

## The agreement on the Energy Efficiency Directive

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## Clean Energy for All Europeans Package (30/11/2016)

#### THE RIGHT REGULATORY FRAMEWORK FOR POST - 2020



**Energy Union Governance** 



#### **Energy Efficiency**

(Energy Efficiency Directive, European Performance of Buildings Directive)



#### Renewables

(Revised Renewable Energy Directive)



Energy birective)



New Electricity
Market Design
(including Risk
Preparedness)



Energy prices and costs report



## **Energy Efficiency Directive**

 Binding 30% energy efficiency target for 2030;





Ecodesign Working Plan 2016-2019

- List of new product groups;
- Contribution to circular economy objectives;



Energy Performance of Buildings

- Supportive of renovation;
- Smarter ICT, smart buildings;
- Simpler;



## **Energy efficiency update**

#### **KEY LEGAL ACTS**

- Revised Energy Performance of Buildings Directive.
- Revised Energy Efficiency Directive.
- Revised Tyre labelling regulation.
- In preparation Revised or new ecodesign & energy labelling regulations.





## Institutional process of setting the 2030 target

WHERE WE ARE TODAY (ON 2020)	OTHER INSTITUTIONS' POSITIONS	COMMISSION PROPOSAL	NEGOTIATION WITH CO-LEGISLATORS
<ul> <li>2020 Framework:</li> <li>Indicative national targets for 2020</li> <li>20% EU target for 2020</li> </ul>	Commission 2014:  • 30% indicative EU target for 2030  EUCO Conclusions 2014:  • 'at least 27% target for 2030 to be reviewed by 2020 having in mind an EU level of 30%'  EP 2015 Resolution:  • Binding 40% target	<ul> <li>2030 Framework:</li> <li>Indicative national contributions for 2030</li> <li>30% binding EU target for 2030</li> </ul>	<ul> <li>EP report: 35% EU binding target, indicative national targets</li> <li>Council General Agreement: 30% EU target, indicative national contributions</li> <li>Preliminary agreement: at least 32.5% EU headline target and indicative national contributions</li> </ul>

# Energy Efficiency Directive (EED): From the Commission proposal to the final text

#### **UPDATED POLICY FRAMEWORK IN VIEW OF 2030 - NEGOTIATONS' TIMELINE Trilogues:** ~ November / 22 February 17 January **December** 2018 (1st 30 November 29 June 2018 26 June 2017 2018 2018 triloque) 2016 Agreement Coreper Vote in the **EP** plenary Council **EC** proposal at the 6th endorsement European vote (ITRE vote on General trilogue of **Parliament** 10/07) **Approach** 19 June 2018 + Council adoption **Council discussions** (ITRE vote on 28 November 2017) **EP discussions EED** 10 Jan. 2017 RFD II Governance 22 June 2017 European

Commission

#### Overview - Main outcomes of the EED revision

#### **MAIN CHANGES**

- A new energy efficiency target for the EU for 2030 of 32.5%, with an upwards revision clause by 2023.
- Extended **energy savings obligations** for the next period 2021-2030 and beyond.
- Strengthened rules on individual metering and billing of thermal energy (better information for consumers).

#### **Next steps:**

- Formal approval by the European Parliament and the Council
- Publication in the EU Official Journal
- Entry into force 3 days after publication



### **Energy efficiency targets for 2030 (Articles 1 & 3)**

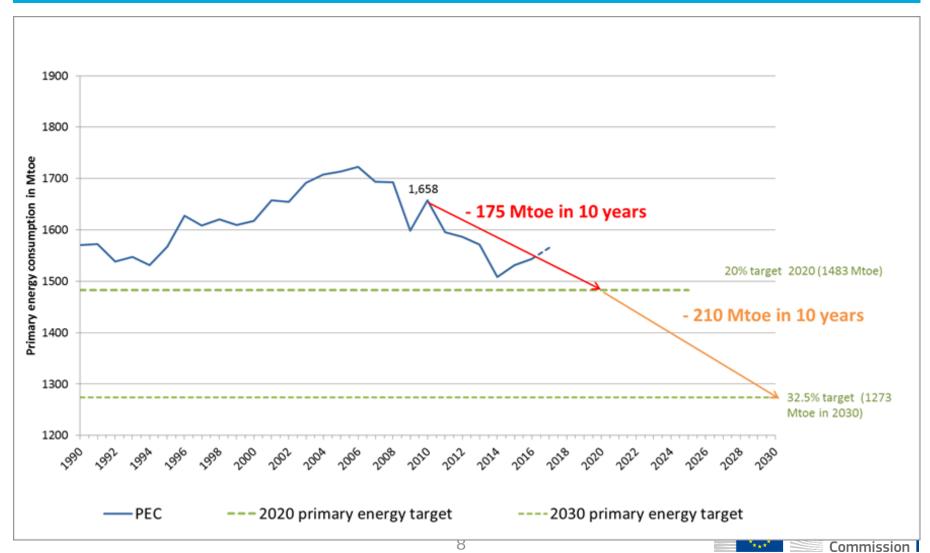


# Headline target of at least 32.5% to be achieved collectively by the EU in 2030

- Nature of the target is not specified.
- The target is calculated relative to the projections from the PRIMES REF2007.
- The target translates into 1273 Mtoe of primary energy consumption (PEC) and/or 965 Mtoe of final energy consumption (FEC).
- The Commission is required to assess the target and to propose revising it upwards by 2023.



## The 2030 target in the provisional agreement – Level of efforts



### National energy efficiency contributions (Article 3 & Governance)



#### INDICATIVE NATIONAL CONTRIBUTIONS

- National contributions to the Union target in their energy and climate plans.
- Assessment by the Commission if the contributions are sufficient to reach the 2030 target.
- Assumption of the level of national contributions if draft plans are not submitted on time.
- Recommendations in case of an ambition gap.
- Recommendations in case of collective delivery gap.
- Member States' delivery gaps shall be addressed by recommendations.

### Energy savings obligations (Articles 7, 7a, 7b & Annex V)

#### UPDATED FRAMEWORK FOR CALCULATION OF SAVINGS REQUIREMENTS AND POLICY MEASURES



# New structure for amended text on energy savings obligations:

- Article 7 General rules on the savings requirement
- Article 7a Rules for energy efficiency obligation schemes
- Article 7b Rules for alternative policy measures
- Annex V Common methods and principles of calculation

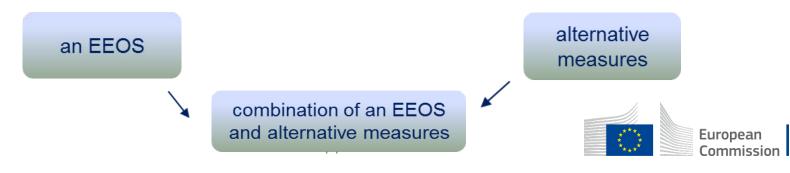


## **Energy savings obligations (Articles 7, 7a, 7b & Annex V)**

#### **EXTENDED OBLIGATION BEYOND 2020**

- New savings of 0.8% (each year) from 1 January 2021 to 31 December 2030.
- The calculation baseline: Final energy consumption.
- Range of possibilities (Article 7(2)&(4)), as long as the **net new savings equal 0.8%** per year are achieved.

## Savings can be achieved via:



## Energy saving obligations (Articles 7, 7a, 7b & Annex V)

#### **ENERGY EFFICIENCY OBLIGATION SCHEMES AND ALTERNATIVE MEASURES**



Flexibility: an **EEOS** (Article 7a) or **alternative policy measures** (Article 7b) or both.

- Energy savings: Common principles and methods of Annex V.
- Measurement and verification requirement.
- Mandatory requirement to alleviate energy poverty (Article 7(11)).



## Energy saving obligations (Articles 7, 7a, 7b & Annex V)

STREAMLINED AND SIMPLIFIED RULES FOR CALCULATING ENERGY SAVINGS (ANNEX V)



Additionality requirement.

- Lifetime of the measures.
- Renewable technologies.



## Metering and billing (Articles 9-11 & Annex VIIa)

#### CLEARER AND STRENGTHENED RULES – EMPOWERING AND INFORMING CONSUMERS

- Clarification of requirements for metering and billing of thermal energy.
- Rights of consumers in multi-apartment or multi-purpose buildings.
- Transparent, publicly available rules on cost allocation for multi-occupant buildings supplied from central sources.
- Right to bills based on actual consumption/heat cost allocator readings.
- Remote-reading to become standard.



#### Review clauses (Article 24) - Part 1/2



- Potential of energy efficiency in **conversion**, **transformation**, **transmission** and **storage**.
- Common Methodology for network operators.
- Assessment of metering, billing and consumer information for natural gas.
- Exemplary role of public buildings adapt the requirements laid down in Article 5.



#### Review clauses (Article 24) - Part 2/2



## **Energy audits**.

- State of the Energy Union report: report on the functioning of the carbon market.
- Guidance, by the end of 2019, on how to unlock private investment.



#### Transposition and other provisions

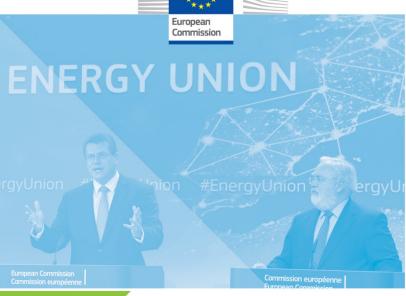


**18 months** of it coming into force (except for metering and billing: **22 months**).

Power to adopt **delegated acts for the Commission**: extended for 5 years.









# Thank you!

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https://ec.europa.eu/energy/en/news/commission-proposes-new-rules-consumer-centred-clean-energy-transition