# - Buildings for Future?! - WS 2021/2022

#### Lecturer

Leo Reutter, MSc., MSc.; accompanying: Prof. Dr. Georg von Wangenheim

# Class type:

Seminar

## Language

English

# **Prerequisites:**

Basic economics

## Modules:

NaWi: Ökonomik der Umwelt, Ökonomie von Stadt und Region;

EB&Go: 3B, 6; WiRe: W1, W3

#### Content:

Each week we will look at the topic "decarbonizing residential heating" from a different perspective of economics and discuss the respective literature.

- Overview of potentials, costs, challenges regarding the decarbonization of residential heating.
- Overview of institutional barriers that hinder the decarbonization of residential heating.
- Overview of policies to overcome the barriers.
- Insight into research design and methodology of different economic sub-disciplines.

# **Learning outcomes:**

- Literature competence
  - Drasp economic literature
  - Evaluate the quality of research articles
  - o Comprehend embeddedness of literature
  - Critically identify connections, similarities, and discrepancies between subdisciplines
- Writing competence
  - Write concisely
  - o Produce text in a regular rhythm
  - Abide by formatting guidelines
  - o Reference properly
- Speaking competence
  - Convey complex subjects understandably
  - Design longer presentations in an entertaining and informative way
  - o Moderate a discussion

## **Examination:**

- Written portion (50%):
  - Term paper consisting of "discussion papers" and "framework paper"
  - o 11 discussion papers (3% each, sum: 33%)
    - 1 page
    - Ca. 600-1,000 words
    - Short summary of the assigned literature
    - Discussion of the assigned literature, e.g.
      - Did the research question and the matter convince you?
      - What were exceptionally strong arguments?
      - Which arguments were weaker?
      - How do the assigned papers interlink?
      - Potentially: do the assigned papers connect to previously discussed literature?
    - Take-home-message
      - 1 Sentence
        - o What did I learn from discussing the assigned literature?
        - This may refer to the content, the methodology, to writing research papers...
    - Reference list
  - Framework paper (17 %)
    - Ca. 4 pages of content + cover page + Table of contents + Reference list over the entire assigned literature
    - Ca. 2,400-4,000 words
    - Contextualizing discussion of the entire assigned literature
      - Connecting the content
      - Developing an own thesis on the topic
      - Assessing the most convincing paper (and why)
      - Assessing the least convincing paper (and why)
- Oral portion (50%) (individual or groups of up to three students)
  - Detailed presentation on one of the assigned papers (25%)
    - 45-60 minutes
    - Detailed presentation
      - Scope of the paper
      - Methodology
      - Results
    - Discussion of all of that week's assigned literature (see above)
  - Moderating the seminar discussion (15%)
    - 30-45 minutes
    - Preparing discussion questions, policy implications, evaluation theses on the papers
  - Regular and qualified contributions to the discussion (10%)

# **Grading scheeme:**

| 0-49: 5 | 50-54:4 | 55-59:3,7 | 60-64:3,3 | 65-69:3 | 70-74:2,7 | 75-79:2,3 | 80-84:2 | 85-89:1,7 | 90-94:1,3 | 95-100:1 (| Points of 100 possible points: Grade | )

# Assigned literature (will be uploaded to moodle in time):

- Motivations for energy efficiency investment owner-occupier
  - o Friege, Jonas (2016): Increasing homeowners' insulation activity in Germany: An empirically grounded agent-based model analysis. In Energy and Buildings 128, pp. 756–771. DOI: 10.1016/j.enbuild.2016.07.042.
  - o Galvin, Ray (2014): Why German homeowners are reluctant to retrofit. In Building Research & Information 42 (4), pp. 398–408. DOI: 10.1080/09613218.2014.882738.

## Economic costs and benefits of energy efficiency investment – owner-occupier

- Hahn, Jonas; Hirsch, Jens; Bienert, Sven (2018): Does "clean" pay off? Housing markets and their perception of heating technology. In Property Management 36 (5), pp. 575–596. DOI: 10.1108/PM-08-2017-0051.
- O Wahlström, Marie H. (2016): Doing good but not that well? A dilemma for energy conserving homeowners. In Energy Economics 60, pp. 197–205. DOI: 10.1016/j.eneco.2016.09.025.

#### Modernization behavior in condominiums

- Hauge, Åshild Lappegard; Thomsen, Judith; Löfström, Erica (2013): How to get residents/owners in housing cooperatives to agree on sustainable renovation. In Energy Efficiency 6 (2), pp. 315–328. DOI: 10.1007/s12053-012-9175-5.
- Roodenrijs, Judith C. M.; Hegger, Dries L. T.; Mees, Heleen L. P.; Driessen, Peter (2020):
   Opening up the Black Box of Group Decision-Making on Solar Energy: The Case of Strata Buildings in Amsterdam, the Netherlands. In Sustainability 12 (5), p. 2097. DOI: 10.3390/su12052097.

# Landlord-tenant-dilemma Overview / Theory

- o Jaffe, Adam B.; Stavins, Robert N. (1994): The energy paradox and the diffusion of conservation technology. In Resource and Energy Economics 16 (2), pp. 91–122. DOI: 10.1016/0928-7655(94)90001-9.
- o Bird, Stephen; Hernández, Diana (2012): Policy options for the split incentive: Increasing energy efficiency for low-income renters. In Energy policy 48, pp. 506–514. DOI: 10.1016/j.enpol.2012.05.053.

# • Landlord-tenant-dilemma landlords' behavior

- o Adan, Hassan; Fuerst, Franz (2015): Modelling energy retrofit investments in the UK housing market. In Smart and Sust Built Env 4 (3), pp. 251–267. DOI: 10.1108/SASBE-03-2013-0016.
- Ambrose, Aimee R. (2015): Improving energy efficiency in private rented housing: Why don't landlords act? In Indoor and Built Environment 24 (7), pp. 913–924. DOI: 10.1177/1420326X15598821.

#### Landlord-tenant-dilemma tenants' behavior

- o Banfi, Silvia; Farsi, Mehdi; Filippini, Massimo; Jakob, Martin (2008): Willingness to pay for energy-saving measures in residential buildings. In Energy Economics 30 (2), pp. 503–516. DOI: 10.1016/j.eneco.2006.06.001.
- o Collins, Matthew; Curtis, John (2018): Rental tenants' willingness-to-pay for improved energy efficiency and payback periods for landlords. In Energy Efficiency 11 (8), pp. 2033–2056. DOI: 10.1007/s12053-018-9668-y.

### Landlord-tenant-dilemma market capitalization of investment

- Hyland, Marie; Lyons, Ronan C.; Lyons, Seán (2013): The value of domestic building energy efficiency — evidence from Ireland. In Energy Economics 40, pp. 943–952. DOI: 10.1016/j.eneco.2013.07.020.
- Kholodilin, Konstantin A.; Mense, Andreas; Michelsen, Claus (2017): The market value of energy efficiency in buildings and the mode of tenure. In Urban Studies 54 (14), pp. 3218– 3238. DOI: 10.1177/0042098016669464.

# Financing energy efficiency investment

- o Brown, Donal; Sorrell, Steve; Kivimaa, Paula (2019): Worth the risk? An evaluation of alternative finance mechanisms for residential retrofit. In Energy policy 128, pp. 418–430. DOI: 10.1016/j.enpol.2018.12.033.
- Töppel, Jannick; Tränkler, Timm (2019): Modeling energy efficiency insurances and energy performance contracts for a quantitative comparison of risk mitigation potential. In Energy Economics. DOI: 10.1016/j.eneco.2019.01.033.

#### CO<sub>2</sub>-taxation

- Runst, Petrik; Thonipara, Anita (2020): Dosis facit effectum why the size of the carbon tax matters: Evidence from the Swedish residential sector. In Energy Economics 91, p. 104898.
   DOI: 10.1016/j.eneco.2020.104898.
- Criqui, Patrick; Jaccard, Mark; Sterner, Thomas (2019): Carbon Taxation: A Tale of Three Countries. In Sustainability 11 (22), p. 6280. DOI: 10.3390/su11226280.

## Case Study Sweden

- o Femenías, Paula; Mjörnell, Kristina; Thuvander, Liane (2018): Rethinking deep renovation: The perspective of rental housing in Sweden. In Journal of Cleaner Production 195, pp. 1457–1467. DOI: 10.1016/j.jclepro.2017.12.282.
- Vogel, Jonas Anund; Lundqvist, Per; Blomkvist, Pär; Arias, Jaime (2016): Problem areas related to energy efficiency implementation in Swedish multifamily buildings. In Energy Efficiency 9 (1), pp. 109–127. DOI: 10.1007/s12053-015-9352-4.

## • Socio-economic dimension

- Halkos, George E.; Gkampoura, Eleni-Christina (2021): Evaluating the effect of economic crisis on energy poverty in Europe. In Renewable and Sustainable Energy Reviews 144, p. 110981.
   DOI: 10.1016/j.rser.2021.110981.
- März, Steven (2018): Assessing the fuel poverty vulnerability of urban neighbourhoods using a spatial multi-criteria decision analysis for the German city of Oberhausen. In Renewable and Sustainable Energy Reviews 82, pp. 1701–1711. DOI: 10.1016/j.rser.2017.07.006.

#### Schedule:

Date	Topic	Speaker
21.10.2021	Class administration and first overview of the topic	Leo Reutter
28.10.2021	General overview	Leo Reutter
04.11.2021	Motivations for energy efficiency investment – owner- occupier	Student(s)
11.11.2021	Economic costs and benefits of energy efficiency investment – owner-occupier	Student(s)
18.11.2021	Modernization behavior in condominiums	Student(s)
25.11.2021	Landlord-tenant-dilemma Overview / Theory	Student(s)
02.12.2021	Landlord-tenant-dilemma landlords' behavior	Student(s)
09.12.2021	Landlord-tenant-dilemma tenants' behavior	Student(s)

16.12.2021	No seminar because Leo Reutter attends a conference	
13.01.2022	Landlord-tenant-dilemma market capitalization of	Student(s)
	investment	
20.01.2022	Financing energy efficiency investment	Student(s)
27.01.2022	CO2-taxation	Student(s)
03.02.2022	Case Study Sweden	Student(s)
10.02.2022	Socio-economic dimension	Student(s)
17.02.2022	Class review and evaluation	Leo Reutter

For further information, see moodle