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*Committee on the Environment, Public Health and Food Safety*

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**2011/0172(COD)**

18.1.2012

## **OPINION**

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Industry, Research and Energy

on the proposal for a directive of the European Parliament and of the Council on energy efficiency and repealing Directives 2004/8/EC and 2006/32/EC (COM(2011)0370 – C7-0168/2011 – 2011/0172(COD))

Rapporteur: Peter Liese

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## SHORT JUSTIFICATION

**Energy efficiency** is the **most cost-efficient way** to reduce greenhouse gas emissions and other emissions related to fossil fuels. It makes us **less dependent on energy imports**, for which the **EU currently pays more than 400 billion Euros per year**. **By investing in energy efficiency, the EU reduces its dependence on Russia and the OPEC States and invests in European industries**. SMEs in particular – including installers and the building sector – would benefit.

In the coming years significant investment in energy infrastructure will be necessary, for example for production capacity and storage. This will be a major challenge for the EU's economy. Energy efficiency can help to reduce costs, because **energy that is not used does not need production capacity or storage or the grid**.

A common **European approach** on energy efficiency will **bring costs for energy efficient products and services down** and increase the business opportunities for the industries involved. The creation of a common energy efficiency market is more than just a useful policy objective. The Treaty of Lisbon obliges the EU to promote energy efficiency (Art. 194 (2)).

The 20 percent energy efficiency target has already been set by unanimous decision of the Heads of State in 2007. According to the analysis of the Commission, the existing legal framework and the current measures of the Member States will only help us to achieve half of the target. Achieving the target is a key element of the 2050 Low Carbon Roadmap. That is why further action is urgently needed. The Commission proposal is aimed in the right direction. Of course it is easy to criticise specific parts, but the Commission has to be applauded for presenting a solution to the problem. **Whoever criticises the Commission should immediately present alternative proposals on how to achieve the target**.

The draft opinion is a first attempt to this direction. The main changes are:

### 1. Strengthening the two-step-approach

**The draftsman doesn't present binding targets** - even though the European Parliament has in the past continuously voted for this. The recommendation is to accept the Commission's two-step approach, but to strengthen it. To avoid an unjustifiably low ambition in the national indicative targets, a European methodology should be fixed. The proposed methodology is based on the Commission **PRIMES model** from 2007. This model takes account of the different situation in the Member States, for example the necessity in Central and Eastern European countries to catch up with development in other areas of the EU and the need for economic growth. For example, the absolute reduction target for Poland compared to 2007 is only -5,5 percent. **For some Member States the model generates an unbearable burden (e.g. Malta) or unjustifiably low ambition (e.g. Latvia)**. That is why a correction factor linked to the economic situation of the country should be applied. It needs to be emphasised that the EU-target is only 20% compared to business as usual; the absolute reduction for the EU-27 compared to 2009 is **only 7,7%**. This means that the target is not at all overambitious,

but very realistic. Achieving the EU-target of 368,4 Mtoe savings is key for the credibility of the EU and the achievement of the milestones in the Low Carbon Roadmap for 2050.

**The Member States need to deliver national action plans.** It is **important that these plans do not include only good intentions but also concrete measures.** That is why the Commission needs to have the right to assess and amend them. In these national action plans measures **to avoid carbon leakage** should also be included.

## **2. More emphasis on incentives**

The Commission proposal, if implemented correctly, leads to a lot of incentives, for example through the energy saving support system. But the Commission proposal should be much more clear in that energy efficiency should be delivered not mainly by the regulation of every individual citizen and SME, but by incentives. Clarification in this respect is also necessary to avoid national incentives being seen as illegal state aid.

## **3. Energy saving support system - sustainable framework for the economic actors and the citizens against the stop and go-effect**

One of the biggest problems is that **financial support** for energy efficiency measures **is often unsustainable and unpredictable.** Sometimes market actors do not have access to the respective programme in January, because the budget has not been approved, and in September the budget line is already expired. This causes frustration among all partners and prevents long-term investment in the area. That is why the Commission has rightly proposed **an energy saving obligation scheme that guarantees a permanent flow of finance.** Similar kinds of systems have been successfully **introduced in a lot of Member States, including Italy, France, Poland, UK, Denmark, Ireland and the region of Flanders.** Moreover, a lot of states in the **USA** use this system. A problematic aspect of Article 6 is that it refers to "obligation". It has to be clarified that the obligation is only on the energy distributing company. SMEs and the average citizen will benefit from incentives. Therefore the draftsman suggests changing the name to **energy saving support system.**

Article 6, paragraph 9 foresees an opt-out clause for the Member States. To make sure that this is not a loophole it needs to be guaranteed that those Member States that opt out guarantee the same permanent and predictable support for energy efficiency as the energy saving support system as designed by the Commission.

## **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 incorporate the following amendments in its report:

### **Amendment 1**

#### **Proposal for a directive**

## Recital 1

*Text proposed by the Commission*

(1) The Union is facing unprecedented challenges resulting from increased dependence on energy imports and scarce energy resources, and the need to limit climate change and to overcome the economic crisis. Energy efficiency is a valuable means to address these challenges. It improves the Union's security of supply by reducing primary energy consumption and decreasing energy imports. It helps to reduce greenhouse gas emissions in a cost-effective way and thereby to mitigate climate change. Shifting to a more energy-efficient economy should also accelerate the spread of innovative technological solutions and improve the competitiveness of industry in the Union, boosting economic growth and creating high quality jobs in several sectors related to energy efficiency.

*Amendment*

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*Justification*

*Energy efficiency, when done properly, can lead to job creation on a local level, which can be maintained in the medium and long term and withstand global competition.*

## Amendment 2

### Proposal for a directive Recital 1 a (new)

*Text proposed by the Commission*

*Amendment*

***(1a) In this context, a specific emphasis should be placed on local European producers and SMEs fulfilling high quality standards for their products and services. To this end, the European Union should effectively control related imports from third countries to guarantee that such products and services fulfil the same***

*high quality standards as local producers and service providers in the European Union.*

### Amendment 3

#### Proposal for a directive

##### Recital 5

*Text proposed by the Commission*

(5) In its Resolution of 15 December 2010 on the Revision of the Energy Efficiency Action Plan<sup>19</sup>, the European Parliament called on the Commission to include in its revised Energy Efficiency Action Plan measures to close the gap to reach the overall EU energy *efficiency* objective in 2020.

*Amendment*

(5) In its Resolution of 15 December 2010 on the Revision of the Energy Efficiency Action Plan, the European Parliament called on the Commission to include in its revised Energy Efficiency Action Plan **a binding energy efficiency target, alongside** measures to close the gap to reach the overall EU energy *savings* objective in 2020.

### Amendment 4

#### Proposal for a directive

##### Recital 9 a (new)

*Text proposed by the Commission*

*Amendment*

***(9a) On 22 June 2011 the European Commission impact assessment<sup>1</sup> demonstrated that national binding energy efficiency targets for primary energy consumption would be more appropriate than indicative national energy efficiency targets in order to ensure the fulfilment of the overall 20% energy savings target. Furthermore, the impact assessment indicated that binding targets would allow more flexibility for Member States in designing energy savings measures appropriated to the diversity of Member States.***

<sup>1</sup> SEC(2011) 779

## Amendment 5

### Proposal for a directive Recital 15

#### *Text proposed by the Commission*

(15) The rate of building renovation needs to be increased, as the existing building stock represents the single biggest potential sector for energy savings. Moreover, buildings are crucial to achieving the EU objective of reducing greenhouse gas emissions by 80-95% by 2050 compared to 1990. Buildings owned by public bodies account for a considerable share of the building stock and have high visibility in public life. It is therefore appropriate to set an annual rate of renovation of all buildings owned by public bodies to upgrade their energy performance. This renovation rate should be without prejudice to the obligations with regard to nearly-zero energy buildings set in Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings<sup>27</sup>. The obligation to renovate public buildings complements the provisions of that Directive, which requires Member States to ensure that when existing buildings undergo major renovation their energy performance is upgraded so that they meet minimum energy performance requirements.

#### *Amendment*

(15) The rate of building renovation needs to be increased, as the existing building stock represents the single biggest potential sector for energy savings. Moreover, buildings are crucial to achieving the EU objective of reducing greenhouse gas emissions by 80-95% by 2050 compared to 1990. Buildings owned by public bodies account for a considerable share of the building stock and have high visibility in public life. It is therefore appropriate to set an annual rate of renovation of all buildings owned by public bodies to upgrade their energy performance. This renovation rate should be without prejudice to the obligations with regard to nearly-zero energy buildings set in Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings<sup>27</sup>. The obligation to renovate public buildings complements the provisions of that Directive, which requires Member States to ensure that when existing buildings undergo major renovation their energy performance is upgraded so that they meet minimum energy performance requirements. ***Specific attention should be paid to ensuring good indoor air quality, e.g. through adequate ventilation requirements and the use of low-emission building materials, equipment and products. Where energy efficiency measures concern public buildings, such as day care centres, kindergartens or schools, a health impact assessment should be carried out.***

#### *Justification*

*Europeans spend the majority of their time indoors. The quality of the indoor air is a crucial*

determinant of their health, and a factor for chronic diseases such as asthma and allergies. When renovating buildings for better energy efficiency, potential health risks should be addressed, that is risks arising from insufficient ventilation because of greater air-tightness and harmful emissions from building material and construction products.

## Amendment 6

### Proposal for a directive

#### Recital 18

##### *Text proposed by the Commission*

(18) An assessment of the possibility of establishing a ‘white certificate’ scheme at Union level has shown that, in the current situation, such a system would create excessive administrative costs and that there is a risk that energy savings would be concentrated in a number of Member States and not introduced across the Union. The latter objective can better be achieved, at least at this stage, by means of national energy efficiency obligation schemes or other alternative measures that achieve the same amount of energy savings. ***The Commission should however define, by a delegated act, the conditions under which a Member State could in future recognise the energy savings achieved in another Member State. It is appropriate for the level of ambition of such schemes to be established in a common framework at Union level while providing significant flexibility to Member States to take full account of the national organisation of market actors, the specific context of the energy sector and final customers' habits.*** The common framework should give energy utilities the option of offering energy services to all final customers, not only to those to whom they sell energy. This increases competition in the energy market because energy utilities can differentiate their product by providing complementary energy services. The common framework should allow Member States to include requirements in their

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national scheme that pursue a social aim, notably in order to ensure that vulnerable customers have access to the benefits of higher energy efficiency. It should also allow Member States to exempt small companies from the energy efficiency obligation. The Commission Communication ‘Small Business Act’<sup>28</sup> sets out principles that should be taken into account by Member States that decide to abstain from applying this possibility.

#### *Justification*

*A system of mutual recognition of energy savings would effectively mean that consumers in one Member State could end up paying for savings counted towards a target in another Member State. This is not fair, as consumers in all Member States must benefit. It could also lead to gaming by energy companies.*

#### **Amendment 7**

##### **Proposal for a directive Recital 19**

###### *Text proposed by the Commission*

(19) To tap the energy savings potential in certain market segments where energy audits are generally not offered commercially (such as households or small and medium-sized enterprises), Member States should ensure that energy audits are available. Energy audits should be mandatory and regular for large enterprises, as energy savings can be significant.

###### *Amendment*

(19) To tap the energy savings potential in certain market segments where energy audits are generally not offered commercially (such as households or small and medium-sized enterprises), Member States should ensure that energy audits are available **and affordable**. Energy audits should be mandatory and regular for large enterprises, as energy savings can be significant.

#### **Amendment 8**

##### **Proposal for a directive Recital 21**

###### *Text proposed by the Commission*

(21) When designing energy efficiency improvement measures, account should be

###### *Amendment*

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taken of efficiency gains and savings obtained through the widespread application of cost-effective technological innovations such as smart meters. To maximise the saving benefits of these innovations, final customers should be able to visualise indicators of cost and consumption and have regular individual billing based on actual consumption.

taken of efficiency gains and savings obtained through the widespread application of cost-effective technological innovations such as smart meters. To maximise the saving benefits of these innovations, final customers should be able to visualise indicators of cost and consumption and have regular individual billing based on actual consumption.

***Meters of this kind should only be installed, however, if the potential benefit outweighs the cost of installing them, and their installation does not result in significant additional expense for the final consumer.***

## **Amendment 9**

### **Proposal for a directive**

#### **Recital 27**

##### *Text proposed by the Commission*

(27) Most EU businesses are small and medium-sized enterprises (SMEs). They represent an enormous energy saving potential for the EU. To help them adopt energy efficiency measures, Member States should establish a favourable framework aimed at providing SMEs with technical assistance **and** targeted information.

##### *Amendment*

(27) Most EU businesses are small and medium-sized enterprises (SMEs). They represent an enormous energy saving potential for the EU. To help them adopt energy efficiency measures, Member States should establish a favourable framework aimed at providing SMEs with technical assistance, targeted information **and simplified procedures and application forms for applying for funds and / or inclusion in the national energy grid.**

## **Amendment 10**

### **Proposal for a directive**

#### **Recital 30**

##### *Text proposed by the Commission*

(30) A sufficient number of reliable professionals competent in the field of energy efficiency should be available to ensure the effective and timely

##### *Amendment*

(30) A sufficient number of reliable **qualified** professionals competent in the field of energy efficiency should be available to ensure the effective and timely

implementation of this Directive, for instance as regards compliance with the requirements on energy audits and implementation of energy efficiency obligation schemes. Member States should therefore put in place certification schemes for the providers of energy services, energy audits and other energy efficiency improvement measures.

implementation of this Directive, for instance as regards compliance with the requirements on energy audits and implementation of energy efficiency obligation schemes. Member States should therefore put in place certification schemes for the providers of energy services, energy audits and other energy efficiency improvement measures.

## **Amendment 11**

### **Proposal for a directive Recital 30 a (new)**

*Text proposed by the Commission*

*Amendment*

***(30a) The necessary increase in energy efficiency will only be achieved through a comprehensive change in society's thinking. Today's children are tomorrow's workers, engineers, architects, entrepreneurs and energy users. The decisions they take will influence the way in which society produces and uses energy in the future. Energy education is therefore important so that future generations can be instructed in how to contribute to efficient energy consumption through their lifestyle and personal behaviour. The Member States should therefore take targeted action to promote energy education in schools, with particular stress on how each individual can contribute to more efficient, sustainable energy use through their personal behaviour.***

*Justification*

*If we want energy use to be sustainable we must start with future generations. In them lies the potential for major savings, as long as children are brought up from an early age to use energy responsibly.*

## **Amendment 12**

**Proposal for a directive  
Recital 33 a (new)**

*Text proposed by the Commission*

*Amendment*

***(33a) Under the Commission's legislative proposals of 6 October 2011 concerning the future of the European Union's cohesion policy, it is likely that there will be a significant increase in the financial support for energy efficiency provided by the Structural Funds and the Cohesion Fund in the 2014-2020 period compared to the 2007-2013 period. Such funding will make a decisive contribution to the attainment of this Directive's objectives.***

**Amendment 13**

**Proposal for a directive  
Recital 33 b (new)**

*Text proposed by the Commission*

*Amendment*

***(33b) The Commission and the Member States should seek to establish research schemes to come up with technology for use in historic buildings, covering all aspects connected with the use of renewable energy, the installation of smart meters and other technologies that would need to be installed in such buildings. The Commission and the Member States should also undertake to disseminate the findings of research that has already been carried out.***

**Amendment 14**

**Proposal for a directive  
Recital 33 c (new)**

*Text proposed by the Commission*

*Amendment*

***(33c) Given the special characteristics of historic buildings, research would need to***

*be carried out into the different energy consumption profile involved, taking into account the insulation qualities of traditional architecture, the way in which it is adapted to its environment and the good practices employed in the past with regard to the use and function of such buildings.*

## Amendment 15

### Proposal for a directive Recital 34

*Text proposed by the Commission*

(34) *In the* implementation of the 20% energy efficiency target, the Commission *will have to monitor the impact* of new measures on Directive 2003/87/EC establishing the EU's emissions trading directive (ETS) in order to *maintain the* incentives in the emissions trading system rewarding low carbon investments and preparing the ETS sectors for the innovations needed in the future.

*Amendment*

(34) *The* implementation of the 20% energy efficiency target *could result in reduced demand for EU ETS allowances and entail distortions in the EU carbon price, therefore* the Commission *should conduct an assessment report of the impacts that the* new measures *will have* on Directive 2003/87/EC establishing the EU's emissions trading system (ETS), in order to *create* incentives in the emissions trading system *triggering additional energy efficiency measures*, rewarding low carbon investments and preparing the ETS sectors for the innovations needed in the future.

## Amendment 16

### Proposal for a directive Recital 34 a (new)

*Text proposed by the Commission*

*Amendment*

*(34a) In order to provide for a framework for long term energy efficiency improvements and to be consistent with the European Council objective to achieve 80-95% greenhouse gas reductions by 2050, it is necessary to adjust the linear*

*factor under the Directive 2003/87/EC.*

## Amendment 17

### Proposal for a directive

#### Recital 34 b (new)

*Text proposed by the Commission*

*Amendment*

***(34b) In deciding about the amount of allowances to be withheld, as referred to in Article 19 (5), the Commission should pay attention that this measure does not result in a carbon price that exceeds the price expected to result from the Commission impact assessment in 2008 accompanying the proposals for the energy and climate package (30 EUR).***

## Amendment 18

### Proposal for a directive

#### Recital 35

*Text proposed by the Commission*

*Amendment*

(35) Directive 2006/32/EC requires Member States to adopt and ***aim to*** achieve an overall national indicative energy savings target of 9% by 2016, to be reached by deploying energy services and other energy efficiency improvement measures. That Directive states ***that*** the second Energy Efficiency Plan adopted by the Member States shall be followed, ***as appropriate and where necessary***, by Commission proposals for additional measures, ***including extending the period of application of targets. If a report concludes that insufficient progress has been made towards achieving the indicative national targets laid down by that Directive, these proposals are to address the level and nature of the targets.*** The impact assessment accompanying ***this*** Directive finds that the Member States are

(35) Directive 2006/32/EC requires Member States to adopt and achieve an overall national indicative energy savings target of 9 % by 2016, to be reached by deploying energy services and other energy efficiency improvement measures. That Directive states the second Energy Efficiency Plan adopted by the Member States shall be followed by Commission proposals for additional measures. The impact assessment accompanying ***the*** Directive finds that the Member States are on track to achieve the 9 % target, which is substantially less ambitious than the subsequently adopted 20 % energy saving target for 2020 and ***that*** therefore there is need to address the level of the ***individual national targets as quickly as possible.***

on track to achieve the 9% target, which is substantially less ambitious than the subsequently adopted 20% energy saving target for 2020, and therefore there is **no** need to address the level of the targets.

#### *Justification*

*The overall approach in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

### **Amendment 19**

#### **Proposal for a directive**

##### **Recital 37**

#### *Text proposed by the Commission*

(37) Since the objective of this Directive, which is to achieve the Union's energy efficiency target of 20% primary energy savings by 2020 and pave the way towards further energy efficiency improvements beyond 2020, is not on track to be achieved by the Member States without taking additional energy efficiency measures, and can be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve that objective.

#### *Amendment*

(37) Since the objective of this Directive, which is to achieve the Union's energy efficiency target of 20% primary energy savings by 2020 and pave the way towards further energy efficiency improvements beyond 2020, is not on track to be achieved by the Member States without taking additional energy efficiency measures, and can be better achieved at Union level, the Union may adopt measures, in accordance with the principle of *subsidiarity* as set out in Article 5 of the Treaty on European Union. ***Common action at Union level in the field of energy efficiency will reduce the costs of energy efficient products and services and increase business opportunities for industries involved in energy efficiency. It is worthwhile to create a common market for energy efficient products and services. The authors of the treaties have explicitly included energy efficiency in the treaties, which creates a duty to act in this field.*** In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is

necessary in order to achieve that objective.

## Amendment 20

### Proposal for a directive Recital 37 a (new)

*Text proposed by the Commission*

*Amendment*

***(37a) When targets and indicators are established, account should be taken of the differences between the respective situations of the various Member States and, in particular, their climatic conditions, economic situation and predicted growth.***

## Amendment 21

### Proposal for a directive Recital 38

*Text proposed by the Commission*

*Amendment*

(38) In order to permit adaptation to technical progress and changes in the distribution of energy sources, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of certain matters. ***It will be of particular importance that the Commission carry out consultations during its preparatory work, including at expert level.***

(38) In order to permit adaptation to technical progress and changes in the distribution of energy sources, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of certain matters. ***The Commission should carry out consultations during its preparatory work, including with the corresponding committee at the European Parliament, and at expert level.***



## Amendment 22

### Proposal for a directive Article 1 - paragraph 1

#### *Text proposed by the Commission*

1. This Directive establishes a common framework for the promotion of energy efficiency within the Union in order to **ensure the achievement of the** Union's target of 20% primary energy savings by 2020 and **to** pave the way for further energy efficiency improvements beyond **that date**.

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 national energy efficiency targets for 2020.

#### *Amendment*

1. This Directive establishes a common framework for the promotion of energy efficiency within the Union in order to **achieve at least** the Union's target of 20% primary energy savings **compared to the projections of 2007<sup>1</sup>** by 2020, **which amount to an annual primary energy consumption of 1470,5 Mtoe**, and pave the way for further energy efficiency improvements **for 2030 and** beyond.

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, **especially as regards small consumers, small and micro enterprises and perverse incentives for large energy producers promoting energy efficiency**, and provides for the establishment of national energy efficiency targets for 2020.

<sup>1</sup> Commission Non-Paper: Achieving 20 % Energy Efficiency

## Amendment 23

### Proposal for a directive Article 2 – paragraph 1 – point 6 a (new)

#### *Text proposed by the Commission*

#### *Amendment*

**6a. "closed distribution system" means a system which distributes energy products within a geographically confined industrial, commercial or shared service site and does not supply household customers except incidental use by a smaller number of households with employment or similar associations with the owner of the distribution system and located within the area served by a closed**

*system.*

*Justification*

*This is a consequence of the amendment on Article 6 paragraph 1 new subparagraph. The definition relates to Article 28 of the Directive 2009/72/EC and Article 28 of the Directive 2009/73/EC on the internal market in electricity and natural gas.*

**Amendment 24**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 11 a (new)**

*Text proposed by the Commission*

*Amendment*

***11a. "Demand Response" means changes in electric usage by end-use customers/micro generators from their current/normal consumption/injection patterns in response to changes in electricity prices and/or incentive payments designed to adjust electricity usage, or in response to acceptance of the consumer's bid, alone or through aggregation, to sell demand reduction at a price in an organized electricity markets or to a retail provider. Demand Response programs are designed to increase the efficiency of the energy value chain and/or increase the consumption and integration of intermittent renewables.***

*Justification*

*Demand response is a key concept which shall be defined in the Directive since it is relatively new but has a huge potential both economically and environmentally. Demand response improves energy efficiency of supply and demand by unlocking demand-side capacity.*

**Amendment 25**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 12**

*Text proposed by the Commission*

*Amendment*

12. 'energy audit' means a systematic

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procedure to obtain adequate knowledge of the existing energy consumption profile of a building or group of buildings, an industrial or commercial operation or installation or a private or public service, identify and quantify cost-effective energy savings opportunities, and report the findings;

procedure to obtain adequate knowledge of the existing energy consumption profile of a building or group of buildings, an industrial or commercial operation or installation or a private or public service, identify and quantify cost-effective energy savings opportunities, **taking into account health impacts**, and report the findings;

#### *Justification*

*When assessing cost-effective energy savings opportunities, impacts on health should be taken into account in order to ensure a balance between good indoor air quality, moisture control and comfort and an increase in energy efficiency.*

### **Amendment 26**

#### **Proposal for a directive**

#### **Article 2 – paragraph 1 – point 13**

##### *Text proposed by the Commission*

13. ‘energy performance contracting’ means a contractual arrangement between the beneficiary and the provider of an energy efficiency improvement measure, **according to which the payment for the investment made by the provider is** in relation to a contractually agreed level of energy efficiency improvement or other agreed energy performance criterion, **such as financial savings**;

##### *Amendment*

13. ‘energy performance contracting’ means a contractual arrangement between the beneficiary and the provider (**normally an energy service company, "ESCO"**) of an energy efficiency improvement measure, **verified and monitored during the whole term of the contract, where investments (work, supply or service) in that measure are paid** for in relation to a contractually agreed level of energy efficiency improvement or other agreed energy performance criterion.

### **Amendment 27**

#### **Proposal for a directive**

#### **Article 2 – paragraph 1 – point 24 a (new)**

##### *Text proposed by the Commission*

##### *Amendment*

**24a. ‘micro technologies to generate energy’ means a variety of small-scale electrical and heat generation technologies that can be installed and**

*used in individual households;*

## **Amendment 28**

### **Proposal for a directive Article 2 – paragraph 1 – point 27 a (new)**

*Text proposed by the Commission*

*Amendment*

**27a. 'Deep renovation' means a refurbishment that reduces both the delivered and the final energy consumption of a building by at least 80% compared with the pre-renovation levels.**

## **Amendment 29**

### **Proposal for a directive Article 3 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. Member *States* shall *set a national energy efficiency target expressed as an absolute level of primary energy consumption in 2020. When setting these targets, they shall take into account the Union's target of 20 % energy savings, the measures provided for in this Directive, the measures adopted to reach the national energy saving targets adopted pursuant to Article 4(1) of Directive 2006/32/EC and other measures to promote energy efficiency within Member States and at Union level.*

1. **Each Member State shall ensure that its national absolute level of primary energy consumption is at least below its target as set out in Annex Ia. Such mandatory national targets ensure the achievement of the Union's target of 20 % primary energy savings by 2020, requiring a reduction of EU primary energy consumption of 368 Mtoe in 2020. The national energy efficiency targets shall take into account the measures provided for in this Directive.**

## **Amendment 30**

### **Proposal for a directive Article 3 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**1a. The Member States shall ensure that**

*policies and measures are implemented to ensure that their primary energy consumption equals or is below the 2020 target set out in Annex Ia.*

### **Amendment 31**

#### **Proposal for a directive Article 3 – paragraph 2**

*Text proposed by the Commission*

2. By 30 June 2014, the Commission shall *assess whether the Union is likely to achieve its target of 20 % primary energy savings by 2020, requiring a reduction of EU primary energy consumption of 368 Mtoe in 2020, taking into account the sum of the national targets referred to in paragraph 1 and the evaluation referred to in Article 19(4).*

*Amendment*

2. By 30 June 2014, the Commission shall *come forward with a proposal for energy efficiency targets for 2030.*

### **Amendment 32**

#### **Proposal for a directive Article 3 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 3a*

*Building stock*

*1. Member States shall draft national strategies to reduce the energy consumption of the national existing building stock.*

*2. The national strategies shall include legislative, financial, and training measures to achieve a reduction of energy consumption of the exiting building stock by 80% compared to 2010 levels by 31 December 2050, mainly through deep renovations.*

**3. The national strategies shall also include the following intermediate objectives:**

**(a) a reduction of energy consumption of the existing building stock by 30% compared to 2010 levels by 31 December 2030.**

**(b) a reduction of energy consumption of the exiting building stock by 60% compared to 2010 levels by 31 December 2040.**

**They shall allow, when constructing public buildings, for carbon dioxide emissions from building materials, for the energy consumption brought about by the manufacture of building materials, and for the lifetime environment-friendliness of building materials, and promote the use of renewable natural resources, such as wood, in construction work.**

**4. Member States may adopt differentiated approaches for commercial, residential and public buildings and may start by tackling the worst performing buildings first. These approaches shall ensure measured reductions of delivered or final energy consumption (kWh and kWh/m<sup>2</sup> or equivalent) as defined in Directive 2010/31 EU, Annex I, of at least 20%, 40% and 80% by 2020, 2030 and 2045, respectively.**

**5. Member States shall base their national strategies and measures for the private buildings sector and social housing on incentives.**

## Amendment 33

### Proposal for a directive Article 3 b (new)

*Text proposed by the Commission*

*Amendment*

#### *Article 3b*

##### *Indicative long-term targets*

***The long-term indicative energy efficiency target for the Union shall be 33,3 % until 2030, 46,6 % thereafter until 2040, and 60 % thereafter until 2050, expressed as an absolute level of reduction in primary energy consumption.***

#### *Justification*

*2020 is not far off. The business actors need long-term planning security. To achieve our target of 80-95 % reduction of CO<sub>2</sub>, an increase of the share of renewables in the energy mix and a further improvement of energy efficiency are important.*

## Amendment 34

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

*Text proposed by the Commission*

*Amendment*

1. Without prejudice to Article 7 of Directive 2010/31/EU, Member States shall ensure that as from 1 January 2014, ***3% of the total floor area owned by their public bodies is renovated each year to meet at least the minimum energy performance requirements set by the Member State concerned 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 250 m<sup>2</sup> owned by the public bodies of the Member State concerned that, on 1 January of each year, does not meet the national minimum energy performance requirements set in application of Article 4 of Directive***

1. Without prejudice to article 7 of Directive 2010/31, Member States shall ensure that as from 1 January 2014, ***2,5% of the energy consumption (KWh and KWh/m<sup>2</sup> or equivalent) of buildings owned or newly leased or newly rented by public bodies is reduced each year.***

2010/31/EU.

### Amendment 35

#### Proposal for a directive

#### Article 4 – paragraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

***1a. Member States shall establish a national effort-sharing mechanism for achieving the 2,5% target applicable to public buildings. In establishing this effort-sharing mechanism, they shall take into account the financial resources of regional and local authorities and the practical possibilities of renovating such buildings. They shall support their regional and local public bodies, for example by improving access to contracting and intracting.***

***Specific attention shall be paid to ensuring good indoor air quality through adequate ventilation requirements and the use of low-emission building materials, equipment and products.***

### Amendment 36

#### Proposal for a directive

#### Article 4 – paragraph 2

*Text proposed by the Commission*

*Amendment*

2. Member States may allow their public bodies to count towards their annual renovation rate the excess of renovated building floor area in a given year as if it has instead been renovated in any of the **two** previous or following years.

2. Member States may allow their public bodies to count towards their annual renovation rate the excess of renovated building floor area in a given year as if it has instead been renovated in any of the **three** previous or following years.



### **Amendment 37**

#### **Proposal for a directive**

#### **Article 4 – paragraph 3 – introductory part**

*Text proposed by the Commission*

3. For the purposes of paragraph 1, by 1 January 2014, Member States shall establish and make publicly available an inventory of buildings owned by their public bodies indicating:

*Amendment*

3. For the purposes of paragraph 1, by 1 January 2014, Member States shall establish and make publicly available an inventory of buildings owned ***or newly leased or newly rented*** by their public bodies indicating:

### **Amendment 38**

#### **Proposal for a directive**

#### **Article 4 – paragraph 4 – points b, b a (new) and b b (new)**

*Text proposed by the Commission*

(b) put in place an energy management system as part of the implementation of their plan.

*Amendment*

(b) put in place an energy management system as part of the implementation of their plan.

***The energy efficiency plan and management system shall take due account of health risks and beneficial measures.***

***(ba) allow, when constructing public buildings, for carbon dioxide emissions from building materials, for the energy consumption brought about by the manufacture of building materials, and for the lifetime environment-friendliness of building materials, and promote the use of renewable natural resources, such as wood, in construction work.***

***(bb) put in place contracts for energy services aimed at keeping or improving energy efficiency in the long term, including energy performance contracting.***

**Amendment 39**

**Proposal for a directive  
Article 4 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

*4a. As an alternative approach to paragraphs 1 and 2, Member States may take other measures to achieve an equivalent amount of energy savings (opt-out). For the purpose of this alternative approach, they may estimate the energy savings that paragraphs 1 and 2 would result in by using appropriate standard values. Member states may use the alternative approach to Article 4 (1) to value the specific architectural or historical merit of buildings or ensembles officially protected, to assess and promote their traditional features which respond to energy performance requirements, and to consider measures to improve specific cases without altering their authenticity.*

*They constantly monitor the progress in developing new technologies, especially in this case. Member States may also apply this approach for municipalities in respect to the principle of subsidiarity.*

*When considering alternative measures, Member States should mainly address to overachieve the target in article 3a designed for private buildings.*

*Member States opting for this alternative approach shall notify to the Commission, by 1 January 2013 at the latest, the alternative measures that they plan to adopt and showing how they would achieve an equivalent improvement of the energy performance of public or private buildings. The Commission examines these measures and rejects or amends them if appropriate.*

*The Commission shall constantly monitor the progress achieved through the*

*alternative measures in the Member States. If the savings achieved through these measures do not add up to the amount of energy savings required in paragraph 1, the Commission shall inform the Member State and make proposals to improve the measures. If after due consideration these proposals or other measures which the Member States and the Commission agree on are not implemented by the Member State, the Commission shall decide to apply the binding measure referred to in paragraph 1.*

#### **Amendment 40**

##### **Proposal for a directive Article 5 – paragraph 1**

*Text proposed by the Commission*

Member States shall **ensure** that public bodies purchase only products, services and buildings with high energy efficiency performance, **as referred to in Annex III**.

*Amendment*

Member States shall **encourage as far as possible**, public bodies to purchase only products, services and buildings with high energy efficiency performance **in a cost-effective manner. Public bodies will thus be taking into account cost-effectiveness, economical feasibility and technical arrangements as well as sufficient competition.**

**Member States shall encourage the development and uptake of energy services, as defined in Article 2.3. In this respect, public bodies shall assess the possibility of concluding long term energy performance contracts as referred to in Article 14b.**

#### *Justification*

*The overall approach to in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

## Amendment 41

### Proposal for a directive Article 6 – paragraph 1

#### *Text proposed by the Commission*

1. Each Member State shall set up an energy efficiency obligation scheme. This scheme shall ensure that either all energy distributors or all retail energy sales companies operating on the Member State's territory achieve annual **energy** savings equal to 1.5% of their energy sales, by volume, **in the previous year** in that Member State **excluding energy used in transport**. This amount of energy savings shall be achieved by the obligated parties among final customers.

#### *Amendment*

1. Each Member State shall set up an energy efficiency obligation scheme. This scheme shall ensure that either all energy distributors **and/or** all retail energy sales companies operating on the Member State's territory achieve **additional** annual **end-use** savings equal to **at least** 1.5% of their **annual** energy sales, by volume, **averaged over the most recent three year period** in that Member State. **The Commission shall make an assessment of possible double regulation in the transport sector**. This amount of energy savings shall be achieved by the obligated parties among final customers.

## Amendment 42

### Proposal for a directive Article 6 - paragraph 4

#### *Text proposed by the Commission*

4. Member States shall ensure that the savings claimed by obligated parties are calculated in accordance with Annex V(2). They shall put in place control systems under which at least a statistically significant proportion of the energy efficiency improvement measures put in place by the obligated parties is independently verified.

#### *Amendment*

4. Member States shall ensure that the savings claimed by obligated parties are calculated in accordance with Annex V(2). They shall put in place **independent measurement, control and verification** systems under which at least a statistically significant proportion of the energy efficiency improvement measures put in place by the obligated parties is independently verified.

## Amendment 43

### Proposal for a directive

#### Article 6 – paragraph 5 – introductory part, points a, b, c and c a (new)

##### *Text proposed by the Commission*

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

(a) include requirements with a social aim in the saving obligations they impose, including by requiring measures to be implemented in households affected by energy poverty or in social housing;

(b) permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties; in this case they shall **establish** an accreditation process that is clear, transparent and open to all market actors, and that aims at minimising the costs of certification;

(c) allow obligated parties to count savings obtained in a given year as if they had instead been obtained in any of the two previous or two following years.

##### *Amendment*

5. Within the energy efficiency obligation scheme, Member States **shall**

(a) include **mandatory** requirements with a social aim in the saving obligations they impose, including by requiring measures to be implemented in **low-income** households affected by energy poverty or in social housing; **These measures must be decided in consultation with the public authorities.**

(b) permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties; in this case they shall **ensure that** an accreditation process **is in place** that is clear, transparent and open to all market actors, and that aims at minimising the costs of certification;

(c) allow obligated parties to count savings obtained in a given year as if they had instead been obtained in any of the two previous or two following years, **so as to enhance the system's flexibility;**

**(ca) take special measures to address the perverse incentives that exist when energy distributors and retail energy sales companies are also energy producers.**

## Amendment 44

### Proposal for a directive

#### Article 6 – paragraph 6 – point (c a) (new)

*Text proposed by the Commission*

*Amendment*

***(ca) any costs passed through to their customers, while preserving the integrity and confidentiality of private or commercially sensitive information in compliance with applicable European Union legislation;***

*Justification*

*More emphasis should be given to the principle of incentives. The burden of proof in case the incentive is challenged as unjustifiable state aid should be with the Commission and not with the Member State that wants to give incentives.*

## Amendment 45

### Proposal for a directive

#### Article 6 – paragraph 6 a (new)

*Text proposed by the Commission*

*Amendment*

***6a. Using all the information in Article 6(6), national regulatory authorities shall publish annual reports on whether energy efficiency obligation schemes are meeting their objectives at the lowest possible cost to consumers. The national regulatory authorities shall also regularly commission independent reviews on the impacts that the scheme has on energy bills and fuel poverty as well as the energy savings from the scheme to ensure maximum cost-effectiveness. Member States shall be required to take these impacts into account through scheme adjustments.***

## Amendment 46

**Proposal for a directive**  
**Article 6 – paragraph 8**

*Text proposed by the Commission*

8. Member States may exempt small energy distributors and small retail energy sales companies, namely those that distribute or sell less than the equivalent of **75** GWh of energy per year, employ fewer than **10** persons or have an annual turnover or annual balance sheet total that does not exceed EUR **2 000 000**, from the application of this Article. Energy produced for self use shall not count towards these thresholds.

*Amendment*

8. Member States may exempt small energy distributors and small retail energy sales companies, namely those that distribute or sell less than the equivalent of **200** GWh of energy per year, employ fewer than **50** persons or have an annual turnover or annual balance sheet total that does not exceed EUR **8 000 000**, from the application of this Article. Energy produced for self use shall not count towards these thresholds.

**Amendment 47**

**Proposal for a directive**  
**Article 6 – paragraph 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***8a. The Member States ensure that the energy distributors or retail energy sales companies cooperate with specialized providers during the implementation of measures to achieve energy savings among final customers. By means of an energy service concept worked out by the interest groups of the market partners, an agreement shall be reached as to which specific offers of the market partners can be reasonably brought together and offered co-operatively at the local level.***

## Amendment 48

### Proposal for a directive Article 6 – paragraph 8 b (new)

*Text proposed by the Commission*

*Amendment*

**8b. Sales or deliveries of energy products shall not result in energy savings obligations of paragraph 1, if**

**- they consist of unavoidable gas from steel production; or**

**- they are delivered or sold mainly to own sites and subsidiaries; or**

**- they are conducted within "closed distribution systems"**

## Amendment 49

### Proposal for a directive Article 6 – paragraph 9

*Text proposed by the Commission*

*Amendment*

9. *As* an alternative to paragraph 1, Member States may opt to take other measures to achieve energy savings among final customers. The annual amount of energy savings achieved through this approach shall be equivalent to the amount of energy savings required in paragraph 1. Member States opting for this option shall notify to the Commission, by 1 January 2013 at the latest, the alternative measures that they plan to adopt, including the rules on penalties referred to in Article 9, and demonstrating how they would achieve the required amount of savings. The Commission may refuse such measures or make suggestions for modifications in the

9. *As* an alternative to paragraph 1, Member States may opt to take other measures to achieve **additional** energy savings among final customers (**opt-out**). The annual amount of **additional** energy savings achieved through this approach shall be equivalent to the amount of energy savings required in paragraph 1. Member States opting for this option shall notify to the Commission, by 1 January 2013 at the latest, the alternative measures that they plan to adopt, including the rules on penalties referred to in Article 9, and demonstrating how they would achieve the required amount of savings. The Commission may refuse such measures or



3 months following notification. In such cases, the alternative approach shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified draft measures.

make suggestions for modifications in the 3 months following notification. In such cases, the alternative approach shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified draft measures.

*The Commission shall constantly monitor the progress achieved through the alternative measures in the Member States. If the savings achieved through these measures do not add up to the amount of energy savings required in paragraph 1, the Commission shall inform the Member State and make proposals to improve the measures. If after due consideration these proposals or other measures which the Member States and the Commission agree on are not implemented by the Member State, the Commission shall decide to apply the binding measure referred to in paragraph 1.*

*Measures taken under this paragraph shall ensure equal planning reliability as regards the energy saving support systems for all market actors. Financial facilities for energy efficiency must be guaranteed independently of annual changes in the budget, in a continuous and long-term way, if appropriate on a diminishing scale.*

## **Amendment 50**

### **Proposal for a directive Article 6 – paragraph 10**

*Text proposed by the Commission*

*Amendment*

**10. If appropriate, the Commission shall**

**deleted**

*establish, by means of a delegated act in accordance with Article 18, a system of mutual recognition of energy savings achieved under national energy efficiency obligation schemes. Such a system shall allow obligated parties to count energy savings achieved and certified in a given Member State towards their obligations in another Member State.*

#### **Amendment 51**

##### **Proposal for a directive Article 6 – paragraph 10 a (new)**

*Text proposed by the Commission*

*Amendment*

***10a. When encouraging energy companies to achieve the energy efficiency objectives set out in Article 1(2), Member States should be urged to include the whole value-creation chain, from energy production through distribution to consumption.***

#### **Amendment 52**

##### **Proposal for a directive Article 7 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***a. Member States shall ensure that national incentive schemes are put in place to refund audit costs to those companies that implement an acceptable share of proposed measures from the recommendations of their energy audits, and to provide further incentives to implement those measures.***

## Amendment 53

### Proposal for a directive Article 7 – paragraph 2

*Text proposed by the Commission*

2. Member States shall ensure that enterprises not included in the second subparagraph of paragraph 1 are subject to an energy audit carried out in an independent and cost-effective manner by qualified *or* accredited experts at the latest by 30 June 2014 and every three years from the date of the previous energy audit.

*Amendment*

2. Member States shall ensure that enterprises not included in the second subparagraph of paragraph 1 are subject to an energy audit carried out in an independent and cost-effective manner by qualified *and/or* accredited experts at the latest by 30 June 2014 and every three years from the date of the previous energy audit. ***Audits may be carried out by in-house experts, provided that these are qualified and accredited, that they are not directly engaged in the activity audited, and that the Member State has put in place a scheme to assure and check their quality.***

*Justification*

*For large companies, in which energy is a major part of operating costs, energy audits or energy/environmental management systems are already recognised as essential tools to monitor and optimise energy consumption. It is therefore important to allow the possibility for these large enterprises to be able to carry out energy audits by in-house staff, as long as they are appropriately trained and certified to do so.*

## Amendment 54

### Proposal for a directive Article 7 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

***2a. Member States shall provide small and medium-sized enterprises, and where appropriate, households with incentives and financial support, such as tax rebates or subsidies, to cover totally or partly the costs of an energy audit, to implement energy management systems, to perform***

***lifecycle cost assessments of energy-using facilities or to implement the recommendations of an energy audit or to reduce their energy dependence.***

*Justification*

*More emphasis should be given to the principle of incentives. The burden of proof in case the incentive is challenged as unjustifiable state aid should be with the Commission and not with the Member State that wants to give incentives.*

**Amendment 55**

**Proposal for a directive  
Article 7 – paragraph 3**

*Text proposed by the Commission*

3. Energy audits carried out in an independent manner resulting from energy management systems or implemented under voluntary agreements concluded between organisations of stakeholders and an appointed body and supervised by the Member State concerned or by the Commission, shall be considered as fulfilling the requirements of paragraph 2.

*Amendment*

3. Energy audits carried out in an independent manner resulting from energy management systems or implemented under voluntary agreements concluded between organisations of stakeholders and an appointed body and supervised by the Member State concerned or by the Commission, shall be considered as fulfilling the requirements of paragraph 2. ***The requirement for independence allows the audits to be carried out by in-house experts, provided that these are qualified or accredited, that they are not directly engaged in the activity audited, and that the Member State has put in place a scheme to assure and check their quality and to impose sanctions if needed.***

*Justification*

*The provision of Recital 20 on in-house experts should also be included in the article.*

**Amendment 56**

**Proposal for a directive  
Article 7 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. Energy audits may stand alone or be part of a broader environmental audit.

4. Energy audits may stand alone or be part of a broader environmental audit. ***As a minimum requirement, such audits shall include a health impact assessment.***

#### **Amendment 57**

##### **Proposal for a directive**

##### **Article 7 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Energy audits and energy management systems implemented under this article shall not exclude the same or similar measures to be used as a justification for existing or future financial incentive and support schemes such as tax rebates. If necessary, the European state aid guidelines in this field and Directive 2003/96/EC are to be adapted accordingly.***

#### *Justification*

*The energy audits and energy management systems should not prevent existing or future incentive and support schemes of Member States. Tax rebates have proven to be a good incentive to establish energy management systems.*

#### **Amendment 58**

##### **Proposal for a directive**

##### **Article 7 – paragraph 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***4b. No later than 30 June 2013, the Commission shall adopt, by means of delegated acts, general criteria on which energy audits shall be based.***

## Amendment 59

### Proposal for a directive

#### Article 8 – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

Member States shall ensure that final customers for electricity, natural gas, district heating or cooling and district-supplied domestic hot water are provided with individual meters that accurately measure and allow to make available their actual energy consumption and provide information on actual time of use, in accordance with Annex VI.

*Amendment*

Member States shall ensure that final customers for electricity, natural gas, district heating or cooling and district-supplied domestic hot water are provided with individual meters that accurately measure and allow to make available their actual energy consumption and provide information on actual time of use, in accordance with Annex VI. ***Meters must be cost-effective and must improve the energy efficiency of households.***

## Amendment 60

### Proposal for a directive

#### Article 8 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

When Member States put in place the roll-out of smart meters foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets, ***they*** shall ensure that the objectives of energy efficiency and final customer benefits are fully taken into account ***when establishing the minimum functionalities of the meters and obligations imposed on market participants.***

*Amendment*

When Member States put in place the roll-out of smart meters, ***these should be subject to a full cost-benefit analysis of the consumer interest, as*** foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets. ***When establishing the minimum functionalities of the meters and obligations imposed on market participants, Member States*** shall ensure that the objectives of energy efficiency and final customer benefits are fully taken into account. ***This includes ensuring that smart meters are user-friendly and provide clear, accurate and detailed real-time information on energy consumption in order to enable the final customer to make energy savings.***

## *Justification*

*The third legislative package for an internal EU gas and electricity market allows Member States to undertake a cost-benefit analysis before smart meters are rolled out. Only where the cost-benefit analysis is positive, should smart meters be installed in 80% of households by 2020. Costly schemes should only be done if they are in the consumer's interest. The money spent in rolling out smart meters may be better spent on other energy efficiency measures, such as insulation.*

### **Amendment 61**

#### **Proposal for a directive**

#### **Article 8 – paragraph 1 – subparagraph 4**

*Text proposed by the Commission*

*In case of heating and cooling, where a building is supplied from a district heating network, a heat meter shall be installed at the building entry. In multi-apartment buildings, individual heat consumption meters shall also be installed to measure the consumption of heat or cooling for each apartment. Where the use of individual heat consumption meters is not technically feasible, individual heat cost allocators, in accordance with the specifications in Annex VI(1.2), shall be used for measuring heat consumption at each radiator.*

*Amendment*

*Member States shall ensure that in buildings with several units (residential and commercial), whose units are supplied with heat and domestic hot water from central systems the consumption is measured for each unit; Member States shall introduce rules for the annual consumption-based cost allocation of heat and domestic hot water in these buildings. Exceptions are allowed if the installation of measuring devices or the consumption based cost allocation turns out to be technically not feasible, and/or a cost-benefit analysis shows that the costs outweigh the benefits, e.g. in high efficient buildings. The metering of cooling is optional.*

### **Amendment 62**

#### **Proposal for a directive**

#### **Article 8 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

*3a. Member States shall require national regulatory authorities to test the accessibility and usability for consumers of energy bills on an annual basis. The findings shall be made publically*

*available.*

*Justification*

*Consumers need to be able to understand their energy bills in order to change their energy consumption. NRAs should therefore be required to test whether consumers are able to understand their bills. By making the information public, consumers will be able to select the companies with the best practice.*

Amendment 63

**Proposal for a directive**  
**Article 10 - paragraph 1**

*Text proposed by the Commission*

1. By 1 January 2014, Member States shall establish and notify to the Commission a national heating and cooling plan for developing the potential for the application of high-efficiency cogeneration and efficient district heating and cooling, containing the information set out in Annex VII. The plans shall be updated and notified to the Commission every five years. Member States shall ensure by means of their regulatory framework that national heating and cooling plans are taken into account in local and regional development plans, including urban and rural spatial plans, and fulfil the design criteria in Annex VII.

*Amendment*

1. By 1 January 2014, Member States shall establish and notify to the Commission a national heating and cooling plan for developing the potential for the application of high-efficiency cogeneration ***including small- and micro-cogeneration, and*** efficient district heating and cooling, containing the information set out in Annex VII. ***The administrative outlay on this should be minimised.*** The plans shall be updated and notified to the Commission every five years. Member States shall ensure by means of their regulatory framework that national heating and cooling plans are taken into account in local and regional development plans, including urban and rural spatial plans, and fulfil the design criteria in Annex VII.

*Justification*

Amendment 64

**Proposal for a directive**  
**Article 10 – paragraph 2**

*Text proposed by the Commission*

2. Member States shall take the necessary measures to develop efficient district heating and cooling infrastructure to

*Amendment*

2. Member States shall take the necessary measures to develop efficient district heating and cooling infrastructure to



*accommodate* the development of high-efficiency cogeneration and the use of heating and cooling from waste heat and renewable energy sources in accordance with paragraphs 1, 3, 6 and 7. When developing district heating and cooling, they shall to the extent possible opt for high-efficiency cogeneration rather than heat-only generation.

*support* the development of high-efficiency cogeneration *including small and micro-cogeneration, and* the use of heating and cooling from waste heat and renewable energy sources in accordance with paragraphs 1, 3, 6 and 7. When developing district heating and cooling, they shall to the extent possible opt for high-efficiency cogeneration rather than heat-only generation.

## **Amendment 65**

### **Proposal for a directive Article 10 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. Member States may lay down conditions for exemption from the provisions of paragraph 3 when:**

*deleted*

**a) the threshold conditions related to the availability of heat load set out in point 1 of Annex VIII are not met;**

**b) the requirement in point (b) of paragraph 3 related to the location of the installation cannot be met due to the need to locate an installation close to a geological storage site permitted under Directive 2009/31/EC; or**

**c) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling. Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions or make suggestions for modifications in the 6 months following notification. In such**

*cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.*

#### **Amendment 66**

##### **Proposal for a directive Article 10 - paragraph 7**

*Text proposed by the Commission*

*Amendment*

**7. Member States may lay down conditions for exemption from the provisions of paragraph 6 when:**

***deleted***

***a) the threshold conditions related to the availability of heat load set out in point 1 of Annex VIII are not met; or***

***b) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling. Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions or make suggestions for modifications in the 6 months following notification. In such cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.***

#### **Amendment 67**

**Proposal for a directive**  
**Article 10 - paragraph 8**

*Text proposed by the Commission*

8. Member States shall adopt authorisation or equivalent permitting criteria to ensure that industrial installations with a total thermal input exceeding 20 MW generating waste heat that are built or substantially refurbished after [the entry into force of this Directive] capture and make use of their waste heat. Member States shall establish mechanisms to ensure the connection of these installations to district heating and cooling networks. They may require these installations to bear the connection charges and the cost of developing the district heating and cooling networks necessary to transport their waste heat to consumers. ***Member States may lay down conditions for exemption from the provisions in the first sub-paragraph when:***

***a) the threshold conditions related to the availability of heat load set out in point 2 of Annex VIII are not met; or***

***b) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of heat with separate heating or cooling. Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions or make suggestions for modifications in the 6 months following notification. In such cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.***

*Amendment*

8. Member States shall adopt authorisation or equivalent permitting criteria to ensure that industrial installations with a total thermal input exceeding 20 MW generating waste heat that are built or substantially refurbished after [the entry into force of this Directive] capture and make use of their waste heat. Member States shall establish mechanisms to ensure the connection of these installations to district heating and cooling networks. They may require these installations to bear the connection charges and the cost of developing the district heating and cooling networks necessary to transport their waste heat to consumers.

## Amendment 68

### Proposal for a directive Article 10 – paragraph 9

*Text proposed by the Commission*

9. The Commission shall establish by 1 January 2013 by means of a delegated act in accordance with Article 18 a methodology for the cost-benefit analysis referred to in paragraphs 4 (c), 7 (b) and 8(b).

*Amendment*

9. The Commission shall establish by 1 January 2013 by means of a delegated act in accordance with Article 18 a methodology for the cost-benefit analysis referred to in paragraph 10a(b) and (e).

## Amendment 69

### Proposal for a directive Article 10 – paragraph 10 a (new)

*Text proposed by the Commission*

*Amendment*

***10a. Member States may partly or completely opt-out from the obligation of paragraphs 3, 6, and 8 if they guarantee that alternative measures to promote CHP, e.g. through sustainable financial support schemes, are developed and can be guaranteed independent from changes in the annual budget. The Member States, after establishment of the national heating and cooling plans, shall calculate and notify to the Commission the achievable potential amount of energy savings under paragraphs 3, 6 and 8. The Commission shall review these calculations. The equivalent measures shall add up to the same amount of energy savings that has been determined in these calculations.***

***Member States may achieve part of the savings calculated through other measures, additional to the other paragraphs of this directive, if the analysis of the respective Member State concludes that CHP is not feasible***

*because*

*a) the threshold conditions related to the availability of heat load set out in point 1 of Annex VIII are not met;*

*b) a cost-benefit analysis in accordance with paragraph 9 shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling;*

*c) the requirement in point (b) of paragraph 3 related to the location of the installation cannot be met due to the need to locate an installation close to a geological storage site permitted under Directive 2009/31/EC; or*

*d) the installation is located close to a geological storage site permitted under Directive 2009/31/EC; or*

*e) a cost-benefit analysis in accordance with paragraph 9 shows that the costs allow no competitive return on investments, taking into account the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling;*

*f) high efficiency gas or coal-fired power stations are to be permitted for economic reasons or to ensure network stability without cogeneration units;*

*g) the installation is using non-combustion technologies.*

*Not more than half of these equivalent measures shall be located outside the field of CHP, e.g. through financial incentives.*

*Member States opting for these options shall notify to the Commission, by 1 January 2013 at the latest, the alternative*

*measures that they plan to adopt, including the rules on penalties referred to in Article 9, and demonstrating how they would achieve the required amount of savings. The Commission may refuse such measures or make suggestions for modifications in the 3 months following notification, especially in cases where no sustainable financial support is guaranteed. In such cases, the alternative approach shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified draft measures.*

*The Commission shall constantly monitor the progress achieved through the alternative measures in the Member States. If the savings achieved through these measures do not add up to the amount of energy savings required in paragraph 1, the Commission shall inform the Member State and make proposals to improve the measures. If after due consideration these proposals or other measures which the Member States and the Commission agree on are not implemented by the Member State, the Commission shall decide to apply the binding measures referred to in paragraphs 3, 6, and 8.*

## **Amendment 70**

### **Proposal for a directive Article 12 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*1a. Member States shall ensure that demand-side resources, such as demand response, can be introduced as part of the energy management system.*

## Amendment 71

### Proposal for a directive Article 12 – paragraph 4

*Text proposed by the Commission*

4. Member States shall ensure the removal of those incentives in transmission and distribution tariffs that unnecessarily increase the volume of distributed or transmitted energy. In this respect, in accordance with Article 3(2) of Directive 2009/72/EC and Article 3(2) of Directive 2009/73/EC, Member States may impose public service obligations relating to energy efficiency on undertakings operating in the electricity and gas sectors.

*Amendment*

4. Member States shall ensure the removal of those incentives in transmission and distribution tariffs that unnecessarily increase the volume of distributed or transmitted energy, ***or those that might hamper participation of demand response in balancing and ancillary services.*** In this respect, in accordance with Article 3(2) of Directive 2009/72/EC and Article 3(2) of Directive 2009/73/EC, Member States may impose public service obligations relating to energy efficiency on undertakings operating in the electricity and gas sectors.

## Amendment 72

### Proposal for a directive Article 12 – paragraph 5 – subparagraph 1 – introductory part

*Text proposed by the Commission*

Member States shall ensure that, subject to requirements relating to the maintenance of the reliability and safety of the grid, based on transparent and non-discriminatory criteria defined by the competent national authorities, transmission system operators and distribution system operators in their territory:

*Amendment*

Member States shall ensure that, subject to requirements relating to the maintenance of the reliability and safety of the grid, based on transparent and non-discriminatory criteria defined by the competent national authorities ***and in compliance with the criteria harmonized at EU level,*** transmission system operators and distribution system operators in their territory:

## Amendment 73

### Proposal for a directive Article 12 - paragraph 5 - subparagraph 3

*Text proposed by the Commission*

Member States may particularly facilitate

*Amendment*

Member States may particularly facilitate

the connection to the grid system of electricity produced from high-efficiency cogeneration from small scale and micro cogeneration units.

the connection to the grid system of electricity produced from high-efficiency cogeneration from small scale and micro cogeneration units. ***For micro cogeneration units installed by individual citizens, the relevant authorities shall consider the possibility of replacing authorisations by simple notifications – “install and inform process”- to the competent body.***

*Justification*

*This proposed change aims at removing unnecessary administrative process applied to micro CHP being installed at individual premises and then at fostering the development of this technology.*

**Amendment 74**

**Proposal for a directive**

**Article 12 – paragraph 5 – subparagraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***3a. Furthermore, Member States may make provisions for continuous and long-term feed-in tariffs, if appropriate on a diminishing scale, in the case of electricity produced by small scale and micro cogeneration units.***

*Justification*

*Distributed generation of electricity, even at the individual citizen level, is now a reality. Access to the grid system for electricity produced from high-efficiency small scale and micro-CHP units should be facilitated. Member States should therefore make provisions for feed-in tariffs for highly efficient micro-CHP. Such feed-in tariffs could be reduced in a planned manner over time.*

**Amendment 75**

**Proposal for a directive**

**Article 12 – paragraph 7 a (new)**



***7a. Member States shall ensure that national energy regulatory authorities encourage demand response, to participate in a non-discriminatory manner alongside supply in local or regional energy and tertiary reserve markets, if necessary by requiring national regulatory authorities and TSOs to define technical specifications for participation in energy and tertiary reserve markets, on the basis of the technical requirements of these markets and demand response capabilities.***

***Tender specifications for Demand Response participating in the energy and tertiary reserve markets shall include reasonable specifications on the:***

- (a) minimum number of kW aggregated capacity needed for participation;***
- (b) baseline measurement methodology;***
- (c) minimum number of kW needed for participation per metered location (if any);***
- (d) duration of demand response activation;***
- (e) timing of demand response activation;***
- (f) notice time for activation of demand response;***
- (g) telemetry requirements;***
- (h) penalty requirements;***
- (i) frequency of demand response activation;***
- (j) intervals between activation;s***
- (k) tender duration timeframe;***
- (l) the option to bid on positive or negative capacity;***
- (m) availability payments.***

***The potential of demand response should***

***be taken fully into account when implementing national capacity adequacy or other energy security related measures. When implementing capacity adequacy schemes, Member States shall ensure that the potential for contribution of Demand Response is fully taken into consideration.***

*Justification*

*Without appropriate market participation rules (tender requirements) it is impossible for demand side resources to participate in the markets. This in turn blocks the markets competition from the demand side and blocks new entrants. In markets such as the UK and France, where tender specifications have been adjusted to fit demand side resources, Demand Response is being established now on a commercial level. Adding this article to the Energy Efficiency Directive would therefore be a powerful, one-step measure, toward substantially forwarding the active participation of European consumers in the electricity markets, ensuring that they also are able to benefit financially from Smart Grid rollout.*

**Amendment 76**

**Proposal for a directive  
Article 12 – paragraph 7 b (new)**

*Text proposed by the Commission*

*Amendment*

***7b. Member States shall adopt a Demand Response action plan for the promotion and deployment of demand response in the context of the future action plans for the implementation of smart grids. The plan should include the implementation of appropriate enabling technical specifications for participation of aggregated Demand Response in energy and tertiary reserve markets. Member States shall report to the Commission, by 31 December 2013 and every two years afterwards, on the measures implemented to fulfil the objectives set out in this paragraph.***

*Justification*

*Energy Markets and Member States' infrastructure vary widely. They should therefore have the possibility of defining for themselves how best to ensure that Demand Response is established and how they enable third party entrants and market competition. This will*

*ensure that end consumers are provided the ability to benefit from controlling their consumption periods - to the extent which is reasonable and practicable in a given Member State.*

#### **Amendment 77**

##### **Proposal for a directive Article 13 – paragraph 1**

###### *Text proposed by the Commission*

1. With a view to achieving a high level of technical competence, objectivity and reliability, Member States shall ensure that, by 1 January 2014, **certification schemes or equivalent** qualification schemes are **available** for providers of energy services, energy audits and energy efficiency improvement measures, including for installers of building elements as defined in Article 2(9) of Directive 2010/31/EU.

###### *Amendment*

1. With a view to achieving a high level of technical competence, objectivity and reliability, Member States shall ensure that, by 1 January 2014, qualification schemes are **provided** for providers of energy services, energy audits and energy efficiency improvement measures, including for installers of building elements as defined in Article 2(9) of Directive 2010/31/EU. **The Member States examine, whether their respective own educational and retraining systems cover the required knowledge.**

###### *Justification*

*In several Member States efficient systems for vocational education and further training already exist. They guarantee that measures concerning the increase of energy efficiency, energy guidance and energy services are already carried out on a high level of qualification. Therefore it should be clarified that Member States can base actions on existing qualification systems / regulatory frameworks.*

#### **Amendment 78**

##### **Proposal for a directive Article 13 – paragraph 2**

###### *Text proposed by the Commission*

2. Member States shall make publicly available the **certification schemes or equivalent** qualification schemes referred to in paragraph 1 and shall **cooperate among themselves and with the Commission** on comparisons between and

###### *Amendment*

2. Member States shall make publicly available the qualification schemes referred to in paragraph 1 and shall **work** on comparisons between and recognition of the schemes. **This shall be without prejudice to directive 2005/36/EC.**

recognition of the schemes.

### *Justification*

*Directive 2005/36/EC lays down requirements for the mutual recognition of professional qualifications. It has to be clarified that discussions about the recognition of qualification will not interfere with directive 2005/36/EC.*

## **Amendment 79**

### **Proposal for a directive Article 13 a (new)**

*Text proposed by the Commission*

*Amendment*

#### *Article 13a*

##### ***Information and training***

***1. Member States shall ensure that information on available energy efficiency mechanisms and financial and legal frameworks is transparent and widely and actively disseminated to all relevant market actors, including consumers, builders, architects, engineers, environmental auditors and installers of building elements as defined in Directive 2010/31/EU. They shall ensure that banks and other financial institutions are informed of the possibilities of participating, including through the creation of public/private partnerships, in the financing of energy efficiency improvement measures.***

***2. Member States shall establish appropriate conditions and incentives for market operators to provide adequate and targeted information and advice to energy consumers on energy efficiency.***

***3. Member States, with the participation of stakeholders, including local and regional authorities, shall develop suitable information, awareness-raising and training programmes to inform citizens of the benefits and practicalities of taking energy efficiency improvement measures.***

***4. The Commission shall ensure that information on best energy-saving practices in Member States is exchanged and widely disseminated.***

***5. Member States shall ensure that data from smart meters systems provide a detailed base for advice.***

***6. Member states shall at the latest on year after this legislation enters into force provide a plan to the Commission of the initiatives they are going to take on, the availability of information on available energy efficiency mechanisms and financial and legal frameworks.***

*Justification*

*Information and training is key to energy efficiency. The Member States should not be able to avoid responsibility in this field.*

**Amendment 80**

**Proposal for a directive  
Article 14 - point d a (new)**

*Text proposed by the Commission*

*Amendment*

***(da) removing the regulatory and non-regulatory barriers to the use of energy performance contracting and other third-party financing arrangements or services for energy savings;***

*Justification*

*Contracting and other third-party financing arrangements are an important instrument to generate the necessary financial resources. The third party will take the responsibility for the necessary investment - including the risk - and will benefit partly from the saving. Barriers to this innovative financing instrument must be abolished.*

## Amendment 81

### Proposal for a directive Article 14 – paragraph 1 – point e a (new)

*Text proposed by the Commission*

*Amendment*

***(ea) requiring public authorities to consider the use of Energy Performance Contracting (EPC), when carrying out a buildings renovation;***

## Amendment 82

### Proposal for a directive Article 14 – paragraph 1 – point e b (new)

*Text proposed by the Commission*

*Amendment*

***(eb) monitoring, together with the Commission, the functioning of the market, in view of possible market distortions resulting from the entry on the energy services market by the energy distributors or retail energy sales companies.***

## Amendment 83

### Proposal for a directive Article 15 – paragraph 1 – subparagraph 1 – introductory part

*Text proposed by the Commission*

*Amendment*

Member States shall evaluate and take appropriate measures to remove regulatory and non-regulatory barriers to energy efficiency, notably as regards:

***The competent authorities of the*** Member States shall evaluate and take appropriate measures to remove regulatory and non-regulatory barriers to energy efficiency, notably as regards:

## Amendment 84

### Proposal for a directive Article 15 – paragraph 1 – subparagraph 1 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(ba) provisions on listed buildings which are officially protected as part of a designated environment or because of their special architectural or historic merit with a view to give owners more flexibility to implement energy efficiency measures to these buildings in line with generally accepted conservation practices, i.e. thermal insulation of the outer shell (walls, roof, windows), bearing in mind a balanced weighing of cultural conservation and energy efficiency***

*Justification*

*Owners of buildings should be allowed to be more flexible in their decisions to implement energy efficiency measures to their buildings.*

#### **Amendment 85**

##### **Proposal for a directive**

##### **Article 15 – paragraph 1 – subparagraph 1 – point b b (new)**

*Text proposed by the Commission*

*Amendment*

***(bb) the removal of regulated prices which do not reflect costs.***

#### **Amendment 86**

##### **Proposal for a directive**

##### **Article 15 – paragraph 1 – subparagraph 1-point b c (new)**

*Text proposed by the Commission*

*Amendment*

***(bc) legal and regulatory provisions, and administrative practices, regarding purchase, installation, authorisation and connecting to the grid of small scale energy generators, with a view to ensuring that households are not deterred from using micro technologies to generate energy.***

## **Amendment 87**

### **Proposal for a directive Article 16 a (new)**

*Text proposed by the Commission*

*Amendment*

#### **Article 16a**

##### ***Funds and funding mechanisms***

- 1. Without prejudice to Articles 107 and 108 of the Treaty on the Functioning of the European Union, Member States may establish a fund or funds to subsidise the delivery of energy efficiency improvement programmes and measures and to promote the development of a market for energy efficiency improvement measures. Such measures may include the promotion of energy auditing and financial instruments for energy savings. The fund may, among other sources, include the revenues generated by the auctions under the emission trading scheme.***
- 2. When funds subsidise the delivery of energy efficiency improvement measures, access to funds shall be made conditional upon the actual achievement of energy savings or energy efficiency improvements. Such achievement shall be proved by appropriate means, such as energy performance certificates for buildings or energy labels for products.***

#### *Justification*

*Financial incentives are a key instrument to promote energy efficiency. Member States should be encouraged to use this instrument. The burden of proof in case of a possible state aid should be with DG Competition and not with the Member States. The revenues generated by the ETS are a possible financial source for funds in the Member States.*

## **Amendment 88**



**Proposal for a directive**  
**Article 17 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. No later than 6 months after the entry into force of this Directive, the Commission shall adopt a decision to reduce the number of allowances pursuant to Article 9 of Directive 2003/87/EC by 1.4bn allowances so as to maintain the incentives for investment in energy efficiency measures and low carbon technologies and the level of ambition envisaged in Directive 2003/87/EC.***

*Justification*

*There is a need to compensate for the reduced demand for ETS allowances that will result from the implementation of this Directive and the 20% energy saving objective to restore the price mechanism to levels envisaged in the impact assessment on which basis Directive 2003/87/EC was agreed, and to maintain incentives for investments in energy efficiency measures and low carbon energy technologies in installations covered by the ETS.*

**Amendment 89**

**Proposal for a directive**  
**Article 19 - paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. By 30 April each year, Member States shall report on the progress achieved towards national energy efficiency targets, in accordance with Annex XIV(1).

1. By 30 April each year, Member States shall report on the progress achieved towards national energy efficiency targets, in accordance with Annex XIV(1). ***Every two years the national reports shall be accompanied by supplementary information in accordance with Annex XIV(2).***

**Amendment 90**

**Proposal for a directive**  
**Article 19 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. By **30 April 2014**, and every three years thereafter, Member **State** shall **submit supplementary reports** with **information on** national energy efficiency **policies, action plans, programmes and** measures implemented or planned at national, regional and local level to improve energy efficiency **in view of achieving the national energy efficiency targets referred to in Article 3(1). The reports shall be complemented with updated estimates of expected overall primary energy consumption in 2020, as well as estimated levels of primary energy consumption in the sectors indicated in Annex XIV(1).**

2. By **31 December 2013 at the latest**, and every three years thereafter, **the** Member **States** shall **provide the Commission** with national energy efficiency plans **which describe how the Member States intend to achieve** the national energy efficiency targets referred to in Article 3(1). **These plans shall include** measures implemented or planned at national, regional and local level to improve energy efficiency.

#### **Amendment 91**

##### **Proposal for a directive**

##### **Article 19 – paragraph 2 - subparagraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**When setting their national energy efficiency plans, the Member States shall take into account cost-effective energy efficiency measures and the risk of carbon leakage.**

#### **Amendment 92**

##### **Proposal for a directive**

##### **Article 19 – paragraph 2 - subparagraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

**When setting their national energy efficiency action plans, Member States shall ensure the promotion of a system approach, e.g. for lighting, at national level, to encourage the use of additional energy saving potentials existing beyond the single product approach.**

## Amendment 93

### Proposal for a directive

#### Article 19 – paragraph 2 - subparagraph 1 c (new)

*Text proposed by the Commission*

*Amendment*

***Member States should not set targets for the industries which are exposed to a significant risk of carbon leakage, as determined in Commission Decision 2010/2/EU. Should they nonetheless decide to do so, Member States shall express possible sectoral targets for production processes in these industries in energy use per output unit so as to avoid impeding industrial growth.***

## Amendment 94

### Proposal for a directive

#### Article 19 – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. The Commission shall evaluate the annual reports and supplementary **reports** and assess the extent to which Member States have made progress towards the achievement of the national energy efficiency targets required by Article 3(1) and towards the implementation of this Directive. The Commission shall send its assessment to the European Parliament and the Council. Based on its assessment of the reports the Commission may issue recommendations to Member States.

4. The Commission shall evaluate the annual reports and supplementary **information** and assess the extent to which Member States have made progress towards the achievement of the national energy efficiency targets required by Article 3(1), and towards the implementation of this Directive. The Commission shall send its assessment to the European Parliament and the Council. Based on its assessment of the reports the Commission may issue recommendations **or suggest modifications to the instruments applied by Member States. If the assessment shows that a Member State is not on track to achieve the national energy efficiency target, the Member State shall, on request of the Commission, revise its national energy efficiency plan referred to in paragraph 2 of this article.**

## Amendment 95

**Proposal for a directive**  
**Article 19 – paragraph 5 - subparagraph 2**

*Text proposed by the Commission*

The Commission shall also monitor the impact of implementing this Directive on Directive 2003/87/EC, Directive 2009/28/EC as well as Directive 2010/31/EC.

*Amendment*

The Commission shall also monitor the impact of implementing this Directive on Directive 2003/87/EC, Directive 2009/28/EC as well as Directive 2010/31/EC. ***Until 30/06/2013 at the latest, the European Commission should come forward with a proposal to adjust the Effort Sharing Decision (Decision No 406/2009/EC of the European Parliament and of the Council).***

***The Commission shall carefully monitor the impact of implementing this directive on Directive 2003/87/EC. Immediately after the entering into force of this directive, the Commission shall present a report to Parliament and Council. This report shall examine, amongst others, the impacts on incentives for investments in low carbon technologies and the risk of carbon leakage. Before the start of the third phase, the Commission shall amend the regulation referred to in article 10 (4) of Directive 2003/87/EC in order to withhold a significant amount of allowances.***

**Amendment 96**

**Proposal for a directive**  
**Article 19– paragraph 7**

*Text proposed by the Commission*

***7. By 30 June 2014 the Commission shall submit the assessment referred to in Article 3(2) to the European Parliament and to the Council, followed, if appropriate, by a legislative proposal laying down mandatory national targets.***

*Amendment*

***deleted***

## **Amendment 97**

### **Proposal for a directive Article 22 a (new)**

*Text proposed by the Commission*

*Amendment*

#### **Article 22a**

##### ***Amendments to Directive 2003/87/EC***

***In Article 9 of Directive 2003/87/EC the following paragraph shall be added after the second paragraph :***

***'From 2014 onwards the linear reduction factor shall be 2.25%.'***

#### *Justification*

*The linear factor of the ETS cap should be adjusted to the energy efficiency measures as well as to the EU climate objective of achieving at least 80% domestic greenhouse gas emissions reductions by 2050. The 2.25 % represents a linear reduction based on shares of emissions of sectors covered by the ETS in 2050 as outlined in the Commission Climate Roadmap 2050.*

## **Amendment 98**

### **Proposal for a directive Annex - 1 (new)**

*Text proposed by the Commission*

*Amendment*

#### **Annex -1**

##### ***Calculation methodology for national energy efficiency targets***

***When setting their national energy efficiency targets, Member States shall take into account the methodology laid out below. The baseline for the 2020 primary energy consumption projection is the Primes 2007 model.***

***Methodology:***

***Primes 2007 Baseline Projection 2020 in Mtoe - 20% savings***

***The following correction factors may apply: The reduction targets in absolute terms as compared to their 2007 level of primary energy consumption:***

- shall not exceed 8 % for the group of the nine EU countries with the lowest real household per capita income (L9),***
- shall not exceed 12 % for the group of the 15 countries that are eligible under the Cohesion Fund (C15),***
- shall not exceed 20 % for any country,***
- shall not be lower than 12% for any country not eligible under the Cohesion Fund (EU-27 minus C15),***
- shall equal at least 5 % for any country eligible under the Cohesion Fund (C15),***
- shall not represent an absolute increase in energy consumption of more than 5 %.***

***The following targets result:***

***Belgium***

***50,2***

***42,7***

***Bulgaria***

***19,3***

***17,8***

***Czech Republic***

***43,6***

***40,1***

***Denmark***

***20,2***

16,2

*Germany*

314,9

251,9

*Estonia*

5,9

5,4

*Ireland*

15,8

14,2

*Greece*

32,6

28,8

*Spain*

138,9

130,7

*France*

254,8

221,1

*Italy*

173,3

152,5

*Cyprus*

2,7

2,4

*Latvia*

4,7

4,9

*Lithuania*

7,8

7,8

*Luxembourg*

4,6

4,0

*Hungary*

24,7

23,7

*Malta*

0,9

0,8

*Netherlands*

70,3

60,6

*Austria*

32,0

28,2

*Poland*

93,1

87,9

*Portugal*



23,8

24,0

*Romania*

37,5

39,4

*Slovenia*

7,0

7,0

*Slovak Republic*

16,8

16,3

*Finland*

36,2

29,9

*Sweden*

48,1

44,6

*UK*

212,2

170,82

*EU-27*

1691,9

1470,5

**Amendment 99**

**Proposal for a directive**  
**Annex III – paragraph 1 – point a**

*Text proposed by the Commission*

(a) where a product is covered by a delegated act adopted under Directive 2010/30/EU or Commission Directive implementing Directive 92/75/EEC, purchase only the products that comply with the criterion of belonging to the highest energy efficiency class while taking into account cost-effectiveness, economical feasibility and technical suitability, as well as sufficient competition;

*Amendment*

(a) where a product is covered by a delegated act adopted under Directive 2010/30/EU or Commission Directive implementing Directive 92/75/EEC, purchase only the products that comply with the criterion of belonging to the highest energy efficiency class while taking into account cost-effectiveness, **health impact**, economical feasibility and technical suitability, as well as sufficient competition;

*Justification*

*Health concerns should also be taken into account when deciding on purchasing, to facilitate for example the purchase of products which do not contain substances harmful to human health.*

**Amendment 100**

**Proposal for a directive**  
**Annex III – paragraph 1 – point e**

*Text proposed by the Commission*

(e) require in their tenders for service contracts that service providers use, for the purposes of providing the services in question, only products that comply with the requirements referred to in points (a) to (d), when providing the services in question;

*Amendment*

(e) require in their tenders for service contracts that service providers use, for the purposes of providing the services in question, only products that comply with the requirements referred to in points (a) to (d), when providing the services in question. **When tendering service contracts, public bodies shall assess the possibility of concluding long term energy performance contracts as referred to in Article 14 (b).**

**Amendment 101**

**Proposal for a directive**  
**Annex V – part 2 – paragraph 2 – introductory part**

*Text proposed by the Commission*

*Amendment*

Obligated parties may use one or more of the following methods for calculating energy savings **for the purposes of Article 6(2)**:

Obligated parties may use one or more of the following methods for calculating energy savings:

*Justification*

*The overall approach to in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

**Amendment 102**

**Proposal for a directive**

**Annex VI – part 2 – point 2.2-paragraph 1a (new)**

*Text proposed by the Commission*

*Amendment*

***Member States shall also ensure that a summary box containing the following information is included on the front of each gas and electricity bill:***

***(a) the exact tariff name;***

***(b) the amount of energy used;***

***(c) the rate of gas and/or electricity per kWh and how this is broken down on a daily basis;***

***(d) how the cost has been calculated;***

***(e) any discounts the customer is benefiting from and when the discounts end;***

***(f) any fees the customer will have to pay if he/she changes supplier.***

*Justification*

*Consumers need to be able to understand their energy bills in order to change their energy consumption. In conjunction with consumer groups, the Commission has developed a model energy bill, which contains the above summary box. This would allow consumers, at a glance, to understand their bills.*

### Amendment 103

#### Proposal for a directive Annex VII – point 3 – point b

*Text proposed by the Commission*

(b) new residential zones or new industrial plants which consume heat in their production processes are located in sites where a maximum amount of their heat demand will be met by the available waste heat, as identified in national heating and cooling plans. To ensure an optimal matching between demand and supply for heat and cooling, spatial plans shall favour the clustering of a number of industrial plants in the same location;

*Amendment*

(b) new residential *or tertiary* zones, *new public or tertiary buildings or* new industrial plants which consume heat in their production processes are located in sites where a maximum amount of their heat demand will be met by the available waste heat, as identified in national heating and cooling plans. To ensure an optimal matching between demand and supply for heat and cooling, spatial plans shall favour the clustering of a number of industrial plants in the same location;

### Amendment 104

#### Proposal for a directive Annex VII – point 3 – point d

*Text proposed by the Commission*

(d) residential zones and industrial plants which consume heat in their production processes are connected to the local district heating or cooling network.

*Amendment*

(d) residential *or tertiary* zones, *public or tertiary building* and industrial plants which consume heat in their production processes are connected to the local district heating or cooling network.

### Amendment 105

#### Proposal for a directive Annex 11 – point 2 – introductory part

*Text proposed by the Commission*

2. Network regulation and tariffs shall *allow* network operators to *offer* system services and system tariffs for demand response measures, demand management and distributed generation on *organised*

*Amendment*

2. Network regulation and tariffs shall *encourage* network operators to *promote* system services and system tariffs for demand response measures, demand management and distributed generation on

electricity markets, *in particular*:

*organized* electricity markets, *subject to a cost-effectiveness impact per types of targeted customers (residential, commercial and industrial). Systems services include:*

## Amendment 106

### Proposal for a directive Annex XI – point 2 – paragraph 2

#### *Text proposed by the Commission*

For the purposes of this provision the term ‘organised electricity markets’ shall include over-the-counter markets and electricity exchanges for trading energy, capacity, balancing and ancillary services in all timeframes, including forward, day-ahead and intra-day markets.

#### *Amendment*

***The potential of demand response should be taken fully into account when implementing regional network capacity adequacy or other energy security related measures.*** For the purposes of this provision the term ‘organised electricity markets’ shall include over-the-counter markets and electricity exchanges for trading energy, capacity, balancing and ancillary services in all timeframes, including forward, day-ahead and intra-day markets.

#### *Justification*

*This section must be strengthened in light of the importance of demand response. In parallel, cost-effectiveness assessment must be carried out in order to ensure that promotion of demand response will not negatively affect any types of targeted audiences. Industrial storages must furthermore be highlighted.*

## Amendment 107

### Proposal for a directive Annex XI – point 3 – introductory part

#### *Text proposed by the Commission*

3. Network tariffs ***shall*** be available that support dynamic pricing for demand response measures by final customers, including:

#### *Amendment*

3. Network tariffs ***should*** be available that support dynamic pricing for demand response measures by final customers, including:

*Justification*

*The overall approach to in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

**Amendment 108**

**Proposal for a directive  
Annex XIII – indent -1 (new)**

*Text proposed by the Commission*

*Amendment*

***Contents and methodology of the energy audit***

**Amendment 109**

**Proposal for a directive  
Annex XIV – part 2 – title**

*Text proposed by the Commission*

*Amendment*

**General framework for supplementary reports**

**General framework for supplementary information**

*Justification*

*The overall approach to in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

**Amendment 110**

**Proposal for a directive  
Annex XIV –part 2- paragraph 1**

*Text proposed by the Commission*

*Amendment*

The **reports** referred to in Article 19(2) shall provide a framework for the

The **supplementary information** referred to in Article 19(1) shall provide a

development of national energy efficiency strategies.

framework for the development of national energy efficiency strategies.

***[This amendment applies throughout Annex XIV(2). Adopting it would necessitate corresponding changes throughout Annex XIV(2)]***

#### *Justification*

*The overall approach to in the Directive is to be changed. The Commission did not propose binding targets but instead suggested a multitude of binding measures and this decreases the flexibility for Member States without ensuring that the overall 20% target is achieved. Therefore, this is reversed in order to achieve the target while giving the Member States freedom to choose from several non-binding measures.*

## PROCEDURE

<b>Title</b>	Energy efficiency, repealing Directives 2004/8/EC and 2006/32/EC
<b>References</b>	COM(2011)0370 – C7-0168/2011 – 2011/0172(COD)
<b>Committee responsible</b> Date announced in plenary	ITRE 7.7.2011
<b>Committee(s) asked for opinion(s)</b> Date announced in plenary	ENVI 7.7.2011
<b>Rapporteur(s)</b> Date appointed	Peter Liese 27.7.2011
<b>Discussed in committee</b>	26.10.2011      22.11.2011
<b>Date adopted</b>	20.12.2011
<b>Result of final vote</b>	+:                    52 -:                    3 0:                    0
<b>Members present for the final vote</b>	János Áder, Elena Oana Antonescu, Kriton Arsenis, Sophie Auconie, Pilar Ayuso, Paolo Bartolozzi, Sandrine Bélier, Sergio Berlato, Chris Davies, Esther de Lange, Bas Eickhout, Edite Estrela, Elisabetta Gardini, Gerben-Jan Gerbrandy, Cristina Gutiérrez-Cortines, Satu Hassi, Jolanta Emilia Hibner, Dan Jørgensen, Karin Kadenbach, Christa Klaß, Jo Leinen, Peter Liese, Zofija Mazej Kukovič, Linda McAvan, Radvilė Morkūnaitė-Mikulėnienė, Vladko Todorov Panayotov, Gilles Pargneaux, Antonyia Parvanova, Andres Perello Rodriguez, Sirpa Pietikäinen, Pavel Poc, Vittorio Prodi, Frédérique Ries, Oreste Rossi, Kārlis Šadurskis, Christel Schaldemose, Carl Schlyter, Horst Schnellhardt, Richard Seeber, Theodoros Skylakakis, Claudiu Ciprian Tănăsescu, Salvatore Tatarella, Anja Weisgerber, Åsa Westlund, Sabine Wils, Andrea Zannoni
<b>Substitute(s) present for the final vote</b>	João Ferreira, Matthias Groote, Jutta Haug, Alojz Peterle, Rovana Plumb, Michail Tremopoulos, Peter van Dalen
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Phil Prendergast, Joanna Katarzyna Skrzydlewska