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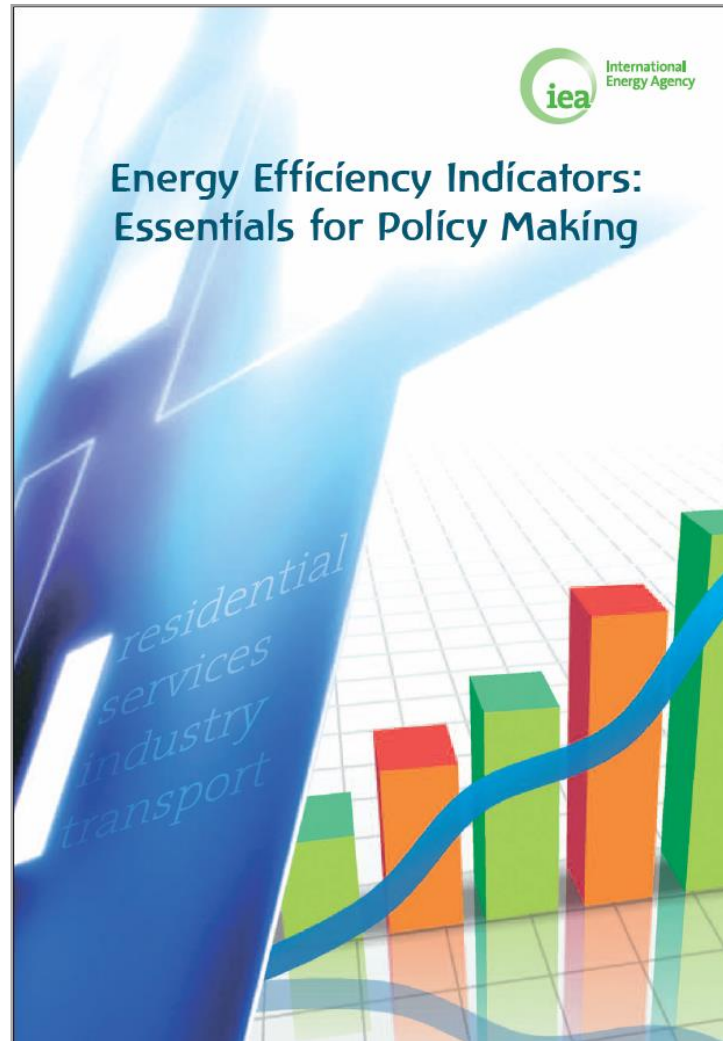
# Energy Efficiency Indicators Manual Essentials for Policy Making

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# Energy Efficiency Indicators: Essentials for Policy Making



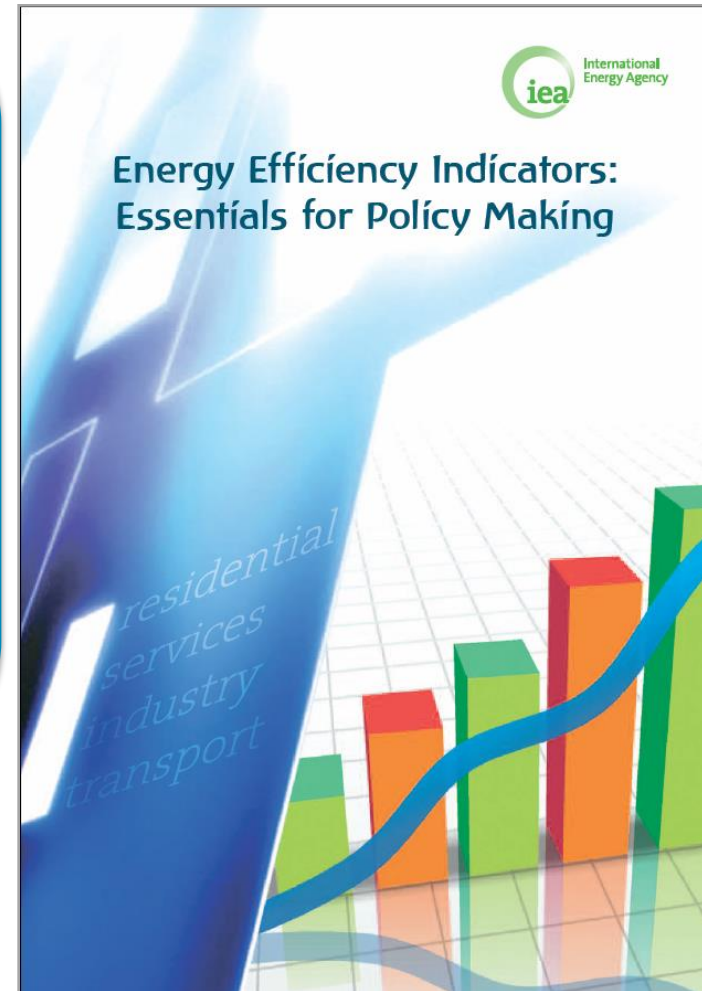
# An answer to the growing number of requests

**Users of the manual:**

**Policy makers – Overview on what is needed to construct useful indicators**

**Analysts – Insight into policy needs**

**Statisticians – Insight into how data collected is used**



# Energy Efficiency Indicators: Essentials

- **What are the basic indicators & how to prioritise development of indicators?**
- **What key insights do indicators provide into trends driving energy use?**
- **How can these indicators be used to quantify energy efficiency and track policy impacts?**
- **Discusses what additional data and indicators are required for more robust analysis and cross country comparisons**

# IEA Energy Efficiency Indicators Analysis

- **Manual provides an overview of existing IEA Indicators**
- **Ambition to develop meaningful indicators and cross-country comparisons**
- **Quantify energy efficiency**
  - **Past trends according to existing IEA decomposition analysis**
  - **Future trends based on detailed end-use models**

# Essentials manual structure

- **Broad discussion on the methodology**
  - **Supplemented with detailed annexes**
  
- **Individual chapters:**
  - **Residential**
  - **Services**
  - **Industry**
  - **Passenger Transport**
  - **Freight Transport**

# Essentials sector chapter structure

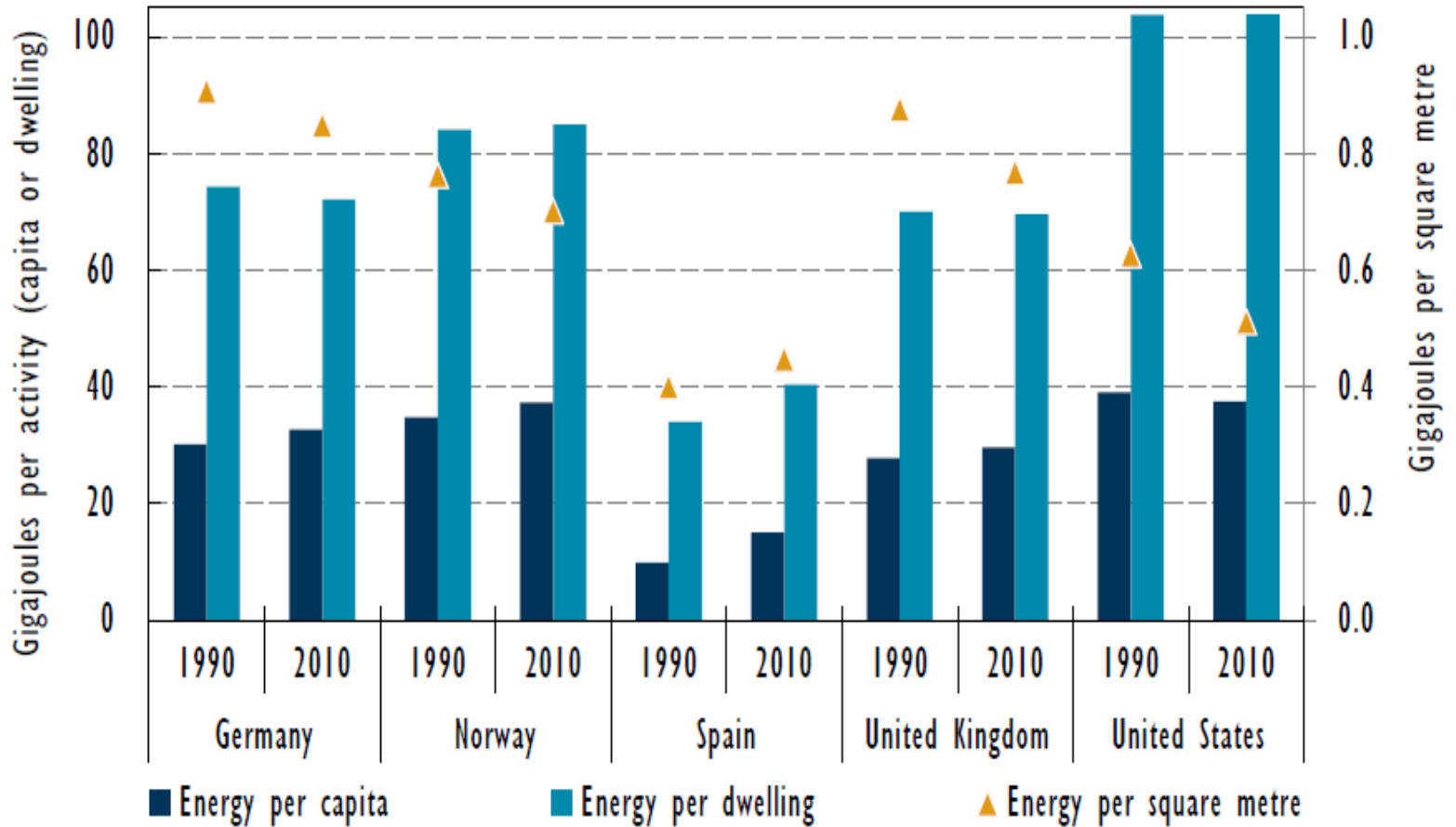
- **What is driving energy use?**
- **How is energy being used and how has it evolved recently?**
- **What sector / sub-sector / end use / technology / process should be prioritised?**
- **Develop indicators by level of the pyramid**
- **Additional indicators**
- **Decomposition analysis**
- **Policy information and evaluation**

# Level 1 indicators: Residential Example

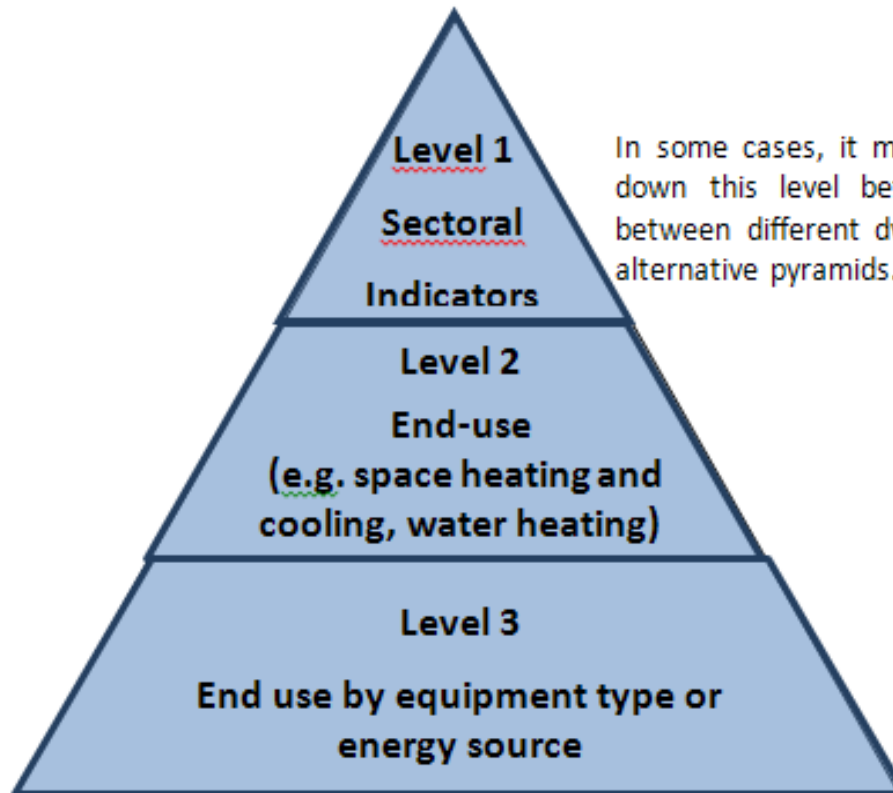
Indicator	Data required	Purpose	Limitation
<b>Residential energy consumption per capita</b>	<ul style="list-style-type: none"> <li>Total residential energy consumption by energy source.</li> <li>Population.</li> </ul>	<ul style="list-style-type: none"> <li>Can be constructed for many countries and provides a consistent basis for comparison.</li> <li>Provides qualitative information on y... might have been growing.</li> </ul>	<ul style="list-style-type: none"> <li><b>Does not measure energy efficiency developments.</b></li> <li>The indicator is influenced by the penetration rate of different appliances, the number of inhabitants per house, the level of households, the n house size and dwelling e efficiency of water and cooling devices, the type bulbs used, the efficiency building envelope, etc.</li> </ul>
<b>Residential energy consumption per occupied dwelling</b>	<ul style="list-style-type: none"> <li>Energy consumption.</li> <li>Number of occupied dwellings.</li> </ul>	<ul style="list-style-type: none"> <li>Provides a gene... the trends in ag... intensity.</li> <li>When energy u... not known, ene... occupied dwell... as an energy-int... indicator.</li> <li>Some important conclusions can be drawn if the weather, ownership of energy-using appliances and dwelling area are known.</li> </ul>	<ul style="list-style-type: none"> <li><b>Does not measure energy efficiency developments.</b></li> <li>Influenced by many factors not related to energy efficiency such as changes in income level or prices.</li> </ul>
<b>Residential energy consumption per floor area</b>	<ul style="list-style-type: none"> <li>Energy consumption.</li> <li>Total floor area.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor energy use in the residential sector.</li> <li>Combined with energy use per household, provides useful insights on what might have been the main driver of energy consumption.</li> </ul>	<ul style="list-style-type: none"> <li><b>Does not measure energy efficiency developments.</b></li> <li>Influenced by many factors not related to energy efficiency such as changes in income level or energy prices.</li> </ul>

**Tables clearly outline data requirements, purpose and limitation for different indicators developed at different levels**

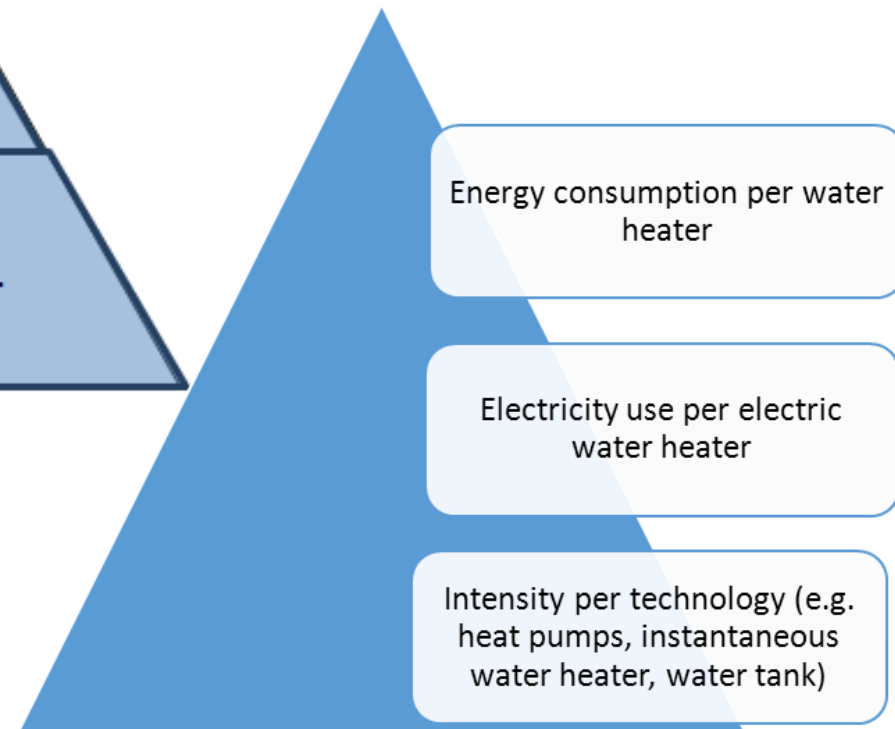
# Residential level 1 indicators



# Residential Pyramid



In some cases, it may be required to further break-down this level between urban and rural, and/or between different dwelling type. See Appendix G for alternative pyramids.



# Level 2 indicators: Services Example

Indicator	Data required	Purpose	Limitation
<b>Space heating energy consumption per value-added</b>	<ul style="list-style-type: none"> <li>• Energy use for space heating.</li> <li>• Services value-added.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide an indication of the trends in space heating energy intensity.</li> </ul>	<ul style="list-style-type: none"> <li>• This indicator does not take into account the effect of floor area and the share of floor area heated.</li> </ul>
<b>Space heating energy consumption per floor area</b>	<ul style="list-style-type: none"> <li>• Energy use for space heating.</li> <li>• Total floor area.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide an indication of the trends in space heating energy intensity.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not provide a distinction between equipment and building efficiency.</li> <li>• Does not measure energy efficiency developments.</li> <li>• Does not take into consideration the share of floor area heated.</li> <li>• Does not consider the level of heating required by different types of buildings.</li> </ul>
<b>Space heating energy consumption per floor area heated</b>	<ul style="list-style-type: none"> <li>• Energy use for space heating.</li> <li>• Total floor area heated.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide a better indicator as it takes into account the share of floor area heated.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not provide a distinction between equipment and building efficiency.</li> <li>• Does not measure energy efficiency developments.</li> <li>• Does not consider the level of heating required by different types of buildings.</li> </ul>

# Level 3 indicators: Transport Example

Indicator	Data required	Purpose	Limitation
<b>Energy use per passenger-kilometre by road transport vehicle</b>	<ul style="list-style-type: none"> <li>• Passenger transport energy consumption by road transport vehicle.</li> <li>• Passenger-kilometres by road transport vehicle.</li> </ul>	<ul style="list-style-type: none"> <li>• Energy intensity by road vehicle is a meaningful summary indicator, if specified at a detailed enough level.</li> <li>• Intensities can be used to help develop transportation energy policies.</li> </ul>	<ul style="list-style-type: none"> <li>• The indicator is still affected by factors that are not related to energy efficiency such as the change in vehicle weight for LDVs within the fleet and vehicle features.</li> <li>• May mask important structural changes if the level of disaggregation is limited.</li> </ul>
<b>Energy use by vehicle kilometre</b>	<ul style="list-style-type: none"> <li>• Stock of vehicles by type of LDV.</li> <li>• LDV vehicle-kilometres.</li> <li>• LDV energy consumption.</li> </ul>	<ul style="list-style-type: none"> <li>• Or fleet fuel economy survey.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide insights on the average fuel economy of the vehicle stock. As opposed to energy/pkm, it is not influenced by vehicle occupancy.</li> <li>• May mask embedded structural changes if the level of disaggregation is limited.</li> </ul>

# Additional indicators

- **Indicators that are not necessarily energy related but which help to explain energy consumption**
- **Examples:**
  - **Socio-economic status and housing tenure**
  - **Private car ownership**
  - **Average load factor per freight vehicle**
- **CO<sub>2</sub> indicators**
  - **If fuel mix is known can develop CO<sub>2</sub> indicators**
  - **The purpose and limitations identified for energy efficiency indicators also apply to CO<sub>2</sub> indicators**

# Cannot look at indicators in isolation...

- **Energy efficiency indicators cannot**
  - predict variation in overall energy consumption
  - or
  - quantify the impact of individual components or factors on overall energy consumption.
  
- **Decomposition analysis is used to explain the interaction between different elements or factors influencing total energy consumption.**

# Decomposition in Essentials Manual

- Detailed equations for Laspeyres and Log Mean Divisia Index (LMDI-1) decomposition methodologies in both additive and multiplicative formats
- How to calculate hypothetical energy use
- How to extend energy decomposition analysis to CO<sub>2</sub> decomposition analysis by adding a fuel mix (including electricity) and a carbon intensity factor

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# Thank you

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