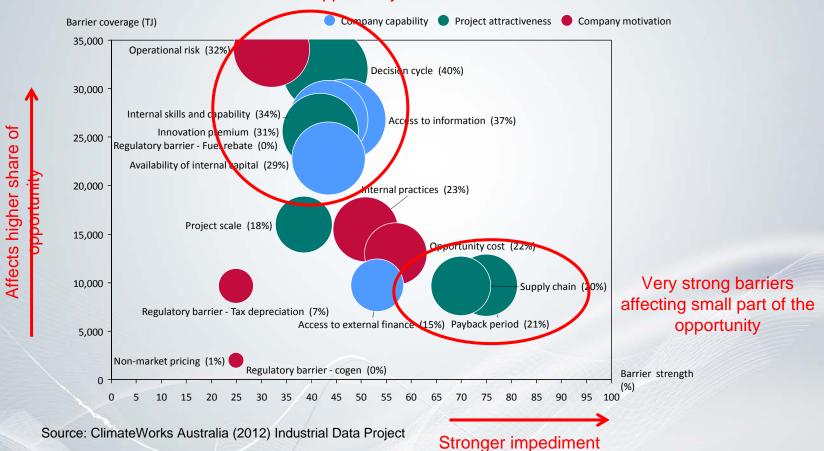
#### **Metal Ore Mining Sector: Energy Efficiency Cost Curve**





#### **Barriers Analysis to inform policy**

### Medium barriers affecting most of the opportunity







#### **EEX – Addressing Information Barriers**

