

**Question for written answer E-016101/2015
to the Commission
Rule 130
Theresa Griffin (S&D)**

Subject: Discount rate modelling for energy efficiency

According to the 2030 energy and climate policy framework Impact Assessment (SWD(2014) 255 final part 1, Table 3), discount rates of 8-17.5 % are used to 'depict decision-making by economic actors'. SWD(2014) 255 final also applies a 17.5 % discount rate for modelling the entire energy system costs.

We understand that high discount rates for individual actor investment decisions can be justified since they mimic market barriers and behaviour.

However, what is the justification for using such high discount rates to calculate system costs? Why does the Commission use the same rates for modelling overall energy system costs as most of the individual investment decisions?

What is the evidence basis for discount rates applied to modelling individual investment decisions?