THE FRENCH PROJECT OF ENERGY EFFICIENCY CERTIFICATES SYSTEM

August 2004

Working note - Do not cite

This note tries to present the state-of-the art of the current discussions about the planed system of energy efficiency certificates (white certificates).

Obliged agents

Obligations will be imposed on energy suppliers (electricity, gas, heat, cold, domestic fuel) whose annual sales exceed an amount to determine . To meet these obligations, they will either be able:

- to take direct action to increase efficiency on their own sites (equipment not covered by the European trading system)
- to implement measures in order to obtain white certificates
- to purchase white certificates from other agents
- to pay a penalty

National objectives and repartition among obliged agents

To determine.

First figures proposed by the Industry Ministery: over a three-year period, 46TWh updated efficiency improvements for suppliers of electricity, gas and heat, of which 34 TWh are for electricity, 10,5 TWh for gas, 1,5 TWh for heat and 7,5 TWh for fuel oil suppliers.

Penalty

If the obliged agents do not meet their obligation, it will have to pay a penalty of 20 euros by certificates (0,02 euros/kWh). This penalty constitutes a ceiling price for the sale of certificates. This amount is doubled if the obliged agents do not prove that they were not able to buy certificates from other agents.

Agents authorised to receive white certificates

Moral persons that implement energy savings superior to an amount to determine.

Certificates

Unit: kWh saved in final energy.

Validity: at least 10 years.

Impact of the system on consumers

Rises in prices and tariffs are limited to a maximum of 0,5%.

Timing

The system should have begun at the beginning of 2005. However it is likely that there will be delay (6 months or one year).

Programmes

Exclusions:

- energy savings coming from only substitution between fossil energies;
- energy savings from installations implied in the European trading system

Discussed programmes:

- low energy light bulbs

- loft insulation
- double glazing
- installation of heating control mechanisms
- efficient domestic appliances
- replacement of boilers or water heaters by more efficient equipment
- fitting of insulating jackets to water heaters
- fitting of heating control mechanisms
- boiler maintenance
- creation of wood-fired heating systems for district heating or in industry