Repsol Perspectives on Policy Instruments for GHG Mitigation

Domestic Transport Sector
Climate Change Policies

Global solutions for a global problem
The EU climate and energy package

- Reduce emissions of greenhouse gases by 20% by 2020
- Increase energy efficiency to save 20% of EU energy consumption by 2020
- 20% of renewable energy in the total energy consumption in the EU by 2020
- 10% of biofuels in the total consumption of road transport by 2020
Emission reductions in transport fuels: FQD

Legislative approach to reduce emissions should take into account emissions in all the life cycle (FQD approach)

Conventional Fuels Lifecycle

1. Exploration & Production
   - Gas Flaring

2. Transport to refineries
   - EU-ETS as driver for Energy Efficiency
   - Energy Management Systems (EED)

3. Refining

4. Transport to final customer
   - Vehicle Efficiency (Cars Regulation 130 g CO2/km by 2015)
   - Low carbon fuels (RES)
   - New technologies (electric vehicle)

5. Final customer

… but avoiding overlapping with other legislative initiatives or including actions out of the scope of the sectors affected
Different policies - Overlapping targets

Renewable Energy Directive

10% biofuel share in road transport

Reduce GHG intensity of energy for road transport by 6%

Fuel Quality Directive

ILUC criteria being considered under RED might limit conventional biofuels use up to 5%

Same ILUC criteria for FQD makes the target unachievable
The proposal for an Energy Efficiency Directive caused a dramatic fall in carbon prices in EU-ETS. The compulsory energy consumption reductions overlapped with the rest of reductions under EU-ETS.

- Power suppliers obliged to reduce 1.5% energy consumption (initially Refining too)
- Power generation and Refining included in EU-ETS
Lessons learned

Wishlist: how should carbon legislation look like?

- Predictability
- Holistic approach
- Legal certainty
- Involve stakeholders in the process
- Cost-effective and science based
- Keep competitiveness of the industry
- Consider role of sectors in a global economy: global rules for a global problem
Repsol action to reduce GHG emissions

- Bioenergy
- Renewable Generation
- Sustainable Mobility

- Energy Efficiency plans
- GHG emission and reduction and EI objectives
- Energy Management Systems implementation (ISO50001)

- Energy and GHG inventories, >90% verified (ISO14064)
- GHG emission forecast up to 2020
- Company Carbon Footprint
- Products Carbon Footprint
- Carbon neutral projects

- Legislative monitoring
- Impact assessment for the company
- Participation in Industry associations

- Monitoring Industry trends: Ecodesign, Adaptation to Climate Change
- Index and Rating Agencies: CDP, DowJones
- Involve Stakeholders in the process

Non Carbon intensive energies

Risk Management

REPSOL
Energy and Carbon Strategy

Enviromental Management

Carbon Footprint

Energy Management
First Charging Management Company for EV in Spain. First Spanish company in electric mobility with recurrent revenues. First Spanish company with full approval in “ZE Ready” of RENAULT. First European electric mobility company with Control Center Room for monitoring and following up of infrastructure network and business. More than 300 charging points operating. Implementation of public and corporate e-carsharing.
Climate Change Policies

Global solutions for a global problem

...making all the pieces fit