REPORT


Committee on Industry, Research and Energy

Rapporteur: Miroslav Poche
Symbols for procedures

- Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in **bold italics** in the left-hand column. Replacements are indicated in **bold italics** in both columns. New text is indicated in **bold italics** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in **bold italics**. Deletions are indicated using either the ▌ symbol or strikeout. Replacements are indicated by highlighting the new text in **bold italics** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION</td>
<td>5</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY</td>
<td>72</td>
</tr>
<tr>
<td>PROCEDURE – COMMITTEE RESPONSIBLE</td>
<td>121</td>
</tr>
<tr>
<td>FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE</td>
<td>122</td>
</tr>
</tbody>
</table>
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

(COM(2016)0761 – C8-0498/2016 – 2016/0376(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2016)0761),

– having regard to Article 294(2) and Article 194(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0498/2016),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to Protocol No 1 of the Treaty on the Functioning of the European Union on the role of national parliaments in the European Union,

– having regard to Protocol No 2 of the Treaty on the Functioning of the European Union on the application of the principles of subsidiarity and proportionality,

– having regard to the opinion of the European Economic and Social Committee of 26 April 2017¹,

– having regard to the opinion of the European Committee of the Regions of 13 July 2017²,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Industry, Research and Energy and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0391/2017),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a directive
Recital 1

(1) Moderation of energy demand is one of the five dimensions of the Energy Union Strategy adopted on 25 February 2015. Improving energy efficiency will benefit the environment, reduce greenhouse gas emissions, improve energy security by reducing dependence on energy imports from outside the Union, cut energy costs for households and companies, help alleviate energy poverty and lead to increased jobs and economy-wide economic activity. This is in line with the Union commitments made in the framework of the Energy Union and global climate agenda established by the Paris Agreement of December 2015 by the Parties of the United Nation Framework Convention on Climate Change.

Amendment

(1) Moderation of energy demand is one of the five dimensions of the Energy Union Strategy adopted on 25 February 2015. Improving energy efficiency throughout the full energy chain, including energy generation, transmission, distribution and end-use, will benefit the environment, improve air quality and public health, reduce greenhouse gas emissions, improve energy security by reducing dependence on energy imports from outside the Union, cut energy costs for households and companies, help alleviate energy poverty and lead to increased competitiveness, jobs and economy-wide economic activity thus improving the quality of life of citizens. This is in line with the Union commitments made in the framework of the Energy Union and global climate agenda established by the Conference of the Parties of the United Nation Framework Convention on Climate Change (COP21) held in Paris in December 2015 (‘the Paris Agreement’), which states that the increase in the global average temperature should be held well below 2°C above pre-industrial levels, and that efforts to limit the temperature increase to 1.5°C should be pursued.

Amendment 2

Proposal for a directive

Recital 2

Text proposed by the Commission

(2) Directive 2012/27/EU of the European Parliament and of the Council is an element to progress towards the Energy Union, under which energy efficiency should be treated as an energy source in its own right. The 'energy efficiency first' principle should be taken into account

Amendment

(2) Directive 2012/27/EU of the European Parliament and of the Council is an element to progress towards the Energy Union, under which energy efficiency should be treated as an energy source in its own right. The 'energy efficiency first' principle should be taken into account
when setting new rules for the supply side and other policy areas. The Commission should **ensure that** energy efficiency and demand side response **can compete on equal terms with** generation capacity. Energy efficiency needs to be considered whenever energy system **relevant** planning or financing decisions are taken. Energy efficiency **improvements** need to be realised whenever it is more cost-effective than equivalent supply-side solutions. This should help to exploit the multiple benefits of energy efficiency **for** Europe's society, **in particular for citizens and** businesses.


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**Amendment**

**Proposal for a directive**

**Recital 2 a (new)**

*Text proposed by the Commission*

(2a) **All forms of primary energy (non-renewable and renewable) should take into account the additional energy input required to acquire that energy, to**
establish and operate power installations and to dismantle them, as well as to eliminate the associated threats to the environment.

Justification

This amendment replaces amendment 3 of the draft report. It aims to clarify that it concerns energy input, not human work.

Amendment 4

Proposal for a directive
Recital 2 b (new)

Text proposed by the Commission

(2b) Member State measures should be supported by well-designed and effective Union financial instruments, such as the European Structural and Investment Funds, the European Fund for Strategic Investments and the European Investment Bank, which should support energy efficiency investments at all stages of the energy chain and use a comprehensive cost-benefit analysis using a model of differentiated discount rates. Financial support should focus on cost-effective methods for increasing energy efficiency, which would lead to a reduction in energy consumption. Reaching an ambitious energy efficiency target requires barriers to be removed such as the recent clarification from Eurostat on how to record energy performance contracts in national accounts in order to make it easier to invest in energy efficiency measures.

Amendment 5

Proposal for a directive
Recital 3

Text proposed by the Commission

(3) The European Council of October 2014 set a 27 % energy efficiency target

Amendment

(3) The European Council of October 2014 supported a 27 % energy efficiency
for 2030, to be reviewed by 2020 ‘having in mind an Union level of 30 %’. In December 2015, the European Parliament called upon the Commission to also assess the viability of a 40 % energy efficiency target for the same timeframe. It is therefore appropriate to review and consequently amend the Directive to adapt it to the 2030 perspective.

Amendment 6
Proposal for a directive
Recital 4

**Text proposed by the Commission**

(4) **There are no binding targets at national level in the 2030 perspective.** The need for the Union to achieve its energy efficiency targets at EU level, expressed in primary and final energy consumption, in 2020 and 2030 should be clearly set out in the form of a binding 30 % target. This clarification at Union level should not restrict Member States as their freedom is kept to set their national contributions based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States should set their national indicative energy efficiency contributions taking into account that the Union’s 2030 energy consumption has to be no more than 1 321 Mtoe of primary energy and no more than 987 Mtoe of final energy. This means that primary energy consumption should be reduced by 23 % and final energy consumption should be reduced by 17 % in the Union compared to 2005 levels. A regular evaluation of progress towards the achievement of the Union 2030 target is necessary and is provided for in the legislative proposal on Energy Union Governance.

**Amendment**

(4) The need for the Union to achieve its energy efficiency target at EU level, expressed in primary and final energy consumption, should be clearly set out in the form of a 2030 binding 40 % target. This target at Union level should not restrict Member States as their freedom is kept to set their national targets based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States should set their national binding energy efficiency targets taking into account that the Union’s 2030 energy consumption has to be no more than 1 132 Mtoe of primary energy and no more than 849 Mtoe of final energy. This means that primary energy consumption should be reduced by 34 % and final energy consumption should be reduced by 31 % in the Union compared to 2005 levels. A regular evaluation of progress towards the achievement of the Union 2030 target is necessary and is provided for in the legislative proposal on Energy Union Governance.
Amendment 7
Proposal for a directive
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The principle of equity among Member States should be applied when determining national energy efficiency targets. Energy is an essential commodity and minimum levels of energy consumption are therefore inevitable, a fact that should be properly taken into account when setting national targets. In general, countries whose energy consumption per capita is below the Union average should be given more flexibility when setting their targets.

Amendment 8
Proposal for a directive
Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The operational efficiency of energy systems at any given moment is influenced by the ability to feed power generated from different sources - with different degrees of inertia and start-up times - into the grid smoothly and flexibly; improving that efficiency will enable better use to be made of renewable energy, such as wind power combined with gas turbines, to avoid overloading networks served by conventional large power units that have significant thermal inertia.

Amendment 9
Proposal for a directive
Recital 4 c (new)
**Amendment 10**

**Proposal for a directive**

Recital 4 d (new)

**Text proposed by the Commission**

(4c) The Commission and the Member States need to ensure that the reduction in energy consumption results from greater energy efficiency and not macro-economic circumstances.

**Amendment**

**Text proposed by the Commission**

(4d) Member States should identify cost-effective energy efficiency potentials on the basis of bottom-up calculation for each sector separately, as those are dependent on the energy mix, economy structure and pace of economic development.

**Justification**

Bottom-up simulations allow Member States for more precise calculations of savings opportunities to be achieved cost-effectively and thus to set policy recommendations accordingly.

**Amendment 11**

**Proposal for a directive**

Recital 5

**Text proposed by the Commission**

(5) The obligation on Member States to establish long-term strategies for mobilising investment in the renovation of their national building stock and notify them to the Commission should be removed from Directive 2012/27/EU and added to Directive 2010/31/EU of the European Parliament and of the Council\(^{10}\) where it fits with long term plans for nearly zero energy buildings and the

**Amendment**

(5) The obligation on Member States to establish long-term strategies for facilitating the renovation of their national building stock and notify them to the Commission should be removed from Directive 2012/27/EU and added to Directive 2010/31/EU of the European Parliament and of the Council\(^{10}\) where it fits with long term plans for nearly zero energy buildings and the decarbonisation
Decarbonisation of buildings.


Amendment 12

Proposal for a directive

Recital 6

Text proposed by the Commission

(6) In view of the climate and energy framework for 2030 the energy savings obligation should be extended beyond 2020. Extending the commitment period beyond 2020 would create greater stability for investors and thus encourage long term investments and long term energy efficiency measures, such as the renovation of buildings.

Amendment

(6) In view of the climate and energy framework for 2030, the energy savings obligation should be extended beyond 2020. Extending the commitment period beyond 2020 would create greater stability for investors and thus encourage long term investments and long term energy efficiency measures, such as the deep renovation of buildings with the long-term objective of achieving a stock of nearly zero-energy buildings (NZEBs). The energy savings obligation has been key in leading to the creation of local growth and jobs, and should be continued to ensure that the Union can achieve its energy and climate objectives by creating further opportunities and reduce dependency of energy consumption on growth. Cooperation with the private sector is important to assess on which conditions private investment for energy efficiency projects can be unlocked and to develop new revenue models for innovation in the field of energy efficiency.

Amendment 13

Proposal for a directive

Recital 6 a (new)
(6a) Energy efficiency improvements also have a positive impact on air quality, as more energy efficient buildings reduce the demand in heating fuels, especially also solid heating fuels. Energy efficiency measures therefore contribute to improving indoor and outdoor air quality and help achieving, in a cost effective manner, the objectives of Union’s air quality policy, as established in particular by Directive (EU) 2016/2284 of the European Parliament and of the Council\(^1a\). The reduction of energy demand in buildings should be considered an element of air quality policy, in general and especially in Member States where achieving Union’s limits on emissions of air pollutants is problematic and energy efficiency could help attain these goals.


Justification

The residential sector is responsible for important shares of pollutant emissions in Europe stemming from smoke caused by burning solid fuels used for heating. These pollutants increase mortality, morbidity and hospitalisation, especially as measured emission values often go well beyond the limits established by the EU air quality legislation.

Amendment 14

Proposal for a directive

Recital 7
Text proposed by the Commission

(7) Member States are required to achieve a cumulative end-use savings requirement for the entire obligation period, equivalent to 'new' savings of 1.5% of annual energy sales. This requirement could be met by new policy measures that are adopted during the new obligation period from 1 January 2021 to 31 December 2030 or by new individual actions as a result of policy measures adopted during or before the previous period, but in respect of which the individual actions that trigger energy savings are actually introduced during the new period.

Proposal for a directive

Recital 9

Text proposed by the Commission

(9) New savings should be additional to business as usual, so that savings that would have occurred in any event may not be claimed. In order to calculate the impact of measures introduced only net savings, measured as the change of energy consumption that is directly attributable to the energy efficiency measure in question, may be counted. To calculate net savings Member States should establish a baseline scenario of how the situation would evolve in the absence of the policy in question. The policy intervention should be evaluated against this defined baseline. Member States should take into account that other policy interventions may be undertaken in the same time frame which may also have an impact on energy savings, so that not all changes observed since the introduction of the policy intervention being evaluated can be attributed to that policy measure only.

Amendment

Amendment 15

(7) Member States are required to achieve a cumulative end-use savings requirement for the entire obligation period, equivalent to 'new' savings of at least 1.5%. This requirement could be met by energy savings that stem from policy measures provided it can be demonstrated that those measures result in individual actions that deliver verifiable energy savings after 2020. Savings in each period should build cumulatively upon the amount of savings to be achieved in the previous period(s).

(9) New energy savings should be additional to business as usual, so that savings that would have occurred in any event may not be claimed. In order to calculate the impact of measures introduced only net savings, measured as the change of energy consumption that is directly attributable to the energy efficiency measure in question, may be counted. To calculate net savings Member States should establish a baseline scenario of how the situation would evolve in the absence of the policy in question. The policy intervention should be evaluated against this defined baseline. Member States should take into account that other policy interventions may be undertaken in the same time frame which may also have an impact on energy savings, so that not all changes observed since the introduction of the policy intervention being evaluated can be attributed to that policy measure only.
actions of the obligated, participating or entrusted party should actually contribute to the achievement of the savings claimed to ensure the fulfilment of the materiality requirement.

Amendment 16
Proposal for a directive
Recital 9 a (new)

Text proposed by the Commission

(9a) It is important to include all energy chain steps into the counting of savings in order to increase the energy savings potential in transmission and distribution of electricity.

Amendment 17
Proposal for a directive
Recital 10

Text proposed by the Commission

(10) Energy savings which result from the implementation of Union legislation may not be claimed unless the measure in question goes beyond the minimum required by the Union legislation in question, whether by setting more ambitious energy efficiency requirements at national level or increasing the take up of the measure. Recognising that renovation of buildings is an essential and long term element in increasing energy savings, it is necessary to clarify that all energy savings stemming from measures promoting the renovation of existing buildings can be claimed if they are additional to developments that would have happened in the absence of the policy measure and if the Member State demonstrates that the obligated, participating or entrusted party has actually contributed to the achievement of the
savings claimed from the measure in question. obrigated, participating or entrusted party has actually contributed to the achievement of the savings claimed from the measure in question.

Amendment 18
Proposal for a directive
Recital 10 a (new)

Text proposed by the Commission

(10a) The effective management of water can make a significant contribution to energy savings. The water and wastewater sector account for 3.5% of electricity use in the Union. Moreover, water demand is expected to increase by 25% by 2040, mainly in urban areas. At the same time, water leaks account for 24% of the total amount of water consumed in the Union, resulting in energy and water losses. All measures aimed at more effective water management and a reduction in water use therefore have the potential to make a significant contribution to the Union's energy efficiency objective.


Amendment 19
Proposal for a directive
Recital 10 b (new)

Text proposed by the Commission

(10b) This review includes provisions related to the treatment of energy efficiency as an infrastructure priority, recognising that it fulfils the definition of
infrastructure used by the IMF and other economic institutions, and makes it a crucial element and a priority consideration in future investment decisions on the Union's energy infrastructure\textsuperscript{1a}.

\textsuperscript{1a} Wording from the European Parliament report of 2 June 2016 on the implementation of the Energy Efficiency Directive (2012/27/EU)-(2015/2232(INI))

**Amendment 20**

Proposal for a directive
Recital 10 c (new)

\textit{Text proposed by the Commission} \hspace{1cm} \textit{Amendment}

\textsuperscript{(10c)} The energy sector is the largest consumer of water in the Union, accounting for 44\% of water consumption\textsuperscript{1a}. The use of smart technologies and processes for the efficient management of water has the potential to generate significant energy savings while enhancing the competitiveness of enterprises.

\textsuperscript{1a} Commission staff working document, Agriculture and sustainable water management in the EU, 28 April 2017

**Amendment 21**

Proposal for a directive
Recital 10 d (new)

\textit{Text proposed by the Commission} \hspace{1cm} \textit{Amendment}

\textsuperscript{(10d)} The water and wastewater sector can also contribute to the production of renewable energy and the reduction of fossil energy supply. For instance, the recovery of energy from sludge produced
through the treatment of wastewater, makes it possible to produce energy on site.

Amendment 22
Proposal for a directive
Recital 12

Text proposed by the Commission

(12) Improvements to the energy efficiency of buildings should benefit in particular consumers affected by energy poverty. Member States can already require obligated parties to include social aims in energy saving measures, in relation to energy poverty, and this possibility should now be extended to alternative measures and transformed into an obligation while leaving full flexibility to Member States with regard to the size, scope and content of such measures. In line with Article 9 of the Treaty, the Union's energy efficiency policies should be inclusive and therefore also ensure accessibility of energy efficiency measures for energy poor consumers.

Amendment

(12) Improvements to the energy efficiency of buildings should benefit all consumers and in particular low-income households, including those affected by energy poverty. Each Member State may define energy poverty and what constitutes a low-income household in accordance with its specific national circumstances. Member States can already require obligated parties to include social aims in energy saving measures, in relation to energy poverty. This possibility should now be extended to alternative measures and be transformed into an obligation while leaving full flexibility to Member States with regard to the size, scope and content of such measures. In line with Article 9 of the Treaty, the Union's energy efficiency policies should be inclusive and therefore ensure accessibility of energy efficiency measures to energy-poor, low-income consumers. To that end, Member States should quantify their objectives, accompany their schemes by adequate financial support and monitor the implementation of their measures.

Amendment 23
Proposal for a directive
Recital 12 a (new)

Text proposed by the Commission

(12a) Reacting to daytime and night-time demand for electricity is an
important instrument for improving energy efficiency, since it significantly increases energy saving opportunities for consumers by allowing them to make decisions based on information indicating the possibility of optimising energy consumption when energy is in demand, including at peak times, so as to enable better use of transmission networks and productive resources.

Justification

This amendment concerns Recital 19 of the draft report. It aims to make it clearer and it relates to the SmartGrid.

Amendment 24

Proposal for a directive
Recital 12 b (new)

Text proposed by the Commission

(12b) Low energy bills should be achieved by assisting consumers in reducing their energy use via reduction of energy needs of buildings, improvements in the efficiency of appliances, availability of low energy transport modes integrated with public transport and cycling. Improving building envelopes and reducing energy needs and uses are fundamental aspects to ameliorate health conditions of low income segments of the population.

Amendment 25

Proposal for a directive
Recital 12 c (new)

Text proposed by the Commission

(12c) It is crucial to raise awareness and provide accurate information about the benefits of increased energy efficiency and its possible implementation to all
Union citizens. Increased energy efficiency is also crucial for geopolitical position and security of the Union through lowering its dependency on import of fuels from third countries.

Amendment 26
Proposal for a directive
Recital 12 d (new)

*Text proposed by the Commission*

(12d) With around 50 million households in the Union being affected by energy poverty, energy efficiency measures must be central to any cost-effective strategy to address energy poverty and consumer vulnerability and are complementary to social security policies at the Member State level. To ensure that energy efficiency measures reduce energy poverty for tenants sustainably, the cost-effectiveness of such measures, as well as the affordability to owners and tenants should be taken into account, and adequate financial support for such measures should be guaranteed at Member State level. The Union's building stock will need to become, in the long term, NZEBs, in line with the objectives of the Paris Agreement. Present building renovation rates are insufficient and buildings occupied by low-income citizens affected by energy poverty are the hardest to reach. The measures laid down in this Regulation with regard to energy savings obligations, energy efficiency obligation schemes and alternative policy measures are therefore of particular importance.

Amendment 27
Proposal for a directive
Recital 12 e (new)
The costs and benefits of all energy efficiency measures taken, including pay-back periods, should be made fully transparent to consumers.

Amendment 28
Proposal for a directive
Recital 13

(12e) Energy generated on or in buildings from renewable energy technologies reduces the supplied fossil energy. The reduction of energy consumption and the use of energy from renewable sources in the buildings sector are important measures to reduce the Union’s energy dependency and greenhouse gas emissions, especially in view of ambitious climate and energy objectives set for 2030 as well as the global commitment made in the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP21) held in Paris in December 2015. Member States should therefore be able to take into account a certain amount of renewable energy generated on or in buildings for own use into account to satisfy their energy savings requirements. For this purpose Member States should be allowed to use calculation methodologies established under Directive 2010/31/EU.

Amendment 29
Proposal for a directive
Recital 13 a (new)
Text proposed by the Commission

(13a) The energy balance in Member States' businesses and industries can be improved, building on the principles of the circular economy, by means of the proper use of industrial waste as secondary raw materials, provided that their energy potential is higher than the potential of alternative primary raw materials.

Amendment

Justification

This amendment concerns Recital 22 of the draft report.

Amendment 30
Proposal for a directive
Recital 13 b (new)

Text proposed by the Commission

(13b) Taking advantage of new business models and technologies, Member States should endeavour to promote and facilitate the uptake of energy efficiency measures, including through innovative energy services for large and small customers.

Amendment

Amendment 31
Proposal for a directive
Recital 13 c (new)

Text proposed by the Commission

(13c) Member States should demonstrate a high degree of flexibility in the design and implementation of alternative measures for determining their national priorities for energy efficiency, including both energy efficient products and energy-efficient technological production processes; support is required for actions
focusing on targets related to the efficient use of natural resources or to the need to introduce the circular economy.

Justification

This amendment modifies amendment 23 in the draft report.

Amendment 32

Proposal for a directive

Recital 14

Text proposed by the Commission

(14) As part of the measures set out in the Commission's Communication New Deal for Energy Consumers, in the context of the Energy Union and the Heating and Cooling strategy, consumers' minimum rights to clear and timely information about their energy consumption need to be strengthened. Articles 9 to 11 and Annex VII of Directive 2012/27/EU should be amended to provide for frequent and enhanced feedback on energy consumption. It should also be clarified that rights relating to billing and billing information apply for consumers of heating, cooling or hot water supplied from a central source even where they have no direct, individual contractual relationship with an energy supplier. Therefore, for the purposes of these provisions, the term 'final user', should cover final customers purchasing heating, cooling or hot water for their own use as well as occupants of individual units of multi-apartment or multi-purpose buildings where such units are supplied from a central source. The term 'sub-metering' should refer to measuring consumption in individual units of such buildings. By 1 January 2020 newly installed heat meters and heat cost allocators should be remotely readable to ensure cost-effective, frequent provision of consumption information. The new Article 9a is intended to apply only to heating.

Amendment

(14) As part of the measures set out in the Commission's Communication New Deal for Energy Consumers, in the context of the Energy Union and the Heating and Cooling strategy, consumers' minimum rights to accurate, reliable, clear and timely information about their energy consumption need to be strengthened. Whilst individual metering should continue to be required where it is technically feasible and cost-effective in terms of being proportionate in relation to the potential energy savings, Articles 9 to 11 and Annex VII of Directive 2012/27/EU should be amended to provide for frequent and enhanced feedback on energy consumption, taking into account the availability and capabilities of measurement devices, with the aim to optimise energy use. Member States should also take into account that the successful implementation of new technologies for measuring energy consumption require enhanced investment in education and skills for both users and energy suppliers. It should also be clarified that rights relating to billing and billing or consumption information apply for consumers of heating, cooling or hot water supplied from a central source even where they have no direct, individual contractual relationship with an energy supplier. Therefore, for the
cooling and hot water supplied from a central source.

purposes of these provisions, the term 'final user', in addition to final customers purchasing heating, cooling or hot water for their own end use, should also cover occupants of individual units of multi-apartment or multi-purpose buildings where such units are supplied from a central source who have no direct or individual contract with the energy supplier. The term 'sub-metering' should refer to measuring consumption in individual units of such buildings. By 1 January 2020 newly installed heat meters and heat cost allocators should be remotely readable to ensure cost-effective, frequent provision of consumption information. The new Article 9a is intended to apply only to heating, cooling and hot water supplied from a central source.

Amendment 33
Proposal for a directive
Recital 14 a (new)

Text proposed by the Commission

(14a) Billing information and annual statements are an important means through which customers are informed. Data on consumption and costs can also convey other information that helps consumers to compare their current deal with other offers and resort to complaint management and dispute resolutions. However, considering that bill-related disputes are a very common source of consumer complaints, a factor which contributes to persistently low levels of consumer satisfaction and engagement in the energy sector, it is necessary to make bills simpler, clearer and easier to understand, while ensuring that separate instruments, such as billing information, information tools and annual statements, provide all the necessary information to enable consumers to regulate their energy consumption, compare offers and switch
suppliers.

Amendment 34
Proposal for a directive
Recital 14 b (new)

Text proposed by the Commission

(14b) Small and medium-sized enterprises (SMEs) that fall within the scope of this Directive are those that employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million, in accordance with Article 2(1) of the Annex to Commission Recommendation 2003/361/EC1a.


Justification

The concept of SMEs needs to be clarified, as various interpretations of the definition of SMEs in Article 8 of Directive 2012/27/EU exist and lead to massive administrative burden.

Amendment 35
Proposal for a directive
Recital 15 a (new)

Text proposed by the Commission

(15a) Constructing distributed energy generation units reduces transmission losses, and enables flexible adaptation to local consumers' changing energy demand. The efficiency of combined heat and power (CHP) units is 80 to 90%. CHP plants (distributed generation units) that are located close to densely populated areas and equipped with heat
accumulators make it possible to generate electricity, heat and chill in accordance with the following model:

\[ \eta = \frac{E_{el} + Q_{kog} + Q_{chłodz}}{E_p} \]

where: \( \eta \) - efficiency of conversion into final energy,
\( E_p \) - non-renewable primary energy,
\( E_{el} \) - electricity,
\( Q_{kog} \) - thermal energy from cogeneration,
\( Q_{chłodz} \) - cooling energy from cogeneration.

Justification

This amendment replaces amendment 24 of the draft report.

Amendment 36
Proposal for a directive
Recital 15 b (new)

Text proposed by the Commission

(15b) The increase in energy efficiency is a direct result of the following steps in the energy generation and conversion processes: efficient conversion of primary energy into final energy, efficient transmission of this energy to consumers in the form of electricity, heat or fuels, and its sparing use by end users; the savings effect on the consumer market should not be considered a sole objective of such effectiveness, as this effect may result from unfavourable energy prices.

Amendment 37
Proposal for a directive
Recital 16
(16) Reflecting technological progress and the growing share of renewable energy sources in the electricity generation sector, the default coefficient for savings in kWh electricity should be reviewed in order to reflect changes in the primary energy factor (PEF) for electricity. **Calculations** of the PEF for electricity are based on **annual average values**. The Physical energy content accounting method is used for nuclear electricity and heat generation and the Technical conversion efficiency method is used for electricity and heat generation from fossil fuels and biomass. For non-combustible renewable energy, the method is the direct equivalent based on the Total primary energy approach. To calculate the primary energy share for electricity in CHP the method set out in Annex II of Directive 2012/27/EU is applied. An average market position is used rather than a marginal one. Conversion efficiencies are assumed to be 100% for non-combustible renewables, 10% for geothermal power stations and 33% for nuclear power stations. Total efficiency for cogeneration is calculated based on the most recent data from Eurostat. As for system boundaries the PEF is 1 for all energy sources. **Calculations** are based on the most recent version of the PRIMES Reference Scenario. The PEF value is based on the projection for 2020. The analysis covers the EU Member States and Norway. The dataset for Norway is based on ENTSO-E data.

**Amendment 38**

Proposal for a directive
Recital 16 a (new)

(16) **Strictly limited to the objectives of this Directive and** reflecting technological progress and the growing share of renewable energy sources in the electricity generation sector, the default coefficient for savings in kWh electricity should be **carefully analysed and possibly** reviewed in order to reflect changes in the primary energy factor (PEF) for electricity, **reflecting the energy mix** of the respective Member State by way of a comparable and transparent methodology.
Taking into account that the European Council, in its conclusions of 10 June 2011 on the Energy Efficiency Plan (10709/11), underlined that buildings represent 40% of the Union's primary energy consumption, which represents 50% of the final energy, and, in order to enable economic growth and encourage employment in sectors requiring special qualifications, i.e. in the construction sector and in the sector of construction products manufacture, as well as in such professional activities as architecture and urban planning, and advisory services concerning heating and cooling technologies, the Member States should establish a long term strategy in these fields that would extend beyond 2020, by mobilising funds for investments in massive thermo-modernisation of residential and public buildings, as well as funds for the construction of NZEBs.

Justification

From the technical point of view, the potential for increasing the energy efficiency can be used in the easiest way in the housing sector.

Amendment 39

Proposal for a directive
Recital 16 b (new)

The primary energy factor (PEF) should be used as a tool to reduce the consumption of and dependency on fossil fuels and increase energy efficiency as well as the further expansion of renewable energy resources. In this regard, the default coefficient for savings in kWh electricity should be adapted when technological, economic or social developments demonstrate the need for a
lower default coefficient. The Commission should analyse, and, if appropriate present a legislative proposal to amend the default coefficient of the primary energy factor (PEF) by 2024.

Justification

Technological, social or economic developments may require an adjustment of the default coefficient. As these developments follow each other in a rapid pace, it is important for the Commission to review the default coefficient within a significant period of time.

Amendment 40

Proposal for a directive
Recital 17

Text proposed by the Commission

(17) In order to ensure that the Annexes to the Directive and the harmonised efficiency reference values referred to in Article 14(10) can be updated, it is necessary to extend the delegation of powers granted to the Commission.

Amendment

deleted

Justification

Updates should always be agreed upon with Member States and the European Parliament.

Amendment 41

Proposal for a directive
Recital 18

Text proposed by the Commission

(18) In order to be able to evaluate the effectiveness of Directive 2012/27/EU, a requirement for a general review of the Directive and a report to the European Parliament and the Council by 28 February 2024 should be introduced.

(18) In order to be able to evaluate the effectiveness of Directive 2012/27/EU, a requirement for a general review of the Directive and a report to the European Parliament and the Council by 28 February 2024 should be introduced. This date will be after the UNFCCC global stocktake in 2023 and allow any alignment to this process to take place, taking also into
Amendment 42

Proposal for a directive
Recital 19 a (new)

Text proposed by the Commission

(19a) Member States whose per capita GDP is lower than the average Union per capita GDP should be able to increase the consumption of primary energy, provided that its conversion into final energy, its further transmission and distribution, as well as useful savings on the consumer market takes into account a significant increase in energy efficiency at each stage of a technological process consisting in the flow of released primary energy stream.

Justification

The standards concerning usable energy consumption should be balanced in all Member States of the EU.

Amendment 43

Proposal for a directive
Recital 19 b (new)

Text proposed by the Commission

(19b) Local and regional authorities should be given a leading role in the development and design, execution and assessment of the measures laid down in the Directive, so they are able properly to address the specific features of their own climate, culture and society.

Justification

Parliament’s resolution of February 2016 highlighted the role of local and regional authorities in developing EU policies in fields such as climate change, energy security and
urban growth, in which energy savings and efficiency measures, and renewables, are key. The regions need to be involved at all levels so there is better coordination and interaction, especially in countries with a high degree of decentralisation and transferred powers.

Amendment 44

Proposal for a directive
Recital 19 c (new)

Text proposed by the Commission

Amendment

(19c) In view of the uneven distribution of generation capacity in the Union, overall energy efficiency can be increased by importing final energy from third countries; therefore, a need arises for Union policies that result not only in regulating the trade in primary energy, which entails, inter alia, the construction of gas and oil pipelines, but also the import of final energy in the border areas.

Justification

Importing final energy e.g. from neighbouring third countries may result in higher energy efficiency than importing energy from more distant EU areas.

Amendment 45

Proposal for a directive
Article 1 – paragraph 1 – point 1
Directive 2012/27/EU
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. This Directive establishes a common framework of measures to promote energy efficiency within the Union in order to ensure that the Union’s 2020 20% headline targets and its 2030 30% binding headline targets on energy efficiency are met and paves the way for further energy efficiency improvements beyond those dates. It lays down rules designed to remove barriers in the energy market and overcome market failures that
impede efficiency in the supply and use of energy, and provides for the establishment of indicative national energy efficiency targets and contributions for 2020 and 2030.;

further energy efficiency improvements beyond 2030, in line with the Union's long-term energy and climate goals for 2050 and the Paris Agreement. It lays down rules designed to remove barriers in the energy market and overcome market failures that impede efficiency in the supply and use of energy, and provides for the establishment of indicative national energy efficiency targets for 2020 and binding national energy efficiency targets for 2030.;

Amendment 46

Proposal for a directive
Article 1 – paragraph 1 – point 1
Directive 2012/27/EU
Article 1 – paragraph 1 a (new)

Text proposed by the Commission

1a. This Directive contributes to the implementation of the ‘energy efficiency first’ principle and ensures that energy efficiency and demand side response can compete on equal terms with generation capacity. Energy efficiency needs to be considered whenever energy system relevant planning or financing decisions are taken.

Amendment

Amendment 47

Proposal for a directive
Article 1 – paragraph 1 – point 1
Directive 2012/27/EU
Article 1 – paragraph 1 b (new)

Text proposed by the Commission

1b. To mobilise private financing for energy efficiency measures and energy renovations, the Commission shall start a dialogue with both public and private financial institutions to map out potential policy mechanisms. Given the large
potential for energy efficiency improvements in the building sector, investments in this sector shall be particularly considered, with a primary focus on residential buildings with low-income households at risk of energy poverty. In addition, to make investments in energy efficiency projects more financially interesting and feasible for investors, the Commission shall consider options on how to bundle small projects into larger ones. The Commission shall provide guidance for Member States on how to unlock private investment no later than 1 January 2019.

Amendment 48

Proposal for a directive
Article 1 – paragraph 1 – point 1 a (new)
Directive 2012/27/EU
Article 2 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

(1a) In Article 2, the following point is inserted:

‘(1a) ‘chain of energy conversions’ means a technological process that begins with the release of primary energy and its transmission to the market in the form of final energy, where it is converted by a consumer into usable energy (work);’

Justification

This amendment replaces amendment 39 of the draft report and aims to bring greater clarity.

Amendment 49

Proposal for a directive
Article 1 – paragraph 1 – point 1 b (new)
Directive 2012/27/EU
Article 2 – paragraph 1 – point 3
(3) 'final energy consumption’ means all energy supplied to industry, transport, households, services and agriculture. It excludes deliveries to the energy transformation sector and the energy industries themselves;

**Amendment**

(1b) In Article 2, point 3 is replaced by the following:

'(3) 'final energy consumption' means the consumption of electricity supplied to the consumer market, which is required by industry and transport, as well as energy supplied to households, services and agriculture; this consumption depends on the total power available for dispatching, including active and reactive power, while supplying such energy;'

**Justification**

The power available for dispatching should always exceed the demand due to its uneven consumption on the market, in order to avoid blackout. Generally, it exceeds the demand by 20 percent.

**Amendment 50**

Proposal for a directive
Article 1 – paragraph 1 – point 1 c (new)
Directive 2012/27/EU
Article 2 – paragraph 1 – point 9 a (new)

**Text proposed by the Commission**

Amendment

(1c) In Article 2, the following point is inserted:

‘(9a) “public authority building” means, for the purposes of Article 5, a building owned and occupied by the central government or any other public authority, at national, regional or local level, including those buildings which are hospitals, health care facilities, educational institutions and social housing;’

**Amendment 51**

Proposal for a directive
Article 1 – paragraph 1 – point 2
Directive 2012/27/EU
Article 3 – paragraphs 1, 2, 3

Text proposed by the Commission

Article 3
Energy efficiency targets

1. Each Member State shall set an indicative national energy efficiency target for 2020, based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States shall notify those targets to the Commission in accordance with Article 24(1) and Annex XIV Part 1. When doing so, they shall also express those targets in terms of an absolute level of primary energy consumption and final energy consumption in 2020 and shall explain how, and on the basis of which data, this has been calculated.

When setting those targets, Member States shall take into account:

(a) that the Union’s 2020 energy consumption has to be no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy;
(b) the measures provided for in this Directive;
(c) the measures adopted to reach the national energy saving targets adopted pursuant to Article 4(1) of Directive 2006/32/EC; and
(d) other measures to promote energy efficiency within Member States and at Union level.

When setting those targets, Member States may also take into account national circumstances affecting primary energy consumption, such as:

(a) remaining cost-effective energy-saving potential;
(b) GDP evolution and forecast;
(c) changes of energy imports and

Amendment

Article 3
Energy efficiency targets

1. Each Member State shall set an indicative national energy efficiency target for 2020, based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States shall notify those targets to the Commission in accordance with Article 24(1) and Annex XIV Part 1. When doing so, they shall also express those targets in terms of an absolute level of primary energy consumption and final energy consumption in 2020 and shall explain how, and on the basis of which data, this has been calculated.

When setting those targets, Member States shall take into account:

(a) that the Union’s 2020 energy consumption has to be no more than 1 483 Mtoe of primary energy or no more than 1 086 Mtoe of final energy;
(b) the measures provided for in this Directive;
(c) the measures adopted to reach the national energy saving targets adopted pursuant to Article 4(1) of Directive 2006/32/EC; and
(d) other measures to promote energy efficiency within Member States and at Union level.

When setting those targets, Member States may also take into account national circumstances affecting primary energy consumption, such as:

(a) remaining cost-effective energy-saving potential;
(b) GDP evolution and forecast;
(c) changes of energy imports and
exports;
(d) development of all sources of renewable energies, nuclear energy, carbon capture and storage; and
(e) early action.
2. By 30 June 2014, the Commission shall assess progress achieved and whether the Union is likely to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy in 2020.
3. In carrying out the review referred to in paragraph 2, the Commission shall:
(a) sum the national indicative energy efficiency targets reported by Member States;
(b) assess whether the sum of those targets can be considered a reliable guide to whether the Union as a whole is on track, taking into account the evaluation of the first annual report in accordance with Article 24(1), and the evaluation of the National Energy Efficiency Action Plans in accordance with Article 24(2);
(c) take into account complementary analysis arising from:
(i) an assessment of progress in energy consumption, and in energy consumption in relation to economic activity, at Union level, including progress in the efficiency of energy supply in Member States that have based their national indicative targets on final energy consumption or final energy savings, including progress due to these Member States’ compliance with Chapter III of this Directive;
(ii) results from modelling exercises in relation to future trends in energy consumption at Union level.
(d) compare the results under points (a) to (c) with the quantity of energy consumption that would be needed to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no
more than 1 086 Mtoe of final energy in 2020.

Amendment 52

Proposal for a directive
Article 1 – paragraph 1 – point 2
Directive 2012/27/EU
Article 3 – paragraph 4

Text proposed by the Commission

4. Each Member State shall set indicative national energy efficiency contributions towards the Union's 2030 target referred to in Article 1 paragraph 1 in accordance with Articles [4] and [6] of Regulation (EU) XX/20XX [Governance of the Energy Union]. When setting those contributions, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1 321 Mtoe of primary energy and no more than 987 Mtoe of final energy. Member States shall notify those contributions to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union].

Amendment

4. Each Member State shall set binding national energy efficiency targets which shall cumulatively be in line with the Union's 2030 target referred to in Article 1 paragraph 1 and in accordance with Articles [4] and [6] of Regulation (EU) XX/20XX [Governance of the Energy Union].

When setting the level of their targets, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1132 Mtoe of primary energy and no more than 849 Mtoe of final energy.

In order to provide sufficient flexibility for Member States to meet their binding national energy efficiency targets whilst at the same time allowing their economy to develop and industrial output and activity to increase, they shall be permitted to set their targets based on energy intensity which is the ratio between energy consumption and gross domestic product.
The national energy efficiency targets shall take into consideration all stages of the energy chain, including generation, transmission, distribution and end-use.

Member States shall notify those targets to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union].

Amendment 53

Proposal for a directive
Article 1 – paragraph 1 – point 2 a (new)

Article 5

Present text

Exemplary role of public bodies’ buildings

1. Without prejudice to Article 7 of Directive 2010/31/EU, each Member State shall ensure that, as from 1 January 2014, 3 % of the total floor area of heated and/or cooled buildings owned and occupied by its central government is renovated each year to meet at least the minimum energy performance requirements that it has set in application of Article 4 of Directive 2010/31/EU.

The 3 % rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m² owned and occupied by the central government of the

Amendment

(2a) Article 5 is replaced by the following:

“Article 5

Exemplary role of public bodies’ buildings

1. Without prejudice to Article 7 of Directive 2010/31/EU, each Member State shall ensure that, from 1 January 2014, 3 % of the total floor area of heated and/or cooled buildings owned and occupied by its central government is renovated each year to meet at least the minimum energy performance requirements that it has set in application of Article 4 of Directive 2010/31/EU. From 1 January 2021, this paragraph shall apply to all heated and/or cooled buildings owned and occupied by public authorities with due regard for their respective competences and administrative set-up.

The 3 % rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m² owned and occupied by the central government of the
Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU. That threshold shall be lowered to 250 m² as of 9 July 2015.

Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU. That threshold shall be lowered to 250 m² as of 9 July 2015, and shall apply to buildings owned and occupied by public authorities from 1 January 2021 with due regard for their respective competences and administrative set-up.

Where a Member State requires that the obligation to renovate each year 3 % of the total floor area extends to floor area owned and occupied by administrative departments at a level below central government, the 3 % rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m² and, as of 9 July 2015, over 250 m² owned and occupied by central government and by these administrative departments of the Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU.

When implementing measures for the comprehensive renovation of central government buildings in accordance with the first subparagraph, Member States may choose to consider the building as a whole, including the building envelope, equipment, operation and maintenance.

Member States shall require that central government buildings with the poorest energy performance be a priority for energy efficiency measures, where cost-effective and technically feasible.

When implementing measures for the comprehensive renovation of public authority buildings in accordance with the first subparagraph, Member States may choose to consider the building as a whole, including the building envelope, equipment, operation and maintenance.

Member States shall require that public authority buildings with the poorest energy performance be a priority for energy efficiency measures, where cost-effective and technically feasible.

2. Member States may decide not to set or apply the requirements referred to in paragraph 1 to the following categories of buildings:

(a) buildings officially protected as part of a designated environment, or because of their special architectural or

(b) buildings officially protected as part of a designated environment, or because of their special architectural or
historical merit, in so far as compliance with certain minimum energy performance requirements would unacceptably alter their character or appearance;

(b) buildings owned by the armed forces or central government and serving national defence purposes, apart from single living quarters or office buildings for the armed forces and other staff employed by national defence authorities;

(c) buildings used as places of worship and for religious activities.

3. If a Member State renovates more than 3% of the total floor area of central government buildings in a given year, it may count the excess towards the annual renovation rate of any of the three previous or following years.

4. Member States may count towards the annual renovation rate of central government buildings new buildings occupied and owned as replacements for specific central government buildings demolished in any of the two previous years, or buildings that have been sold, demolished or taken out of use in any of the two previous years due to more intensive use of other buildings.

5. For the purposes of paragraph 1, by 31 December 2013, Member States shall establish and make publicly available an inventory of heated and/or cooled central government buildings with a total useful floor area over 500 m² and, as of 9 July 2015, over 250 m², excluding buildings exempted on the basis of paragraph 2. The inventory shall contain the following data:

(a) the floor area in m²; and

(b) the energy performance of each building or relevant energy data.

From 1 January 2021, this paragraph shall apply to all heated and/or cooled buildings owned and occupied by public...
6. Without prejudice to Article 7 of Directive 2010/31/EU, Member States may opt for an alternative approach to paragraphs 1 to 5 of this Article, whereby they take other cost-effective measures, including deep renovations and measures for behavioural change of occupants, to achieve, by 2020, an amount of energy savings in eligible buildings owned and occupied by their central government that is at least equivalent to that required in paragraph 1, reported on an annual basis.

For the purpose of the alternative approach, Member States may estimate the energy savings that paragraphs 1 to 4 would generate by using appropriate standard values for the energy consumption of reference central government buildings before and after renovation and according to estimates of the surface of their stock. The categories of reference central government buildings shall be representative of the stock of such buildings.

Member States opting for the alternative approach shall notify to the Commission, by 31 December 2013, the alternative measures that they plan to adopt, showing how they would achieve an equivalent improvement in the energy performance of the buildings within the central government estate.

7. Member States shall encourage public bodies, including at regional and local level, and social housing bodies governed by public law, with due regard for their respective competences and administrative set-up, to:

(a) adopt an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives and actions, with a view to following the exemplary role of central government buildings laid down in paragraphs 1, 5 and authorities.

6. Without prejudice to Article 7 of Directive 2010/31/EU, Member States may opt for an alternative approach to paragraphs 1 to 5 of this Article, whereby they take other cost-effective measures, including deep renovations and measures for behavioural change of occupants, to achieve, by 2030, an amount of energy savings in eligible buildings owned and occupied by their public authorities that is at least equivalent to that required in paragraph 1, reported on an annual basis.

For the purpose of the alternative approach, Member States may estimate the energy savings that paragraphs 1 to 4 would generate by using appropriate standard values for the energy consumption of reference public authorities’ buildings before and after renovation and according to estimates of the surface of their stock. The categories of reference public authority buildings shall be representative of the stock of such buildings.

Member States opting for the alternative approach shall notify to the Commission, [within 12 months from the entry into force of this Directive], the alternative measures that they plan to adopt, showing how they would achieve an equivalent improvement in the energy performance of the buildings within the public authorities’ estate.

7. Member States shall encourage public bodies, including at regional and local level, and social housing bodies governed by public law, with due regard for their respective competences and administrative set-up to:

(a) adopt an energy efficiency plan and long-term renovation strategy for each building, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives as well as life-cycle costs assessments and actions, with a view
to following the exemplary role of public authority buildings laid down in paragraphs 1, 5 and 6;
(b) put in place an energy management system, including energy audits, as part of the implementation of their plan;
(c) use, where appropriate, energy service companies, and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term.

7a. Member States shall report on the annual energy savings resulting from the renovations, including on the share of deep renovations, and on the total floor area renovated, in accordance with Article 19 of Regulation (EU) XX/20XX [Governance of the Energy Union].”

Amendment 54

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7

Text proposed by the Commission

Article 7
Energy savings obligation

1. Member States shall achieve cumulative end-use energy savings at least equivalent to:
(a) new savings each year from 1 January 2014 to 31 December 2020 of 1.5 % of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2013;
(b) new savings each year from 1 January 2021 to 31 December 2030 of at least 1.5 % of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1

Amendment

Article 7
Energy savings obligation

1. Member States shall achieve cumulative end-use energy savings at least equivalent to:
(a) new savings each year from 1 January 2014 to 31 December 2020 of 1.5 % of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2013;
(b) new savings each year from 1 January 2021 to 31 December 2030 of at least 1.5 % of annual energy sales to final customers by volume averaged over the most recent three-year period prior to 1
Member States shall continue to achieve new annual savings of 1.5% for ten year periods after 2030, unless reviews by the Commission by 2027 and every 10 years thereafter conclude that this is not necessary to achieve the Union’s long term energy and climate targets for 2050.

Savings in each period shall build cumulatively upon the amount of savings to be achieved in the previous period(s). Where earlier policy measures, programmes, and/or individual actions are no longer delivering savings, the loss of those savings shall be accounted for when calculating the overall amount of savings to be achieved at the end of each period, and the loss replaced by new savings.

For the purposes of point (b), and without prejudice to paragraphs 2 and 3, Member States may count only those energy savings that stem from new policy measures introduced after 31 December 2020 or policy measures introduced during the period from 1 January 2014 to 31 December 2020 provided it can be demonstrated that those measures result in individual actions that are undertaken after 31 December 2020 and deliver savings.

Member States shall decide how the calculated quantity of new savings is to be

January 2019

Member States shall continue to achieve new annual savings of 1.5% for ten year periods after 2030, unless reviews by the Commission by 2027 and every 10 years thereafter conclude that this is not necessary to achieve the Union’s long term energy and climate targets for 2050.

Savings in each period shall build cumulatively upon the amount of savings to be achieved in the previous period(s). Where earlier policy measures, programmes, and/or individual actions are no longer delivering savings, the loss of those savings shall be accounted for when calculating the overall amount of savings to be achieved at the end of each period, and the loss replaced by new savings.

For the purposes of point (b), and without prejudice to paragraphs 2 and 3, Member States may count energy savings that stem from new policy measures introduced after 31 December 2020 or earlier policy measures, provided it can be demonstrated that those measures result in new individual actions that are undertaken after 31 December 2020 and deliver savings. Member States may also count savings from the individual actions that are undertaken during the period from 1 January 2014 to 31 December 2020 provided that they continue to deliver verifiable energy savings after 2020.

For the purposes of the period referred to in point (a) only, the sales of energy, by volume, used in transport may be partially or fully excluded from these calculations. Sales of energy used in transport shall be fully included in the calculations for the period referred to in point (b) and beyond.

Member States shall decide how the calculated quantity of new savings is to be
phased over each period referred to in points (a) and (b) as long as the required total cumulative savings have been achieved by the end of each period.

2. Subject to paragraph 3, each Member State may:

(a) carry out the calculation required by point (a) of paragraph 1 using values of 1 % in 2014 and 2015; 1.25 % in 2016 and 2017; and 1.5 % in 2018, 2019 and 2020;

(b) exclude from the calculation all or part of the sales, by volume, of energy used in industrial activities listed in Annex I to Directive 2003/87/EC;

(c) allow energy savings achieved in the energy transformation, distribution and transmission sectors, including efficient district heating and cooling infrastructure, as a result of implementing the requirements set out in Article 14(4), point (b) of Article 14(5) and Article 15(1) to (6) and (9), to be counted towards the amount of energy savings required under paragraph 1;

(d) count energy savings resulting from individual actions newly implemented since 31 December 2008 that continue to have an impact in 2020 and beyond and which can be measured and verified, towards the amount of energy savings referred to in paragraph 1; and

(e) exclude from the calculation of the energy savings requirement referred to in paragraph 1 the verifiable amount of energy generated on or in buildings for own use as a result of policy measures promoting new installation of renewable energy technologies.

3. All the options chosen under paragraph 2 taken together must amount to no more than 25 % of the amount of energy savings referred to in paragraph 1. Member States shall apply and calculate the effect of the options chosen for the periods referred to in points (a) and (b) of
paragraph 1 separately:
(a) for the calculation of the amount of energy savings required for the period referred to in point (a) of paragraph 1 Member States may make use of points (a), (b), (c), and (d) of paragraph 2;
(b) for the calculation of the amount of energy savings required for the period referred to in point (b) of paragraph 1 Member States may make use of points (b), (c), (d) and (e) of paragraph 2, provided individual actions in the meaning of point (d) continue to have a verifiable and measurable impact after 31 December 2020.

4. Energy savings achieved after 31 December 2020 may not count towards the cumulative savings amount required for the period from 1 January 2014 to 31 December 2020.

5. Member States shall ensure that savings resulting from policy measures referred to in Articles 7a and 7b and Article 20(6) are calculated in accordance with Annex V.

6. Member States shall achieve the required amount of savings under paragraph 1 either by establishing an energy efficiency obligation scheme referred to in Article 7a or by adopting alternative measures referred to in Article 7b. Member States may combine an energy efficiency obligation scheme with alternative policy measures.

7. Member States shall demonstrate that where there is an overlap in the impact of policy measures or individual actions, there is no double counting of energy savings.’;

Amendment 55
Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 1

**Text proposed by the Commission**

1. Where Member States decide to fulfil their obligations to achieve the amount of savings required under Article 7 (1) by way of an energy efficiency obligation scheme they shall ensure that obligated parties referred to in paragraph 2 operating in each Member State’s territory achieve, without prejudice to Article 7(2), the cumulative end-use energy savings requirement set out in Article 7(1).

**Amendment**

1. Where Member States decide to fulfil their obligations to achieve the amount of savings required under Article 7 (1) by way of an energy efficiency obligation scheme they shall ensure that obligated parties referred to in paragraph 2 operating in each Member State’s territory achieve, without prejudice to Article 7(2), the cumulative end-use energy savings requirement set out in Article 7(1) or allow the obligated parties to contribute annually to the Energy Efficiency National Fund in accordance with Article 20(6).

**Amendment 56**

Proposal for a directive
Article 1 – paragraph 1 – point 4

**Text proposed by the Commission**

2. Member States shall designate, on the basis of objective and non-discriminatory criteria, obligated parties among energy distributors and/or retail energy sales companies *operating in its territory and may include* transport fuel distributors or transport fuel retailers operating in *its* territory. The amount of energy savings needed to fulfil the obligation shall be achieved by the obligated parties among final customers, designated by the Member State, independently of the calculation made pursuant to Article 7(1), or, if Member States so decide, through certified savings stemming from other parties as described in point (b) of paragraph 5.

**Amendment**

2. Member States shall designate, on the basis of objective and non-discriminatory criteria, obligated parties among energy distributors, retail energy sales companies and transport fuel distributors or transport fuel retailers operating in *their* territory. The amount of energy savings needed to fulfil the obligation shall be achieved by the obligated parties among final customers, designated by the Member State, independently of the calculation made pursuant to Article 7(1), or, if Member States so decide, through certified savings stemming from other parties as described in point (b) of paragraph 5.
Amendment 57

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 2 a (new)

Text proposed by the Commission

2a. Where retail energy sales companies are designated as obligated parties according to paragraph 2, Member States shall ensure that in fulfilling their obligation, retail energy sales companies do not create any barriers for consumers to switch from one supplier to another.

Justification

The right of consumers to switch easily from one supplier to another is crucial in maintaining a highly competitive supplier market with lower prices for consumers. This could be jeopardised by the sale of “bundles” tying the consumer for a long period to a supplier. Obliging energy sales companies to buy energy saving certificates from third parties, could be an alternative to maintain the switching possibilities.

Amendment 58

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 5 – point a

Text proposed by the Commission

(a) shall include requirements with a social aim in the saving obligations they impose, including by requiring a share of energy efficiency measures to be implemented as a priority in households affected by energy poverty and in social housing;

Amendment

(a) shall include requirements with a social aim in the saving obligations they impose, including by requiring energy efficiency measures to be implemented as a priority in low-income households, including those affected by energy poverty, and in social housing. Member States shall calculate the amount of savings achieved in those households as compared to the total amount of savings achieved in all households under this Article. Those savings shall be published in accordance with paragraph 6 of this Article, and shall be included in the
integrated national energy and climate progress reports in accordance with Article 21 of Regulation (EU) XX/20XX [Governance of the Energy Union].

Amendment 59

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 5 – point b

*Text proposed by the Commission*

(b) may permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties including when obligated parties promote measures through other State-approved bodies or through public authorities that may or may not involve formal partnerships and may be in combination with other sources of finance. Where Member States so permit, they shall ensure that an approval process is in place which is clear, transparent and open to all market actors, and which aims at minimising the costs of certification;

*Amendment*

(b) may permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties including when obligated parties promote measures through other State-approved bodies or through public authorities that may or may not involve formal partnerships and may be in combination with other sources of finance. Where Member States so permit, they shall ensure that an *accredited* approval process is in place which is clear, transparent, *participative* and open to all market actors, and which aims at minimising the costs of certification;

Amendment 60

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/UE
Article 7a – paragraph 5 – point c a (new)

*Text proposed by the Commission*

(ca) allow additional savings achieved through more sustainable technologies in district heating and cooling systems in urban environments (leading equally to reductions of pollutants and particulates) to be counted towards the amount of energy savings required under paragraph
Amendment 61
Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 5 – point c b (new)

Text proposed by the Commission
Amendment

cb) promote the adoption of measures
that tackle the heating and cooling
potential for energy savings, eventually
providing additional rewards for
interventions resulting in pollution
mitigation;

Amendment 62
Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/UE
Article 7a – paragraph 5 – point c c (new)

Text proposed by the Commission
Amendment

cc) establish instruments that certify
energy savings resulting from energy
audits or equivalent energy management
systems referred to in Article 8, in order to
count those savings towards the amount
of energy savings required under
paragraph 1;

Amendment 63
Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/UE
Article 7a – paragraph 5 – point c d (new)

Text proposed by the Commission
Amendment

cd) may permit obligated parties to
count towards their obligation the end-use
energy savings achieved in efficient heating & cooling infrastructure;

Amendment 64

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 5 – point c e (new)

Text proposed by the Commission

Amendment

(ce) shall provide that obligated parties, which do not deliver energy to private households, do not need to implement energy efficiency measures in private households;

Justification

Many obligated companies do not deliver energy to private households. Therefore it is impossible for these parties to implement measures in households.

Amendment 65

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 5 – point c f (new)

Text proposed by the Commission

Amendment

(cf) shall assess and take measures to minimise the impact of the direct and indirect costs of such schemes on the competitiveness of energy-intensive industries exposed to international competition;

Justification

Energy-intensive industries are subject to many different obligations (i.e. ETS…). Those companies are often exposed to international competition and therefore must be protected against carbon leakage.
Amendment 66

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. As part of their integrated national energy and climate plans, Member States shall inform the Commission about their intended policy measures under point (c) of Article 7(2). The impact of these measures shall be calculated and included in those plans. The calculation used by the Member States shall be based on objective, non-discriminatory criteria, which are drawn up in consultation with the Commission no later than 1 January 2019.

Amendment 67

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7b – paragraph 1

Text proposed by the Commission

Amendment

1. Where Member States decide to fulfil their obligations to achieve the savings required under Article 7(1) by way of alternative policy measures they shall ensure that the energy savings required under Article 7(1) are achieved among final customers.

Amendment 68

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7b – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1. Where Member States decide to fulfil their obligations to achieve the savings required under Article 7(1) by way of alternative policy measures they shall ensure that the energy savings required under Article 7(1) are fully achieved among final customers.
1a. Furthermore, all opportunities to increase energy efficiency, including from higher performing fuel used in transport shall be eligible towards the cumulative end-use energy savings requirement set out in Article 7(1).

Justification

Added value of efficient and clean blending components of fuels in decarbonising of transport; blending components of fuels in transport can be counted towards the energy efficiency target.

Amendment 69

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7b – paragraph 2

Text proposed by the Commission

2. In designing alternative policy measures to achieve energy savings, Member States shall take into account the effect on households affected by energy poverty.

Amendment

2. In designing alternative policy measures to achieve energy savings, Member States shall take into account the effect on low-income households, including those affected by energy poverty, and ensure measures are implemented as a priority in those households and in social housing.

Member States shall calculate the amount of savings achieved in those households as compared to the total amount of savings achieved in all households under this Article.

Those savings shall be published and included in the integrated national energy and climate progress reports in accordance with Article 21 of Regulation (EU) XX/20XX [Governance of the Energy Union].
Amendment 70
Proposal for a directive
Article 1 – paragraph 1 – point 4 a (new)
Directive 2012/27/EU
Article 7 c (new)

Text proposed by the Commission
(4a) The following article is inserted:
‘Article 7c

Provision of energy efficiency services
The Commission, in close cooperation with Member States, shall ensure that services on the energy efficiency market are provided in a transparent competitive context in order to enable the final consumer to enjoy the benefits, in terms of lower costs and better quality of service, associated with energy efficiency measures. To that end, Member States shall ensure that businesses, particularly SMEs, have non-discriminatory access to the market in energy efficiency services, thereby enabling them to participate on equal terms with vertically integrated operators and overcoming the positions of competitive advantage established for distributors or sellers of energy. Member States shall accordingly adopt every act necessary to ensure that integrated operators offer third parties the same conditions and means as they employ to provide energy efficiency services.’

Amendment 71
Proposal for a directive
Article 1 – paragraph 1 – point 5 – point b
Directive 2012/27/EU
Article 9 – paragraph 1 – subparagraph 1

Text proposed by the Commission
Member States shall ensure that, in so far as it is technically possible, financially reasonable and proportionate in relation to

Amendment
Member States shall ensure that, in so far as it is technically possible, financially reasonable and proportionate in relation to
the potential energy savings, final customers for natural gas are provided with competitively priced individual meters that accurately reflect the final customer's actual energy consumption and that provide information on actual time of use;

the potential energy savings, final customers for natural gas are provided, as regards the selected technology and functionality, with competitively priced individual meters and heating controls that accurately reflect the final customer's actual energy consumption and that provide information on actual time of use and others features, as applicable in alignment with the provisions related to electricity metering in Articles 19 to 22 of Directive (EU) .../... [on common rules for the internal market in electricity (recast)].

Justification

Metering for both electricity and gas is increasing consumer awareness about actual consumption levels and can thus trigger behavioural changes for increased energy efficiency and savings.

Amendment 72

Proposal for a directive
Article 1 – paragraph 1 – point 5 – point c – point ii a (new)
Directive 2012/27/EU
Article 9 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

The smart metering system shall provide final consumers with access to their energy consumption data and time series on the market settlement periods.

Amendment

(d) paragraph 3 is deleted;

(d) paragraph 3 is replaced by the following:

‘3. Concerning data format and functionalities the provisions shall be

PE604.805v03-00 54/122 RR\1142477EN.docx
aligned to Articles 18-21 of the Directive on common rules for the internal market in electricity (recast) as far as appropriate. Consumer data shall be treated in accordance with Regulation (EU) 2016/679 (General data protection Regulation). No costs shall be charged to final customers for access to their data in a format that is useful for them.’

**Justification**

*In line with the provisions for electricity metering, consumers have to remain owners of their personal data. The data should be harmonised and available to all market participants, when the consumer wishes to share them in order to ensure competitive retail markets.*

**Amendment 74**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 6**

Directive 2012/27/EU

Article 9a

**Text proposed by the Commission**

<table>
<thead>
<tr>
<th>Article 9a</th>
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<tbody>
<tr>
<td>Metering, sub-metering and cost allocation for heating and cooling and domestic hot water</td>
</tr>
</tbody>
</table>

**Amendment**

<table>
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<tbody>
<tr>
<td>Metering, sub-metering and cost allocation for heating and cooling and domestic hot water</td>
</tr>
</tbody>
</table>

1. Member States shall ensure that final customers for district heating, district cooling and domestic hot water are provided with competitively priced meters that accurately reflect the final customer’s actual energy consumption.

Where heating and cooling or hot water are supplied to a building from a central source servicing multiple buildings or from district heating and cooling network, a heat or hot water meter shall always be installed at the heat exchanger or point of delivery.

2. In multi-apartment and multi-purpose buildings with a central heating or cooling source or supplied from district heating and cooling systems, individual
meters shall be installed to measure the consumption of heat or cooling or hot water for each building unit.

Where the use of individual meters is not technically feasible or where it is not cost-efficient to measure heating or cooling in each building unit, individual heat cost allocators shall be used to measure heat consumption at each radiator unless it is shown by the Member State in question that the installation of such heat cost allocators would not be cost efficient. In those cases, alternative cost-efficient methods of heat consumption measurement may be considered. *The conditions of technical non-feasibility and non-cost effectiveness shall be clearly set out and published by each Member State.*

In new buildings of the kind referred to in the first subparagraph or when such a building undergoes major renovation, as set out in Directive 2010/31/EU, individual meters shall always be provided.

3. Where multi-apartment and multi-purpose buildings are supplied from district heating or cooling, or where own common heating or cooling systems for such buildings are prevalent, Member States shall introduce transparent rules on the allocation of the cost of heating, cooling and hot water consumption in such buildings to ensure transparency and accuracy of accounting for individual consumption including:

(a) hot water for domestic needs;

(b) heat radiated from the building installation and for the purposes of heating the common areas (where staircases and
corridors are equipped with radiators); (c) for the purpose of heating or cooling apartments.

4. For the purposes of this Article, as of 1 January 2020 meters and cost allocators installed shall be remotely readable devices.

Meters and cost allocators that have already been installed but which are not remotely readable shall be provided with this capability or be replaced with remotely readable devices by 1 January 2027, except where the Member State in question shows that this is not cost-efficient.;

Amendment 75

Proposal for a directive
Article 1 – paragraph 1 – point 7 – point b
Directive 2012/27/EU
Article 10 – paragraph 1

Text proposed by the Commission

1. Where final customers do not have smart meters as referred to in Directive 2009/73/EC, Member States shall ensure, by 31 December 2014, that billing information is accurate and based on actual consumption, in accordance with point 1.1 of Annex VII, for gas, where this is technically possible and economically justified.;

Amendment

1. Where final customers do not have smart meters as referred to in Directive 2009/73/EC, Member States shall ensure, by 31 December 2014, that billing information is reliable, accurate and based on actual consumption, in accordance with point 1.1 of Annex VII, for gas, where this is technically possible and economically justified.;

Amendment 76

Proposal for a directive
Article 1 – paragraph 1 – point 7 – point c
Directive 2012/27/EU
Article 10 – paragraph 2 – subparagraph 1
Text proposed by the Commission

Meters installed in accordance with Directive 2009/73/EC shall enable accurate billing information based on actual consumption. Member States shall ensure that final customers have the possibility of easy access to complementary information on historical consumption allowing detailed self-checks.;

Amendment

Meters installed in accordance with Directive 2009/73/EC shall provide accurate billing information based on actual consumption. Member States shall ensure that final customers have the possibility of easy access to complementary information on historical consumption allowing detailed self-checks.;

Justification

Accurate bills should be guaranteed when smart meters functionalities are turned on.

Amendment 77

Proposal for a directive
Article 1 – paragraph 1 – point 8
Directive 2012/27/EU
Article 10a

Text proposed by the Commission

Article 10a

Billing and consumption information for heating and cooling and domestic hot water
1. Member States shall ensure that billing and consumption information is accurate and based on actual consumption, in accordance with points 1 and 2 of Annex VIIa for all final users where meters or cost allocators are installed.

Amendment

Article 10a

Billing and consumption information for heating and cooling and domestic hot water
1. Member States shall ensure that where meters or heat cost allocators are installed, billing and consumption information is reliable, accurate and based on actual consumption or heat cost allocator readings, in accordance with points 1 and 2 of Annex VIIa for all final users, that is to say, for natural or legal persons purchasing heating, cooling or hot water for their own end use, or natural or legal persons occupying an individual building or a unit in a multi-apartment or multi-purpose building supplied with heating, cooling or hot water from a central source who has no direct or individual contract with the energy supplier.

This obligation may, except in the case of

This obligation may, where a Member
sub-metered consumption under Article 9a(2), be fulfilled by a system of regular self-reading by the final customer whereby they communicate readings from their meter **to the energy supplier**. Only in cases where the final customer has not provided a meter reading for a given billing interval shall billing be based on estimated consumption or a flat rate.

2. Member States:

(a) shall require that, if information on the energy billing and historical consumption of final users is available, it be made available, to an energy service provider designated by the final user;

(b) shall ensure that final customers are offered the option of electronic billing information and bills **and that they receive, on request, a clear and understandable explanation of how their bill was drawn up, especially where bills are not based on actual consumption**;

(c) shall ensure that **appropriate information is provided with the bill based on actual consumption** to all final users in accordance with point 3 of Annex VII;

(d) may provide that, at the request of the final customer, the provision of billing information shall not be considered to constitute a request for payment. In such cases, Member States shall ensure flexible arrangements for actual payment are offered;

**State so provides, and** except in the case of sub-metered consumption **based on heat cost allocators** under Article 9a(2), be fulfilled by a system of regular self-reading by the final customer or **final user** whereby they communicate readings from their meter. Only in cases where the final customer or **final user** has not provided a meter reading for a given billing interval shall billing be based on estimated consumption or a flat rate.

2a. Member States shall decide who should be responsible for providing the information referred to in paragraphs 1 and 2 to those final users that have no direct or individual contract with an
energy supplier.

Amendment 78

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point -a (new)
Directive 2012/27/EU
Article 15 – paragraph 4 – subparagraph 1 a (new)

Text proposed by the Commission

(-a) in paragraph 4, the following subparagraph is added:

‘A common methodology shall be defined by the Commission, following a consultation of relevant stakeholders, in order to encourage network operators to reduce losses, implement a cost/energy effective infrastructure investment programme and properly account for the energy efficiency and flexibility of the grid. The Commission shall, by ... [12 months after the date of entry into force of this Directive], adopt a delegated act in accordance with Article 23, supplementing this Directive by specifying that methodology.’

Amendment 79

Proposal for a directive
Article 1 – paragraph 1 – point 11 – point a – point ii
Directive 2012/27/EU
Article 15 – paragraph 5 – subparagraph 3

Text proposed by the Commission

Transmission system operators and distribution system operators shall comply with the requirements set out in Annex XII.

Transmission system operators and distribution system operators shall take into account the need to ensure continuity in heat supply when connecting, guaranteeing access to the grid and dispatching high efficiency cogeneration, and shall comply with the requirements set out in Annex XII.
Justification

A competitive and secure heat supply is key to safeguard cost-effective industrial business operations, address all consumers’ needs and protect them against unexpected losses of heat supply.

Amendment 80

Proposal for a directive
Article 1 – paragraph 1 – point 11 a (new)
Directive 2012/27/EU
Article 19 a (new)

Text proposed by the Commission

(11a) The following article is inserted:

“Article 19a
Financing energy efficiency by European banks

The European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) shall adapt their policy objectives with a view to recognising energy efficiency as an energy source in its own right and energy efficiency investments as part of their infrastructure investment portfolio.

EIB and EBRD shall, together with national promotional banks, design, generate and finance programmes and projects tailored to the efficiency sector, including for energy poor households.

Member States shall make full use of the possibilities and tools proposed by the Smart Finance for Smart Buildings Initiative.”

Justification

A step change is needed so that financial institutions deliver the financial instruments adequate for large scale energy efficiency investments.

Amendment 81

Proposal for a directive
Article 1 – paragraph 1 – point 11 b (new)
Directive 2012/27/EU
Article 20 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

(11b) In Article 20, the following paragraph is inserted:

“6a. Member States shall facilitate on-bill and/or on-tax repayment schemes where energy efficiency investments are pre-financed by financing facilities as referred to in paragraph 1 of this Article, the Energy Efficiency National Fund as referred to in paragraph 4 of this Article, or by obligated parties as referred to in Article 7(4) and paid back via a fixed premium on the distribution costs related to an individual meter (on-bill repayment) or via a premium on the property tax tied to a building (on-tax repayment). The repayment shall stay tied to the meter or property and not to the owner or tenant. The payback periods shall be determined in such a way that the regular repayments do not exceed the saved energy costs.”

Justification

On-bill repayment schemes create a more reliable repayment source than other traditional financing products and reduce transaction and administration costs by tying the repayment to the meter instead of the owner or tenant. If well-designed, the repayment by on-bill customers will be equal to or lower than the saved utility costs due to the lower energy consumption. Moreover, on-bill repayment schemes overcome the split-incentive between tenants and landlords.

Amendment 82

Proposal for a directive
Article 1 – paragraph 1 – point 12
Directive 2012/27/EU
Article 23 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in
accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

**Amendment 83**

**Proposal for a directive**

Article 1 – paragraph 1 – point 13
Directive 2012/27/EU
Article 24 – paragraph 4 a (new)

Amendment

4a. **In the context of the State of the Energy Union report, the Commission shall report on the functioning of the carbon market in accordance with Article 29(1) and (2)(c) of Regulation (EU) XX/20XX [Governance of the Energy Union], taking into consideration the effects of the implementation of this Directive.**

**Amendment 84**

**Proposal for a directive**

Article 1 – paragraph 1 – point 13
Directive 2012/27/EU
Article 24 – paragraph 12

Amendment

12. The Commission shall evaluate this Directive by 28 February 2024 at the latest, and every five years thereafter, and shall submit a report to the European Parliament and the Council. That report shall be accompanied, if appropriate, by proposals for further measures.

12. The Commission shall evaluate this Directive by 28 February 2024 at the latest, and every five years thereafter, and shall submit a report to the European Parliament and the Council **assessing the general effectiveness of the Directive and the need to adjust further the Union’s energy efficiency policy in accordance with the objectives of the Paris Agreement, economic and innovation developments.** That report shall be accompanied, if appropriate, by proposals for further measures.
Amendment 85

Proposal for a directive
Article 1 – paragraph 1 – point 13
Directive 2012/27/EU
Article 24 – paragraph 12 a (new)

Text proposed by the Commission

12a. By 31 December 2019, the Commission shall carry out a separate in-depth analysis of the energy efficiency potential related to:

(a) conversion and transformation of energy;

(b) transmission and distribution of energy;

(c) production and subsequent transportation of energy supplies i.e. energy spent in the extraction of fossil fuels and its transport to the place of usage;

(d) energy storage.

Based on its findings, the Commission shall present, if appropriate, to the European Parliament and the Council a proposal for a legislative act in this regard no later than 31 January 2021.

Amendment 86

Proposal for a directive
Annex I – point 1 – point a
Directive 2012/27/EU
Annex IV – footnote 3

Text proposed by the Commission

(a) in Annex IV, footnote 3 is replaced by the following: ‘(3) Applicable when energy savings are calculated in primary energy terms using a bottom-up approach based on final energy consumption. For savings in kWh electricity Member States may apply a default coefficient of 2.0. Member States may apply a different

Amendment

(a) in Annex IV, footnote 3 is replaced by the following: ‘(3) Applicable for the purpose of this Directive only and when energy savings are calculated in primary energy terms using a bottom-up approach based on final energy consumption. For savings in kWh electricity Member States shall apply a coefficient established through a transparent method
coefficient provided they can justify it.

*comparable across Member States, on the basis of national circumstances affecting primary energy consumption. Those circumstances shall be duly substantiated, measurable and verifiable and based on objective and non-discriminatory criteria. Member States may apply a default coefficient of 2.0, or a different coefficient provided they can justify it. When doing so, Member States shall take into account their energy mix included in their integrated national energy and climate plans to be notified to the Commission in accordance with Article [3] of Regulation (EU) XX/20XX [Governance of the Energy Union]. The default coefficient shall be revised every 5 years based upon actual observed data.*

Amendment 87

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 2 – point a

**Text proposed by the Commission**

(a) the savings must be shown to be additional to those that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities. To determine what savings can be claimed as additional Member States shall establish a baseline that describes how energy consumption would evolve in the absence of the policy measure in question. The baseline shall reflect at least the following factors: energy consumption trends, changes in consumer behaviour, technological progress and changes caused by other measures implemented at national and EU level;

**Amendment**

(a) the savings must be shown to be additional to those that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities. To determine what savings can be claimed as additional Member States shall establish a baseline that describes how energy consumption would evolve in the absence of the policy measure and the resulting new individual action in question. The baseline shall reflect at least the following factors: energy consumption trends, changes in consumer behaviour, technological progress and changes caused by other measures implemented at national and EU level;
Amendment 88

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 2 – point b

**Text proposed by the Commission**

(b) savings resulting from the implementation of mandatory Union legislation are considered as savings that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities, and thus may not be claimed under paragraph 1 of Article 7, except for savings related to the renovation of existing buildings provided the materiality criterion referred to in part 3(h) is ensured;

**Amendment**

(b) savings resulting from the implementation of mandatory Union legislation are considered as savings that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities, and thus may not be claimed under paragraph 1 of Article 7, except for savings related to **measures promoting** the renovation of existing buildings provided the materiality criterion referred to in part 3(h) is ensured;

Amendment 89

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 2 – point h

**Text proposed by the Commission**

(h) the calculation of energy savings shall take into account the lifetime of measures. *This may be* done by counting the savings each individual action will achieve between its implementation date and 31 December 2020 or 31 December 2030 as appropriate. Alternatively, Member States may adopt another method that is estimated to achieve at least the same total quantity of savings. When using other methods, Member States shall ensure that the total amount of energy savings calculated using these other methods does not exceed the amount of energy savings that would have been the result of their calculation when counting the savings each individual action will achieve between its

**Amendment**

(h) the calculation of energy savings shall take into account the lifetime of measures and the rate at which the savings decline over time. *This calculation shall* be done by counting the savings each individual action will achieve between its implementation date and 31 December 2020 or 31 December 2030 as appropriate. Alternatively, Member States may adopt another method that is estimated to achieve at least the same total quantity of savings. When using other methods, Member States shall ensure that the total amount of energy savings calculated using these other methods does not exceed the amount of energy savings that would have been the result of their calculation when
implementation date and 31 December 2020 or 31 December 2030 as appropriate. Member States shall describe in detail in their Integrated National Energy and Climate plans under the Energy Union Governance the other methods they have used and which provisions have been made to ensure they meet this binding calculation requirement.

counting the savings each individual action will achieve between its implementation date and 31 December 2020 or 31 December 2030 as appropriate. Member States shall describe in detail in their Integrated National Energy and Climate plans under the Energy Union Governance Regulation the other methods they have used and which provisions have been made to ensure they meet this binding calculation requirement.

Amendment 90

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 3 – point d

Text proposed by the Commission

(d) the amount of energy savings required or to be achieved by the policy measure is expressed in either final or primary energy consumption, using the conversion factors set out in Annex IV;

Amendment

(d) the amount of energy savings required or to be achieved by the policy measure is expressed in final and primary energy consumption, using the conversion factors set out in Annex IV;

Amendment 91

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 3 – subparagraph 2

Text proposed by the Commission

For policy measures taken pursuant to point (e) of Article 7(2) Member States may use the calculation methodology established under Directive 2010/31/EU as far as this is in line with the requirements of Article 7 of this Directive and this Annex.

Amendment

deleted
Amendment 92

Proposal for a directive
Annex I – point 2 – point b
Directive 2012/27/EU
Annex VII a

Text proposed by the Commission

Annex VII a

Minimum requirements for billing and consumption information based on actual consumption of heating, cooling and hot water

1. Billing based on actual consumption

In order to enable final users to regulate their own energy consumption, billing shall take place on the basis of actual consumption at least once per year.

2. Minimum frequency of billing or consumption information

As of [Please insert here …the entry into force] where remotely readable meters or cost allocators have been installed, billing or consumption information based on actual consumption shall be made available at least quarterly upon request or where final customers have opted to receive electronic billing, or else twice yearly.

As of 1 January 2022, where remotely readable meters or cost allocators have been installed, billing or consumption information shall be made available at least monthly. Heating and cooling may be exempted from this outside the heating/cooling seasons.

Amendment

Annex VII a

Minimum requirements for billing and consumption information for heating, cooling and hot water

1. Billing based on actual consumption or heat cost allocator readings

In order to enable final users to regulate their own energy consumption, billing shall take place on the basis of actual consumption or heat cost allocator readings at least once per year.

2. Minimum frequency of billing or consumption information

As of [Please insert here ….the date of transposition] where remotely readable meters or heat cost allocators have been installed, billing or consumption information based on actual consumption or heat cost allocator readings shall be provided to final users at least quarterly upon request or where final customers have opted to receive electronic billing, or else twice yearly.

As of 1 January 2022, where remotely readable meters or heat cost allocators have been installed, billing or consumption information based on actual consumption or heat cost allocator readings shall be provided to all final users at least monthly. It shall be also made available continuously via the internet and updated as frequently as allowed by the measurement devices and systems used. Heating and cooling may be exempted from this outside the heating/cooling seasons.
3. Minimum information contained in the bill based on actual consumption

Member States shall ensure that the following information is made available to final users in clear and understandable terms in or with their bills:

(a) current actual prices and actual consumption of energy;

(b) information on the fuel mix used, including for final users supplied by district heating or district cooling;

(c) comparisons of the final users current energy consumption with consumption for the same period in the previous year, in graphic form, climate corrected for heating and cooling;

(d) contact information for final customers’ organisations, energy agencies or similar bodies, including website addresses, from which information may be obtained on available energy efficiency improvement measures, comparative end-user profiles and objective technical specifications for energy-using equipment.

(ba) current actual prices and actual consumption of energy or total heat cost and heat cost allocator readings;

(bb) information on the fuel mix used and the related greenhouse gas emissions, including for final users supplied by district heating or district cooling, and an explanation of the different taxes, levies and tariffs;

(bc) comparisons of the final users current energy consumption with consumption for the same period in the previous year, in graphic form, climate corrected for heating and cooling;

(dd) contact information for final customers’ organisations, energy agencies or similar bodies, including website addresses, from which information may be obtained on available energy efficiency improvement measures, comparative end-user profiles and objective technical specifications for energy-using equipment.

(daa) information on relevant complaints procedures, ombudsman services or alternative dispute resolution mechanisms;

(db) comparisons with an average normalised or benchmarked final user in the same user category are made available to final users in clear and understandable terms, in, with or signposted to within, their bills.

In addition, Member States shall ensure that comparisons with an average normalised or benchmarked final user in the same user category are made available to final users in clear and understandable terms, in, with or signposted to within, their bills.

Bills that are not based on actual consumption or heat cost allocator readings.
Amendment 93

Proposal for a directive
Annex I – point 2 a (new)
Directive 2012/27/EU
Annex IX – Part 1 – point g

Present text

(g) Economic analysis: Inventory of effects

The economic analyses shall take into account all relevant economic effects.

Member States may assess and take into account in decision making costs and energy savings from the increased flexibility in energy supply and from a more optimal operation of the electricity networks, including avoided costs and savings from reduced infrastructure investment, in the analysed scenarios.

The costs and benefits taken into account shall include at least the following:

(i) Benefits
— Value of output to the consumer (heat and electricity)
— External benefits such as environmental and health benefits, to the extent possible

(ii) Costs
— Capital costs of plants and equipments
— Capital costs of the associated energy networks

Amendment

2a. In Annex IX, Part 1, point g is replaced by the following:

“(g) Economic analysis: Inventory of effects

The economic analyses shall take into account all relevant economic effects.

Member States shall assess and take into account in decision making costs and energy savings from the increased flexibility in energy supply and from a more optimal operation of the electricity networks, including avoided costs and savings from reduced infrastructure investment, in the analysed scenarios.

The costs and benefits taken into account shall include at least the following:

(i) Benefits
— Value of output to the consumer (heat and electricity)
— External benefits such as environmental, greenhouse gas emissions and health and safety benefits
— Labour market effects, energy security, competitiveness

(ii) Costs
— Capital costs of plants and equipments
— Capital costs of the associated energy networks
— Variable and fixed operating costs
— Energy costs
— Environmental and health cost, to the extent possible
— Variable and fixed operating costs
— Energy costs
— Environmental, health and safety cost
— Labour market costs, energy security, competitiveness”

Justification

Economic effects of energy efficiency measures shall be duly considered in a cost-benefit analysis according to the non-exhaustive list of effects established above.

Amendment 94

Proposal for a directive
Annex – point 2 b (new)
Directive 2012/27/EU
Annex XII – subparagraph 1 – point a

Present text

‘a) set up and make public their standard rules relating to the bearing and sharing of costs of technical adaptations, such as grid connections and grid reinforcements, improved operation of the grid and rules on the non-discriminatory implementation of the grid codes, which are necessary in order to integrate new producers feeding electricity produced from high-efficiency cogeneration into the interconnected grid;

Amendment

2b. In Annex XII, point (a) is replaced by the following:

‘a) set up and make public their standard rules relating to the bearing and sharing of costs of technical adaptations, such as grid connections, grid reinforcements and the introduction of new grids, improved operation of the grid and rules on the non-discriminatory implementation of the grid codes, which are necessary in order to integrate new producers feeding electricity produced from high-efficiency cogeneration into the interconnected grid and other diffused sources.’

Justification

High-efficiency grids and new diffused energy sources must be considered as well.
OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Industry, Research and Energy


Rapporteur: Jytte Guteland

AMENDMENTS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a directive
Recital 1

Text proposed by the Commission

(1) Moderation of energy demand is one of the five dimensions of the Energy Union Strategy adopted on 25 February 2015. Improving energy efficiency will benefit the environment, reduce greenhouse gas emissions, improve energy security by reducing dependence on energy imports from outside the Union, cut energy costs for households and companies, help alleviate energy poverty and lead to increased jobs and economy-wide economic activity. This is in line with the Union commitments made in the framework of the Energy Union and global climate agenda established by the Paris Agreement of December 2015 by the Union.

Amendment

(1) Moderation of energy demand is one of the five dimensions of the Energy Union Strategy adopted on 25 February 2015. Improving energy efficiency will benefit the environment, improve air quality through less solid heating fuel demand in energy efficient buildings, increase the health of Union citizens by reducing air pollution and creating a healthy indoor climate, reduce greenhouse gas emissions, improve energy security by reducing dependence on energy imports from outside the Union, cut energy costs for households and companies, help alleviate energy poverty and lead to increased jobs and economy-wide economic activity.
Parties of the United Nation Framework Convention on Climate Change.

economic activity. This is in line with the Union commitments made in the framework of the Energy Union and global climate agenda established by the Paris Agreement of December 2015 by the Parties of the United Nation Framework Convention on Climate Change.

Amendment 2

Proposal for a directive

Recital 2

Text proposed by the Commission

(2) Directive 2012/27/EU of the European Parliament and of the Council\(^9\) is an element to progress towards the Energy Union, under which energy efficiency should be treated as an energy source in its own right. The 'energy efficiency first' principle should be taken into account when setting new rules for the supply side and other policy areas. The Commission should ensure that energy efficiency and demand side response can compete on equal terms with generation capacity. Energy efficiency needs to be considered whenever energy system relevant planning or financing decisions are taken. Energy efficiency improvements need to be realised whenever it is more cost-effective than equivalent supply-side solutions. This should help to exploit the multiple benefits of energy efficiency for Europe's society, in particular for citizens and businesses.

Amendment

(2) Directive 2012/27/EU of the European Parliament and of the Council\(^9\) is an element to progress towards the Energy Union, under which energy efficiency should be treated as an energy source in its own right. The 'energy efficiency first' principle should be taken into account when setting new rules for the supply side and other policy areas, and recognised by the financial institutions by providing dedicated funds and instruments. The Commission should ensure that energy efficiency and demand side response can compete on equal terms with generation capacity. Energy efficiency needs to be considered whenever energy system relevant planning or financing decisions are taken. Energy efficiency improvements need to be realised whenever it is more cost-effective than equivalent supply-side solutions. This should help to exploit the multiple benefits of energy efficiency for Europe's society, in particular for citizens and businesses.

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Amendment 3
Proposal for a directive
Recital 3

Text proposed by the Commission

(3) The European Council of October 2014 set a 27% energy efficiency target for 2030, to be reviewed by 2020 'having in mind an Union level of 30%'. In December 2015, the European Parliament called upon the Commission to also assess the viability of a 40% energy efficiency target for the same timeframe. It is therefore appropriate to review and consequently amend the Directive to adapt it to the 2030 perspective.

Amendment

(3) The European Council of October 2014 set a 27% energy efficiency target for 2030, to be reviewed by 2020 'having in mind an Union level of 30%'. In June 2016, the European Parliament called upon the Commission to set a binding energy efficiency target of 40% for 2030 which will also reflect the level of cost-effective energy efficiency potential. It is therefore appropriate to review and consequently amend the Directive to adapt it to the 2030 perspective.

Amendment 4
Proposal for a directive
Recital 3 a (new)

Text proposed by the Commission

(3a) The large surplus of allowances in the Union Emissions Trading System (ETS), due to economic downturn, influx of international carbon credits and over-allocation, has resulted in a weak ETS allowance price. The carbon price is not projected to increase in the foreseeable future to a level that would sufficiently incentivise improvement in energy saving and renewable energy, hence it is necessary to maintain specific measures and a stable long-term framework at Union level for energy saving investments.

Amendment

(3a) The large surplus of allowances in the Union Emissions Trading System (ETS), due to economic downturn, influx of international carbon credits and over-allocation, has resulted in a weak ETS allowance price. The carbon price is not projected to increase in the foreseeable future to a level that would sufficiently incentivise improvement in energy saving and renewable energy, hence it is necessary to maintain specific measures and a stable long-term framework at Union level for energy saving investments.
Proposal for a directive
Recital 4

Text proposed by the Commission

(4) There are no binding targets at national level in the 2030 perspective. The need for the Union to achieve its energy efficiency targets at EU level, expressed in primary and final energy consumption, in 2020 and 2030 should be clearly set out in the form of a binding 30% target. This clarification at Union level should not restrict Member States as their freedom is kept to set their national contributions based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States should set their national indicative energy efficiency contributions taking into account that the Union’s 2030 energy consumption has to be no more than 1 321 Mtoe of primary energy and no more than 987 Mtoe of final energy. This means that primary energy consumption should be reduced by 23% and final energy consumption should be reduced by 17% in the Union compared to 2005 levels. A regular evaluation of progress towards the achievement of the Union 2030 target is necessary and is provided for in the legislative proposal on Energy Union Governance.

Amendment

Proposal for a directive
Recital 6

Text proposed by the Commission

(6) In view of the climate and energy framework for 2030 the energy savings

Amendment

(6) In view of the decarbonisation objectives under the Paris Agreement and
obligation should be extended beyond 2020. Extending the commitment period beyond 2020 would create greater stability for investors and thus encourage long term investments and long term energy efficiency measures, such as the renovation of buildings.

the climate and energy framework for 2030, as well as the Union's climate and energy goals for 2050, the energy savings obligation should be extended with beyond 2020. Extending the commitment period with a long-term vision and associated policy measures beyond 2020 would create greater stability for investors and thus encourage long term investments and long term energy efficiency measures, such as the renovation of buildings and moving towards 'nearly zero energy buildings'. Cooperation with the private sector is important to assess on what basis private investment for energy efficiency projects can be unlocked.

Amendment 7
Proposal for a directive
Recital 6 a (new)

Text proposed by the Commission

(6a) Energy efficiency improvements also have a positive impact on air quality, as more energy efficient buildings reduce the demand in heating fuels, especially also solid heating fuels. Therefore, energy efficiency measures contribute to improving in- and outdoor air quality and help achieving, in a cost effective manner, objectives of Union’s air quality policy, as established in particular by the Directive (EU) 2016/2284 (the “Air Quality Directive”)\(^{1a}\). The reduction of energy demand in buildings should be considered an element of air quality policy in general and especially in Member States where achieving the Union’s limits on emissions of air pollutants is problematic and energy efficiency could help attain these goals.

\(^{1a}\) Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of

Amendment 8

Proposal for a directive
Recital 8

_text proposed by the Commission_

(8) Long term energy efficiency measures will continue delivering energy savings after 2020 but in order to contribute to the next Union 2030 energy efficiency target, those measures should deliver new savings after 2020. On the other hand, energy savings achieved after 31 December 2020 may not count towards the cumulative savings amount required for the period from 1 January 2014 to 31 December 2020.

Amendment

(8) Long term energy efficiency measures will continue delivering energy savings after 2020 but in order to contribute to the next Union 2030 energy efficiency target and the Union’s 2050 energy and climate goals in line with the Paris Agreement, those measures should deliver new savings after 2020. On the other hand, energy savings achieved after 31 December 2020 may not count towards the cumulative savings amount required for the period from 1 January 2014 to 31 December 2020.

Amendment 9

Proposal for a directive
Recital 10

_text proposed by the Commission_

(10) Energy savings which result from the implementation of Union legislation may not be claimed unless the measure in question goes beyond the minimum required by the Union legislation in question, whether by setting more ambitious energy efficiency requirements at national level or increasing the take up of the measure. Recognising that renovation of buildings is an essential and long term element in increasing energy savings, it is necessary to clarify that all energy savings stemming from measures promoting the renovation of existing

Amendment

(10) Energy savings which result from the implementation of Union legislation may only be claimed if they stem from new policy measures, whether introduced after 31 December 2020 or before provided it can be demonstrated that those measures result in new individual actions that are undertaken after 31 December 2020 and deliver new savings; and that the measure in question goes beyond the minimum required by the Union legislation in question, whether by setting more ambitious energy efficiency requirements at national level or increasing the take up
buildings can be claimed if they are additional to developments that would have happened in the absence of the policy measure and if the Member State demonstrates that the obligated, participating or entrusted party has actually contributed to the achievement of the savings claimed from the measure in question.

Amendment 10

Proposal for a directive
Recital 10 a (new)

Text proposed by the Commission

(10a) Effective water management can contribute significantly to energy saving. The water sector uses nearly 3.5% of electricity in the Union\(^{1a}\). Treatment and transport of water using pumping and pressure systems powered by electric motors consume much energy. Water demand is expected to increase by 25% by 2040, primarily in towns. At the same time, water leaks account for 24% of the total quantity of water consumed in Europe, wasting energy as well as water. Consequently, any measures geared to managing water more efficiently and reducing its use would help to attain the Union’s energy efficiency target.

\(^{1a}\) World Energy Outlook 2016,
Amendment 11
Proposal for a directive
Recital 10 b (new)

*Text proposed by the Commission*

(10b) *Industry consumes more water than any other sector in Europe, its share being 44%*. The use of smart technologies and procedures to manage water could lead to substantial water savings while increasing the competitiveness of businesses. The same is true for towns, where water accounts for between 30 and 50% of the electricity bills of municipalities.

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\(^1\text{a} \) Commission staff working document, Agriculture and sustainable water management in the EU, 28 April 2017

Amendment 12
Proposal for a directive
Recital 12

*Text proposed by the Commission*

(12) **Improvements** to the energy efficiency of buildings should benefit in particular consumers **affected by** energy poverty. Member States can already require obligated parties to include social aims in energy saving measures, in relation to energy poverty, and this possibility should now be extended to alternative measures and transformed into an obligation while leaving full flexibility to Member States with regard to the size, scope and content of such measures. In line with Article 9 of the Treaty, the Union's energy efficiency policies should be inclusive and therefore also ensure accessibility of energy efficiency measures.

(12) **It should be ensured that improvements** to the energy efficiency of buildings benefit in particular **low-income** consumers **at risk of** energy poverty. Member States can already require obligated parties to include social aims in energy saving measures, in relation to energy poverty, and this possibility should now be extended to alternative measures, **strengthened to require a significant share to be implemented as a priority**, and transformed into an obligation while leaving full flexibility to Member States with regard to the size, scope and content of such measures. In line with Article 9 of the Treaty, the Union's energy efficiency policies should be inclusive and therefore...
for energy poor consumers. Also ensure accessibility of energy efficiency measures for energy poor consumers. To this end, energy poverty should be properly defined, Member States’ implementation of measures monitored and the schemes accompanied by adequate financial instruments.

Amendment 13
Proposal for a directive
Recital 12 a (new)

*Text proposed by the Commission*

(12a) With around 50 million households in the Union being affected by energy poverty, energy efficiency measures must be central to any cost-effective strategy to address energy poverty and consumer vulnerability and are complementary to social security policies at the Member State level.

*Justification*

Energy efficiency measures must address those at risk of energy poverty, who will not have the means to make the necessary investments. Investments in households at risk of energy poverty will, however, reap significant benefits for those households and wider society.

Amendment 14
Proposal for a directive
Recital 12 b (new)

*Text proposed by the Commission*

(12b) All consumers should be able to achieve the highest benefit for the energy efficiency measures they implement given also that all costs, payback periods and benefits are fully transparent.

Amendment 15
Proposal for a directive  
Recital 12 c (new)

Text proposed by the Commission

(12 c) The Union's building stock will need to become "nearly zero energy buildings" by 2050, in line with the objectives of COP21 (the Paris Agreement). Present building renovation rates are insufficient and those buildings owned or occupied by low-income citizens at risk of energy poverty are the hardest to reach. Therefore, the measures laid down in Articles 7, 7a and 7b are of particular importance.

Justification

Energy efficiency measures must address those at risk of energy poverty, who will not have the means to make the necessary investments. Investments in households at risk of energy poverty will, however, reap significant benefits for those households and wider society.

Amendment

Proposal 16

Proposal for a directive  
Recital 13

Text proposed by the Commission

(13) Energy generated on or in buildings from renewable energy technologies reduces the supplied fossil energy. The reduction of energy consumption and the use of energy from renewable sources in the buildings sector are important measures to reduce the Union's energy dependency and greenhouse gas emissions, especially in view of ambitious climate and energy objectives set for 2030 as well as the global commitment made in the Conference of the Parties of the United Nation Framework Convention on Climate Change (COP21) held in Paris in December 2015. Member States should therefore be able to take into account a certain amount of renewable energy generated on or in buildings for own use into account to satisfy their

Amendment

(13) Energy generated on or in buildings from renewable energy technologies reduces the supplied fossil energy. The reduction of energy consumption and the use of energy from renewable sources in the buildings sector are important measures to reduce the Union’s energy dependency and greenhouse gas emissions, especially in view of ambitious climate and energy objectives set for 2030 as well as the global commitment made in the Conference of the Parties of the United Nation Framework Convention on Climate Change (COP21) held in Paris in December 2015, which states that the increase in the global average temperature should be held well below 2°C and that efforts to limit the temperature increase to 1.5°C should be
energy savings requirements. For this purpose Member States should be allowed to use calculation methodologies established under Directive 2010/31/EU.

Amendment 17
Proposal for a directive
Recital 14

Text proposed by the Commission

(14) As part of the measures set out in the Commission's Communication New Deal for Energy Consumers, in the context of the Energy Union and the Heating and Cooling strategy, consumers' minimum rights to clear and timely information about their energy consumption need to be strengthened. Articles 9 to 11 and Annex VII of Directive 2012/27/EU should be amended to provide for frequent and enhanced feedback on energy consumption. It should also be clarified that rights relating to billing and billing information apply for consumers of heating, cooling or hot water supplied from a central source even where they have no direct, individual contractual relationship with an energy supplier. Therefore, for the purposes of these provisions, the term 'final user', should cover final customers purchasing heating, cooling or hot water for their own use as well as occupants of individual units of multi-apartment or multi-purpose buildings where such units are supplied from a central source. The term 'sub-metering' should refer to measuring consumption in individual units of such buildings. By 1 January 2020 newly installed heat meters and heat cost allocators should be remotely readable to ensure cost-effective, frequent provision of consumption information. The new Article

pursued. Member States should therefore adopt ambitious, long-term renovation strategies in accordance with Article 2a of Directive 2010/31/EU as in force, with the goal to arrive at a highly energy efficient, NZEB stock by 2050 with the remaining energy needs to be met by renewable energy.

Amendment

(14) As part of the measures set out in the Commission's Communication New Deal for Energy Consumers, in the context of the Energy Union and the Heating and Cooling strategy, consumers' minimum rights to clear and timely information about their energy consumption need to be strengthened. Articles 9 to 11 and Annex VII of Directive 2012/27/EU should, with the aim to optimise the energy use of consumers, be amended to provide for frequent and enhanced information about and feedback on energy consumption when this is technically feasible and cost-efficient in view of the measurement devices in place. It should also be clarified that rights relating to billing and billing or consumption information apply for consumers of heating, cooling or hot water supplied from a central source even where they have no direct, individual contractual relationship with an energy supplier. The definition of the term 'final customer' may be understood to include only natural or legal persons purchasing energy based on a direct, individual contract with an energy supplier. The term 'final user', should refer to a broader group of consumers. The term 'final user' should in addition to final customers purchasing heating, cooling or hot water for their own use cover also as occupants of individual
9a is intended to apply only to heating, cooling and hot water supplied from a central source. The Member States should have discretion to decide how best to design the detailed measures providing frequent and enhanced feedback on energy consumption for occupants living in individual units of multi-apartment or multi-purpose buildings supplied with heating, cooling or hot water from a central source. The term 'sub-metering' should refer to measuring consumption in individual units of such buildings. The cost-efficiency of sub-metering depends on whether the related costs are proportionate in relation to the potential energy savings.

Amendment 18
Proposal for a directive
Recital 14 a (new)

_text proposed by the Commission_

(14 a) Given these new requirements, Member States should take into account that innovation and new technology require enhanced investments in education and skills, which are necessary for the successful implementation of such technologies and to enable both citizens and businesses to contribute to the fulfilment of the energy efficiency goals set by the Commission or the Member States.
Amendment 19
Proposal for a directive
Recital 15

**Text proposed by the Commission**

(15) Certain provisions of Article 15 of Directive 2012/27/EU on energy transformation, transmission and distribution should be **repealed**. The review of the acquis in the energy field may result in Member States' obligations under the different energy related acts being structured differently. This restructuring should not affect Member States' obligation to comply with the substantive requirements of Directive 2012/27/EU which may be reintroduced, completely or partially, in other acts.

**Amendment**

(15) Certain provisions of Article 15 of Directive 2012/27/EU on energy transformation, transmission and distribution should be **aligned with the relevant electricity market provisions**. The review of the acquis in the energy field may result in Member States' obligations under the different energy related acts being structured differently. This restructuring should not affect Member States' obligation to comply with the substantive requirements of Directive 2012/27/EU.

Amendment 20
Proposal for a directive
Recital 18

**Text proposed by the Commission**

(18) **In order to be able to evaluate the effectiveness of Directive 2012/27/EU, a requirement for a general review of the Directive and a report to the European Parliament and the Council by 28 February 2024 should be introduced.**

**Amendment**

(18) Energy law and climate law are complementary and should be mutually reinforcing. Thus, as part of the obligations under the Paris Agreement, within six months of the UNFCCC global stocktake in 2023 and aligned to the review process of the Governance Regulation [ ], the Commission should undertake a general review of Directive 2012/27/EU and introduce a report to the European Parliament and the Council assessing the general effectiveness of Directive 2012/27/EU and the need to adjust the Union’s energy efficiency policy according to the objectives of the Paris Agreement. Such a review and report should be undertaken in subsequent global stocktakes thereafter.

Amendment 21
Proposal for a directive
Article 1 – paragraph 1 – point 1
Directive 2012/27/EU
Article 1 – paragraph 1

Text proposed by the Commission

1. This Directive establishes a common framework of measures to promote energy efficiency within the Union in order to ensure that the Union’s 2020 20 % headline targets and its 2030 30 % binding headline targets on energy efficiency are met and paves the way for further energy efficiency improvements beyond those dates. It lays down rules designed to remove barriers in the energy market and overcome market failures that impede efficiency in the supply and use of energy, and provides for the establishment of indicative national energy efficiency targets and contributions for 2020 and 2030;

Amendment

1. This Directive establishes a common framework of measures to promote energy efficiency within the Union in order to ensure that the Union’s 2020 20 % headline targets and a 2030 40 % binding headline targets on energy efficiency are met and paves the way for further energy efficiency improvements beyond those dates conforming to previously set long-term energy goals and commitments made under the Energy Union, as well as the global climate objective under the Paris Agreement. It lays down rules designed to remove barriers in the energy market and overcome market failures that impede efficiency in the supply and use of energy, and connects to the Union’s principle to put energy efficiency first, with multiple benefits for the climate, the Union’s citizens and businesses. Furthermore, the Directive provides for the establishment of national energy efficiency targets for 2020 and binding national energy efficiency targets and contributions for 2030;

To mobilise private financing for energy efficiency measures and energy renovations, the Commission shall start a dialogue with both public and private financial institutions to map out potential policy mechanisms. Given the large potential for energy efficiency improvements in the building sector, investments in this sector shall be particularly considered, with a primary focus on residential buildings with low-income households at risk of energy poverty. In addition, to make investments in energy efficiency projects more financially interesting and feasible for investors, the Commission should consider options on how to bundle small
projects into larger ones. The Commission shall provide guidance for Member States on how to unlock private investment no later than 1 January 2019.

Amendment 22

Proposal for a directive

Article 1 – paragraph 1 – point 1 a (new)

Directive 2012/27/EU

Article 2 – paragraph 1 – point 8 a (new)

Text proposed by the Commission

(1 a) In Article 2, new point 8a is added:

(8a) ‘public authority’ means any government or other public administration, at national, regional or local level, including hospitals and health care facilities, as well as educational buildings and social housing

Amendment 23

Proposal for a directive

Article 1 – paragraph 1 – point 2

Directive 2012/27/EU

Article 3

Text proposed by the Commission

Article 3

Energy efficiency targets

1. Each Member State shall set an indicative national energy efficiency target for 2020, based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States shall notify those targets to the Commission in accordance with Article 24(1) and Annex XIV Part 1. When doing so, they shall also express those targets in terms of an absolute level of primary energy consumption and final energy consumption in 2020 and shall explain

Amendment

Article 3

Energy efficiency targets

1. Each Member State shall set an indicative national energy efficiency target for 2020 and a binding national target for 2030, based on either primary or final energy consumption, primary or final energy savings, or energy intensity. Member States shall notify those targets to the Commission in accordance with Article 24(1) and Annex XIV Part 1. When doing so, they shall also express those targets in terms of an absolute level of primary energy consumption and final energy consumption in 2020 and shall explain
how, and on the basis of which data, this has been calculated.

When setting those targets, Member States shall take into account:

(a) that the Union’s 2020 energy consumption has to be no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy;

(b) the measures provided for in this Directive;

(c) the measures adopted to reach the national energy saving targets adopted pursuant to Article 4(1) of Directive 2006/32/EC; and

(d) other measures to promote energy efficiency within Member States and at Union level.

When setting those targets, Member States may also take into account national circumstances affecting primary energy consumption, such as:

(a) remaining cost-effective energy-saving potential;

(b) GDP evolution and forecast;

(c) changes of energy imports and exports;

(d) development of all sources of renewable energies, nuclear energy, carbon capture and storage; and

(e) early action.

2. By 30 June 2014, the Commission shall consumption in 2020 and shall explain how, and on the basis of which data, this has been calculated.

When setting those targets, Member States shall take into account:

(a) that the Union’s 2020 energy consumption has to be no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy;

(b) the measures provided for in this Directive;

(c) the measures adopted to reach the national energy saving targets adopted pursuant to Article 4(1) of Directive 2006/32/EC; and

(d) other measures to promote energy efficiency within Member States and at Union level.

When setting those targets, Member States may also take into account national circumstances affecting primary energy consumption, such as:

(a) remaining cost-effective energy-saving potential;

(b) GDP evolution and forecast;

(c) changes of energy imports and exports;

(c a) technological developments that may facilitate the feasibility of the targets;

(d) development of all sources of renewable energies, nuclear energy, carbon capture and storage; and

(da) the Paris Agreement of December 2015, which requires the Union and the Member States to limit the increase in average global temperature to well below 2°C and preferably to no more than 1,5°C; and

(db) the Union's climate and energy goals for 2050.

(e) early action.

2. By 30 June 2014, the Commission shall
assess progress achieved and whether the Union is likely to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy in 2020.

3. In carrying out the review referred to in paragraph 2, the Commission shall:

(a) sum the national indicative energy efficiency targets reported by Member States;

(b) assess whether the sum of those targets can be considered a reliable guide to whether the Union as a whole is on track, taking into account the evaluation of the first annual report in accordance with Article 24(1), and the evaluation of the National Energy Efficiency Action Plans in accordance with Article 24(2);

(c) take into account complementary analysis arising from:

(i) an assessment of progress in energy consumption, and in energy consumption in relation to economic activity, at Union level, including progress in the efficiency of energy supply in Member States that have based their national indicative targets on final energy consumption or final energy savings, including progress due to these Member States’ compliance with Chapter III of this Directive;

(ii) results from modelling exercises in relation to future trends in energy consumption at Union level.

(d) compare the results under points (a) to (c) with the quantity of energy consumption that would be needed to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy in 2020.

4. Each Member State shall set indicative national energy efficiency contributions towards the Union’s 2030 target referred to assess progress achieved and whether the Union is likely to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy in 2020.

3. In carrying out the review referred to in paragraph 2, the Commission shall:

(a) sum the national energy efficiency targets reported by Member States;

(b) assess whether the sum of those targets can be considered a reliable and realistic guide based on objective and non-discriminatory criteria to whether the Union as a whole is on track, taking into account the evaluation of the first annual report in accordance with Article 24(1), and the evaluation of the National Energy Efficiency Action Plans in accordance with Article 24(2);

(c) take into account complementary analysis arising from:

(i) an assessment of progress in energy consumption, and in energy consumption in relation to economic activity, at Union level, including progress in the efficiency of energy supply in Member States that have based their national indicative targets on final energy consumption or final energy savings, including progress due to these Member States’ compliance with Chapter III of this Directive;

(ii) results from modelling exercises in relation to future trends in energy consumption at Union level.

(d) compare the results under points (a) to (c) with the quantity of energy consumption that would be needed to achieve energy consumption of no more than 1 483 Mtoe of primary energy and no more than 1 086 Mtoe of final energy in 2020.

4. Each Member State shall identify the bottom-up technical and economical potential for increased energy efficiency
in Article 1 paragraph 1 in accordance with Articles [4] and [6] of Regulation (EU) XX/20XX [Governance of the Energy Union]. When setting those contributions, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1,321 Mtoe of primary energy and no more than 987 Mtoe of final energy. Member States shall notify those contributions to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union].

When setting those contributions, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1,132 Mtoe of primary energy and no more than 849 Mtoe of final energy. Member States shall notify those contributions to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union]. Member States shall also report annually to the Commission on the progress towards achieving their targets.

Amendment 24

Proposal for a directive
Article 1 – paragraph 1 – point 2 a (new)
Directive 2012/27/EU
Article 5

Present text

“Article 5
Exemplary role of public bodies’ buildings
1. Without prejudice to Article 7 of Directive 2010/31/EU, each Member State shall ensure that, as from 1 January 2014, 3% of the total floor area of heated and/or cooled buildings owned and occupied by its central government is renovated each year to meet at least the minimum energy improvements in each sector, including how specific policy measures at all stages of the energy system, from the supply, transmission and distribution phase to energy end-use, will enable reaching the binding national energy efficiency targets in line with the Union’s 2030 target referred to in Article 1 paragraph 1 in accordance with Articles [4] and [6] of Regulation (EU) XX/20XX [Governance of the Energy Union]. When setting those targets, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1,132 Mtoe of primary energy and no more than 849 Mtoe of final energy. Member States shall notify their national targets to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union]. Member States shall also report annually to the Commission on the progress towards achieving their targets.

Amendment

(2 a) Article 5 is replaced by the following:

“Article 5
Exemplary role of public bodies’ buildings
1. Without prejudice to Article 7 of Directive 2010/31/EU, each Member State shall ensure that, as from 1 January 2014, 3% of the total floor area of heated and/or cooled buildings owned and occupied by its central government is renovated each year to meet at least the minimum energy improvements in each sector, including how specific policy measures at all stages of the energy system, from the supply, transmission and distribution phase to energy end-use, will enable reaching the binding national energy efficiency targets in line with the Union’s 2030 target referred to in Article 1 paragraph 1 in accordance with Articles [4] and [6] of Regulation (EU) XX/20XX [Governance of the Energy Union]. When setting those targets, Member States shall take into account that the Union’s 2030 energy consumption has to be no more than 1,321 Mtoe of primary energy and no more than 987 Mtoe of final energy. Member States shall notify those contributions to the Commission as part of their integrated national energy and climate plans in accordance with the procedure pursuant to Articles [3] and [7] to [11] of Regulation (EU) XX/20XX [Governance of the Energy Union]. Member States shall also report annually to the Commission on the progress towards achieving their targets.”
performance requirements that it has set in application of Article 4 of Directive 2010/31/EU.

The 3% rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m² owned and occupied by the central government of the Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU. That threshold shall be lowered to 250 m² as of 9 July 2015.

Where a Member State requires that the obligation to renovate each year 3% of the total floor area extends to floor area owned and occupied by administrative departments at a level below central government, the 3% rate shall be calculated on the total floor area of buildings with a total useful floor area over 500 m² and, as of 9 July 2015, over 250 m² owned and occupied by central government and by these administrative departments of the Member State concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU.

When implementing measures for the comprehensive renovation of central government buildings in accordance with the first subparagraph, Member States may choose to consider the building as a whole, including the building envelope, equipment, operation and maintenance.

When implementing measures for the comprehensive renovation of public authority buildings in accordance with the first subparagraph, Member States may choose to consider the building as a whole, including the building envelope, equipment, operation and maintenance.
Member States shall require that central government buildings with the poorest energy performance be a priority for energy efficiency measures, where cost-effective and technically feasible.

2. Member States may decide not to set or apply the requirements referred to in paragraph 1 to the following categories of buildings:

(a) buildings officially protected as part of a designated environment, or because of their special architectural or historical merit, in so far as compliance with certain minimum energy performance requirements would unacceptably alter their character or appearance;

(b) buildings owned by the armed forces or central government and serving national defence purposes, apart from single living quarters or office buildings for the armed forces and other staff employed by national defence authorities;

(c) buildings used as places of worship and for religious activities.

3. If a Member State renovates more than 3% of the total floor area of central government buildings in a given year, it may count the excess towards the annual renovation rate of any of the three previous or following years.

4. Member States may count towards the annual renovation rate of central government buildings new buildings occupied and owned as replacements for specific central government buildings demolished in any of the two previous years, or buildings that have been sold, demolished or taken out of use in any of the two previous years due to more intensive use of other buildings.

5. For the purposes of paragraph 1, by 31 December 2013, Member States shall establish and make publicly available an inventory of heated and/or cooled central government buildings with a total useful floor area over 500 m² and, as of 9 July 2015, Member States shall require that public authority buildings with the poorest energy performance be a priority for energy efficiency measures, where cost-effective and technically feasible.

2. Member States may decide not to set or apply the requirements referred to in paragraph 1 to the following categories of buildings:

(a) buildings officially protected as part of a designated environment, or because of their special architectural or historical merit, in so far as compliance with certain minimum energy performance requirements would unacceptably alter their character or appearance;

(b) buildings owned by the armed forces or central government and serving national defence purposes, apart from single living quarters or office buildings for the armed forces and other staff employed by national defence authorities;

(c) buildings used as places of worship and for religious activities.

3. If a Member State renovates more than 3% of the total floor area of public authorities' buildings in a given year, it may count the excess towards the annual renovation rate of any of the three previous or following years.

4. Member States may count towards the annual renovation rate of public authority buildings new buildings occupied and owned as replacements for specific public authority buildings demolished in any of the two previous years, or buildings that have been sold, demolished or taken out of use in any of the two previous years due to more intensive use of other buildings.

5. For the purposes of paragraph 1, by 31 December 2013, Member States shall establish and make publicly available an inventory of heated and/or cooled public authority buildings with a total useful floor area over 500 m² and, as of 9 July 2015,
2015, over 250 m², excluding buildings exempted on the basis of paragraph 2. The inventory shall contain the following data:

(a) the floor area in m²; and
(b) the energy performance of each building or relevant energy data.

6. Without prejudice to Article 7 of Directive 2010/31/EU, Member States may opt for an alternative approach to paragraphs 1 to 5 of this Article, whereby they take other cost-effective measures, including deep renovations and measures for behavioural change of occupants, to achieve, by 2020, an amount of energy savings in eligible buildings owned and occupied by their central government that is at least equivalent to that required in paragraph 1, reported on an annual basis.

For the purpose of the alternative approach, Member States may estimate the energy savings that paragraphs 1 to 4 would generate by using appropriate standard values for the energy consumption of reference central government buildings before and after renovation and according to estimates of the surface of their stock. The categories of reference central government buildings shall be representative of the stock of such buildings.

Member States opting for the alternative approach shall notify to the Commission, by 31 December 2013, the alternative measures that they plan to adopt, showing how they would achieve an equivalent improvement in the energy performance of the buildings within the central government estate.

7. Member States shall encourage public bodies, including at regional and local level, and social housing bodies governed by public law, with due regard for their respective competences and
(a) adopt an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving and efficiency objectives and actions, with a view to following the exemplary role of central government buildings laid down in paragraphs 1, 5 and 6;

(b) put in place an energy management system, including energy audits, as part of the implementation of their plan;

(c) use, where appropriate, energy service companies, and energy performance contracting to finance renovations and implement plans to maintain or improve energy efficiency in the long term.

7a. Member States shall report on the annual energy savings resulting from the renovations, including on the share of deep renovations, and on the total floor area renovated, according to Article 19 of the Governance Regulation [ ].

Amendment 25

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – Title and paragraph 1

Text proposed by the Commission

Energy savings obligation

1. Member States shall achieve cumulative end-use energy savings at least equivalent to:

(a) new savings each year from 1 January 2014 to 31 December 2020 of 1.5

Amendment

Energy savings support schemes

1. To ensure that the Union’s 2050 energy and climate targets and the long-term objectives under the Paris Agreement are met, Member States shall achieve cumulative end-use energy savings at least equivalent to:

(a) new savings each year from 1 January 2014 to 31 December 2020 of 1.5
% of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2013.

(b) new savings each year from 1 January 2021 to 31 December 2030 of 1.5% of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2019.

(b a) new savings each year from 1 January 2031 to 31 December 2040 of 1.5% of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2029.

(b b) new savings each year from 1 January 2041 to 31 December 2050 of 1.5% of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2039.

If reviews by the Commission indicate the need, Member States shall adjust their annual savings obligation in accordance with the following periods: 2014-2020, 2021-2030, 2031-2040 and 2041-2050.

Amendment 26

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Member States shall continue to achieve new annual savings of 1.5% for ten year periods after 2030, unless reviews by the Commission by 2027 and every 10 years thereafter conclude that this is not necessary to achieve the Union's long term energy and climate targets for 2050.

Amendment

Member States shall continue to achieve new annual savings of 1.5% for the 2031-2040 and 2041-2050 periods, unless reviews based on objective and non-discriminatory criteria set by the Commission by 2027 and every 10 years thereafter conclude that to achieve the Union's long term energy, climate and decarbonisation targets for 2050, the annual obligation for energy savings should be adjusted.
Amendment 27

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 1 – subparagraph 3

Text proposed by the Commission

For the purposes of point (b), and without prejudice to paragraphs 2 and 3, Member States may count only those energy savings that stem from new policy measures introduced after 31 December 2020 or policy measures introduced during the period from 1 January 2014 to 31 December 2020 provided it can be demonstrated that those measures result in individual actions that are undertaken after 31 December 2020 and deliver savings.

Amendment

For the purposes of point (b), and without prejudice to paragraphs 2 and 3, Member States may count only those energy savings that stem from new policy measures, whether introduced after 31 December 2020 or before, provided it can be demonstrated that those measures result in new individual actions that are undertaken after 31 December 2020 and deliver new savings.

Amendment 28

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 1 – subparagraph 4

Text proposed by the Commission

The sales of energy, by volume, used in transport may be partially or fully excluded from these calculations.

Amendment

From 2014 to 2020, the sales of energy, by volume, used in transport may be partially or fully excluded from these calculations. From 2021 onwards the sales of energy, by volume, used in transport may not be excluded from these calculations.

Amendment 29

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 1 – subparagraph 5
Text proposed by the Commission

Member States shall decide how the calculated quantity of new savings is to be phased over each period referred to in points (a) and (b) as long as the required total cumulative savings have been achieved by the end of each period.

Justification

This provisions should also apply for the 2030-2050 periods in order to guarantee a stable framework necessary for investments.

Amendment 30

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 2

2. Subject to paragraph 3, each Member State may:
   (a) carry out the calculation required by point (a) of paragraph 1 using values of 1 % in 2014 and 2015; 1.25 % in 2016 and 2017; and 1.5 % in 2018, 2019 and 2020;
   (b) exclude from the calculation all or part of the sales, by volume, of energy used in industrial activities listed in Annex I to Directive 2003/87/EC;
   (c) allow energy savings achieved in the energy transformation, distribution and transmission sectors, including efficient district heating and cooling infrastructure, as a result of implementing the requirements set out in Article 14(4), point (b) of Article 14(5) and Article 15(1) to (6) and (9), to be counted towards the amount of energy savings required under paragraph 1;
   (d) count energy savings resulting from individual actions newly

Amendment

Member States shall decide how the calculated quantity of new savings is to be phased over each period referred to in points (a), (b), (ba) and (bb) as long as the required total cumulative savings have been achieved by the end of each period.

2. Subject to paragraph 3, each Member State may:
   (a) carry out the calculation required by point (a) of paragraph 1 using values of 1 % in 2014 and 2015; 1.25 % in 2016 and 2017; and 1.5 % in 2018, 2019 and 2020;
   (c) allow energy savings achieved in the energy transformation, distribution and transmission sectors, including efficient district heating and cooling infrastructure, as a result of implementing the requirements set out in Article 14(4), point (b) of Article 14(5) and Article 15(1) to (6) and (9), to be counted towards the amount of energy savings required under paragraph 1;
implemented since 31 December 2008 that continue to have an impact in 2020 and beyond and which can be measured and verified, towards the amount of energy savings referred to in paragraph 1; and .

(e) exclude from the calculation of the energy savings requirement referred to in paragraph 1 the verifiable amount of energy generated on or in buildings for own use as a result of policy measures promoting new installation of renewable energy technologies.

Amendment 31

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 3

Text proposed by the Commission

3. All the options chosen under paragraph 2 taken together must amount to no more than 25 % of the amount of energy savings referred to in paragraph 1. Member States shall apply and calculate the effect of the options chosen for the periods referred to in points (a) and (b) of paragraph 1 separately:

(a) for the calculation of the amount of energy savings required for the period referred to in point (a) of paragraph 1 Member States may make use of points (a), (b), (c), and (d) of paragraph 2;

(b) for the calculation of the amount of energy savings required for the period referred to in point (b) of paragraph 1 Member States may make use of points (b), (c), (d) and (e) of paragraph 2, provided individual actions in the meaning of point (d) continue to have a verifiable and measurable impact after 31 December 2020.

Amendment

3. All the options chosen under paragraph 2 taken together must amount to no more than 25 % of the amount of energy savings referred to in paragraph 1. Member States shall apply and calculate the effect of the options chosen for the periods referred to in points (a) and (b) of paragraph 1 separately:

(a) for the calculation of the amount of energy savings required for the period referred to in point (a) of paragraph 1 Member States may make use of points (a) and (c) of paragraph 2;

(b) for the calculation of the amount of energy savings required for the period referred to in points (b), (b a) and (b b) of paragraph 1 Member States may make use of point (c) of paragraph 2.
Amendment 32

Proposal for a directive
Article 1 – paragraph 1 – point 3
Directive 2012/27/EU
Article 7 – paragraph 7

Text proposed by the Commission

7. Member States shall demonstrate that where there is an overlap in the impact of policy measures or individual actions, there is no double counting of energy savings.

Amendment

7. While recognising that efficiency gains from primary and final energy are complementary, Member States shall demonstrate that where there is an overlap in the impact of policy measures or individual actions, there is no double counting of energy savings.

Amendment 33

Proposal for a directive
Article 1 – paragraph 1 – point 4
Directive 2012/27/EU
Article 7a

Text proposed by the Commission

Article 7a

Energy efficiency obligation schemes

1. Where Member States decide to fulfil their obligations to achieve the amount of savings required under Article 7 (1) by way of an energy efficiency obligation scheme they shall ensure that obligated parties referred to in paragraph 2 operating in each Member State’s territory achieve, without prejudice to Article 7(2), the cumulative end-use energy savings requirement set out in Article 7(1).

2. Member States shall designate, on the basis of objective and non-discriminatory criteria, obligated parties among energy distributors and/or retail energy sales companies operating in its territory and may include transport fuel distributors or transport fuel retailers operating in its territory. The amount of energy savings needed to fulfil the obligation shall be achieved by the

Amendment

Article 7a

Energy efficiency support schemes

1. Where Member States decide to fulfil their obligations to achieve the amount of savings required under Article 7 (1) by way of an energy efficiency support scheme they shall ensure that obligated parties referred to in paragraph 2 operating in each Member State’s territory achieve, without prejudice to Article 7(2), the cumulative end-use energy savings requirement set out in Article 7(1).

2. Member States shall designate, on the basis of objective and non-discriminatory criteria, obligated parties among energy distributors and/or retail energy sales companies operating in its territory and shall include transport fuel distributors and transport fuel retailers operating in its territory. The amount of energy savings needed to fulfil the obligation shall be achieved by the
obligated parties among final customers, designated by the Member State, independently of the calculation made pursuant to Article 7(1), or, if Member States so decide, through certified savings stemming from other parties as described in point (b) of paragraph 5.

3. Member States shall express the amount of energy savings required of each obligated party in terms of either final or primary energy consumption. The method chosen to express the amount of energy savings required shall also be used to calculate the savings claimed by obligated parties. The conversion factors set out in Annex IV shall apply.

4. Member States shall put in place measurement, control and verification system under which documented audits are carried out on a statistically significant proportion and representative sample of the energy efficiency improvement measures put in place by the obligated parties. This measurement, control and verification shall be conducted independently of the obligated parties.

5. Within the energy efficiency obligation scheme, Member States:

(a) shall include requirements with a social aim in the saving obligations they impose, including by requiring a share of energy efficiency measures to be implemented as a priority in households affected by energy poverty and in social housing;

(b) may permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties including when obligated parties promote measures through other State-approved bodies or through public authorities that may or may not involve formal partnerships and may be in combination with other sources of

obligated parties among final customers, designated by the Member State, independently of the calculation made pursuant to Article 7(1), or, if Member States so decide, through certified savings stemming from other parties as described in point (b) of paragraph 5.

3. Member States shall express the amount of energy savings required of each obligated party in terms of either final or primary energy consumption. The method chosen to express the amount of energy savings required shall also be used to calculate the savings claimed by obligated parties. The conversion factors set out in Annex IV shall apply.

4. Member States shall put in place measurement, control and verification system under which documented audits are carried out on a statistically significant proportion and representative sample of the energy efficiency improvement measures put in place by the obligated parties. This measurement, control and verification shall be conducted independently of the obligated parties.

5. Within the energy efficiency support scheme, Member States:

(a) shall include and make public requirements with a social aim in the saving obligations they impose, including by requiring a significant share of energy efficiency measures to be implemented as a priority in low-income households at risk of energy poverty or in social housing and shall facilitate access to the necessary financial support via adequate financial instruments;

(b) shall permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties including when obligated parties promote measures through other State-approved bodies, such as social housing providers, or through public authorities that may or may not involve formal partnerships and may be in combination with other sources of
finance. Where Member States so permit, they shall ensure that an approval process is in place which is clear, transparent and open to all market actors, and which aims at minimising the costs of certification;

c) may allow obligated parties to count savings obtained in a given year as if they had instead been obtained in any of the four previous or three following years as long as this is not beyond the end of the obligation periods set out in Article 7(1).

6. Once a year, Member States shall publish the energy savings achieved by each obligated party, or each sub-category of obligated party, and in total under the scheme.

Amendment 34

Proposal for a directive

Article 1 – paragraph 1 – point 4

Directive 2012/27/EU

Article 7b

Text proposed by the Commission

Article 7b

Alternative policy measures

1. Where Member States decide to fulfil their obligations to achieve the savings required under Article 7(1) by way of alternative policy measures they shall ensure that the energy savings required under Article 7(1) are achieved among final customers.

2. In designing alternative policy measures to achieve energy savings, Member States shall take into account the effect on households affected by energy poverty.

3. For all measures other than those

Amendment

Article 7b

Alternative policy measures

1. Where Member States decide to fulfil their obligations to achieve the savings required under Article 7(1) by way of alternative policy measures they shall ensure that the energy savings required under Article 7(1) are achieved among final customers.

2. In designing alternative policy measures to achieve energy savings and to ensure that ambitious energy renovation of existing buildings will be undertaken, Member States shall establish measures benefiting low-income households at risk of energy poverty or in social housing. Those measures shall be made public.

3. For all measures other than those
relating to taxation measures, Member States shall put in place measurement, control and verification systems under which documented audits are carried out on a statistically significant proportion and representative sample of the energy efficiency improvement measures put in place by the participating or entrusted parties. This measurement, control and verification shall be conducted independently of the participating and entrusted parties.’;

Amendment 35

Proposal for a directive
Article 1 – paragraph 1 – point 4 a (new)
Directive 2012/27/EU
Article 8 – paragraph 4

Present text

“4. Member States shall ensure that enterprises that are not SMEs are subject to an energy audit carried out in an independent and cost-effective manner by qualified and/or accredited experts or implemented and supervised by independent authorities under national legislation by 5 December 2015 and at least every four years from the date of the previous energy audit.”

Amendment

(4 a) In Article 8, paragraph 4 is replaced by the following:

“4. Member States shall ensure that enterprises that are not SMEs are subject to an energy audit carried out in an independent and cost-effective manner by qualified and/or accredited experts or implemented and supervised by independent authorities under national legislation by 5 December 2015 and at least every four years from the date of the previous energy audit.

Member States shall incentivise SMEs with higher energy consumption per turnover than EU average to fulfil the requirements set out in this paragraph”

Amendment 36

Proposal for a directive
Article 1 – paragraph 1 – point 4 b (new)
Directive 2012/27/EU
Article 8 – paragraph 6
In Article 8, paragraph 6 is replaced by the following:

“6. Enterprises that are not SMEs and enterprises that are SMEs with high energy consumption per employee or per turnover and that are implementing an energy or environmental management system - certified by an independent body according to the relevant European or International Standards - shall be exempted from the requirements of paragraph 4, provided that Member States ensure that the management system concerned includes an energy audit on the basis of the minimum criteria based on Annex VI.”

**Amendment 37**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 5 – point b**

Directive 2012/27/EU

**Article 9 – paragraph 1 – subparagraph 1**

**Text proposed by the Commission**

Member States shall ensure that, in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings, final customers for natural gas are provided with competitively priced individual meters that accurately reflect the final customer's actual energy consumption and that provide information on actual time of use.

**Amendment**

Member States shall ensure that, in so far as it is technically possible, cost effective and proportionate in relation to the potential energy savings, final customers for natural gas are provided with competitively priced individual meters that accurately reflect the final customer's actual energy consumption and that provide information on actual time of use.

**Justification**

Customers have a right to clear, understandable and timely information about their energy consumption. However, heat meters and heat cost allocators in multi-apartment or multi-purpose buildings are only justified if technically feasible, cost effective and proportionate in relation to the potential energy savings, and can otherwise lead to undesired consequences such as creating new risks of energy poverty instead of combating it, and impede other measures which would deliver greater energy efficiency results for customers.
Amendment 38

Proposal for a directive
Article 1 – paragraph 1 – point 6
Directive 2012/27/EU
Article 9a

Text proposed by the Commission

Article 9a

1. Member States shall ensure that final customers for district heating, district cooling and domestic hot water are provided with competitively priced meters that accurately reflect the final customer’s actual energy consumption.

Where heating and cooling or hot water are supplied to a building from a central source servicing multiple buildings or from district heating and cooling network, a heat or hot water meter shall always be installed at the heat exchanger or point of delivery.

2. In multi-apartment and multi-purpose buildings with a central heating or cooling source or supplied from district heating and cooling systems, individual meters shall be installed to measure the consumption of heat or cooling or hot water for each building unit.

Amendment

Article 9a

1. Member States shall ensure that final customers for district heating, district cooling and domestic hot water are provided with competitively priced meters that accurately reflect the final customer’s actual energy consumption.

Where heating, cooling or hot water are supplied to a building from a central source servicing multiple buildings or from a district heating or cooling network, a meter shall always be installed at the heat exchanger or point of delivery.

2. In multi-apartment and multi-purpose buildings with a central heating or cooling source or supplied from district heating and cooling systems, individual meters shall be installed to measure the consumption of heat or cooling or hot water for each building unit where technically feasible, cost effective and proportionate in relation to the potential energy savings.

Where the use of individual meters is not technically feasible or where it is not cost-efficient to measure heating or cooling in each building unit, individual heat cost allocators shall be used to measure heat consumption at each radiator unless it is shown by the Member State in question that the installation of such heat cost allocators would not be cost efficient. In those cases, alternative cost-efficient methods of heat consumption measurement may be considered. The conditions of technical non-feasibility and non-cost effectiveness shall...
be clearly set out and published by each Member State.

In new buildings of the kind referred to in the first sub-paragraph or when such a building undergoes major renovation, as set out in Directive 2010/31/EU, individual meters shall always be provided.

In new buildings of the kind referred to in the first sub-paragraph or when such a building undergoes major renovation, as set out in Directive 2010/31/EU, hot-water meters shall be provided, where technically feasible, cost effective and proportionate in relation to the potential energy savings and while ensuring that this does not increase the risk of energy poverty.

3. Where multi-apartment and multi-purpose buildings are supplied from district heating or cooling, or where own common heating or cooling systems for such buildings are prevalent, Member States shall introduce transparent rules on the allocation of the cost of heating, cooling and hot water consumption in such buildings to ensure transparency and accuracy of accounting for individual consumption including:

Meters and cost allocators that have already been installed but which are not remotely readable shall be provided with this capability or be replaced with remotely readable devices by 1 January 2027, except where the Member State in question shows that this is not cost-efficient.

4. For the purposes of this Article, as of 1 January 2020 meters and cost allocators installed shall be remotely readable devices.

Meters and heat cost allocators that have already been installed but which are not remotely readable shall be provided with this capability or be replaced with remotely readable devices by 1 January 2027, except where the Member State in question shows that this is not cost-efficient.

Amendment 39

Proposal for a directive
Article 1 – paragraph 1 – point 7 – point c
Directive 2012/27/EU
Article 10 – paragraph 2 – subparagraph 1
Meters installed in accordance with Directive 2009/73/EC shall enable accurate billing information based on actual consumption. Member States shall ensure that final customers have the possibility of easy access to complementary information on historical consumption allowing detailed self-checks.

To ensure consumer privacy for final consumers, Member States shall ensure that meters are privacy-proof and used in line with the requirements of the Regulation (EU) 2016/679 (General Data Protection Regulation (GDPR)). Member States shall also take into account the importance of resistance to cybercrime in metering systems. In this regard, the Commission shall examine before 1 January 2019 whether Directive 2013/40/EU (on attacks against information systems) should be updated to include metering systems.

**Amendment 40**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 8**  
Directive 2012/27/EU  
Article 10a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

Member States shall ensure that billing and consumption information is accurate and based on actual consumption, in accordance with points 1 and 2 of Annex VIIa for all final users where meters or cost allocators are installed.

*Amendment*

Member States shall ensure that billing and consumption information is accurate and based on actual consumption or heat cost allocator readings, in accordance with points 1 and 2 of Annex VIIa for all final consumers where meters or heat cost allocators are installed.

**Amendment 41**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 8**
Directive 2012/27/EU
Article 10a – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Member States may decide who is to provide the billing and consumption information based on actual consumption or heat cost allocator readings to final users, that is to say, for natural or legal persons occupying an individual building or a unit in a multi-apartment or multi-purpose building supplied with heating, cooling or hot water from a central source who has no direct or individual contract with the energy supplier.

Justification

The obligation of delivering billing and consumption information to final users is not always possible to fulfil with heat cost allocators because they do not measure actual heat consumption and it will be very expensive and technically complicated replace them with energy meters. Billing information on heat consumption based on heat meter readings should be provided as a rule only to the final customer. The scope of information delivered to final users (in case they are not final customers), should be decided individually by Member States, taking into account the specificity of the building infrastructure in each area and the current legal status.

Proposal 42

Directive 2012/27/EU
Article 10a – paragraph 2 – point a

Text proposed by the Commission

(a) shall require that, if information on the energy billing and historical consumption of final users is available, it be made available, to an energy service provider designated by the final user;

Amendment

(a) shall require that, if information on the energy billing and historical consumption or heat cost allocator readings of final consumers is available, it be made available upon request by the final user, to an energy service provider designated by the final consumer;
Amendment 43

Proposal for a directive
Article 1 – paragraph 1 – point 8
Directive 2012/27/EU
Article 10a – paragraph 2 – point c

Text proposed by the Commission

(c) shall ensure that appropriate information is provided with the bill based on actual consumption to all final users in accordance with point 3 of Annex VII;

Amendment

(c) shall ensure that appropriate information is provided with the bill based on actual consumption or heat cost allocator readings to all final consumers in accordance with point 3 of Annex VIIa;

Amendment 44

Proposal for a directive
Article 1 – paragraph 1 – point 11 a (new)
Directive 2012/27/EU
Article 19 a (new)

Text proposed by the Commission

11a. The following Article 19a is inserted:

Article 19a

Financing energy efficiency by European banks

The European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) shall adapt their policy objectives with a view to recognise energy efficiency as an energy source in its own right and energy efficiency investments as part of their infrastructure investment portfolio.

EIB and EBRD shall, also together with national promotional banks, design, generate and finance programmes and projects tailored to the efficiency sector, including for energy poor households.

Member States shall make full use of the possibilities and tools proposed by the Smart Finance for Smart Buildings
Initiative.

Justification

A step change is needed so that financial institutions deliver the financial instruments adequate for large scale energy efficiency investments.

Amendment 45

Proposal for a directive
Article 1 – paragraph 1 – point 12 a (new)
Directive 2012/27/EU
Article 24 – paragraph 4

Present text

4. The Commission shall monitor the impact of implementing this Directive on Directives 2003/87/EC, 2009/28/EC and 2010/31/EU and Decision No 406/2009/EC, and on industry sectors, in particular those that are exposed to a significant risk of carbon leakage as determined in Decision 2010/2/EU.

Amendment

(12 a) in Article 24 paragraph 4 is replaced by the following:

“The Commission shall monitor the impact of implementing this Directive on Directives 2003/87/EC, 2009/28/EC and 2010/31/EU and Regulation No … (Regulation of the European Parliament and of the Council on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 for a resilient Energy Union and to meet commitments under the Paris Agreement and amending Regulation No 525/2013 of the European Parliament and the Council on a mechanism for monitoring and reporting greenhouse gas emissions and other information relevant to climate change) and each year, the Commission shall submit a report to the European Parliament and to the Council. If, on the basis of the regular reports, the Commission has evidence that the interaction of the policies leads to improper functioning of the carbon market, it shall submit a legislative proposal addressing measures to improve its functioning.”

(Original/current point (13) and point (14) of the proposal will be renumbered and become point (14) and point (15) respectively.)
Justification

Given the fragile supply/demand balance expected after 2020, the additional drop of the demand caused by the EU ETS overlaps with other climate policies can translate into a situation, when the supply of allowances will be chronically equal or higher than the respective demand. Therefore, the negative effect of the overlapping climate policies should be neutralized by placing into the MSR the volume of allowances equivalent to the emission savings achieved outside the EU ETS market.

Amendment 46

Proposal for a directive
Article 1 – paragraph 1 – point 13
Directive 2012/27/EU
Article 24 – paragraph 12

Text proposed by the Commission

12. The Commission shall evaluate this Directive by 28 February 2024 at the latest, and every five years thereafter, and shall submit a report to the European Parliament and the Council. That report shall be accompanied, if appropriate, by proposals for further measures.

Amendment

12. The Commission shall undertake a general review of this Directive within six months of the UNFCCC global stocktake in 2023 at the latest, and after subsequent global stocktakes thereafter, and shall submit a report to the European Parliament and the Council assessing the general effectiveness of this Directive and the need to adjust the Union's energy efficiency policy in accordance with the objectives of the Paris Agreement. That report shall be accompanied, if appropriate, by proposals for further measures.

Justification

The revision of this Directive must be seen in the new global context following the adoption of the Paris Agreement. Ambitious energy efficiency measures will be key tools in meeting Europe’s obligations and must be updated every 5 years.

Amendment 47

Proposal for a directive
Annex 1 – point 1 – point a
Directive 2012/27/EU
Annex IV – footnote 3

Text proposed by the Commission

(a) in Annex IV, footnote 3 is replaced by the following: ‘(3) Applicable when

Amendment

(a) in Annex IV, footnote 3 is replaced by the following: ‘(3) Applicable when
energy savings are calculated in primary energy terms using a bottom-up approach based on final energy consumption. For savings in kWh electricity Member States may apply a default coefficient of 2.0. Member States may apply a different coefficient provided they can justify it on the basis of national circumstances affecting primary energy consumption. Those circumstances should be duly substantiated, measurable and verifiable and based on objective and non-discriminatory criteria.

Amendment 48

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 2 – point a

_text proposed by the Commission_

(a) the savings must be shown to be additional to those that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities. To determine what savings can be claimed as additional Member States shall establish a baseline that describes how energy consumption would evolve in the absence of the policy measure in question. The baseline shall reflect at least the following factors: energy consumption trends, changes in consumer behaviour, technological progress and changes caused by other measures implemented at national and EU level;

Amendment

(a) the savings must be shown to be additional to those that would have occurred in any event without the activity of the obligated, participating or entrusted parties and/or implementing authorities. To determine what savings can be claimed as additional Member States shall establish a baseline that describes how energy consumption would evolve in the absence of the policy measure and its resulting new individual actions in question. The baseline shall reflect at least the following factors: energy consumption trends, changes in consumer behaviour, technological progress and changes caused by other measures implemented at national and EU level;

Amendment 49

Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 2 – point h

_PE604.805v03-00_
(h) the calculation of energy savings shall take into account the lifetime of measures. This may be done by counting the savings each individual action will achieve between its implementation date and 31 December 2020 or 31 December 2030 as appropriate. Alternatively, Member States may adopt another method that is estimated to achieve at least the same total quantity of savings. When using other methods, Member States shall ensure that the total amount of energy savings calculated using these other methods does not exceed the amount of energy savings that would have been the result of their calculation when counting the savings each individual action will achieve between its implementation date and 31 December 2020 or 31 December 2030 as appropriate. Member States shall describe in detail in their Integrated National Energy and Climate plans under the Energy Union Governance the other methods they have used and which provisions have been made to ensure they meet this binding calculation requirement.

**Amendment 50**

**Proposal for a directive**

Annex I – point 1 – point b

Directive 2012/12/EU

Annex V – paragraph 3 – subparagraph 2

Text proposed by the Commission

For policy measures taken pursuant to point (e) of Article 7(2) Member States may use the calculation methodology established under Directive 2010/31/EU as far as this is in line with the requirements of Article 7 of this Directive and this Annex.

Amendment

deleted
Amendment 51
Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 5 – point a a (new)

Text proposed by the Commission

Amendment

(aa) sources used in the calculation of energy sales data including justification for the use of alternative statistical sources and any differences of the resulting quantities (if sources other than Eurostat are used);

Amendment 52
Proposal for a directive
Annex I – point 1 – point b
Directive 2012/27/EU
Annex V – paragraph 5 – point h

Text proposed by the Commission

Amendment

(h) the lifetimes of measures and how they are calculated or what they are based upon;

(h) the lifetimes of measures and how they are calculated or what they are based upon as well as any other method adopted that is estimated to achieve at least the same total quantity of savings;

Amendment 53
Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – Title

Text proposed by the Commission

Amendment

Minimum requirements for billing and consumption information based on actual consumption of heating, cooling and hot water

Minimum requirements for billing and consumption information for heating, cooling and hot water
Amendment 54

Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – point 1

Text proposed by the Commission
Billing based on actual consumption

In order to enable final users to regulate their own energy consumption, billing shall take place on the basis of actual consumption at least once per year.

Amendment
Billing based on actual consumption or heat cost allocator readings

In order to enable final users to regulate their own energy consumption, billing shall take place on the basis of actual consumption or heat cost allocator readings at least once per year.

Amendment 55

Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – point 2 – paragraph 1

Text proposed by the Commission
As of [Please insert here …the entry into force] where remotely readable meters or cost allocators have been installed, billing or consumption information based on actual consumption shall be made available at least quarterly upon request or where final customers have opted to receive electronic billing, or else twice yearly.

Amendment
As of [Please insert here …date of transposition] where remotely readable meters or heat cost allocators have been installed, billing or consumption information based on actual consumption or heat cost allocator readings shall be made available at least quarterly upon request or where final customers have opted to receive electronic billing, or else twice yearly.

Amendment 56

Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – point 2 – paragraph 2
As of 1 January 2022, where remotely readable meters or cost allocators have been installed, billing or consumption information shall be made available at least monthly. Heating and cooling may be exempted from this outside the heating/cooling seasons.

Amendment 57
Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – point 3 – title

Text proposed by the Commission
Minimum information contained in the bill based on actual consumption

Amendment
Minimum information contained in the bill based on actual consumption or heat cost allocator readings

Amendment 58
Proposal for a directive
Annex I – point 2 – point b
Directive 2012/27/EU
Annex VIIa – point 3 – paragraph 1 – introductory part

Text proposed by the Commission
Member States shall ensure that the following information is made available to final users in clear and understandable terms in or with their bills:

Amendment
Member States shall ensure that the following information is accurate and made available to final users in clear and understandable terms in or with their bills:

Amendment 59
Proposal for a directive
Annex I – point 2 – point b
Directive 2010/31/EU
Annex VIIa – point 3 – paragraph 1 – point a
Text proposed by the Commission

(a) current actual prices and actual consumption of energy;

Amendment

(a) current actual prices and actual consumption or total heat cost and heat cost allocator readings;

Justification

Annex VIIa needs to be amended to be in line with article 10a.

Amendment 60

Proposal for a directive
Annex I – point 2 a (new)
Directive 2012/27/EU
Annex IX – Part I – point g

Present text

(g) Economic analysis: Inventory of effects
The economic analyses shall take into account all relevant economic effects.
Member States may assess and take into account in decision making costs and energy savings from the increased flexibility in energy supply and from a more optimal operation of the electricity networks, including avoided costs and savings from reduced infrastructure investment, in the analysed scenarios.
The costs and benefits taken into account shall include at least the following:
(i) Benefits
— Value of output to the consumer (heat and electricity)
— External benefits such as environmental and health benefits, to the extent possible
(ii) Costs

Amendment

Annex IX, Part I, point g is replaced by the following:
(g) Economic analysis: Inventory of effects
The economic analyses shall take into account all relevant economic effects.
Member States shall assess and take into account in decision making costs and energy savings from the increased flexibility in energy supply and from a more optimal operation of the electricity networks, including avoided costs and savings from reduced infrastructure investment, in the analysed scenarios.
The costs and benefits taken into account shall include at least the following:
(i) Benefits
— Value of output to the consumer (heat and electricity)
— External benefits such as environmental, green-house gas emissions and health benefits
— Labour market effects, energy security, competitiveness
(ii) Costs

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— Capital costs of plants and equipments
— Capital costs of the associated energy networks
— Variable and fixed operating costs
— Energy costs
— Environmental and health cost, to the extent possible

— Capital costs of plants and equipments
— Capital costs of the associated energy networks
— Variable and fixed operating costs
— Energy costs
— Environmental and health cost

— Labour market costs, energy security, competitiveness
EXPLANATORY STATEMENT

Reaching our goals under the Paris Agreement

The European Union must lead the way in the global fight against climate change. The historic Paris Agreement has given us a clear framework to mitigate global warming and its dire consequences for this generation and many generations to come. Energy efficiency is our primary tool in decarbonising Europe’s energy supply, buildings, transport and industry. The proposals in this report would lead to a projected 47% reduction in greenhouse gas emissions by 2030 in the EU compared to 1990 levels, meaning we should comfortably reach our 40% reduction target under the Paris Agreement. This ensures that Europe’s climate protection and energy efficiency targets are mutually reinforcing. However, we need to continue the efforts towards reaching net carbon neutrality by 2050, and therefore we must continue our commitment to energy efficiency beyond 2030.

Energy security

Energy dependency poses serious economic and geopolitical problems for Europe. The EU imports 53% of all the energy it consumes, at a cost of more than €1 billion per day. By reducing the overall amount of energy needed in Europe, energy efficiency measures allow us to reduce our dependency on third countries and hence strengthen our energy security. The proposals in this report would reduce energy imports significantly by 2050: in the period 2021-2030 the reductions in fossil fuel imports would save €288 billion, with savings increasing further in the period up to 2050.

Energy poverty

Between 50 million and 125 million people in the EU are at risk of energy poverty – unable to keep their homes warm or pay their bills. The effect of European energy policy on energy poverty must not be ignored or simply left up to national social policy solutions. Europe has tremendous potential to increase the energy efficiency of buildings, but solutions must be tailored so as to avoid unintended effects which may further increase the risk of energy poverty. The provisions concerning individual metering, for instance, is one issue where such aspects must be carefully considered.

As we move towards decarbonising the building stock in the future, those buildings owned or occupied by low-income households will find it harder to make the investments necessary to reap the benefits. Therefore it is vital that we already start taking targeted actions to assist these groups. Measures taken by Member States should prioritise households affected by energy poverty and social housing, which is why the rapporteur proposes that Member States shall be obliged to require a significant share of measures to be implemented in households affected by energy poverty or social housing.

Economic growth

There has been a misconception that while the economy is growing, energy consumption must simultaneously rise. The success of energy efficiency measures have shown that not only is it possible for energy consumption to fall during economic growth, but that energy efficiency measures can actually significantly contribute to growth. Final energy consumption has been falling since 2010, while EU GDP has been rising. Reducing energy use is the cheapest way of achieving cost-effective energy efficiency. While economic models vary, the proposals in this report would lead to something between net zero effect to a 4.1% increase in GDP, provided suitable financing for investments is available. This is without taking into account other economic benefits of energy efficiency measures, such as improved air quality and significant
The measures in this report are also modelled to give a real boost to employment. With the right financing for investments in place, models show a very significant increase of employment – between 405,000 and 4.8 million people.

Closing loopholes
The update of this Directive gives us an opportunity to fix problems identified in the current law. One important measure of the Directive is the target of 1.5% annual energy savings. However, a number of flexibilities were introduced to this requirement, allowing Member States to reduce ambition by taking past actions into account or by excluding certain sectors from calculations. This has led to a situation where only half of the annual energy saving targets are reached. The undermining of these targets should not continue, and therefore the rapporteur proposes to close many of these loopholes. She also proposes further extending measures which have proved effective, such as the renovations of public buildings and energy audits for enterprises.

Standing up for citizens
The European Parliament has consistently voted for more progressive energy efficiency measures. As the representatives of citizens, Members of the European Parliament have recognised the benefits such measures can have not only for the environment but also for health, consumers and businesses. The most striking example is that the proposals in this report would increase life years by 17 million, thanks to vast improvements in air quality. The Parliament must continue to stand up for the interests of citizens, including consumers who want lower energy bills and warmer houses, businesses which want cheaper, cleaner energy and legal certainty, and entrepreneurs who want to be justly rewarded for the technological advances which constantly improve energy efficiency.
## PROCEDURE – COMMITTEE ASKED FOR OPINION

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<th>Title</th>
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<td>ITRE</td>
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<td>Date announced in plenary</td>
<td>12.12.2016</td>
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<td>Opinion by</td>
<td>ENVI</td>
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<td>Date announced in plenary</td>
<td>12.12.2016</td>
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<tr>
<td>Rapporteur</td>
<td>Jytte Guteland</td>
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<tr>
<td>Date appointed</td>
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<td>Discussed in committee</td>
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<td>Nicola Caputo, Jørn Dohrmann, Elena Gentile, Jan Huitema, Merja Kylönen, Stefano Maullu, Mairead McGuinness, Keith Taylor, Carlos Zorrinho</td>
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<td>Substitutes under Rule 200(2) present for the final vote</td>
<td>Bendt Bendtsen, Norbert Erdős, Jill Evans, Barbara Lochbihler, Olle Ludvigsson</td>
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### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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**Key to symbols:**
- + : in favour
- - : against
- 0 : abstention
# PROCEDURE – COMMITTEE RESPONSIBLE

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<th>Title</th>
<th>Energy efficiency</th>
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<td>30.11.2016</td>
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<td>12.12.2016</td>
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<td>Rapporteurs</td>
<td>Miroslav Poche</td>
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<td>Date appointed</td>
<td>5.12.2017</td>
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<td>Previous rapporteurs</td>
<td>Adam Gierek, Miroslav Poche</td>
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<td>Date adopted</td>
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## Final Vote by Roll Call in Committee Responsible

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- + : in favour
- - : against
- 0 : abstention