8 February 2022

EU Green Deal – 'Fit for 55' package

Recast of Directive (EU) 2012/27 on energy efficiency

Introduction

The German electrical and digital industry association (ZVEI) strongly supports the increased level of ambition in the Commission proposal to revise and recast the current Energy Efficiency Directive (EED). In view of a more ambitious climate target, energy efficiency must be reinforced as a strategic pillar of Europe's energy and climate framework for a carbon neutral future. Considering the great influence of economic developments such as the European debt crisis and Covid-19 pandemic on energy consumption and meeting of the 2020 headline target, it is necessary to raise not only the overall Union target but also energy efficiency policy measures. Hence, ZVEI calls for more ambitious energy saving targets for Member States (MS) of up to 2.5% p.a. This will increase pressure to facilitate the electrification of our energy systems, which is the key to unlock considerable energy savings at both primary and final energy consumption, ultimately helping to decarbonise our societies.

Let us work together to achieve climate neutrality by 2050 – this document provides an overview of key ZVEI recommendations for a revision of the Energy Efficiency Directive:

Article 3: Energy efficiency first principle

- ✓ We support the introduction of the energy efficiency first principle into Union law. Further discussion and clarification on how to apply and strengthen such a provision at national level would be welcomed.

Article 5: Public sector leading on energy efficiency

- ✓ We strongly support public bodies leading by example by complying with dedicated energy saving targets. Specific recommendations can be found below, under Article 6.

Article 6: Exemplary role of public bodies' buildings

- ✓ We are in favour of increasing the renovation rate of public buildings to 3% ("nearly zero-energy buildings"). However, there are several practical obstacles to this goal, such as the lack of skilled workers and material shortages, which make it difficult to carry out extensive renovation work. This requires a detailed plan to achieve this goal.
- ✓ Extending the goal, to cover not only government-owned buildings, but all buildings in the public sector, is an important step. In addition, the renovation rates should be extended to private buildings in the service sector (i.e. tertiary sector buildings). These are comparably easier to renovate due to more frequent changes in tenancies.
- ✓ Moreover, article 6 should provide either one of the following two options on how to achieve the energy saving targets in the building sector: 1) an obligation to carry out certain renovation measures, as defined in a renovation roadmap or 2) set milestones for lowering the final energy use.

ZVEI e. V. • Charlottenstraße 35/36 • 10117 Berlin
Themenplattform Energie / Smart Building
Telefon: +49 30 306960 15 • Fax: • E-Mail: Christopher.Mueller@zvei.org • www.zvei.org

Präsident: Dr. Gunther Kegel • Vorsitzender der Geschäftsführung: Dr. Wolfgang Weber

Article 7: Public procurement

- ✓ Public procurement requirements should be extended in scope and strengthened by introducing the energy efficiency first principle.

Article 8: Energy savings obligations

- ✓ We call for more ambitious energy saving targets at MS level for the period of 1 January 2024 to 31 December 2030 of up to 2.5% p.a. This will increase pressure to facilitate the electrification of our energy systems, which is the key to unlock considerable energy savings at both primary and final energy consumption, helping to decarbonise our societies.
- ✓ Furthermore, the sunset clause in Article 8.8(f) granting the possibility for Member States to exclude from the savings obligation the renewable-based energy generated in buildings for own use should be removed in order to further incentivise a decentralised, consumer-centric energy system.

Article 9: Energy efficiency obligation schemes

- ✓ Transmission system operators & distribution system operators should be within the scope of such a target. In this regard, MS should devise accounting structures that allow for the counting of energy savings from peak shaving due to pricing signals, i.e. flexibility markets. This will provide incentives for investments in the much-needed digitisation of electricity grids and consumers via the installation of smart meters.
- ✓ We call for the introduction of harmonised 'smart grid readiness indicators' in the renewable energy directive (EU/2018/2001). These should create transparency with regard to the state of digitalisation of the existing infrastructure (i.e. the grid) and allow for more targeted investments. Energy savings through optimised grid performance should be reflected in a common methodology for a "Smart Grid Indicator".

Article 11: Energy management systems and energy audits

- ✓ The wide use of energy management systems and energy audits should be incentivised by MS, for example through targeted financial support of investments in energy efficiency measures.

(NEW) Article 12a) Smart metering for electricity

- ✓ To accelerate the urgently needed digitisation of the energy system, the rollout of smart electricity meters and their interoperability with energy management systems and services should be facilitated. MS should be encouraged to undertake reforms that will result in a positive cost-benefit analysis of a smart-meter rollout, thereby strengthening the related provisions of Directive (EU) 2019/944 on common rules for the internal market for electricity.