

Fit for 55

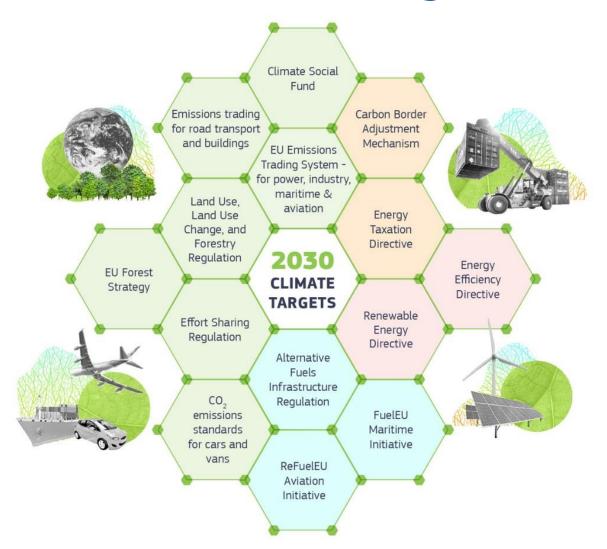
Proposal for revising

Energy Efficiency Directive (EED)

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The Fit for 55 Package – Overview



The package aims to make the EU 'fit for 55' and **deliver the transformational change** needed in a

- fair,
- cost-efficient and
- competitive

way.

It cements the **EU's global leadership** by action and by example in the **fight against climate change**



Objectives of the EED revision

Reap unexploited energy savings potential across the economy

Reflect the increased energy efficiency ambition from the Climate Target Plan

Provide Member States
with measures compatible
with the increased ambition
towards 2030 climate
target 55%



Main elements of the EED

Binding EU energy efficiency target & indicative national contributions

'Energy Efficiency First' Principle – making it an integral part of policy and investment decisions

Strengthened energy savings obligation in end-use

Stronger exemplary role of public sector

Increased focus on alleviating energy poverty and consumer empowerment



EU ambition & targets

Binding Not specified Nature At least -9% reduction in energy consumption At least -32.5% reduction in energy consumption **Ambition** Compared to the **Reference Scenario 2020** Compared to the **Reference Scenario 2007** Baseline projections for 2030 (-36% for FEC and -39% for PEC projections for 2030 compared to REF2007) Primary and final energy consumption Primary **and/or** final energy consumption Scope New ESTAT methodology for PEC and FEC excluding PEC2020-2030 and FEC2020-2030 **Indicators** ambient heat and including international (1128 Mtoe and 846 Mtoe) aviation (1023 Mtoe and 787 Mtoe)



National contributions

Indicative (no change) Indicative Nature Set by Member States taking into account the Set by Member States taking into account national **Ambition** benchmarks, national circumstances and EU level of circumstances and EU level of ambition ambition **NEW** Based on formula with 4 criteria: (i) fixed rate None **Benchmarks** reduction; (ii) GDP per capita; (iii) energy intensity; (iv) cost-effective potential (PRIMES projections) Primary or final energy consumption, primary or final Primary **and** final energy consumption (translated into **Indicators** energy savings, primary energy intensity (translated PEC and FEC levels) into PEC and FEC levels) Governance + **strengthened mechanisms** for Delivery gap **Governance** national delivery gap mechanisms



Energy savings obligation – Article 8

Only Art. 8 Just transition subtarget, Increased annual energy Requirement to achieve Excluded savings savings obligation in a share of the total coming from direct end use amount of energy fossil fuel combustion savings among vulnerable customers and energy poor 1.5% **MS** to define As of 1

> January 2024



Exemplary role of public sector



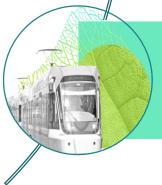
Annual reduction of energy consumption of 1.7% in public sector (MS to select public bodies)



Annual renovation of 3% of useful floor area of public buildings above 250 m2, applicable to all public administration levels

Alternative approach removed





Requirement to take into account energy efficiency requirements and focus on EE1st in public procurement for all public administration levels



Energy efficiency in industry

Energy management systems and energy audits

Art. 11

Implementation of an **energy management system** as a default
obligation for large energy consumers
(above 100TJ)

An **energy management system** or an **energy audit** for energy consumers (above 10TJ)

Quality checks
required to
ensure the
validity and
accuracy of
energy audits

Data centres

Reporting for data centres with a significant energy consumption as of 2024

Requirement for reuse of waste heat from data centres and other installations

Art. 24



Energy efficiency in heating and cooling

Heating and cooling

Art. 23-24

Regular **comprehensive assessments within** the frame of **NECPs** to identify the potential for the application of high-efficiency cogeneration and efficient district heating and cooling

Revised definitions of efficient district heating and cooling and efficient cogeneration to ensure focus of state aid on decarbonisation of heat and cooling supply

Obligation to **ensure implementation of cost- efficient measures** identified in comprehensive assessments and to promote similar assessments in local level (large municipalities)

Installation-level **cost-benefit analyses** to assess the feasibility of more efficient solutions for the energy services, including by using waste heat



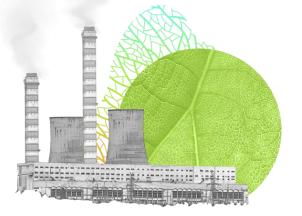
Efficiency in energy transformation and transmission

Art. 25 Requirement to ensure the application of the **Energy Efficiency First principle** by National Regulatory Authorities and transmission and distribution system operators



NRA shall provide methodologies and guidance on cost-benefit analysis

Reporting requirements for National Regulatory Authorities (e.g. on assessment of network losses in the operation of the gas and electricity infrastructure, progress achieved on energy efficiency measures)





Energy services and availability of skills

Availability of skills

Art. 26

- The level of **competences** for EE professions shall correspond to the market needs
- Assess by 2024 and every 4 years
 whether the schemes ensure
 necessary level of competences for
 EE professions
- Schemes and training programmes shall be **made available** for EE professions

Energy services

Art. 27

- Uptake of energy performance contracting (EnPC) by public bodies for renovation of large buildings.
- For renovations of **large non-residential buildings** (above 1000 m2) need to assess feasibility of using an EnPC.
- Increased role of advisory bodies, independent market intermediaries, OSS or similar support mechanisms.

Helps ensure quality of EE professions = increase trust to energy services markets



Consumer empowerment and information

Member States shall:

Introduce basic contractual rights for heating, cooling and domestic hot water

Establish one-stop shops, out-ofcourt mechanisms for the settlement of disputes, single points of contact

Ensure that information on energy efficiency measures is provided to the end users who need it

Identify and remove barriers relevant to the split incentives between tenants and owners or among owners



Energy communities

Support renewable energy communities (RED II) and citizen energy communities (Electricity Directive)



Vulnerable consumers and energy poverty

Member States:

Shall prioritise for energy-poor and vulnerable households

May impose the obligation on distributors and retailers, and may set up a dedicated fund

Shall take measures to empower and protect energy-poor and vulnerable households

Shall make best possible use of public funding - at national and Union level - to empower and protect vulnerable customers and to alleviate energy poverty

Shall establish a network of experts to develop strategies in implementing energy efficiency improvement measures alleviating energy poverty



Increase clean energy offer to end users Innovation & investment in new energy sources Modernisation of existing infrastructure



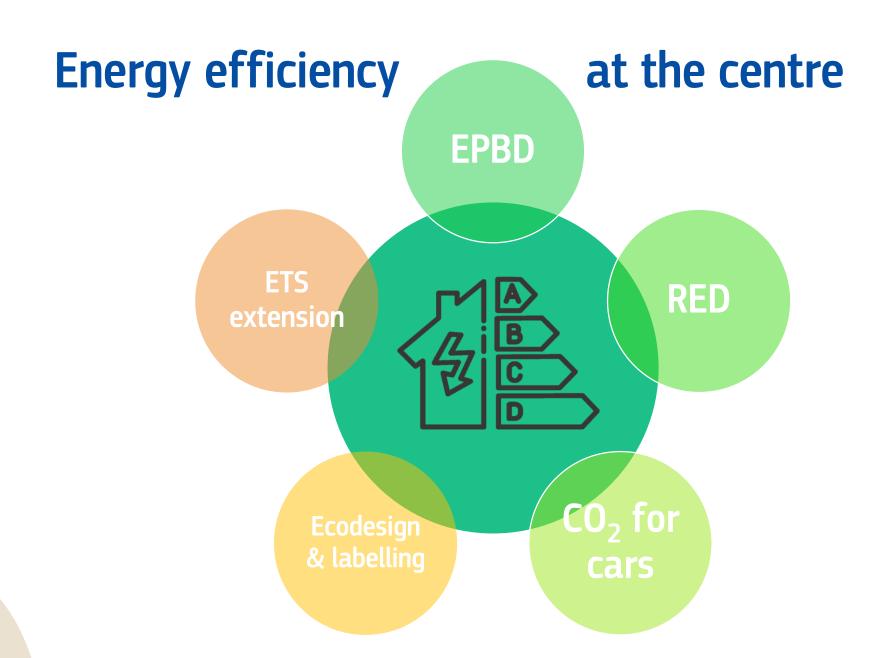
25% of revenues from ETS extension

Temporary direct subsidies to households and transport users

Art. 28 EED: Commission to assist Member States in setting up financing facilities, PDA facilities => protecting and empowering vulnerable customers, energy poor and, those living in social housing









Thank you

Fit for 55 package: EU economy and society to meet climate ambitions (europa.eu)

Proposal_for_a_directive_on_energy_efficiency_recast.pdf (europa.eu)

