

THE ENERGY TRANSITION IN FLANDERS: HOW TO STIMULATE THE PRIVATE SECTOR?

Summary

- Flemish Climate Policy targets for 2020 almost mission impossible
- Not enough private sector investments in sustainable energy
- Still too many barriers, multi-disciplinary of nature
- Involves all players in liberalised energy market
- ABM as a framework for examining the effects of potential solutions?
- Can deliver valuable input for the decision processes of all involved stakeholders.

Primarily due to residential sector!

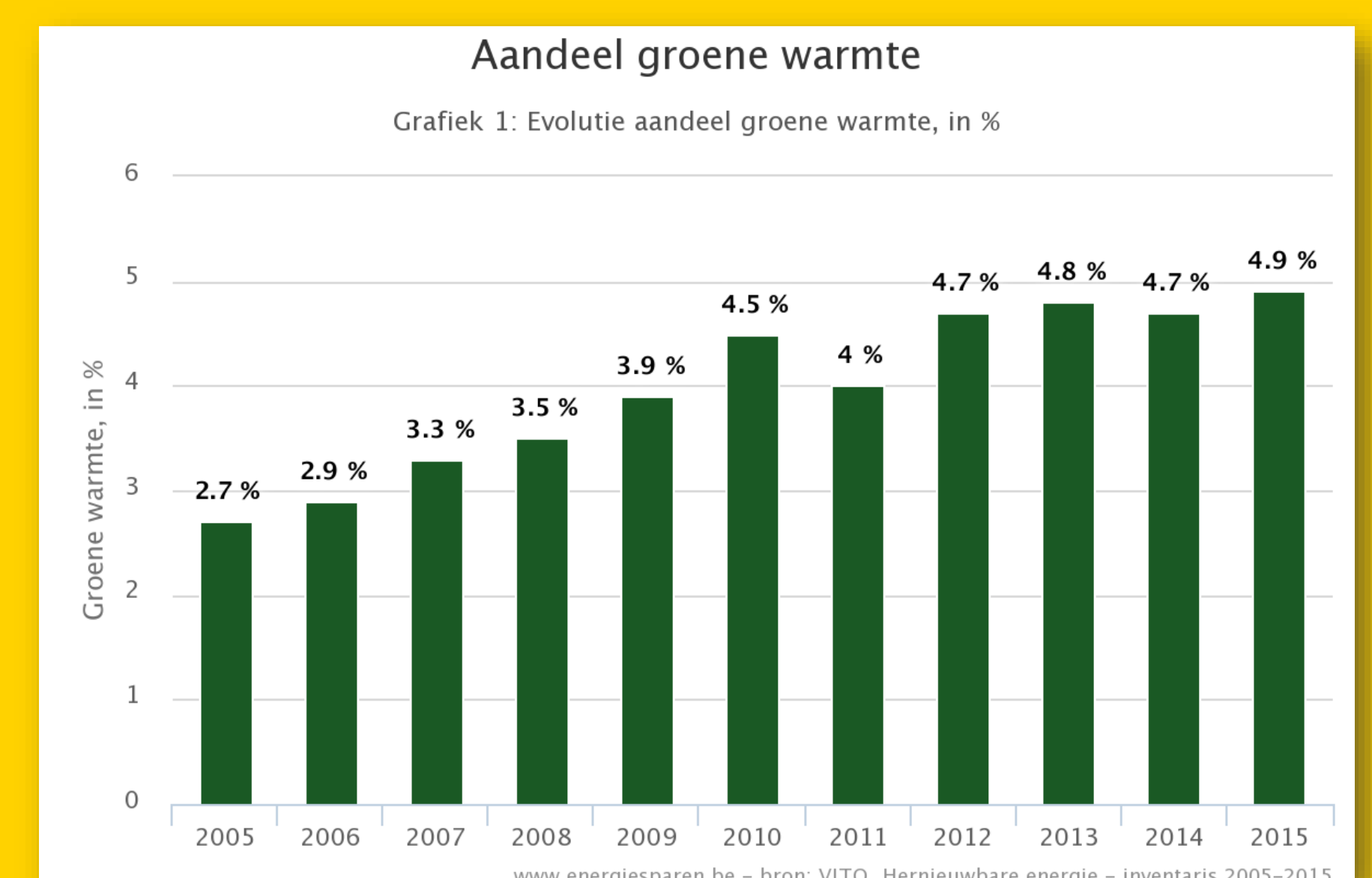
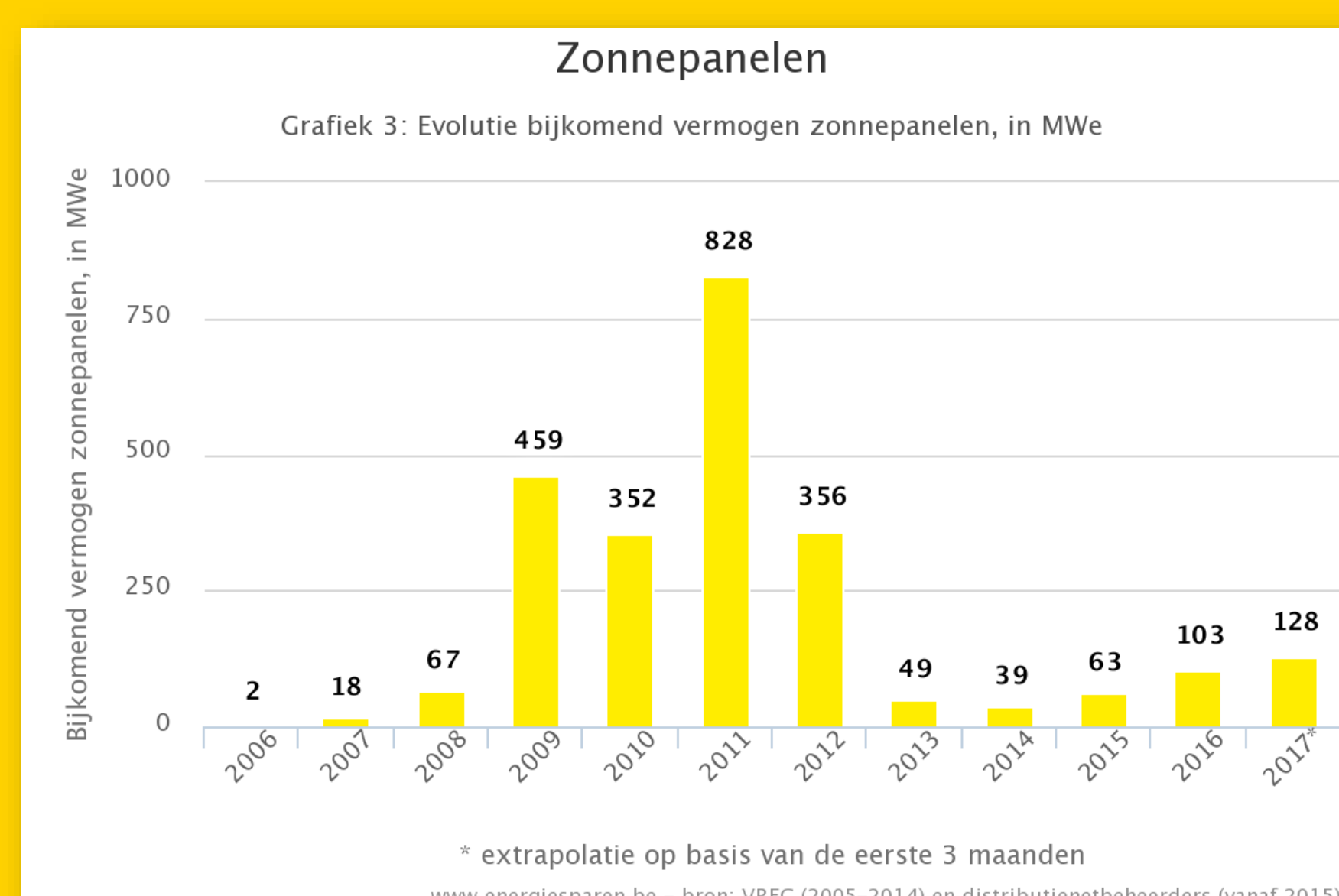
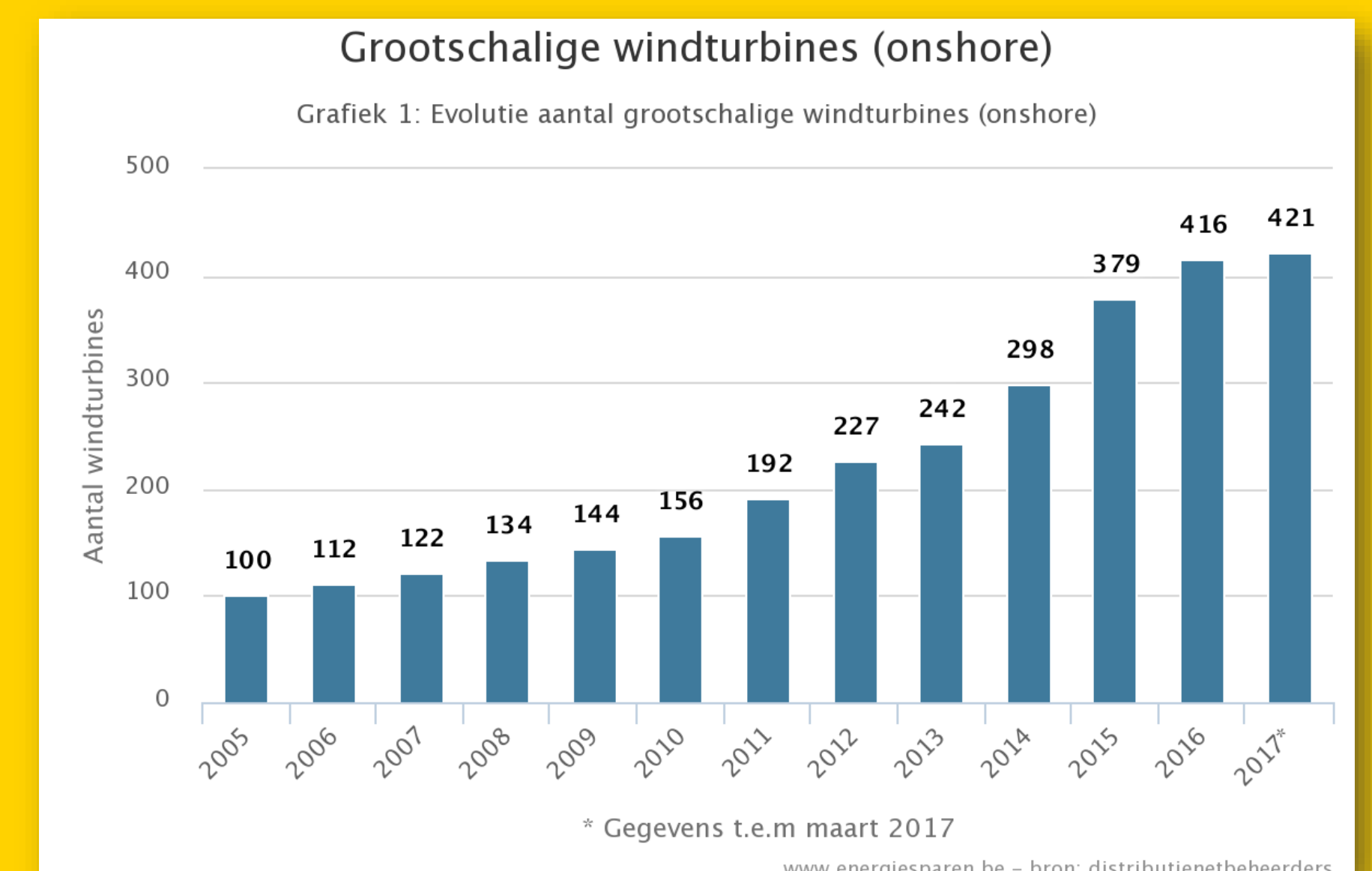
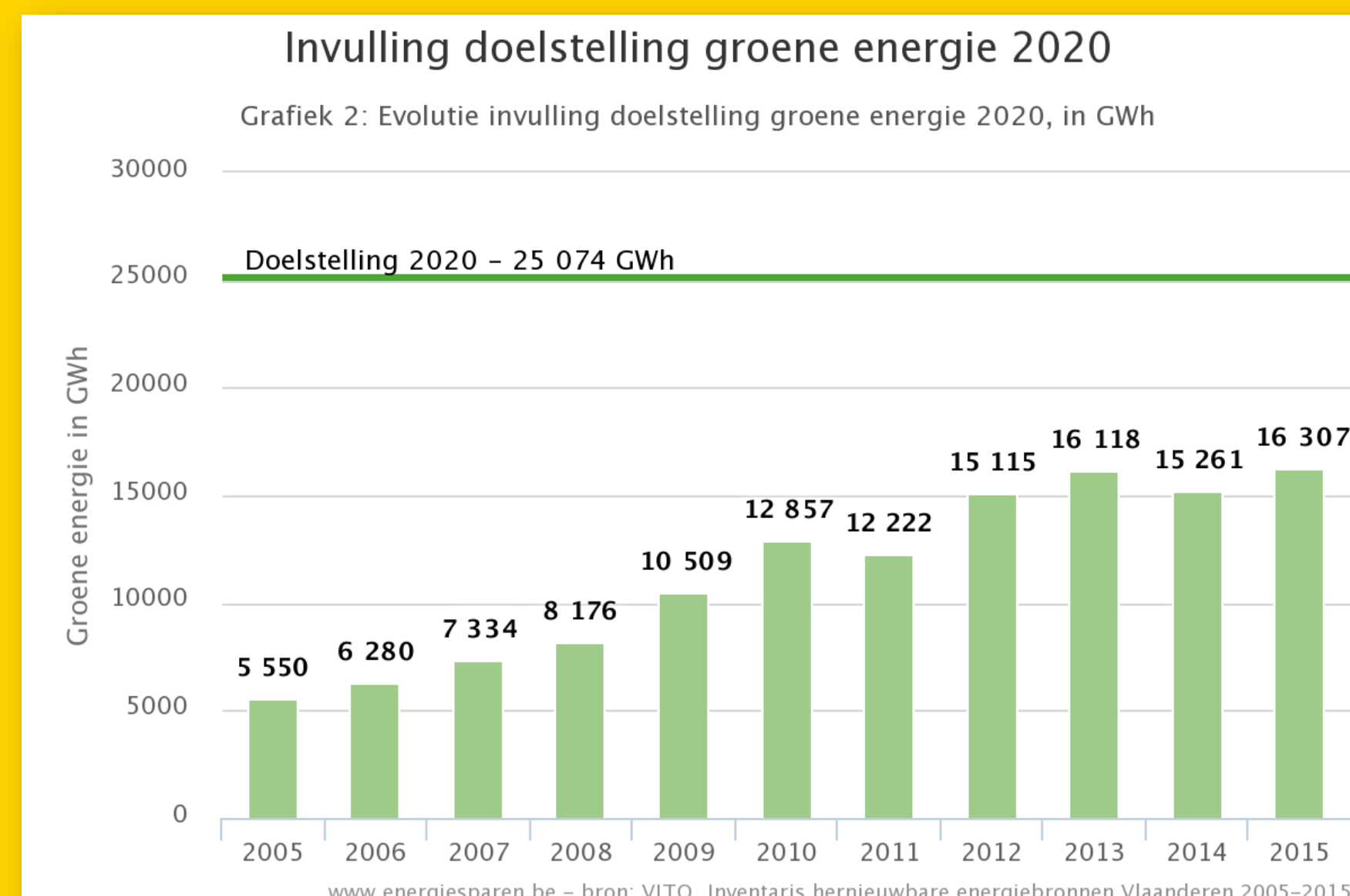
E.g: private sector investment in PV is not going according to plan

PV capacity category	% of investment target for 2017 realized on 31/08
<10 kW	82%
10 – 250 kW	16%
> 250 kW	-3%

Source: PV Vlaanderen

→ increased engagement of private sector necessary to attain climate policy targets!

1. Problem Setting: are the Flemish Climate Policy Targets 2020 a Mission Impossible?



2. Research question: how to increase the involvement of the private sector in sustainable energy generation?

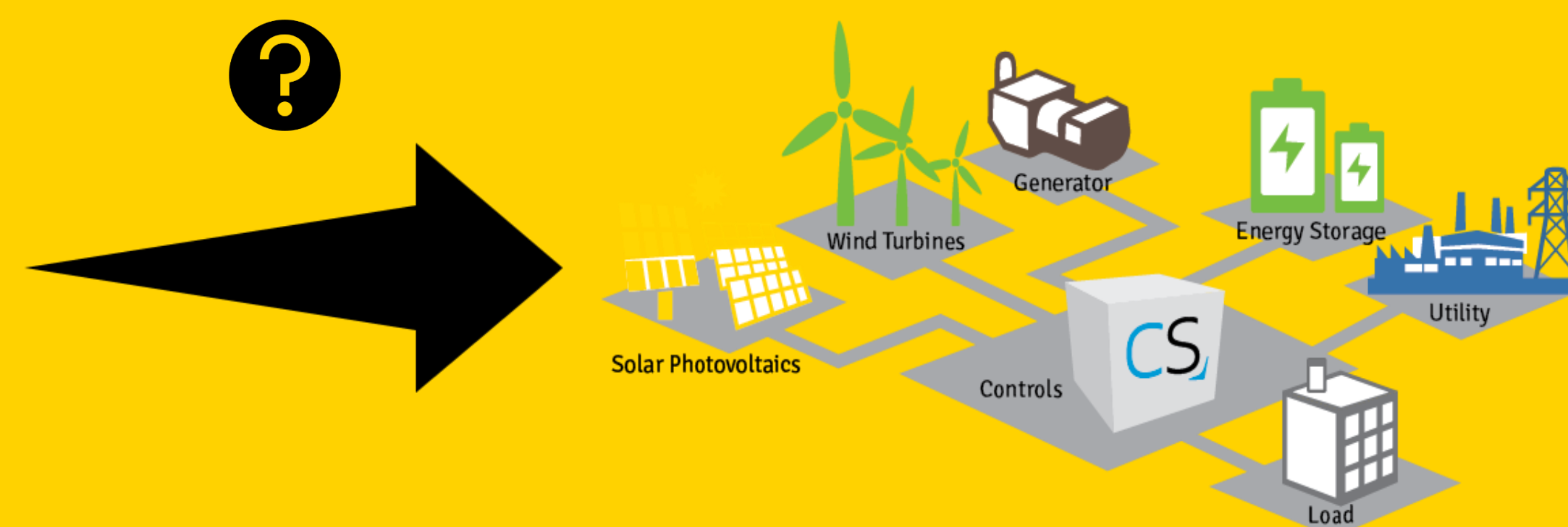
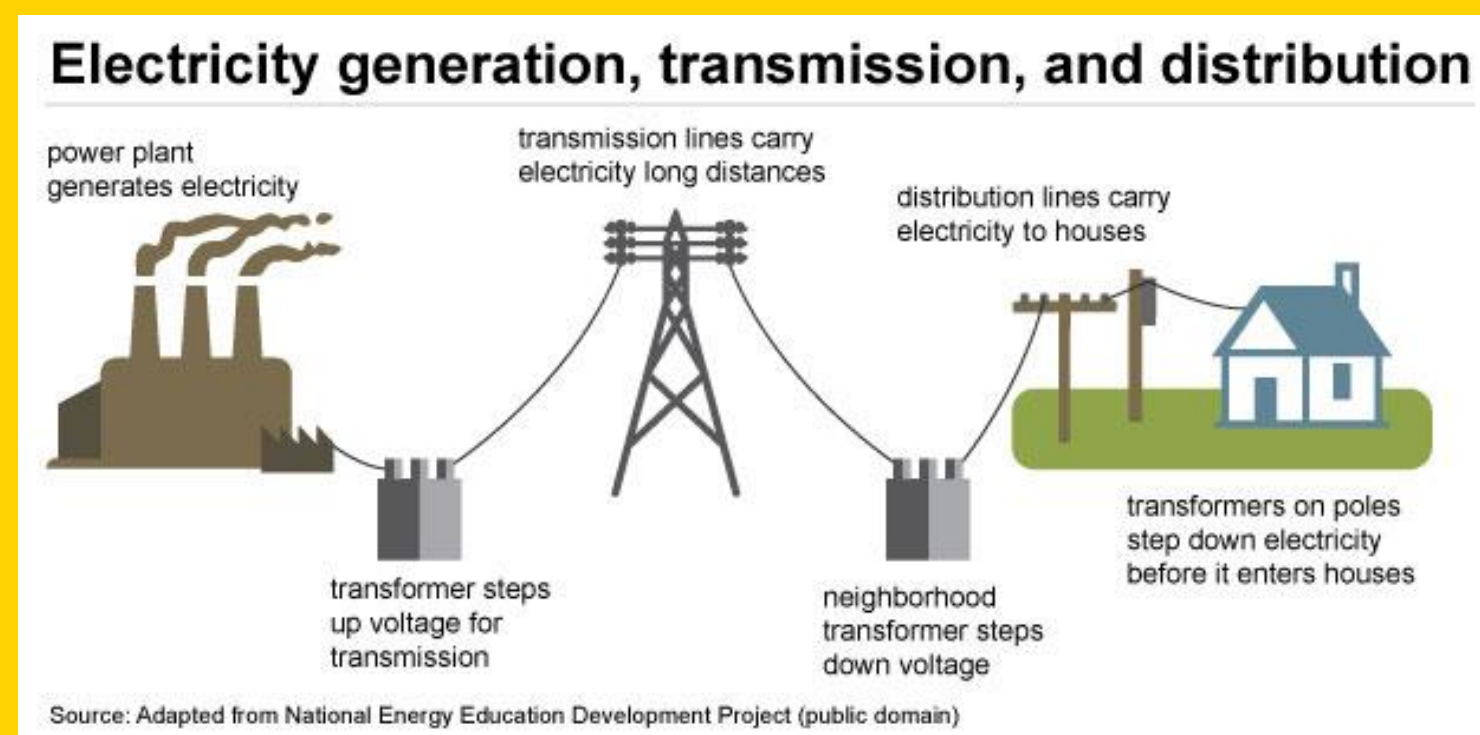
Barriers:

- uncertainty about changes in subsidy schemes
 - low share of energy in total costs of companies
 - long payback times vs core business
 - high share of distribution grid tariffs in energy price
 - regulatory constraints on novel energy concepts
 - etc.
- non-technical and multidisciplinary in nature!!

Potential solutions:

- collective local energy concepts
- rethinking the gas & electricity distribution tariff system
- alternative business models:
 - ESCO
 - cooperatives
 - 'salderen op afstand'
 - etc.

Involved stakeholders:



3. Methodology: Agent-Based Modelling?

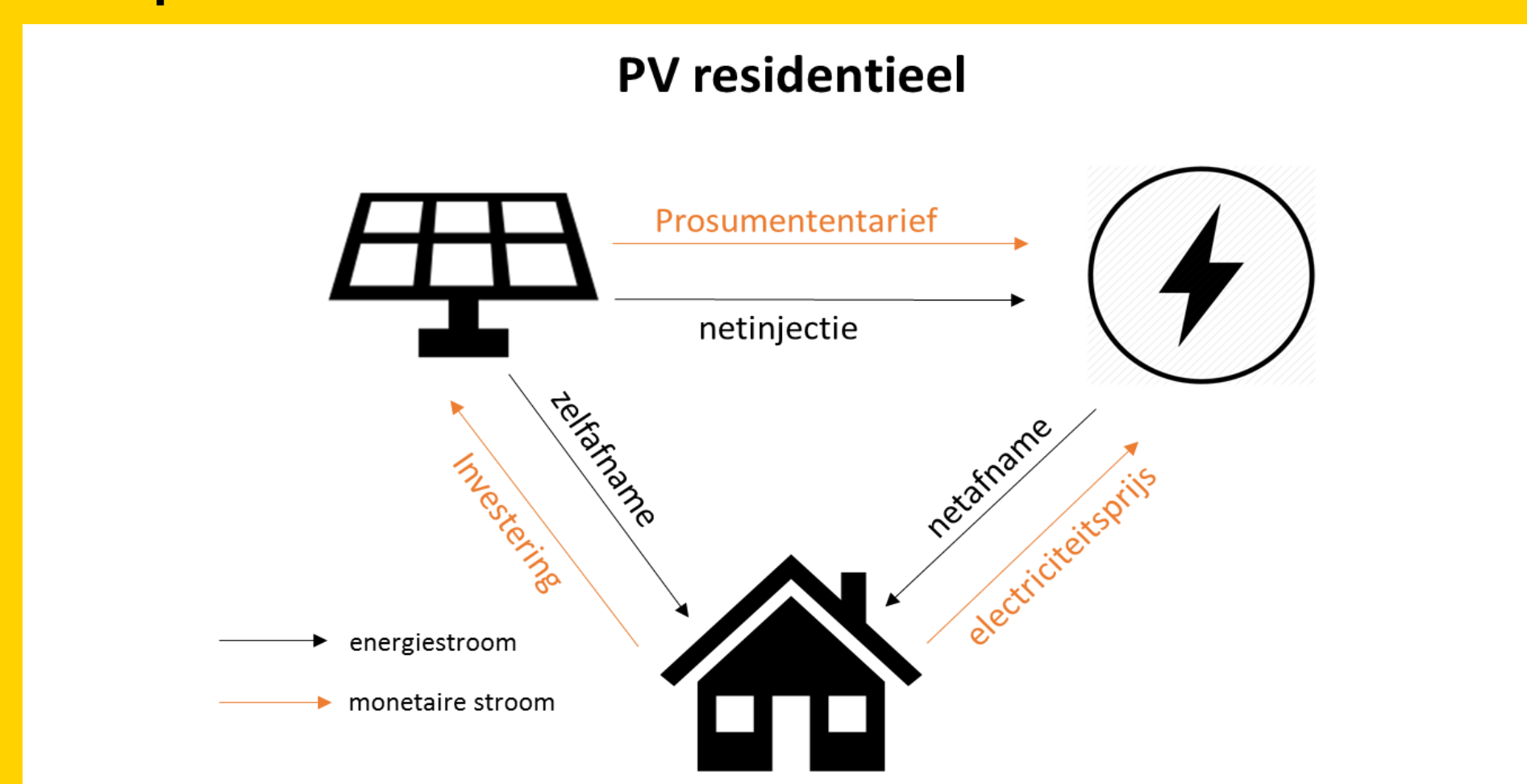
What is ABM?

- modelling approach for complex socio-technical problems
- consisting of interactions between individual agents whose behaviour is defined by sets of rules
- in order to study the effects of these interactions on the overall system

Why ABM?

- Energy system transition effects on multiple stakeholders
- ABM can deliver insights on how different stakeholders react to new market paradigms
- Can serve as decision support tool for the energy transition

Example: interaction in case of residential PV



BISEPS

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