



European
Commission

Energy provider obligations under the proposed Energy Efficiency Directive

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PEPDEE workshop,



- 1.5% savings could lead to 108-118 Mtoe primary energy consumption reduction in 2020
=> it is crucial for reacting the 20% target
- Energy efficiency obligation schemes proposed
=> working in five EU MS and many US states, modeling results positive
- Commission's proposal sets only the framework
=> national/local circumstances can be met
- Still to allow different national measures
=> alternative approaches possible but shall achieve equal savings

GOALS

20% saving in primary energy consumption in 2020, compared to projections

(on track for only 10%)

Continuing savings post-2020 to contribute to decarbonisation of the energy system by 2050

TOOLS

Product requirements (ecodesign, energy labelling) – programme of measures, delivering results

Building requirements (minimum energy performance for renovations; moving towards nearly zero energy standard for new buildings) – delivering results but does not accelerate renovation

Limited financial support through EU budgets (especially structural and cohesion funds – also Intelligent Energy Europe, European Energy Efficiency Fund, RTD)

TOOLS (continued)

Legislation on energy services and CHP – not delivering enough

→ new ENERGY EFFICIENCY DIRECTIVE to fill the gap

ENERGY EFFICIENCY OBLIGATIONS IN THE NEW DIRECTIVE:

Member States must introduce an energy efficiency obligation or a demand-side scheme that delivers equivalent savings

Expected to do half the work to fill the gap to the 20% objective for 2020

Currently under discussion in Council and Parliament

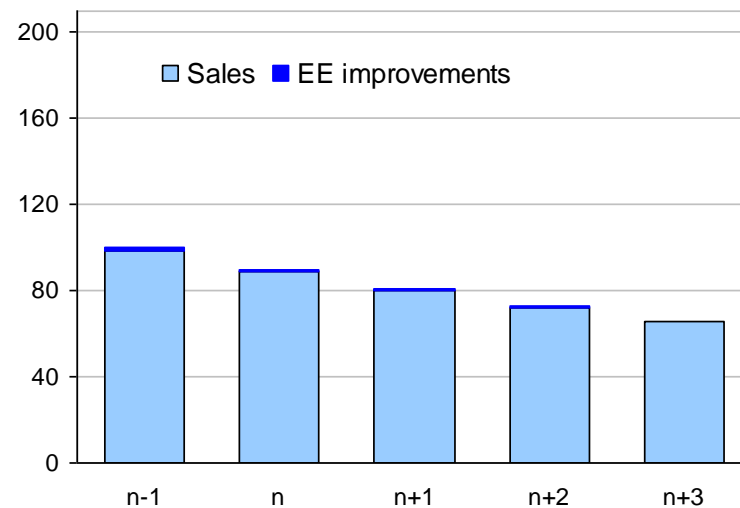
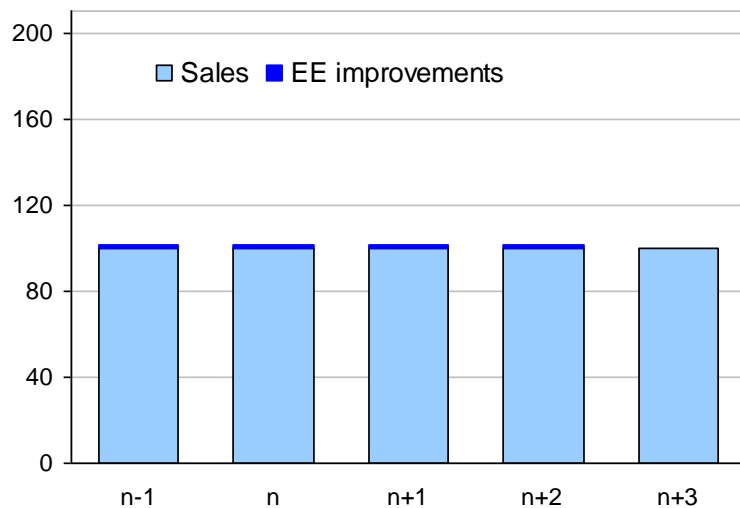
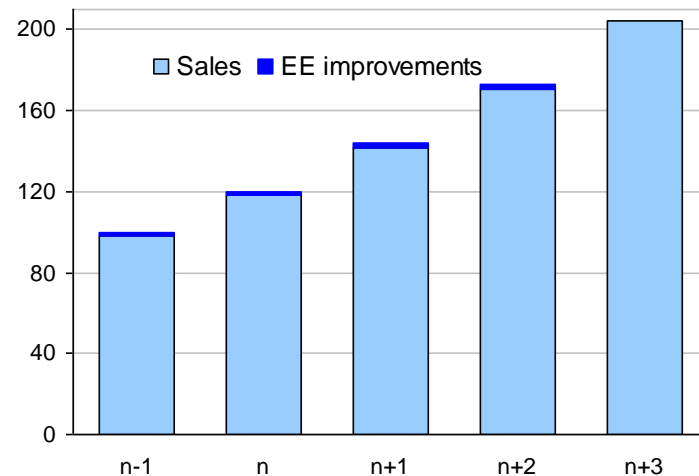
- Member States **shall**:
 - place the obligation on either all energy distributors or all retail energy sales companies operating on their territory - Art. 6 (1)
 - ensure that 1.5% is met by the obliged parties and that savings are achieved among final consumers - Art. 6 (1)
 - ensure that savings are calculated in certain ways - Art. 6 (4) Annex V(2)
 - put in place control systems - Art. 6 (4)
 - account short-term savings only to 10% of the target Art. 6 (3)
 - ensure transparency and open and competitive markets - Art. 6 (6)&(7)
 - promote ESCO offers through public lists, registers, model contract and information (Art. 14)

- Member States may:
 - include requirements with social aim - Art. 6 (5a)
 - allow third parties to realise the savings - Art. 6 (5b)
 - allow that savings are counted over 5-year rolling period - Art. 6 (5c)
 - exclude small utilities - Art. 6(8)

LEVEL OF AMBITION: 1.5% is not a consumption cap



MS shall ensure that obliged parties achieve annual energy savings equal to 1.5% of their energy sales, by volume, in the previous year (excluding energy used in transport)



COSTS OF THE SCHEMES (BUCHAREST FORUM WG RESULTS:



EOs in the EU (2008))

Country	Nature of saving target	Current size of target	Estimated annual spend by companies €M & {€/head}
<i>Belgium – Flanders</i>	<i>1st year primary energy</i>	<i>0.6 TWh annual</i>	<i>26 {4}</i>
<i>France</i>	<i>lifetime delivered energy</i>	<i>54 TWh over 3 years</i>	<i>180 {3}</i>
<i>Italy</i>	<i>cumulative 5 year primary energy</i>	<i>2.2 Mtoe in 2008</i>	<i>190 {3}</i>
<i>GB</i>	<i>lifetime delivered CO2</i>	<i>185 MtCO2 in 3 years to 2011</i>	<i>900 {15}</i>
<i>Denmark</i>	<i>1st year delivered energy</i>	<i>0.82 TWh annual</i>	<i>25 {5}</i>

IA results for the EEO schemes option

- GDP increase of €69-80 bn
- Real households income increase of €16.7-28.7 bn
- Investments increase of €15 bn
- Employment increase of 438-754 000

Thank you!

For further information on energy efficiency please consult our website:

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