

AeA Europe Position paper on ICT for energy efficiency

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On May 13th 2008, the Commission launched its Communication on “Addressing the challenge of energy efficiency through Information and Communication Technologies” (ICT for energy efficiency) which was followed by the launch of a consultation period. It is the first EU policy initiative that recognizes that ICT have a role to play in increasing energy efficiency of the economy, and that Europe needs to ensure that ICT-enabled solutions are available and fully deployed. AeA Europe congratulates the Commission on such a move and would like to take this opportunity to comment on the Communication.

AeA Europe also welcomes the creation of a collaborative partnership through 3 meetings of an Ad-Hoc Advisory Group, and the creation of the 6 subgroups (Restructuring, smart mobility, smart electronic grids, smart buildings, lightning and photonic technologies, smart manufacturing). We believe it is the right way forward and we are glad to have a seat on the Ad-Hoc Advisory Group and do direct contributions.

We would also like to mention that on September 17th 2007, AeA Europe launched its report on “How can the High-Tech sector help the EU to achieve its goal of reducing Energy Consumption 20% by 2020?” The report suggested that advanced technologies will enable better than 50% of the energy benefits envisioned by the EU Action Plan for Energy Efficiency (20% energy efficiency improvement by 2020). However, this opportunity will end nowhere without additional policy support. This report:

- assessed the potential for the High-Tech sector to address the challenge of climate change in the EU (whilst also creating jobs and improving quality of life), at the same time enabling the sustainable development of all economic sectors, and
- described and evaluated regulatory and non-regulatory measures that could enable or impede such technologies to unfold their potential.

The report highlighted numerous areas for huge energy savings, among these:

- Teleworking, telecommuting and telepresence
- Freight logistics and air traffic control management
- Building optimization and energy management systems
- Improved industrial processes and techniques

Indeed, this report concluded that the ICT sector has the ability to transform society towards a more energy efficient society. Yet, as ICT solutions are so pervasive in all aspects of life, it is difficult to make an inventory of how this can be done. ICT solutions are a horizontal enabler, affecting change in all areas where it is applied.

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We would also like to take this opportunity to encourage the Commission to take stock of existing initiatives of sharing best practices and efforts to develop metrics, standards and measurement methods and processes in other regions of the world, such as in the US and Asia. This will help avoid creating regional silos and unnecessary duplication of efforts and, instead, focus on advancing energy efficiency globally going forward.

While we trust that the Ad Hoc Advisory Group will generate a comprehensive set of policy recommendations, and AeA Europe will input into that process, we wanted to highlight some ideas we wanted to put forward: as response to the thoughts the Commission has expressed in the Communication on ICT for Energy Efficiency:

Reducing CO2 footprint of ICTs

- **European Commission:**

Proposes that the ICT industry voluntarily commits to becoming Carbon Neutral and exchanges best practices to improve structural change in the industry

AeA Europe:

AeA Europe member companies differ in their approaches to this issue. Some member companies have taken carbon neutrality commitments while other member companies pursue different strategies to mitigate climate change. Virtually all companies invest into R&D and internal operations in order to increase energy efficiency of their operations, products and solutions. AeA Europe would welcome and contribute to sharing of best practices in this area.

- **European Commission:**

Recognizes that ICTs, their components, sub-systems and end-systems consume significant amount of energy and need to improve. EC proposes to foster R&D and other EU funding for energy efficient ICTs, components, applications, services, and footprint tracking.

AeA Europe:

Agrees that the ICT sector consumes a significant amount of energy, but policy instruments should be explored towards adoption of best current practice. E.g. stimulate the Code of Conduct of data centres and develop more ambitious green procurement criteria for complex ICT solutions (e.g. data centres, e-Government services).

ICT as enabler in power grids

- **EC:** Support awareness raising on distributed generation, support multidisciplinary R&D, and use EU funding for large scale projects

AeA Europe: We agree, however, AeA Europe believes that the Commission should investigate what the state of the art is, do a benchmark across the EU, identify the barriers to their uptake, and then develop policy solutions which could remove the barriers. It may be that the EU needs to set minimum loss efficiency targets for generation and distribution networks, for example as part of the operation license setting (this could be done through a tool like IPPC which provides permits on the basis of taking “Best Available Technology” into account). In addition, we would encourage the Commission to look into existing public private partnerships for sharing best practices outside of the EU. For example The Green Grid (<http://www.thegreengrid.org>) is a global consortium

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dedicated to advancing energy efficiency in Data Centers and business computer eco-systems which is already active in the US and Asia.

ICT as enabler in energy-smarter homes and buildings

- **European Commission:**

Support multidisciplinary R&D in areas such as energy visualization, and energy management systems. Support large scale demonstration projects using EU funding. Raise awareness on e-metering.

AeA Europe:

We agree, but like above, we need to investigate best practice, benchmark, identify barriers, and develop policy to remove the barriers. One potential barrier is that the actor needing to invest in smart metering does not receive the financial benefits, and therefore the uptake of the solution may need to be legislated for due to market failure.

Increasing visibility and understanding of ICTs for energy efficiency

- **European Commission:** launch consultation and partnership process to investigate how ICTs can support other policy areas addressing energy challenges, and launch information gathering and analysis exercise on the impact of ICT on energy efficiency.

AeA Europe: we absolutely agree and are willing to participate. Moreover, we believe that in order to have a fruitful and comprehensive dialogue, representatives from DG TREN, DG ENTR, and DG ENV should participate.

We would be happy to discuss this paper in further detail.

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