

## THE “CLEAN ENERGY FOR ALL EUROPEANS” PACKAGE

### Briefing

On November 30 2016, the European Commission released important pieces of European energy legislation in the “Clean Energy for All Europeans” package. The package covers energy efficiency, renewable energy, the electricity market, consumers and governance rules for the Energy Union.

This paper analyses the elements in the European Commission’s package related to achieving this vision and highlights missing elements which need to be addressed through the legislative negotiations with the European Council and Parliament. It builds on the BPIE briefing “9 Ways To Make The Energy Performance Of Buildings Directive More Effective” [1].

This package is a once-in-a-decade opportunity to propel the EU towards a future-proofed, efficient and sustainable building-stock. The package should enable citizens, owners and tenants to take the right decisions for the buildings they live and work in, create more transparency about energy performance of buildings and related indicators such as comfort and well-being, and provide access to fair and effective financing.

Europe’s vision should be to have a decarbonised building stock comprised of healthy, comfortable, affordable, sustainable buildings with a very low intrinsic energy need, supplied by renewable energy sources, and intelligently integrated into a decarbonised, flexible energy system.

Overall, while there are some interesting new elements in the package, such as the introduction of a smartness indicator provisions to protect vulnerable consumers and measures to leverage financing, the proposals fail to trigger more and deeper renovation activities. Triggering renovation activities requires striking a balance between creating tools which stimulate the buildings’ efficiency market and defining mandatory requirements for better energy performance of public and commercial buildings. This means developing tools such as individualised renovation roadmaps for buildings to better inform and encourage building owners on how to invest in their buildings, and expanding existing legislation to require not only renovation of central government buildings but all public buildings.

The role of buildings in the transition to a sustainable and secure energy system must be recognised and supported across all of the legislation in the package, not only the Energy Performance of Buildings Directive (EPBD) and the Energy Efficiency Directive (EED) but also the Directive for the promotion of renewable energy (RED) and the package of legislation related to the electricity market and consumers.

The following table summarises the content of the proposals and what we consider missing to achieve key aims.

[1] BPIE, “9 Ways To Make The Energy Performance Of Buildings Directive More Effective,” 2016. [Online]. Available: [http://bpie.eu/wp-content/uploads/2016/08/EPBD-paper\\_Eng.pdf](http://bpie.eu/wp-content/uploads/2016/08/EPBD-paper_Eng.pdf)

## IN THE PROPOSAL

## MISSING ELEMENTS

<p><b>PROVIDING A LONG-TERM VISION</b></p>	<p>Continuation of national renovation strategies to deliver long-term 2050 goal with specific milestones for 2030 (EPBD).</p> <p>National renovation strategies now in EPBD (EED/EPBD).</p>	<p>A concrete <b>EU vision for buildings in 2050</b> (EPBD).</p> <p>Clear <b>guidance</b> on the content and development of national renovation strategies (including a suite of policies, investment mobilisation, and a breakdown of the building stock) (EPBD).</p> <p>Clear methodology on <b>measuring progress</b> in implementing renovation strategies (EPBD).</p>
<p><b>STIMULATING DEEP RENOVATION</b></p>	<p>Continuation of national renovation strategies beyond 2020 (EPBD).</p> <p>Continuation of requirement to renovate 3% of central government buildings every year (EED).</p>	<p><b>Long-term renovation targets</b> in line with the ambition for all new buildings to be nearly zero energy (EPBD).</p> <p><b>Minimum energy performance levels</b> for commercial and public buildings and <b>requirements to renovate</b> to meet these levels (EPBD).</p> <p><b>“Trigger points”</b> to capitalise on renovation opportunities (EPBD).</p> <p>Energy Performance Certificates tailored to advise owners on how to properly plan, finance and implement deep renovation, becoming <b>individual building renovation passports</b> (EPBD).</p> <p>Extension of the requirement to renovate central government buildings to cover <b>all public buildings</b> (EPBD).</p>
<p><b>ENSURING FUTURE-PROOF BUILDINGS</b></p>	<p>Smartness indicator (EPBD).</p> <p>Electromobility infrastructure requirements (EPBD).</p> <p>Building automation and energy monitoring system requirements as an alternative to inspections (EPBD).</p> <p>Definition of Demand Response (Internal Market in Electricity Directive).</p> <p>Requirements to allow consumers to participate in Demand Response (Internal Market in Electricity Directive).</p> <p>Rights for prosumers and communities to supply and use their own electricity (RED).</p>	<p><b>Energy efficiency first</b> within the smartness indicator (EPBD).</p> <p>Efficiency first approach across all legislation (EPBD) (EED) (Internal Market in Electricity Directive) (RED) (Governance).</p> <p>Clear recognition of the <b>role of buildings</b> in the electricity market legislation (Internal Market in Electricity Directive).</p> <p>Reflection of smart buildings in the definition of nearly Zero-Energy Buildings (EPBD).</p> <p>Provisions related to the promotion and use of <b>energy storage</b> (EPBD).</p>
<p><b>PROTECTING VULNERABLE CONSUMERS</b></p>	<p>Energy poverty measures to be included in national renovation strategies (EPBD).</p> <p>Provisions for the protection of vulnerable customers from price increase (Internal Market in Electricity Directive).</p>	<p>Dedicated and tailored policies promoting <b>deep renovation</b> of homes as a long-term solution to alleviate fuel poverty and protect vulnerable customers (EPBD).</p>
<p><b>FINANCING ENERGY PERFORMANCE IMPROVEMENTS</b></p>	<p>National mechanisms (project aggregation, de-risking, leveraging private investment, and addressing market barriers) to support investment to be included in national renovation strategies (EPBD).</p> <p>Linking financial incentives to EPCs (EPBD).</p> <p>Support for more efficient use of public funding, through developing financing models, platforms and templates (Accelerating clean energy in buildings Communication).</p> <p>Increased assistance for project development and aggregation (Accelerating clean energy in buildings Communication).</p> <p>Support to improve the understanding of the risks and benefits of energy efficiency investments, through launching the De-risking Energy Efficiency Platform (DEEP) (Accelerating clean energy in buildings Communication).</p>	<p>Long-term energy efficiency <b>financing framework</b> to meet the 2030 objectives facilitating public and private financing and including a suite of instruments (eg. standardised procedures, tailored energy efficiency loans, credit enhancement and energy performance contracting) (EPBD).</p> <p>Inclusion of the <b>timeline of measures</b> under the Accelerating clean energy in buildings Communication (EPBD).</p>

	IN THE PROPOSAL	MISSING ELEMENTS
<b>COLLECTING DATA</b>	<p>Contents list for Energy Performance Certificates (EPC) (EPBD).</p> <p>National databases to collect EPC information (EPBD).</p> <p>Aggregated anonymised data to be made available on request to public authorities (EPBD).</p> <p>Requirements to collect energy consumption data for public buildings (EPBD).</p> <p>Numeric indicator of primary energy use in kWh/(m<sup>2</sup>.y) (EPBD).</p>	<p>Creation of a publically available <b>EU database</b> to collate anonymised national data (EPBD).</p>
<b>REFORMING THE COST-OPTIMAL METHODOLOGY</b>	<p>Link between minimum renewable energy requirements and cost-optimal calculations (RED).</p>	<p>Inclusion of the <b>multiple benefits</b> in cost—optimal calculations (EPBD).</p> <p>Lower acceptable deviation from the cost-optimal approach (EPBD).</p> <p>Clarity on the link between minimum renewable energy requirements and cost-optimal calculations, and ensuring demand is reduced first, in line with the <b>energy efficiency first</b> approach (EPBD).</p>
<b>ENSURING QUALITY</b>	<p>“Blueprint for Sectoral Cooperation on Skills” in the construction sector (<i>Accelerating clean energy in buildings Communication</i>).</p>	<p>Harmonised <b>EU requirements</b> for qualified experts and certifiers (EPBD).</p> <p><b>Quality checks</b> of EPCs (EPBD).</p>
<b>ALIGNING ENERGY EFFICIENCY AND RENEWABLE ENERGY OBJECTIVES</b>	<p>Requirements to assess national potentials of renewable energy sources and the use of waste heat and cold for heating and cooling (RED).</p> <p>Member States to endeavour to increase the renewable energy in their total energy sales for heating and cooling by 1% per year (RED).</p> <p>Allowing installations of renewable energy in buildings to count towards up to 25% of final energy savings targets (EED).</p> <p>Allowing savings from renovation of existing buildings to meet EU standards to count towards final energy savings targets (EED).</p>	<p><b>Integrated planning</b> for increasing the share of renewable energy in heating and cooling supply to be aligned with objective to increase energy efficiency on the demand side (RED) (EED) (Governance).</p> <p>Clarity that energy savings from measures to reach standards for new and existing buildings can only count towards energy savings targets if they <b>go beyond EU standards</b> (EPBD).</p>
<b>INTEGRATED PLANNING AND REPORTING</b>	<p>National renovation strategies to be submitted as part of Integrated National Energy and Climate Plans (<i>Governance</i>).</p>	<p>Requirements to <b>regularly update</b> national renovation strategies (<i>Governance</i>) (EPBD).</p>



The Buildings Performance Institute Europe is a European not-for-profit think-tank with a focus on independent analysis and knowledge dissemination, supporting evidence-based policy making in the field of energy performance in buildings. It delivers policy analysis, policy advice and implementation support.