

TABLE OF CONTENTS

1	EXECUTIVE SUMMARY AND KEY RECOMMENDATIONS	7
	Executive Summary.....	7
	Key Recommendations.....	10

PART I: POLICY ANALYSIS

2	GENERAL ENERGY POLICY	13
	Country Overview.....	13
	Supply and Demand	14
	Institutions.....	16
	Key Policies	18
	<i>Security of Supply</i>	18
	<i>Climate Change Mitigation</i>	19
	<i>Market Reform</i>	19
	<i>Taxation</i>	20
	Critique.....	20
	Recommendations.....	21
3	SUSTAINABLE ENERGY POLICIES	23
	Climate Change	23
	<i>Overview</i>	23
	<i>CO₂ Emissions from Fuel Combustion</i>	23
	<i>Policy and Measures</i>	25
	Energy Efficiency	29
	<i>Overview</i>	29
	<i>Policies and Measures</i>	31
	Critique.....	37
	Recommendations.....	42

PART II: SECTOR ANALYSIS

4	FOSSIL FUELS	45
	Oil	45
	<i>Supply and Demand</i>	45
	<i>Prices and Taxes</i>	46
	<i>Storage</i>	49
	<i>Emergency Preparedness</i>	49

Natural Gas.....	51
<i>Supply and Demand</i>	51
<i>Market Reform</i>	52
<i>Industry Structure</i>	52
<i>Infrastructure</i>	53
<i>Prices and Taxes</i>	55
<i>Security of Supply</i>	55
Coal.....	56
Critique.....	56
Recommendations.....	59
5 RENEWABLE ENERGY.....	61
Supply and Demand.....	61
Policies and Measures.....	65
<i>Electricity</i>	65
<i>Heat</i>	67
<i>Transport Fuels</i>	67
Critique.....	67
Recommendations.....	69
6 ELECTRICITY.....	71
Supply and Demand.....	71
Market Reform.....	73
Industry and Infrastructure.....	73
Distribution.....	75
Regional Electricity Market.....	76
Prices and Taxes.....	77
Security of Supply.....	78
Critique.....	79
Recommendations.....	80

PART III: ANNEXES

A ORGANISATION OF THE REVIEW.....	83
Review Team.....	83
Organisations Visited.....	83
Review Criteria.....	84
B ENERGY BALANCES AND KEY STATISTICAL DATA.....	85
C INTERNATIONAL ENERGY AGENCY “SHARED GOALS”.....	89
D GLOSSARY AND LIST OF ABBREVIATIONS.....	91

List of Figures, Tables and Boxes

FIGURES

1. Map of Luxembourg.....	12
2. Total Primary Energy Supply, 1973 to 2007.....	14
3. Total Primary Energy Supply in IEA Member Countries, 2007	15
4. Total Final Consumption by Source, 1973 to 2007	17
5. Energy-Related CO ₂ Emissions per GDP in Luxembourg and in Other Selected IEA Member Countries, 1973 to 2006	24
6. CO ₂ Emissions by Sector, 1973 to 2006.....	24
7. CO ₂ Emissions by Fuel, 1973 to 2006	25
8. Energy Intensity in Luxembourg and in Other Selected IEA Member Countries, 1973 to 2007	29
9. Total Final Consumption by Sector and by Source, 1973 to 2007..	30
10. Oil Demand by Type of Product, 1990 to 2007.....	45
11. OECD Unleaded Gasoline Prices and Taxes, Second Quarter 2008 ...	47
12. OECD Automotive Diesel Prices and Taxes, Second Quarter 2008....	48
13. Consumption of Natural Gas by Sector, 1973 to 2007	51
14. Map of the Natural Gas System.....	54
15. Natural Gas Prices for Households in Luxembourg and in Other Selected IEA Member Countries, 1980 to 2007	55
16. Renewable Energy as Percentage of Total Primary Energy Supply, 1973 to 2007	62
17. Renewable Energy as a Percentage of Total Primary Energy Supply in IEA Member Countries, 2007	63
18. Electricity Generation from Renewable Energy Sources as a Percentage of All Generation in IEA Member Countries, 2007	64
19. Electricity Supply by Source, 1973 to 2007	71
20. Final Consumption of Electricity by Sector, 1973 to 2007	72
21. Map of the High-Voltage Electricity Grid	74
22. Electricity Prices for Households in Luxembourg and in Other Selected IEA Member Countries, 1980 to 2007	77
23. Electricity Prices for Households in IEA Member Countries, 2007 ...	78

TABLES

1. GHG Emissions Projections in Luxembourg.....	26
2. Anticipated Effects of Energy-Saving Measures in 2016.....	33
3. Breakdown of Passenger Travel by Mode, 2006.....	36
4. Oil Storage Capacity at 1 January 2008	49
5. Support System for Electricity Generated from Renewable Sources....	66

BOX

1. IEA G8 Energy Efficiency Recommendations.....	40
--	----