

Feedback

Roadmap: Review of the Directive on Energy Efficiency (EED) (2012/27/EU)

Submitted on 24 March 2016 on the Better Regulation online platform: http://ec.europa.eu/smart-regulation/roadmaps/index_en.htm

The Coalition for Energy Savings, which unites businesses, professionals, local authorities, trade unions, consumer and civil society organisations, welcomes the European Commission's efforts in preparing the Energy Union legislative proposals.

We have high expectations that this work will bring new impetus to the role the EU must play in shaping the transition toward an efficient and secure energy system, thus enabling post-Paris climate action.

To a large extent this can be achieved by putting energy efficiency first, empowering energy consumers and boosting the efficiency market and above all by setting a sufficiently ambitious 2030 energy efficiency target.

More than ever, transparent and impartial evidence of the cost and benefits of the wide range of 2030 energy efficiency targets, as proposed by the different EU institutions, is essential to inform legislators.

Yet, we are concerned that the approach taken for assessing these impacts falls short of the Energy Union objectives and the principles of better regulation, and lacks coherence with the approach taken in other EU policy areas.

We had a first exchange on these concerns during a meeting on 29 February 2016 with staff from the Secretariat General and DG Energy responsible for the relevant Impact Assessment. Building on that discussion we call on the Commission to include a cost-benefit analysis with a societal perspective in the Impact Assessment to provide an objective and overarching view of the different options. This is already standard practice in determining least cost minimum performance levels for products and buildings and in setting CO_2 targets for transport. The Commission's Better Regulation toolbox provides useful guidelines to conduct such analysis.

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Despite these guidelines, the Commission currently applies a private perspective only for assessing the energy system impacts of energy efficiency targets. This is the wrong approach to appraise general ambition levels and jeopardises the Energy Union Communication's objective to treat energy efficiency as "an energy source in its own right".

Furthermore, it subjects the discussion of 'optimum' target levels to discretionary judgements about the effectiveness of future EU and national policies to remove market failures and imperfections. In doing so, the assessment lacks transparency and does not provide useful information to the EU's legislators.

Our recent <u>report</u> (submitted as an attachment), Impact assessment of the EU 2030 energy efficiency targets – Towards a cost benefit analysis, identifies some of the limitations of using only a private interest perspective and demonstrates the importance of complementing the Impact Assessment work with a more comprehensive cost-benefit analysis to appraise societal ambitions for 2030.

We have also sent our input in the form of a <u>letter</u> to Frans Timmermans, First Vice-President, Maroš Šefčovič, Vice-President for Energy Union, Miguel Arias Cañete, Commissioner for Climate Action and Energy, Alexander Italianer, Secretary General, Dominique Ristori, Director General for Energy, Jos Delbeke, Director General for Climate Action, and the cross-party group of MEPs who have been engaging with the European Commission on discount rates and scenarios used by the impact assessment.

The Coalition for Energy Savings (AISBL) strives to make energy efficiency and savings the first consideration of energy policies and the driving force towards a secure, sustainable and competitive European Union. Its membership unites businesses, professionals, local authorities, trade unions, consumer and civil society organisations in pursuit of this goal. The Coalition calls on the EU to commit itself to a 40% energy saving target by 2030, and to step up policies, measures and investments in order to stop energy waste and tap the considerable energy savings potentials.

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Coalition members represent:

- more than 500 associations and 200 companies
- 15 million supporters and more than 2 million employees
- 2,500 cities and towns in 30 countries in Europe