

## EFIEES' Position on EED trilogue discussions

**EFIEES** is the voice of private energy service companies (ESCOs) and their national associations in 10 EU Member States. Our members represent over 100.000 professionals committed to the design and implementation of energy efficiency measures in public and private buildings, industrial facilities, as well as to the efficient operation of district heating & cooling networks.

EFIEES has been closely following the development of the discussions on the revision of the Energy Efficiency Directive (EED). We believe that **this recast is a crucial opportunity to ensure a concrete implementation of the Energy Efficiency First principle (EE1st)**, already better recognised by co-legislators in the current discussions on the Fit for 55 Package. **This principle must now materialise in the revised directives through concrete measures**, and this especially in the EED recast. Thus, looking at the current trilogue discussions, we want to highlight three key elements to keep in mind when revising the EED:

### 1) Primary energy consumption is key to consider energy efficiency across the whole value chain (Article 4)

With REPower EU, the Commission has proposed to set a binding EU wide target of at least + 13 % in 2030 (compared to the projections of the 2020 Reference Scenario). While the Parliament proposes even more ambitious targets, the Council, on its side, proposes to have a **non-binding primary energy consumption target** alongside the final energy consumption target. Moreover, while the Commission also wants to introduce non-binding national contributions for both primary and final energy consumption, the **Council proposes to have national energy efficiency contributions based on final energy consumption only**.

Yet, **primary energy consumption is key to fully reflect energy performance across the whole energy chain**, and allows to **identify energy losses, as well as optimal solutions, in particular on the heating market**. Besides, it **ensures full comparability of all available solutions**, both electric and thermal in a time when all available and efficient solutions are needed to support the energy transition. Thus, **keeping primary energy consumption targets, alongside final energy consumption ones, is essential for the full implementation of the Energy Efficiency First principle within the EED revision**.

### 2) Energy savings achieved through ETS measures must be counted towards the EED Article 8 targets

In its proposal to revise the EED, the Commission wants to differentiate between energy savings achieved to fulfil the energy savings obligation in the EED's article 8 and energy savings stemming from the new separate ETS provisions covering the building sector.

Indeed, the complexity of allocating effective savings with the related cost and uncertainties to specific policies should be avoided, even more so as the building sector will remain covered by the Effort Sharing Regulation, ensuring the unicity in of accounting. Besides, this effort to avoid double-counting could be detrimental to already existing national schemes (such as "white certificates" or other EEOs schemes) successfully introduced to implement EED's Article 8 requirements. Thus, **we support the**

**Council's position on that point and recommend lifting this requirement to avoid unnecessary, complexities and negative side-effects including administrative burden.** Disadvantaging already existing and well-functioning energy saving schemes would indeed go against the spirit of EED recast, supposed to follow the Energy Efficiency First principle.

### **3) Energy management solutions are essential to support the energy transition**

In its proposal to recast the EED, **the Commission already better acknowledges the important role of energy management solutions such as Energy Performance Contracting (EnPC), as key instruments allowing to target both energy and CO2 performance/savings,** and this especially within the Article 27 on Energy services.

Yet, the Parliament goes even further in some of its amendments. We would notably like to reiterate our support to its proposal for article 6 saying that *“Where public bodies occupy a building that they do not own, they shall [...] encourage the building owner to renovate the building to a NZEB in accordance **or implement an energy management system or EnPC to maintain and improve the energy performance over time**”*. **Supporting the uptake of energy management solutions, through effective measures and explicit references across the revised EED, indeed allows to concretely materialise the Energy Efficiency First principle within the law.**