



Chile's Long-Term Energy Policy 2050

Brussels, 8 March 2016



ENERGY 2050 PROCESS

One of the main goals of the Energy Agenda (May 2014) :
“Devising a State Energy Policy with social, political and technical support”



STEP1 ENERGY AGENDA

- Technical Tables throughout the country
- 130 Workshops
- 3500 people involved

STEP 2 VISION & ROADMAP 2050

- 27 members in the Consultive Committee
- Deliberative Polling in most populated regions
- Roadmap concluded on 30 September 2015

STEP 3 ENERGY POLICY

- Ministry designs the Policy
- Public Consultation
- 409 email feedback
- 316 replies through 5 regional workshops

STEP 4 DISSEMINATION

- Dissemination
- Implementation

This Energy Policy is the first of its kind for it was submitted to a Strategic Environmental Assessment (SEA), a new tool for decision making that puts in balance economic, environmental and social components

This SEA was completed on 28 December 2015

PILLARS FOR A LONG-TERM VISION

DEPENDABILITY

INCLUSIVENESS

COMPETITIVENESS

SUSTAINABILITY

PILLAR 1

SECURITY & QUALITY
OF SUPPLY

PILLAR 2

ENERGY TO BOOST
DEVELOPMENT

PILLAR 3

ENVIRONMENTALLY -
FRIENDLY ENERGY

PILAR 4

EFFICIENCY &
ENERGY EDUCATION

MAIN AREAS

Security & Quality of Supply

- Need to design national updated plans of energy risk & emergency management
- Achieve a true **electric interconnexion** with neighbouring countries
- Build up an energy system in which energy production and management can both work “top to bottom” and “bottom - up” like in most OECD countries
- Securing that no region would **lack energy supply** for more than 1 hour / year
- Poorest households should be guaranteed continuous access to quality energy services

MAIN AREAS

Energy as a Factor for Development : Economic, Social & Territorial Inclusiveness

- All projects will have a partnership strategy between communities and businesses
- Ensure universal and equal access to modern and dependable energy services for all the population
- Instruments for the planning of development and land use should be designed according to the Energy Policy
- Chile should have cheapest electricity prices among OECD countries (currently one of the most expensive in LAC)
- Innovation is essential to all links of the Energy chain: production, generation, transmission and distribution

MAIN AREAS

Environmentally-Friendly Energy

- Aim for an ever higher part of **renewables** in the energy matrix
- Seize opportunity to become a world leader on **solar generation**
- Use **biomass** as a local, renewable, clean and fairly accessible energy source
- Energy sector must comply with INDC especially with regard to the Paris Agreement (30% reduction by 2030)
- Periodic review and improvement of environmental regulatory framework in the energy field.
- **Nuclear energy** has been ruled out, at least in the short run. Additional feasibility studies are needed to reconsider nuclear energy as a viable possibility in the long run.

MAIN AREAS

Energy Efficiency & Education

- Need to decouple energy consumption from economic and social growth
- Major mining, industrial and transport energy consumers must make a more efficient use of energy
- Building sector must comply with OECD energy efficiency standards
- Implementation of higher standards on energy efficiency in the various modes of transportation
- Dissemination of energy education, training and information at all levels



ENERGY GOALS 2050

1. Power cuts should not exceed one hour/year, ensuring thus the universal and equal access to modern and reliable energy services
2. Greenhouse Gas Emissions levels in accordance with INDC and Paris commitments
3. Ensuring the universal and equal access to modern and reliable energy services
4. Regional and territorial planning processes must abide by Energy 2050
5. Chile is to be one of the 3 OECD countries with the lowest average electricity prices
6. Ensuring that 70% of Chile's energy supply comes from renewable sources (including hydroelectricity)
7. Decoupling economic growth and energy consumption
8. High standards of efficient construction are to apply to all new buildings, which are also to incorporate intelligent energy management and control systems
9. All electric devices must comply with higher energy efficiency standards
10. Widespread energy culture throughout society

ENERGY GOALS 2035

1. Chile is to be connected to the SINEA (*Andean Electricity Interconnection System*), Mercosur countries and beyond
2. Power cuts should not exceed four hours/year by 2035
3. 100% households should be guaranteed continuous access to quality energy services
4. All projects are to be established with a partnership strategy between communities and businesses
5. Chile must have one of the cheapest electricity prices among OECD countries, at retail and industrial level.
6. Ensuring that at least 60% of Chile's energy supply is produced by renewables (including hydroelectricity)
7. Reduction of GHG emissions in 30 % by 2030, with respect of 2007 levels
8. Major energy consumers, especially on mining, industrial and transport sectors are to meet higher energy efficiency standards
9. All municipal administrations will have regulation on forest biomass as solid fuel
10. 100% new public transport vehicles will be energy efficient

STATE ENERGY POLICY

- This scheme is to become a State Energy Policy, to be in force despite government changes, with a clear commitment by all public administrations and democratically legitimated
- Establish a continuous follow-up and assesment process for the policy implementation with clear institutional mechanisms, agreed upon and duly validated
 - Periodic and inclusive overhaul and update every 5 years
 - Every review will involve a Consultive Committee whose members will be representative of different sectors of the energy field, in order to propose changes
 - Setting up a continuous monitoring, follow-up and assessment schemes
 - The Ministry of Energy will issue an Annual Report on the implementation progress of the policy, especially before the Council of Civil Society of the Ministry (*Consejo de la Sociedad Civil del Ministerio de Energía*)
- First Step: setting up a Short Term Agenda to address current & upcoming challenges, prior to the Energy 2050 Policy review due in 2020
- Possible revision of Energy 2050 Policy by the IEA during 2016