



IEA DSM TASK VI Mechanisms for Promoting Demand-Side Management and Energy Efficiency in Changing Electricity Businesses

BACKGROUND

As countries began to restructure their electricity industries, DSM practitioners searched for information on how to apply DSM and energy efficiency measures in this new structure. Recognizing this growing need for information, the IEA DSM Programme launched *Task VI, Mechanisms for Promoting Demand-Side Management and Energy Efficiency in Changing Electricity Businesses*.

IEA DSM TASK VI

The goal of Task VI was to develop a database of information for decision makers wanting to promote the application and use of DSM and energy efficiency in restructured electricity industries and competitive electricity markets. The work focused on DSM and energy efficiency mechanisms, that is on initiatives that aimed to overcome policy and program barriers that were preventing cost-effective DSM and energy efficiency activities, rather than on programs.

Thirteen countries and the European Commission worked together to determine how best to ensure that DSM was not overlooked as countries embarked on restructuring their electricity industries and as competitive electricity markets began to emerge.

Results

Two databases were compiled—one with details on 99 existing mechanisms for promoting DSM and energy efficiency and the other with 25 new mechanisms. The effectiveness of these mechanisms was assessed against a range of criteria.

Four types of mechanisms were developed:

- Control Mechanisms – these are used to direct energy businesses to change behavior.
- Funding Mechanisms – these provide funding for other mechanisms.
- Support Mechanisms – these provide support for behavioral changes by end-users and energy businesses.
- Market Mechanisms – these enable the use of market forces to encourage behavioral

changes by end-users and electricity businesses.

The developed mechanisms were reviewed during a series of Practitioners Workshops held in Australia, France and Japan. These workshops provided a “reality check” on the practicality of the mechanisms

The Task also identified public policy goals and objectives which governments could seek to achieve through the reform and restructuring of their electricity industries.

The Task’s results are of practical use to government policy makers, industry regulators, electricity managers, and analysts and commentators on the electricity industry.

Reports

Three reports are available to download from the Task VI page of the DSM web site:

- Existing Mechanisms for Promoting DSM and Energy Efficiency in Selected Countries
- Public Policy Implications of Mechanisms for Promoting Energy Efficiency and Load Management in Changing Electricity Businesses
- Developing Mechanisms for Promoting DSM and Energy Efficiency in Changing Electricity Businesses

Participants

Australia	Japan
Belgium	Korea
Denmark	Netherlands
EC	Norway
Finland	Spain
France	Switzerland
Greece	United Kingdom

Duration

1997-2000

Operating Agent

David Crossley
Energy Futures Australia Pty, Ltd

Task VI Website

<http://www.ieadsm.org/ViewTask.aspx?ID=17&Task=6&Sort=1>