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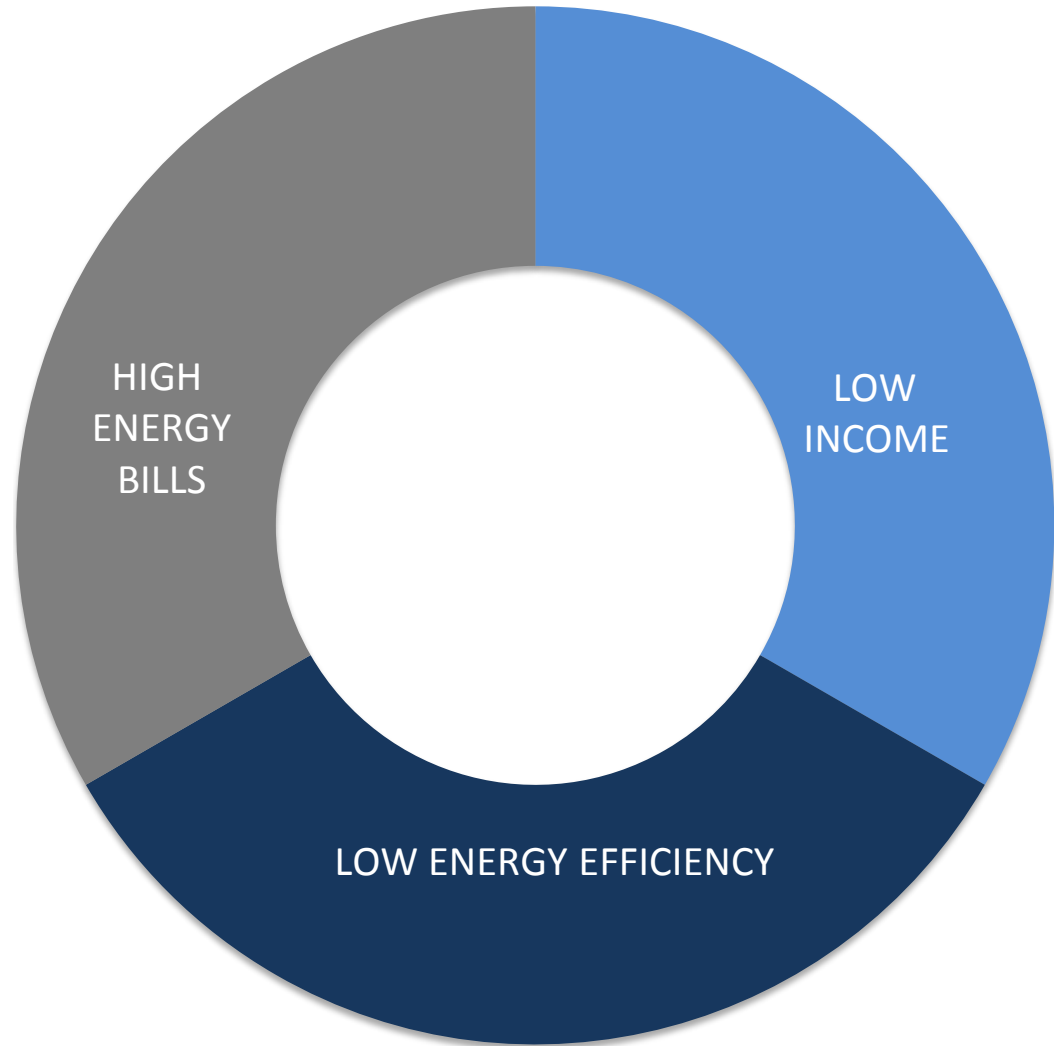
Dealing with Energy Poverty in CEE.

The case of Romania and a possible role for the NRA



ENERGY POVERTY – A DEFINITION

**Inability of a HH
to secure its
energy needs at
affordable costs**





11% (50 mil.-150 mil. people)



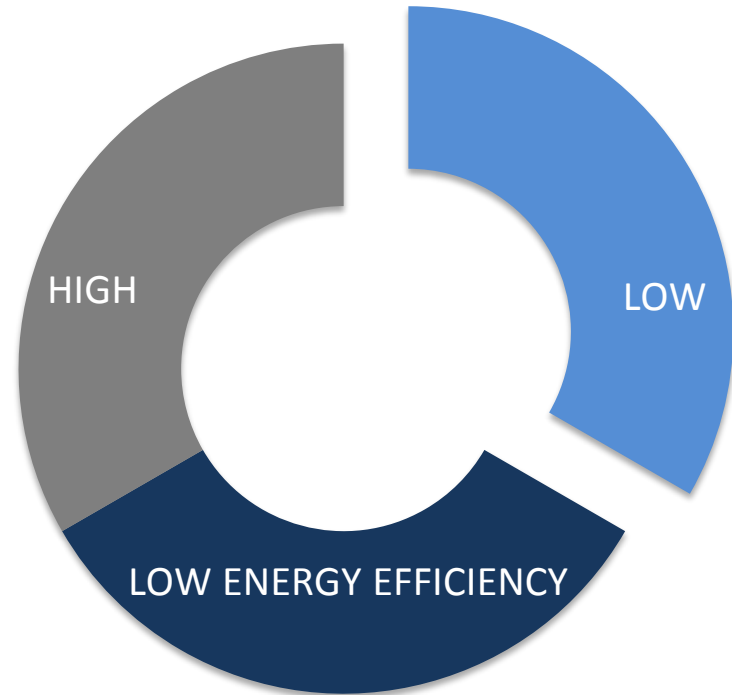
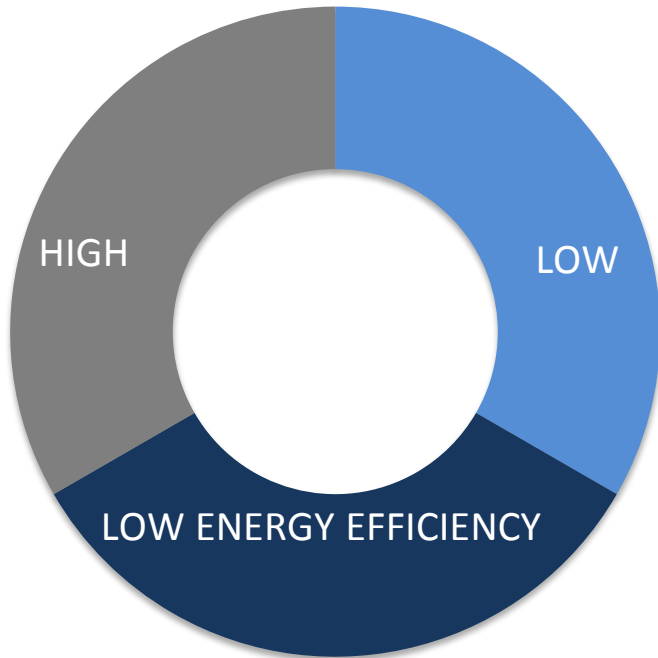
> 30%



Indicator	2013		2014		2015	
	% energy poor	% overlap	% energy	% overlap	% energy	% overlap
Heating benefits	7,4%	100%	6%	100%	4,60%	100%
2M	11,9%	14,86%	10%	33,33%	12,10%	17,39%
LIHC	12,3%	27,02%	16,9%	41,66%	9,90%	30,43%
M/2	12,2%	24,32%	18,7%	16,66%	13,5%	32,6%

EPOV in CEE

1. Poor/old housing stock, energy systems, fixtures and home supplies
2. Accessibility ~ higher poverty
3. Lack of access to electricity
4. Poorly designed welfare systems
5. Higher degree of home ownership & poor owners
6. EPOV is not part of the public discourse



Actors involved in EPOV

1. **Parliament – Legislation**
2. **NRA – Secondary legislation & monitors**
3. **Energy Ministry – criteria & follow-up**
4. **Labor Ministry – criteria & follow-up**
5. **Ministry for Development - the missing actor**
6. **Electricity companies – Implement & report**
7. **Social protection agencies – Implement & report**
8. **Social assistants – implement & report**
9. **Local authorities – implement & report & local policies**

A common EPOV definition

Legislation	Consequences	Recommendations
<p>Energy law only defines the vulnerable consumer in terms of <u>age, low income and poor health</u> and the state of being at the verge of <u>social marginalization</u>.</p>	<p>No energy poverty concept</p> <p>Limited understanding of energy vulnerability</p> <p>No coherence with legislation on preventing</p>	<p>Unitary and complete definitions</p> <p>Coherent legislations and application</p>
<p>New legislation (2018) aims to insure conditions to reach heat needs.</p>		

A Proper National Action Plan

Legislation	Consequences	Recommendations
Energy law imprecisely empowers ministries to elaborate National Action Plan on EPOV	Today NO Action Plan	NRA should coordinate an initiative group to include all relevant stakeholders => National Action Plan on EPOV

Well-targeted Financial, Non-Financial & efficiency Measures

Legislation	Consequences	Recommendations
<p>NRA foresees non-financial measures for consumers due o age, and poor health, but no criteria is set.</p> <p>Only consumers with low income receive heating benefits and some social tariffs for electricity (cause EPOV)</p> <p>EPOV not integrated in efficiency improvement programs</p>	<p>Poor implementation of measures</p> <p>No monitoring and no follow up</p>	<p>NRA should monitor the implementation of EU recommendations: well-targeted integrated measures & energy efficiency first</p>

Excessive bureaucracy

Legislation	Consequences	Recommendation
<p>Mayor's office needs to sign declaration of income for social tariffs</p> <p>Heating benefits for electricity: applicant needs to prove that it is the only source for heating despite social investigation obligation of the social assistant</p> <p>Legislation does not mention types of documents to be requested from the applicant</p>	<p>Too much bureaucracy:</p> <ul style="list-style-type: none"> • applicants are discouraged, • high workload for authorities, • human error • Incoherent application process 	<ul style="list-style-type: none"> • simplified, integrated system (some documents are already in the system) • Realistic, non-redundant, inclusive criteria • Obligations for companies to report on social tariffs and to notify to consumers with regard to their consumption

Equity between fuels

Legislation	Consequences	Recommendation
<p>Different benefits for different fuels</p>	<p>Wood (60% of benefits; 25% x wood; 20% of gas) > gas > electricity</p>	<ul style="list-style-type: none"> • Equity between fuels

Access to energy

Legislation	Consequences	Recommendation
Confusing legislation on communities with no access to electricity (2007-2016 : 100.000-27.000 hh)	<ul style="list-style-type: none"> • Informal access • No access and high risk of social exclusion • scattered efforts of local authorities 	<ul style="list-style-type: none"> • Databases • Concerted action plans (local authorities & companies) • Simplification & digitalization of application procedure for energy services

Digitalization and common data bases

Legislation	Consequences	Recommendation
<p>NRA has to monitor the measures applied to EPOV</p> <p>Criteria imprecisely defined and applied</p> <p>Data is not correctly and coherently collected and reported</p> <p>National Statistical Bureau applies different definitions</p>	<ul style="list-style-type: none"> • Impossible to monitor EPOV properly • No proper policy process • Dispersed application 	<ul style="list-style-type: none"> • Unified databases

Further conclusions drawn from the field work

1. Social assistants = Key (they help overcome many system failures); however their status is problematic;
2. More empowerment for local authorities to create and implement tailored solutions;
3. Bills are a priority for hh;
4. Lack of basic energy literacy for EPOV consumers;
5. They accept guidance;
6. Trust within communities is lacking;
7. Energy efficiency measures are generally needed;

THANK YOU!

Anca Sinea

Center for the Study of Democracy/Babes-Bolyai University

sinea@fspac.ro