

The Commission's Summer Energy Package

On 15 July 2015, the European Commission presented its Summer Energy Package, consisting of two legislative proposals (revised Directive on ETS allowances after 2020, amending Directive 2003/87/EC; new regulation on energy labelling, replacing Directive 2010/30/EU), alongside two non-legislative communications proposing a new deal for energy consumers and launching the public consultation on a new energy market design. The Commission is due to present its Summer Energy Package in plenary in Brussels on 16 September 2015.

Revised Emissions Trading System (2021-30)

The proposed [revision of the EU Emissions Trading System \(ETS\)](#) is justified by the [2030 Climate and Energy Policy Framework](#), endorsed in the [European Council conclusions](#) of October 2014. These envisage a 40% reduction in greenhouse gas (GHG) emissions by 2030 across the EU as a whole (compared to 2005 levels), requiring a 43% reduction in the GHG emissions of the 50 economic sectors covered by the ETS. The Commission proposes an annual reduction of 2.2% in ETS allowances from 2021 onwards, to gradually increase the carbon price and encourage industries to shift to renewable or low-carbon sources of energy. The current rate of annual reduction is -1.74%. The Commission proposes to maintain the share of allowances to be auctioned at 57%; allocate 90% of total allowances on the basis of verified emissions, and distribute the remaining 10% to Member States with GDP per capita under 90% of the EU average; and revise the system of free ETS allocations to focus on those [economic sectors most at risk of carbon leakage](#). The Commission proposes to establish a Modernisation Fund (worth 2% of ETS allowances), to improve energy infrastructure and reduce GHG emissions in the 10 Member States with GDP per capita under 60% of the EU average. The Commission also proposes an Innovation Fund to finance projects in low carbon and renewable technologies across the Member States.

Energy labelling

The proposed [Regulation on Energy Labelling](#) is justified by the improved efficiency of household appliances, which has made it more difficult for consumers to differentiate between energy saving products. The Commission proposes a return to the original A-G scale of energy efficiency ([considered easier for consumers to understand](#)); creating a digital product database (that should also reduce labelling costs for producers); and establishing an automatic mechanism for rescaling products in response to future efficiency gains by household appliances. The proposed regulation is accompanied by a short [report](#), a detailed [impact assessment](#), and an [evaluation](#) of the existing Energy Labelling and Ecodesign Directives.

Consumers and retail markets

The communication on [Delivering a New Deal for Energy Consumers](#) analyses the obstacles preventing consumers from making full use of the internal market in energy, outlines a three-pillar strategy (consumer empowerment; smart homes and networks, including [smart grids and meters](#); data protection and privacy) to address this problem, and builds on the findings of a [public consultation on retail energy markets](#) in 2014.

The communication on a [New Energy Market Design](#) reflects on how to improve cross-border connection, encourage greater investment in energy infrastructure, integrate and promote renewables in energy networks, link wholesale and retail markets more effectively, improve the EU regulatory framework and guarantee security of supply. It launches a [public consultation](#) on a new energy market design, which will feed into forthcoming legislative proposals by the Commission, as outlined in the [Energy Union package](#).

The Summer Energy Package is to be presented by the Vice-President responsible for Energy Union, Maroš Šefčovič, in the Brussels plenary session of the European Parliament on 16 September 2015.