

A new Directive on Energy Efficiency

**- Challenges addressed
& solutions proposed -**

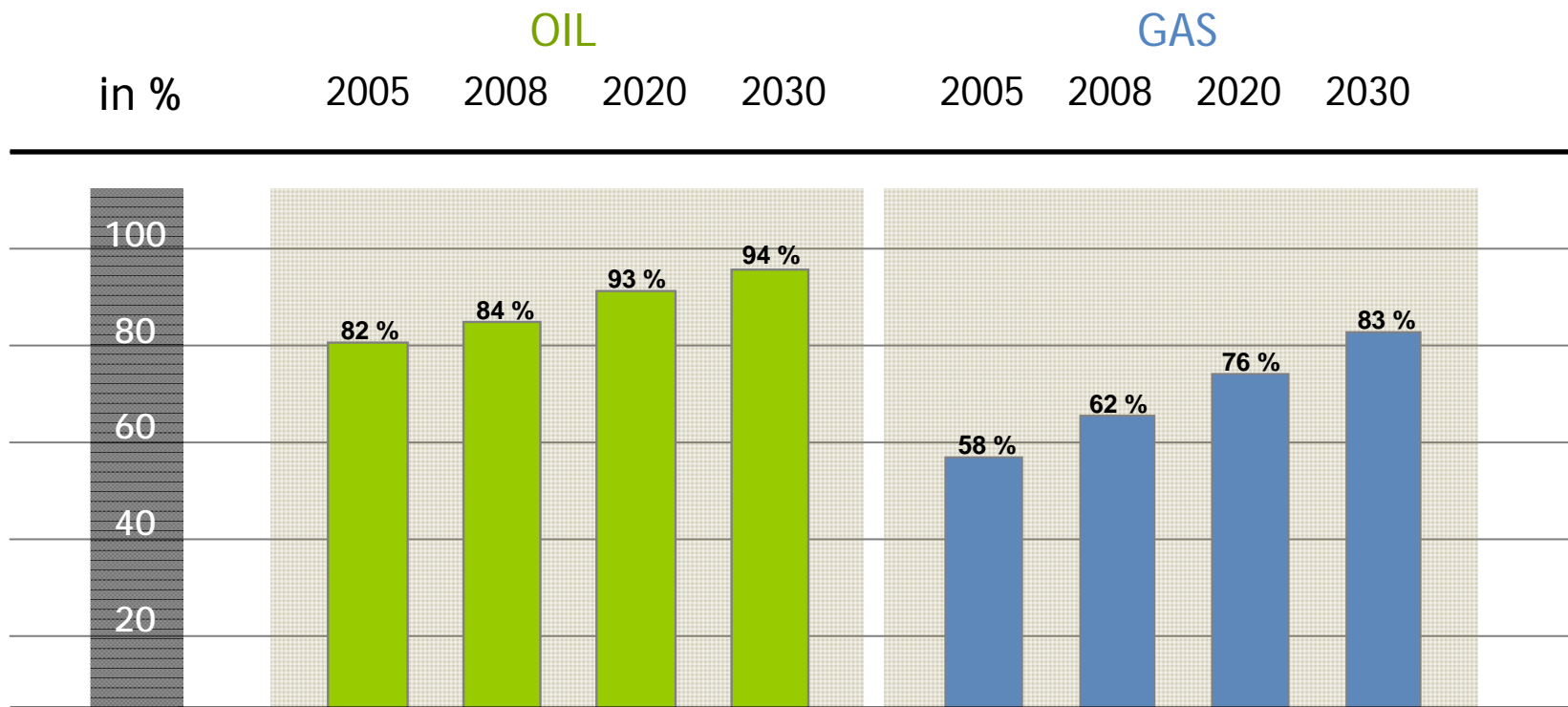
Directorate-General
for Energy



DG Energy
22 June 2011

AS DEPENDENCE ON ENERGY IMPORTS IS LIKELY TO GROW

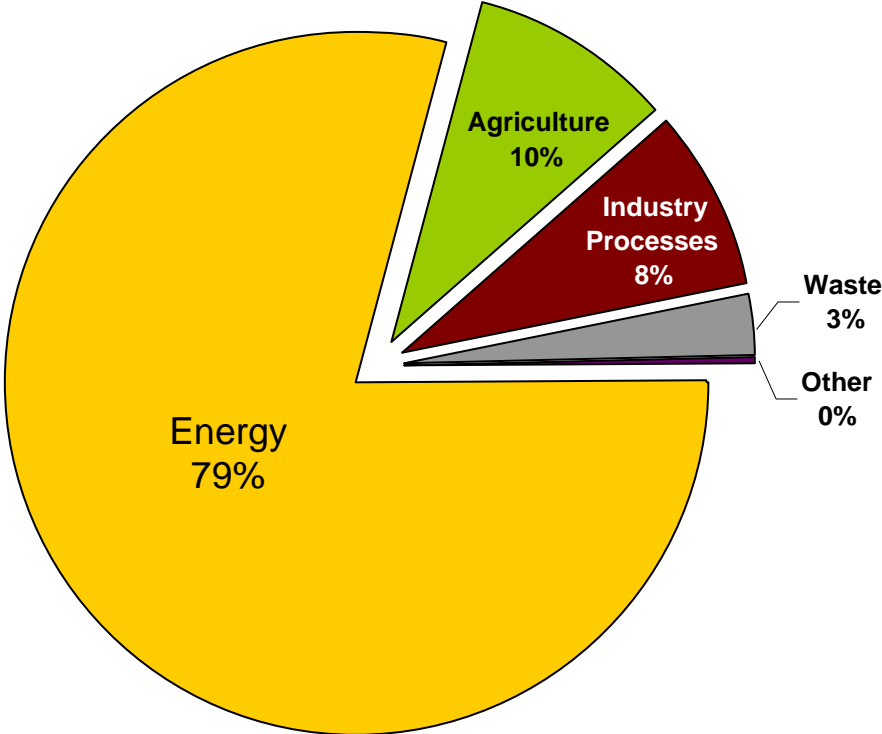
« Business as usual » scenario based on 2009 figures



Today, Europe imports more than half of the energy it uses. If nothing changes, our dependence on fossil fuel imports will rise by 2030.

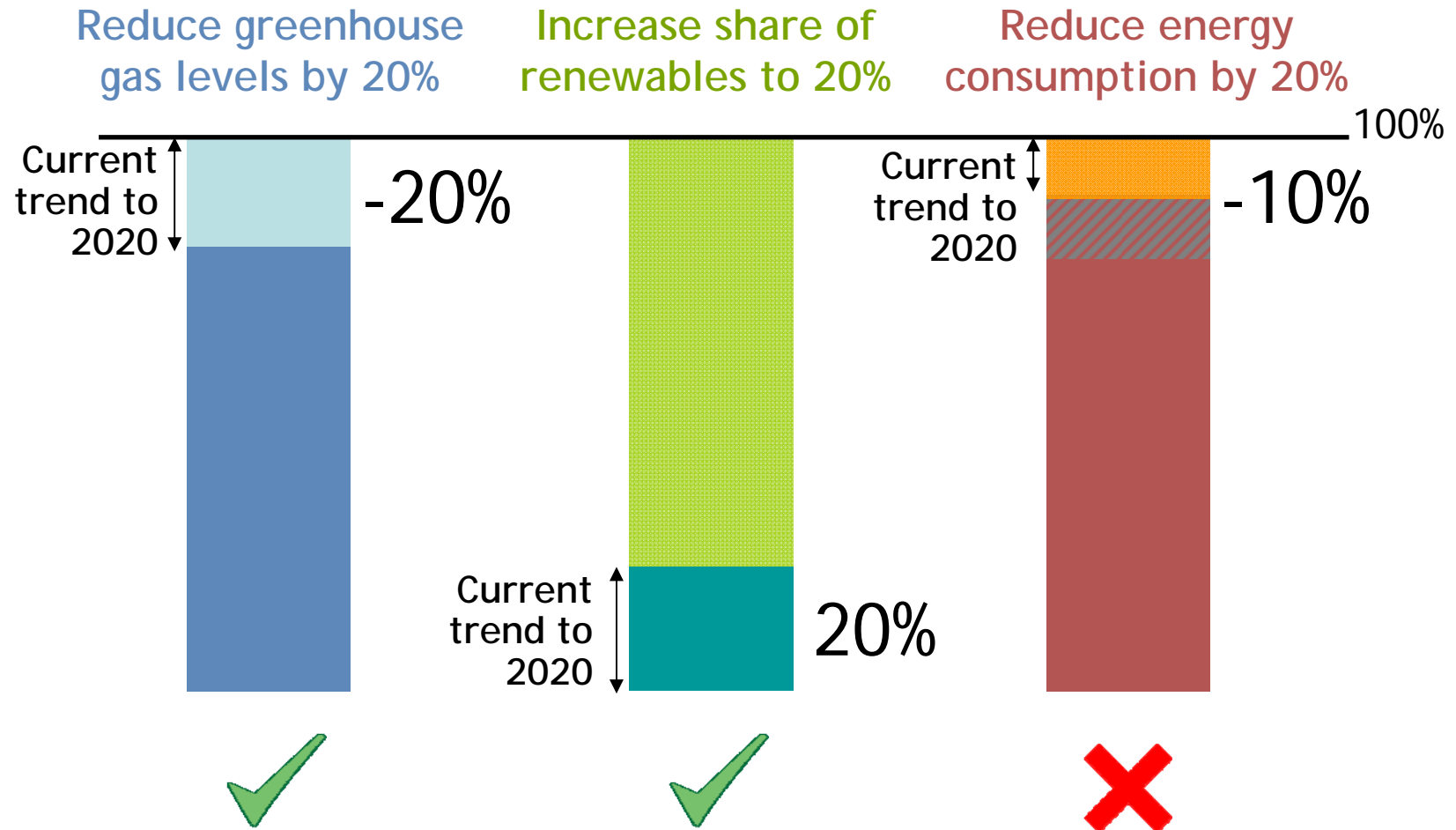
AND ENERGY USE IS A MAJOR SOURCE OF EMISSIONS

Share of greenhouse gas emissions in 2008

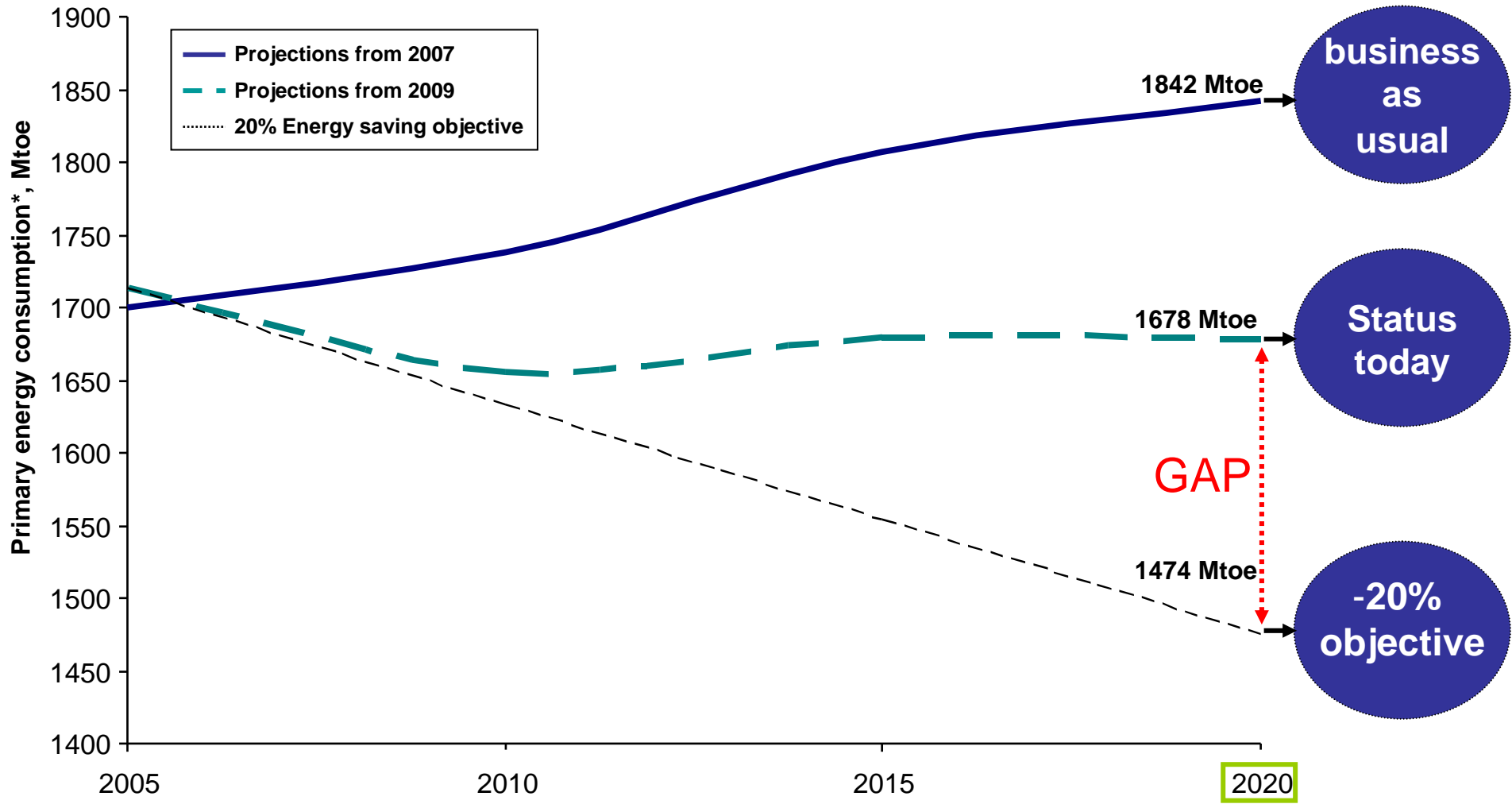


Source: EEA 2010

MEETING ALL THREE “20-20-20 BY 2020” GOALS BECOMES A MATTER OF URGENCY



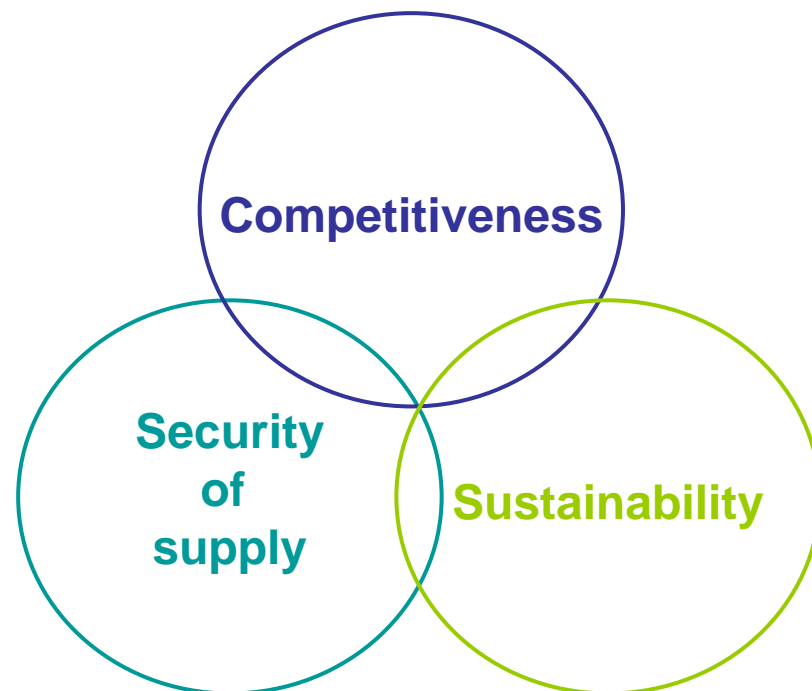
SO FAR THE EU IS NOT ON TRACK TO MEET ITS 20% ENERGY SAVING TARGET BY 2020



* Gross inland consumption minus non-energy uses

DESPITE ITS CRUCIAL BENEFITS FOR EUROPE ...

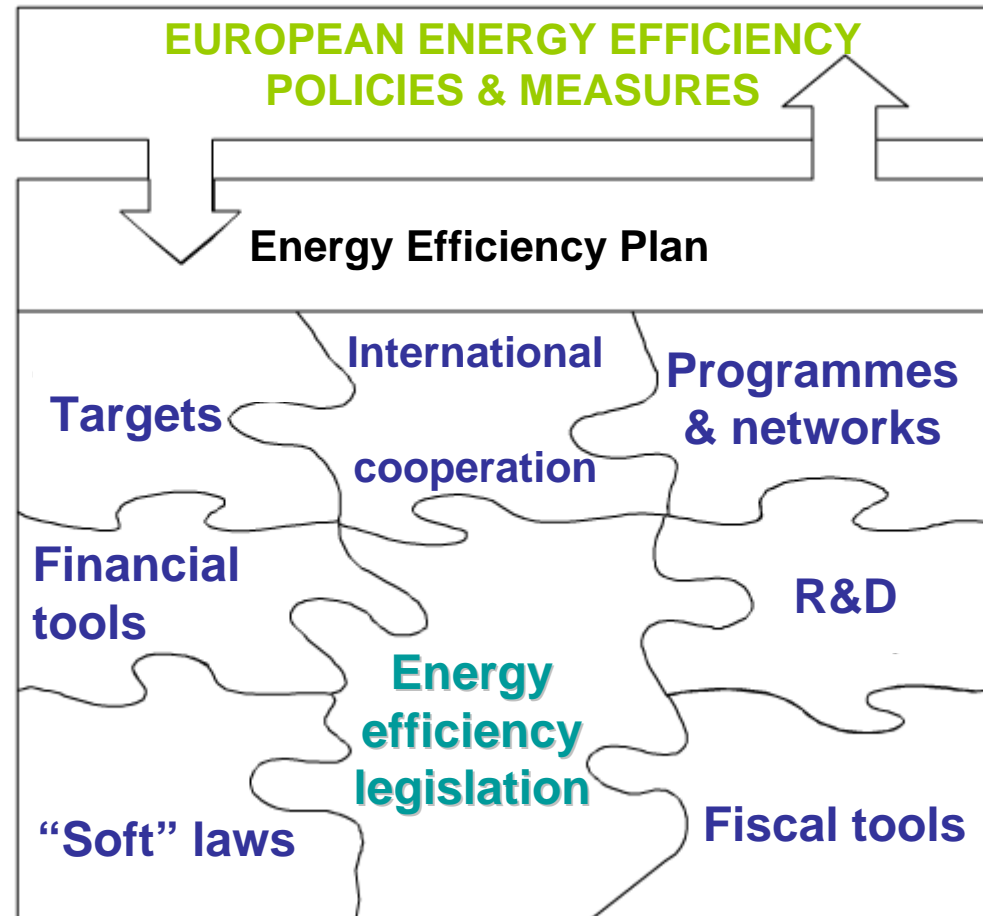
- ↓ Reduce EU's energy bill by about €200 bn annually in 2020
- ↑ Create up to 2 million new jobs by 2020
- ↑ Boost R&D & markets for EU global leadership



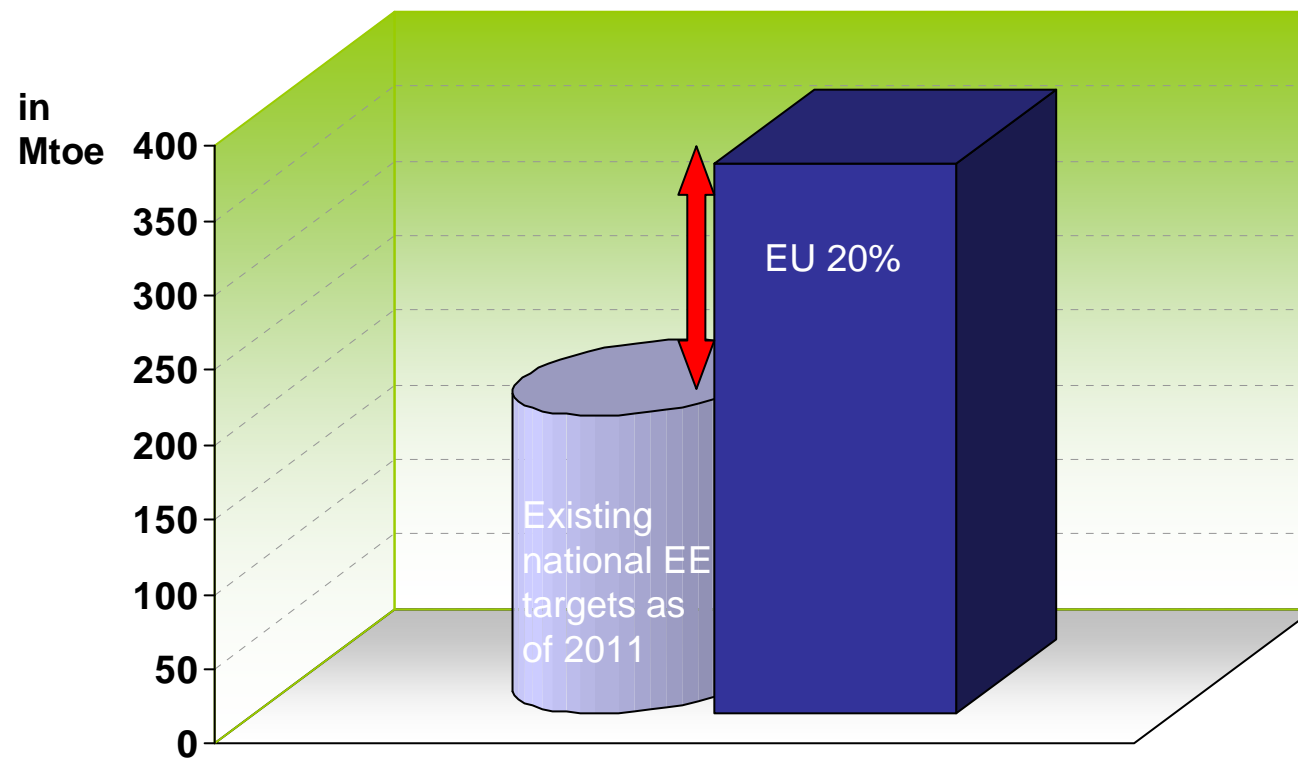
- ↓ Reduce EU's energy dependence
- ↓ Reduce investments in energy infrastructures
- ↑ Improve the energy trade balance

- ↓ Reduce CO₂ emissions
- ↓ Limit environmental degradation

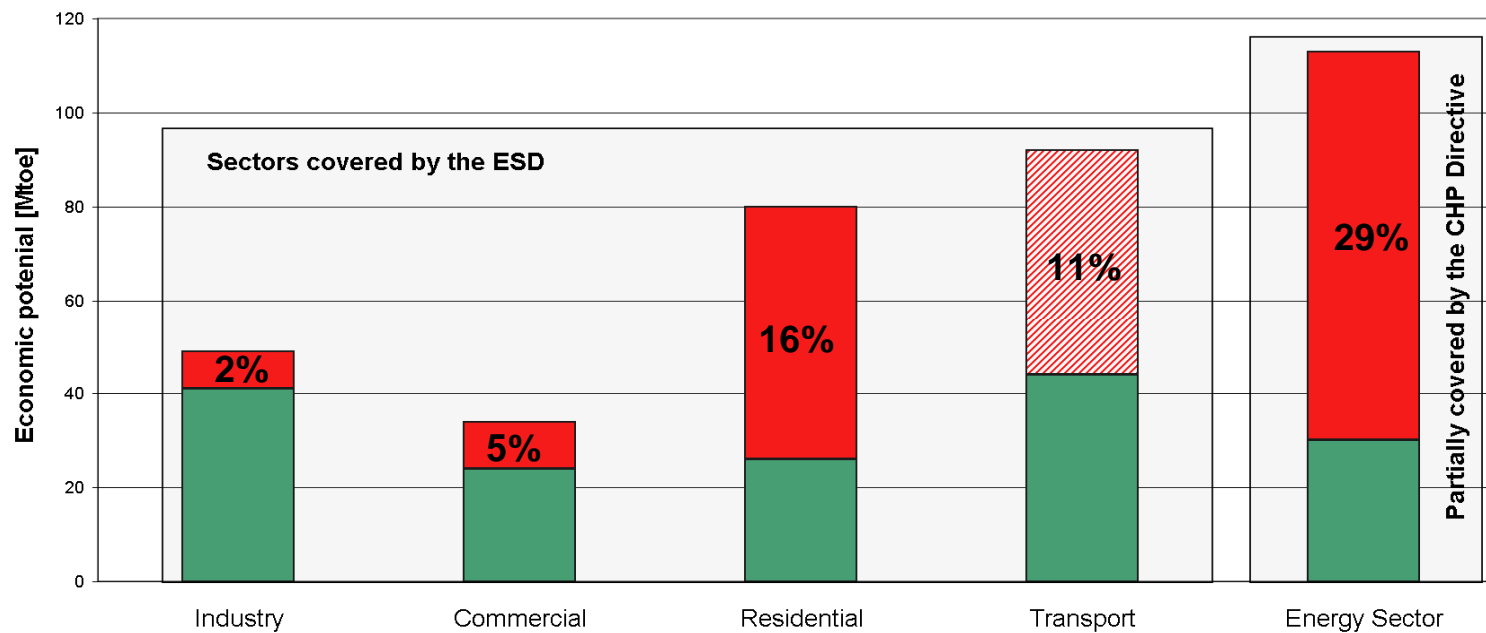
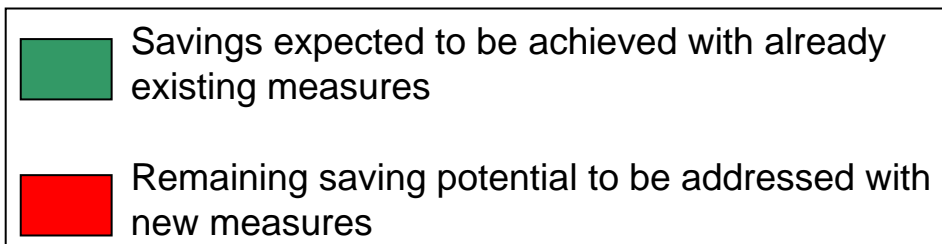
AND THE COMPREHENSIVE SET OF EUROPEAN POLICIES & MEASURES IN PLACE TO ADDRESS ENERGY EFFICIENCY IN ALL ITS ASPECTS



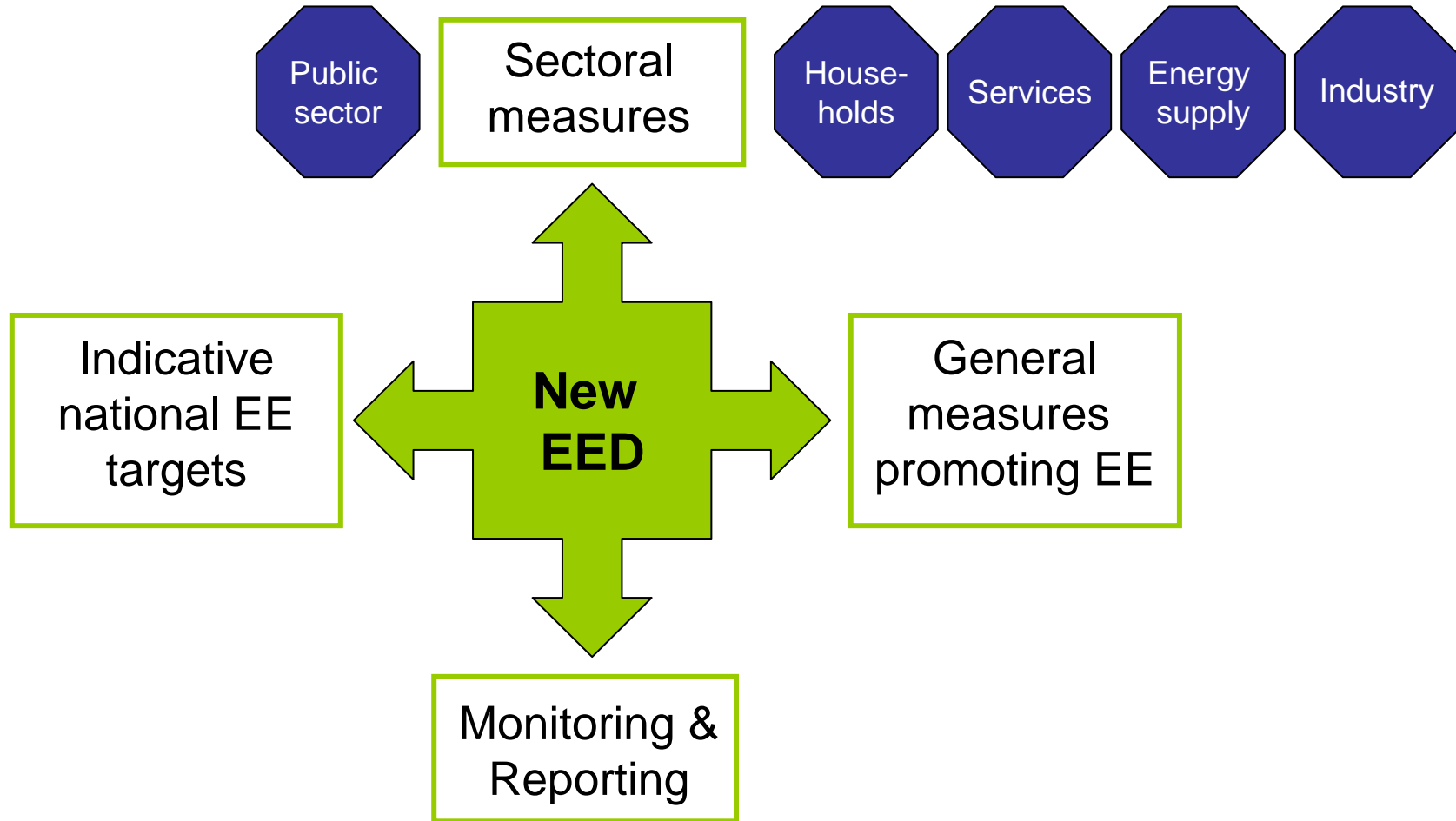
COMBINED WITH NATIONAL INTENTIONS WILL NOT SUFFICE



TO TAP THE REMAINING ECONOMIC ENERGY SAVING POTENTIALS FOR 2020 THROUGHOUT THE SECTORS

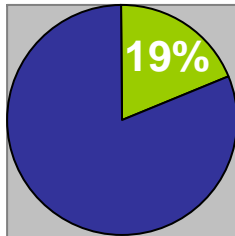


A NEW IMPETUS IS NEEDED: COMMISSION PUTS FORWARD A NEW ENERGY EFFICIENCY DIRECTIVE

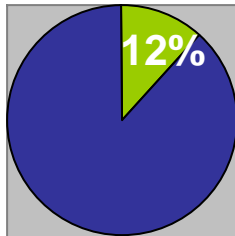


PUBLIC SECTOR TO LEAD BY EXAMPLE

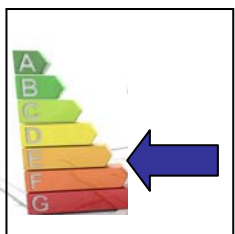
Status



- Public sector consumption makes important share of EU's GDP



- Share of public buildings in building stock



- Low average energy performance of existing buildings stock, incl. public buildings



- Cost optimal renovation can bring up to 60% energy savings

EED proposals

- Purchase of **products, services & buildings** with **high energy efficiency performance**
- Annual **renovation target of 3% for public buildings above 250 m²**
- Local energy **efficiency plans** and introduction of **energy management systems**
- More **systematic use of Energy Performance Contracting**

CREATING BENEFITS FOR CONSUMERS THROUGH THE PROVISION OF TAILORED ENERGY SERVICES AND INFORMATION

Status



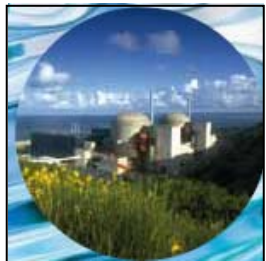
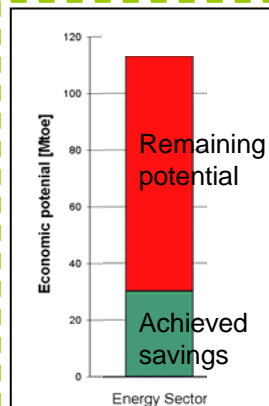
- Considerable saving potential unused in the residential and services sectors
- Slow uptake of market for energy efficiency services
- Lack of awareness & access to appropriate information on EE benefits
- Technological developments (e.g. smart meters/ grids) not sufficiently reflecting households interests

EED proposals

- **National energy efficiency obligation** scheme for utilities
- **Obligation for individual energy meters**, reflecting actual energy consumption & information on actual time of use
- Ensure **accuracy & frequency** of **billing** based on **actual consumption**
- Appropriate information with the bill providing comprehensive account of current energy costs

IMPROVING ENERGY EFFICIENCY IN TRANSFORMATION AND DISTRIBUTION OF ENERGY

Status



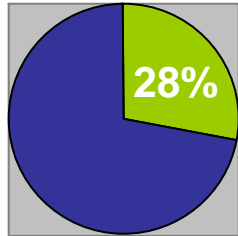
- Fragmented regulations & incentives to address waste across supply chain
- CHP uses 30% less fuel for the same amount of heat & power but level of use in EU low: **11% vs. 21%**.
- New generation installations not systematically reflecting level of Best Available Technologies

EED proposals

- 10-year national heat & cooling plans: **transparency, predictability & alignment of policies** for investments
- **Waste heat recovery (CHP) obligation** for new and existing power & industrial plants
- **Network tariffs** design to encourage offering **services** for consumers **allowing them to save energy & control consumption**
- National annual inventories of generation installations to monitor efficiency levels

INCREASE AWARENESS FOR BENEFITS STEMMING FROM ENERGY EFFICIENCY IMPROVEMENTS IN INDUSTRY

Status



- Important share in overall final energy consumption



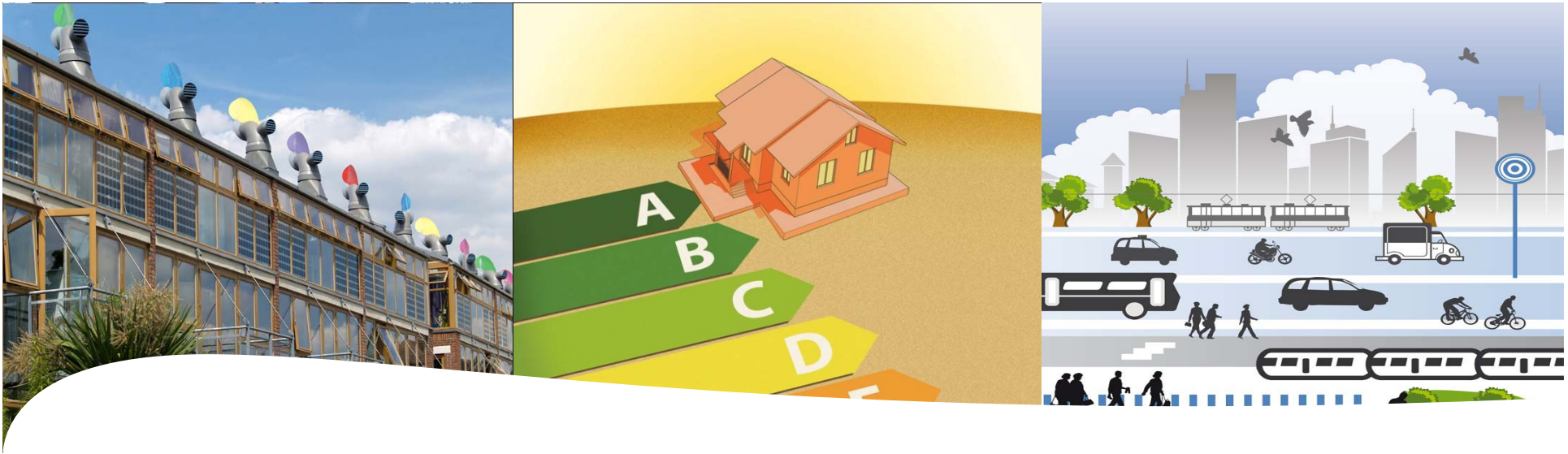
- Considerable progress made but potential remaining



- Energy efficient technologies and EE best practices readily available

EED proposals

- Member States to create incentives for SMEs to undergo energy audits
- Dissemination of best practices on benefits of energy management systems for SME businesses
- Mandatory audits for large companies & incentives for the implementation of recommended measures and the introduction of Energy Management Systems



Thank you!

For further information on energy efficiency please consult our website:

<http://ec.europa.eu/energy/efficiency/>

POSSIBLE TIME PLANNING AFTER ADOPTION

July 2011

- European Parliament to nominate a rapporteur
- First presentation & discussions in the Council Energy Working Group under Polish Presidency

September
- December
2011

- Continuation of discussions in the Council Energy Working Group
- Discussion in the EP
- Energy Council (November)

January –
June 2012

- Achieving of political agreement

June –
December
2012

- Finalization of the legislative text under the Cyprus Presidency
- Entering into force of Energy Efficiency Directive by the end of 2012

December
2013

- Implementation of the new Directive in the MS

June 2014

- Assessment of progress towards 20% saving objective