

Pension funds, invest in the Netherlands!

“In the coming years, emissions of CO<sub>2</sub> will have to be reduced 17 times faster than in recent years,” according to a McKinsey report on the energy transition published last Friday. Achieving this will require substantial investment, in the order of some 10 billion euros every year for twenty years. In building energy-efficient homes, promoting electric vehicles, investing in green energy and making industry more sustainable. That may seem like a lot of money, but just think of the benefits: in terms of additional jobs, economic growth and increased quality of life!

For instance, I think electric vehicles are fantastic: no emissions, no noise, literally a breath of fresh air. No more gasoline fumes, diesel air pollution or oil puddles – and electric motors require hardly any lubrication or maintenance. And I haven't even mentioned the fact that this cuts out the entire supply chain from oil rig to refinery to gas station. Or how about the fact that you will no longer need all those noise barriers along the highway. And how pleasant life will be in the city. Fortunately, better batteries are being developed at an amazing speed and the cost of producing green energy is falling all the time. So I would say: a green light for electric cars!

A few years ago the Buildings & Infrastructures section of TNO, the Netherlands Organization for Applied Scientific Research, calculated that the energy consumption in buildings is on average 25% higher than necessary. That also represents an opportunity! By monitoring energy consumption you can easily save 10%. Correctly controlling the systems in buildings allows you to save another 10% to 20%. And insulating existing homes produces a further 20%. Thus, with a few lines of text you can save more than 3.5 million megawatt hours of electricity and 1,400 million m<sup>3</sup> of natural gas, which is equivalent to 4% of our annual CO<sub>2</sub> emissions and a saving of around one billion euros per year! And we haven't even discussed the impact of energy savings in industry and closing all the coal-fired power plants.

It sounds too good to be true, but there are concrete examples. A large healthcare institution with more than twenty sites in the Haaglanden region decided to put energy saving high on its agenda. We replaced all the automatic control equipment, optimized the existing systems and monitored energy consumption. The results were amazing: 500,000 euros of energy savings out of total energy costs of four million euros a year! Without any major investment, and with a short payback time!

For the energy transition, the government is looking at a growing economy and therefore at increased demand for green energy. And that is not the right way to do it. It means that the government is not taking account of existing technologies, with which, for instance, gas could be replaced straightaway by 'water' and a heat pump. Think, for example, of heating networks and heating/cooling battery systems. Or the fact that accessing the data from systems in buildings can provide new insights and substantial energy savings. Or that new integrated applications, such as linking a data center to a residential area or a greenhouse can also ensure an optimum supply of heat. This will require considerable investment in infrastructure, so that ultimately we can make use of free sources of energy, such as solar and wind power. Perhaps our pension funds could start investing in our own economy. If you have hundreds of billions of euros to invest, you could surely spare ten billion a year to invest in the future of our country. I would regard that as being a healthy return on investment!

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