



If energy efficiency makes business sense, why do some invest, and others don't?

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FEDERAZIONE ITALIANA PER
L'USO RAZIONALE DELL'ENERGIA

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FIRE: the association for energy efficiency



Do you need a hand in energy management?



The **Italian Federation for the Rational use of Energy** is a no-profit association founded in 1987 that promotes energy efficiency, supporting energy manager, ESCOs and other companies dealing with energy.

Besides the activities directed to its **members**, FIRE operates under an implementing agreement with the Ministry of Economic Development to manage the **Italian energy manager network** since 1992.

In order to **promote energy efficiency** FIRE cooperates and deals with public authorities, energy technology and service companies, consultants, medium and large consumers, universities and associations to **promote best practices** and **improve the legislation**.

FIRE manages **SECEM** - an **accredited body** under ISO 17024 - to certify Energy management experts (EGE - UNI CEI 11339).

www.fire-italia.org



FIRE: the association for energy efficiency



FIRE
can help you!



FIRE can be a partner for many activities:

- ▶ carrying out **surveys** among energy managers, ESCO, EGE, companies with ISO 50001, etc .;
- ▶ implementation of **market and sectoral studies**;
- ▶ **evaluation and support** on incentive tools and policies;
- ▶ **information campaigns** and behavioural change;
- ▶ **dissemination campaigns**;
- ▶ **energy audits and feasibility studies**;
- ▶ **training courses** on energy management and its tools, policies and incentives, solutions for energy efficiency, cogeneration, IPMVP, etc.;
- ▶ **European projects**, international cooperation, and much more...

Get in touch!

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Around 400 members, almost equally divided between organisations and professional, including including both supply and demand side (medium and large end-users).



FIRE: the association for energy efficiency



Besides being involved in many **European projects**, listed next, FIRE implement surveys and market studies on energy related topics, **information and dissemination campaigns**, and **advanced training**.

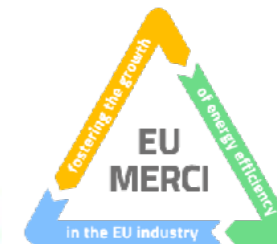
Some of FIRE clients over the years: *Ministero dell'Ambiente, ENEA, GSE, RSE, Regione Piemonte, Provincia di Torino, Comune di Vignola, EASME, Ecofys, ENEL, Engie, Estra, Ferrovie dello Stato, FCA, Galbani, Gruppo HERA, Hitachi, Leonardo, Poste Italiane, Schneider Electric, TIM, Unioncamere, Vigili del Fuoco, Wind Tre*, universities, associations, energy agencies and exhibition organizers.



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On-going and just completed EU projects:

Management and good practices



Financing



EPC and standardisation



Policy



Cooperation agreements:



Let's start with the title question...



If energy efficiency makes business sense, why do some invest, and others don't?

And also, does energy efficiency make business sense?

What is energy efficiency?



1. Avoiding waste and inefficient uses

It mainly requires management, and it is very cost effective

2. Using efficient technologies (cost effective)

It requires investments (i.e. resources to be spent)

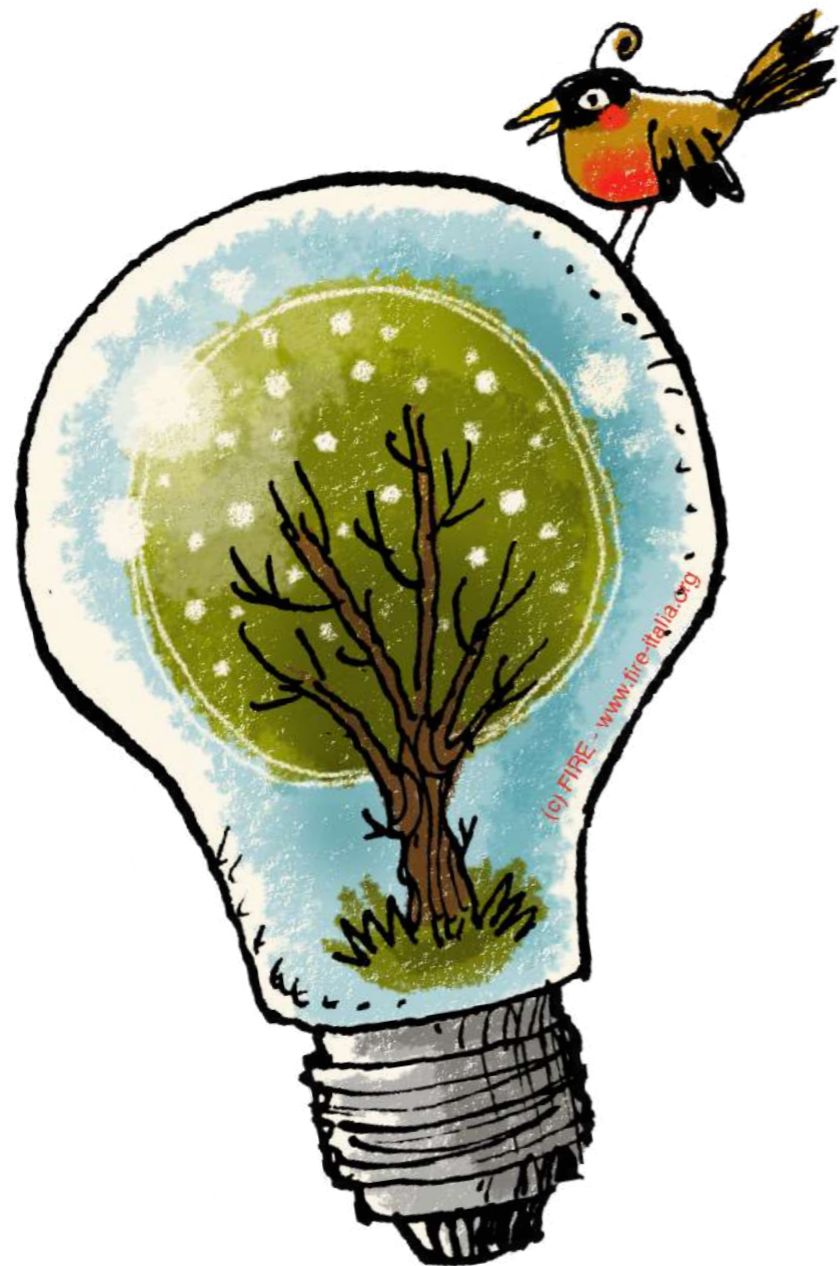
3. Using efficient technologies (non-cost effective)

It requires investments and public support

4. Changing behaviours and rethinking businesses

It requires investments and a different mindset (i.e. smart minds), but it allows to grasp much more than the other options

By the way, just to be clear...



To reach our sustainability targets we need to think differently. Only that can make for a real energy transition.

We need leaps, not just steps.

For example, we don't need just to move from fossil fuels driven cars to electric ones, we need to rethink our need to move (e.g. smart working) and how to move (e.g. alternatives to owned cars).

Does EE make business sense?



Energy efficiency can be cost effective, but is often unattractive.

Energy efficiency is unattractive because:

- it is based on a multitude of complex technical solutions and requires qualified operators;
- its performance can't be directly measured and its value is not easy to communicate;
- it affects and impacts the existing assets;
- it isn't core business (or so we are taught) and thus it isn't a priority.

Usually the reason behind failure to invest is not rational, but emotional.

So, can we find something interesting behind the curtains to make energy efficiency more attractive?



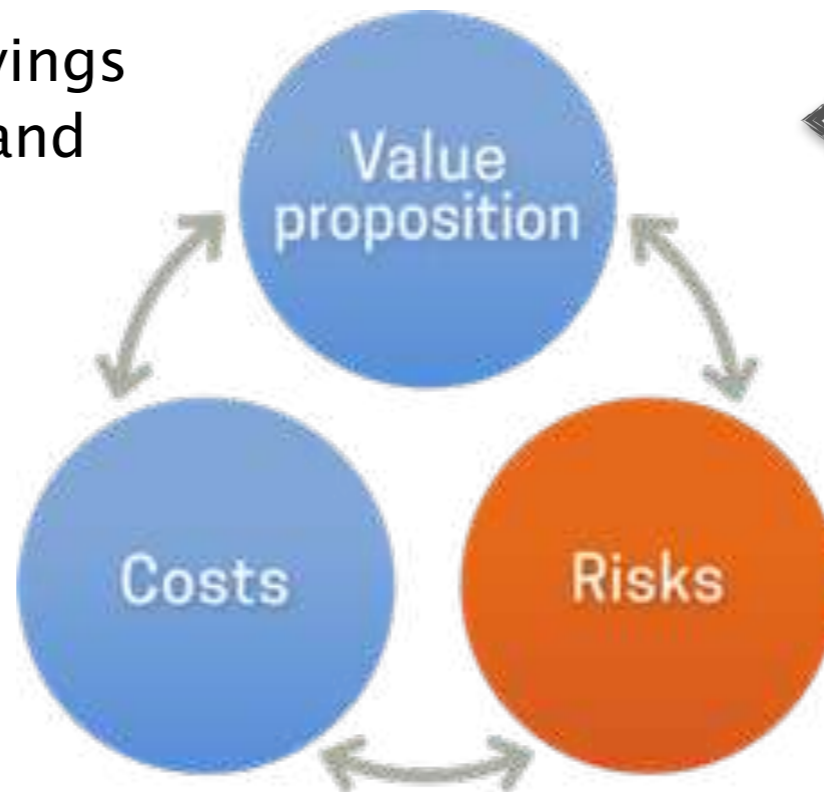
Yes, by linking energy to what matters



For many projects energy savings are just one of the benefits, and not the most valuable one.

Examples:

- ▶ Reduced production costs
- ▶ Reduced losses
- ▶ Reduced financial costs
- ▶ Reduction of CO₂ costs
- ▶ Reduction of O&M costs
- ▶ Reduction of insurance costs



Examples:

- ▶ Improved quality of the product
- ▶ Improved comfort of people
- ▶ Improved product's usage performance

Examples:

- ▶ Reduction of accidents
- ▶ Reduction of commercial risks
- ▶ Reduction of environmental risks
- ▶ Reduction of policy risks
- ▶ Reduction of production stops

By assessing non energy benefits:

- companies can produce more value for their shareholders and society, increase their assets' value and image, and free resources to grow and compete;
- families can live in a building more comfortable, healthy, safe, and smart.



Multiple benefits
of energy efficiency

www.mbenefits.eu

That said, why some invest?



There are people who care, lead and think differently.
Tools: best practices, priorities for companies beyond quarterly earnings.

Some see the opportunity to act thanks to energy audits, monitoring systems, energy experts, market operators.
Tools: support energy audits and monitoring systems, information.

Some have good leaders that assign responsibilities, define targets and plan how to reach them to managers.
Tools: support energy managers and ISO 50001, information.

Some understand non energy benefits and make energy more attractive both economically and emotionally.
Tools: support ISO 50001 and M-Benefits approach, information.

Some do what they must do or look for incentives.
Tools: obligations, minimum requirements, incentive schemes.

Some find outside the resources needed to invest.
Tools: support of EPC, third party financing, ESCOs capitalization.



Good policies can help, and ENSMOV too



The ENSMOV project, financed under the Horizon 2020 programme, aims to facilitate and expand the sharing of knowledge and experience amongst Member States for the implementation of policies under Article 7 EED.

ENSMOV will develop a suite of tailored resources and tools for the implementation of successful energy efficiency policies.

ENSMOV will assist national authorities' in (re)designing policies towards 2030 and in developing effective monitoring, reporting and verification schemes.

www.ensmov.eu





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