

EUROPEAN FEDERATION OF INTELLIGENT ENERGY EFFICIENCY SERVICES

13 April 2016, Brussels

<u>EFIEES' response to the public consultation on streamlining of planning and reporting</u> <u>obligations as part of the Energy Union governance</u>

On the occasion of the public consultation on Streamlining of planning and reporting obligations as part of the Energy Union governance, EFIEES would like to draw attention to the following principles that should guide the Energy Union's governance:

1. Statistics and data - the basis for adequate planning and reporting

Adequate information and data are an essential precondition for a high-quality planning and reporting system. It is therefore crucial to improve statistics on heat, as currently the national data on heat production and consumption remain insufficient (e.g. cogenerated heat, hot water). Planning and reporting on energy efficiency should be done on the basis of primary energy, which reflects energy consumption/performance along the entire energy chain (generation, transmission, distribution and consumption). As preparation of aggregated or consolidated data takes some time (up to 2 years or more), the use of indicators showing trends could be helpful. They are easier to build, such as the ones for EurObser'ER measuring the progress made by renewable energies in each sector, and can be interesting tools, for reporting as well as for planning, in markets where investment cycles are getting shorter.

2. Separate treatment of heat and electricity

Planning and reporting should be carried out separately for heat and electricity, as issues for heat are very different than the ones relevant for electricity.

3. Appropriate level of planning and reporting

Planning must be made at the appropriate level. Regarding the heat sector, the local level is the right one. Article 14, EED created the first basis for this and must be strengthened. In case planning and reporting on climate an energy policies was to be streamlined, the right level of detail should be kept in each chapter (energy efficiency, reduction of GHG emissions, renewable energy sources).

4. Harmonised and binding templates

For operators, effective implementation of legislation and economic visibility are crucial. In this regard, the use of common formats by MS would be recommended. Binding templates would facilitate planning and reporting and make them more transparent and comparable between MS (example: Art. 7, Energy Efficiency Directive). Such templates should be combined with guidance, a correction mechanism and possible penalties for non-compliance.

5. "Energy Efficiency First" based on cost-effectiveness

Regarding energy efficiency, planning should focus on prioritising possible energy efficiency actions based on economic and financial performance and undertaking energy efficiency actions first, as prerequisite for renewable energy projects, which will contribute to more affordable energy transition. Energy efficiency is a precondition for all dimensions of the Energy Union including security of supply, transition to renewable energy sources, reduction of GHG emissions and even planning of infrastructure, which should be well reflected in the Energy Union's governance system.

EFIEES represents private companies ensuring an overall management of energy demand to end-user (Energy Efficiency Service Companies, EESCs). These companies provide operational maintenance and management of equipment of their industrial, tertiary and residential customers (collective or individual), public and private, particularly sporting facilities, schools, and hospitals as well as District Heating Networks.