

# CONSUMER EMPOWERMENT IN CLEAN ENERGY TRANSITIONS

The key to accelerating change?

Putting people at the centre of energy transitions means ensuring people's basic needs for energy services are met equitably, delivering decent jobs and worker protection, and promoting inclusive social and economic development. These are essential to delivering change at the pace and scale required to avoid catastrophic climate change. **What is the role of consumers – the largest group of economic stakeholders – in these changes? How can they be protected and empowered in clean energy transitions?**

## CONSUMERS AS ACTORS FOR CHANGE

People are not passive bystanders to be included in clean energy transitions. We all wield power as marketplace actors. We are all consumers of energy services, and as such, we have the potential to take action that accelerates clean energy transitions.

The [IPCC](#) estimates that demand-side changes could reduce greenhouse gas emissions by up to 70% by 2050. In practice, this means consumers everywhere making changes to how they travel, how they cook, and how they heat, cool and power their homes. People can trigger transformative changes by adopting low-carbon alternatives – like taking a train instead of a flight, or public transport instead of a private vehicle – and improving existing practices, for example by installing heat pumps or purchasing an electric vehicle.

The opportunities for people and planet are clear. But there are real barriers to overcome. Consumers will have to make complex and often expensive decisions in rapidly evolving markets and will be presented with new opportunities for more proactive engagement in energy services. Consumers are also facing price pressures like never before. In our latest global Member insights survey, over 80% of consumer groups reported that people are adjusting their budgets to pay their energy bills, driven up by skyrocketing fossil fuel prices. The twin challenge is to help consumers through current difficulties whilst enabling a rapid transition. The future costs to consumers of inaction will be severe.

## REMOVING BARRIERS TO CONSUMER ACTION

Consumers face consistent technological, infrastructural, financial, regulatory, and knowledge-related barriers, which stand in the way of transformative action.

Understanding the barriers faced by consumers and taking steps to remove them requires a systemic approach. Consider the essential needs of consumers along the journey and the barriers they face at each stage:



### KNOWLEDGE, VALUES AND AWARENESS

**Consumers understand the need and opportunities for change.**

The potential for energy – and economic – saving connected to the use of electric heat pumps is significant. 'Smart heating' with heat pumps will reduce consumers' heating costs by **up to 31%** compared to conventional gas heating. But many consumers are not fully aware of the advantages possible with this kind of investment.



### AVAILABILITY AND AFFORDABILITY

**There are affordable options available in the market for consumers to choose.**

Low adoption of clean cookstoves is closely tied to their high up-front cost. Regardless of access to credit or alternative payment schemes, affordability remains a key barrier for lower-income consumers, highlighting the need to reduce the production cost of such technologies.



### RELIABILITY AND SAFETY

**Consumers trust that new solutions will reliably and safely deliver the services that they want and need.**

There is a potential for demand-side flexibility solutions to facilitate the transition to renewables and make bills cheaper. However, the emergence of novel and largely unregulated business models requires the management of new risks connected to data-use and cybersecurity.



### IMPLEMENTATION

**Consumers do not face burdensome processes when investing in and installing solutions.**

Permitting and inspection requirements can act as a barrier to consumers installing solar PV, due to the cost, time, and administrative burden. In the US, solar industry research suggests that 'soft' costs represent around 60-70% of total residential solar, and that long wait times deter consumer investment.



### USE

**Consumers are enabled to use new systems or technologies efficiently and effectively.**

The potential of home heating and cooling technologies to deliver their full potential depend significantly on how they are used. Insufficient information and advice prevent consumers from effectively adapting periods of use and temperature settings, meaning the full efficiency potential of these technologies are unrealised.



### REPAIR AND REDRESS

**Consumers are protected by strong guarantees and able to access adequate maintenance, repair and redress.**

Home retrofits can drastically increase the energy performance of homes, saving consumers money in the long-term. But poor standards of work, a lack of long-term performance guarantees, inadequate maintenance and repair services, and insufficient opportunities for redress can all damage consumer confidence and disincentivise further investments.

## THE CONSUMER ADVOCACY ROADMAP

We are building a global multistakeholder coalition to put consumer-powered energy transitions into action.



## CONSUMERS INTERNATIONAL MEMBERS TAKING ACTION

Consumers International is the global membership organisation for consumer associations. We bring together 200 organisations in 100 countries and the world, connect them in global programmes and bring their recommendations to global fora. Our Members are taking action to remove barriers and support consumers in the transition to clean energy systems:

- **Consumers Korea** runs a well-known annual [energy efficiency award](#) across categories including household devices, lighting, transportation and buildings.
- **Consumentenbond (Netherlands)** run a [renewable energy collective](#) of over 100,000 consumers, a [comparison tool](#) for sustainable energy and an integrated [audit and advice service](#) for upgrading to a more sustainable home.
- **CHOICE (Australia)** pioneered a popular switching service called 'Bill Hero' and run a [solar estimator](#) which makes getting started with rooftop solar safe and easy.
- **YACP (Yemen)** is campaigning for the safe use of solar energy systems as a solution to energy access problems, especially during times of conflict and unrest.
- **Consumer Council of Zimbabwe** implemented a joint [consumer education programme](#) with the energy regulator ZERA and run campaigns on clean-cooking in urban areas.
- **ODECU (Chile)** was part of a government workgroup looking at how Chile can reduce its reliance on coal, currently the main source of electricity generation in the country.
- **Colectivo Ecologista Jalisco (Mexico)** organised a series of [cross-community dialogues](#) to raise awareness around the impacts of a thermoelectric power plant on vulnerable populations.

## JOIN US

Attend our official side-event at COP27 – **Empowering people in progress: Organised and just energy transitions**. Organised in partnership with the World Energy Council. 13:15 to 14:45pm EET, Wednesday 16 November, Khufu, Blue Zone. Livestream [here](#).

**Join our multistakeholder advisory panel** which will have its inaugural meeting in December 2023, to explore priority interventions.

Join the global conversation during **World Consumer Rights Day 2023**.

Contact [impact@consint.org](mailto:impact@consint.org) for more information and to join the consumer advocacy roadmap.