

## Energy efficiency

2011/0172(COD) - 11/09/2012 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 632 votes to 25 against with 19 abstentions a legislative resolution on the proposal for a Directive of the European Parliament and of the Council on energy efficiency and repealing Directives 2004/8/EC and 2006/32/EC.

Parliament adopted its position on first reading following the ordinary legislative procedure. The amendments are the result of a compromise negotiated between Parliament and Council. The main amendments are as follows:

Indicative national energy efficiency target: each Member State will be obliged to set an indicative national energy efficiency target, based on either primary or final energy consumption, primary or final energy savings or energy intensity. By 30 June 2014, the Commission will assess the progress achieved and whether the Union is likely to achieve energy consumption of no more than 1474 Mtoe of primary energy and/or no more than 1078 Mtoe of final energy in 2020.

Building renovation: Member States shall establish a long-term strategy for mobilising investment in the renovation of the national stock of residential and commercial buildings, both public and private. The strategy will encompass certain factors specified in the text. A first version of the strategy shall be published by 30 April 2014 and updated every three years thereafter and submitted to the Commission as part of the National Energy Efficiency Action Plans.

Exemplary role of public bodies' buildings: according to the amended text, public bodies will need to play an exemplary role, as Member States will have to ensure that as from 1 January 2014, 3% of the total floor area of heated and/or cooled buildings owned by their central government is renovated each year to meet at least the minimum energy performance requirements that it has set in application of Directive 2010/31/EU.

The 3% rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m<sup>2</sup> owned and occupied by the central government of the Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements. That threshold shall be lowered to 250 m<sup>2</sup> as of 9 July 2015.

Member States may opt for an alternative approach, whereby they take other cost-effective measures, including deep renovations and measures for behavioural change of occupants, to achieve, by 2020, an amount of energy savings in eligible buildings owned and occupied by their central government that is at least equivalent to that required above, reported on an annual basis.

Energy efficiency obligation schemes: Member States must set up an energy efficiency obligation scheme, ensuring that obligated energy distributors and/or retail energy sales companies achieve a cumulative end-use energy savings target by 31 December 2020.

That target shall be at least equivalent to achieving new savings each year from 1 January 2014 to 31 December 2020 of 1.5% of the annual energy sales to final customers of all energy distributors or all retail energy sales companies by volume, averaged over the most recent three-year period prior to 1 January 2013. The sales of energy, by volume, used in transport may be partially or fully excluded from this calculation.

However, to achieve this target, Member States will have the option of using a bundle of flexibility measures as well as equivalent alternative measures such as:

- the possibility of achieving 1.5% target in three stages, reaching the 1.5% in 2018;
- excluding energy sales from ETS-covered industries;
- the counting of energy savings in the energy transformation, distribution sectors and counting early actions as from 31 December 2008.

The use of these flexibility measures should not lead to a reduction of more than 25% of the amount of the energy savings target.

The public policy measures may include: i) energy or CO<sub>2</sub> taxes; ii) financing schemes and instruments or fiscal incentives; iii) regulations or voluntary agreements that lead to the application of energy-efficient technology or techniques; iv) standards and norms that aim at improving the energy efficiency of products and services; v) energy labelling schemes; and vi) training and education, including energy advisory programmes. As an alternative to setting up an energy efficiency obligation scheme, Member States may opt to take other policy measures to achieve energy savings among final customers, provided those policy measures meet the criteria set out in the Directive.

Energy audits: Member States shall ensure that large enterprises are subject to an energy audit carried out in an independent and cost-effective manner by qualified and/or accredited experts or implemented and supervised by independent authorities under national legislation within three years after the entry into force of this Directive and at least every four years from the date of the previous energy audit.

Billing of customers based on actual consumption: in order to enable final customers to regulate their own energy consumption, billing should take place on the basis of actual consumption at least once a year, and billing information should be made available at least quarterly, on request or where the consumers have opted to receive electronic billing or else twice yearly. Gas used only for cooking purposes may be exempted from this requirement.

Promotion of efficiency in heating and cooling: by 31 December 2015, Member States shall carry out and notify to the Commission a comprehensive assessment of the potential for the application of high-efficiency cogeneration and efficient district heating and cooling. For the purpose of this assessment, Member States shall carry out a cost-benefit analysis covering their territory based on climatic conditions, economic feasibility and technical suitability.