

# ENERGY EFFICIENCY PLAN 2011-12

By European Council

On March 8, 2011 the Commission published its long awaited Energy Efficiency Plan -COM (2011) -109 final

An action plan has been in the preparation stage since the autumn of 2009 when an earlier draft version was withdrawn following widespread criticism of lack of ambition. The action plan was then expected in late 2010 or early 2011. Now the Action Plan has transformed into a Plan. The 2011 Plan is intended to replace the Action Plan from 2006.

The Plan is designed to contribute towards the European Union meeting its indicative energy savings target of 20% by 2020. Commission estimates that the EU is on course to achieve only half of the objective. The Plan puts forward proposals to close that gap.

The Plan is not just for demand-side energy efficiency but also considers the generation of heat and electricity as well as electricity and gas networks.

## Some highlights

**Targets:** It proposes a two step approach to target setting: first allow MS to set their own indicative targets via the Europe 2020 National Reform Programme process. The Commission will review progress in 2013 and propose binding targets for all MSs if it appears the 20% target will not be achieved.

## Public Sector

The Plan proposes the Public Sector to set an example, since it owns or occupies 12% by area of the entire EU building stock. It wants the renovation rate to be doubled to at least 3 % per year and the refurbishment should bring buildings up to the level of the best 10% of the national building stock. The Commission is also proposing energy efficiency standards to be incorporated more fully into public procurement.

## Buildings

The Commission calls for Energy Service Companies (ESCOs) to play a more important role in both the private and public sectors. There will be legislative proposals to increase their role. This is the second time the Commission has had legislation to promote energy performance contracting. The first time was in 1993. It is however unclear how the role of ESCOs, acting in competitive markets, can be strengthened with further legislation.

The Plan also supports improving training for architects, engineers, auditors and others because energy efficient building solutions are often technically demanding.

## Energy Supply Obligations

All MSs will be required to establish some form of energy savings obligations (also known as White Certificates in some MSs) on energy supply companies, appropriate for national circumstances.

## Co-generation – Efficient generation of heat and electricity

The Commission will consider requiring new and existing installations meet best available technology (BAT); greater promotion of combined heat and power (CHP) including priority grid access; grid regulators should take into account energy efficiency, including prioritising energy efficiency in regulations, tariffs and codes.

## Industry

The Plan stresses that obstacles to investment are most acute for small and medium sized enterprises and the Plan encourages MS to undertake specific initiatives. The Commission will propose that regular energy audits be made mandatory for large companies. Furthermore, it will investigate whether Ecodesign requirements would be suitable for standard industrial equipment.

The Plan also goes into financing issues, promoting smart meters and smart grids, expanding the National Energy Efficiency Action Plans to cover the entire energy chain and not just energy demand. Furthermore it states that the existing Energy Services and Combined Heat and Power Directories will be revised.

## Relation to EU legislation and policies

The EEP 2011 is not a legislative proposal in itself. It relates to a number of other EU Directives and Commission initiatives such as the Energy Services Directive (up for recast in 2011/12), the Energy Performance of Buildings Directive (EPBD) and the ecodesign and labelling Directives.

The same day as the EEP 2011 was published, the Commission also presented a roadmap to a low-carbon economy where a 25% carbon reduction was proposed for 2020. Together with the White Paper on Transport and the Energy Efficiency Plan, the roadmap is a key deliverable under the Resource Efficiency Flagship. The Roadmap presents possible action up to 2050, which could enable the EU to deliver greenhouse gas reductions in line with the agreed 80 to 95% target. (See Connie Hedegaard wins battle for 25% carbon emissions cut.)

[www.eceee.org](http://www.eceee.org)