**The Coalition for Energy Savings: Answer to the public consultation on the Citizens Energy Package:**

**1. Questions on Just Transition and Energy Poverty**

*01. What priority actions are needed at EU, national and local level to ensure that just transition and consumer rights become concrete throughout all the EU Member States?*

The first priority action to ensure a just and fair transition that addresses the root causes of energy poverty is the full and ambitious implementation of the agreed EU energy efficiency framework. First of all, the Energy Efficiency Directive contains important provisions to mitigate energy poverty. The Energy Savings Obligation (EED Article 8) mandates that a share of the energy savings be delivered among vulnerable groups based on the national share of citizens in energy poverty. The obligation to renovate a share of public buildings each year (EED Article 6) should entail the renovation of social housing for the benefit of low-income households. Together with the obligation to improve the efficiency of public authorities (EED Article 5), Article 6 also has a role to play in order to grant citizens well-functioning and efficient infrastructures and buildings that can contribute to their well-being. Finally, in multi-apartment buildings, EED Articles 15 and 16 mandate the installation of individual meters to measure the consumption of heating, cooling and domestic hot water in each building unit. A strong and swift implementation of this provision will facilitate more frequent information on energy consumption and allow consumers to have better knowledge, and therefore control, over their energy use, leading to data-driven energy flow optimisation, helping to cut energy bills for the same level of indoor comfort.

The implementation of the Energy Performance of Buildings Directive (EPBD) is also paramount, namely through the mandatory focus on the renovation of worst-performing buildings within the national trajectories for the renovation of residential buildings (Article 9). In addition, the provisions on financial incentives and market barriers (Article 17), One-Stop Shops (OSSs) (Article 18) and on the smart readiness of buildings (Article 15) are important to grant consumers more power over their energy consumption and give them the necessary tools to undergo energy efficiency improvements. The most vulnerable households and energy poor needs to be included and empowered to take part in the energy transition. Prioritising the disbursement of financial aid (especially if public), linking financial measures to the level of targeted or achieved energy savings and improvements, and introducing social safeguards is of crucial importance.

Looking forward, and linked to the above, new actions by the European Commission should provide enabling conditions to ensure and accelerate the implementation of the energy efficiency framework, and support the reduction of the ambition gap for energy efficiency in the National Energy and Climate Plans. For instance, the measures announced in the Action Plan for Affordable Energy should be implemented to reduce the cost of energy, improve energy efficiency and lower bills for European vulnerable households.

Regarding financing, the inclusion of the promotion of energy efficiency as an objective of the several funds encompassed under the new National and Regional Partnership Plans and the European Competitiveness Fund in the proposed 2028-2034 Multiannual Financial Framework is a good step forward, but Member States should be further incentivised to direct available funds towards energy efficiency solutions. In particular, the Social Climate Fund and the revenue from the ETS 2 must be targeted at the most vulnerable, to ensure access to sufficient funding for those who cannot afford to install energy efficiency solutions. Such demand is backed by citizens, as the second recommendation of the Citizens Panel on Energy Efficiency calls for financing a “fair right to energy-related home renovation”, namely through an improved tax system and subsidy mechanisms.

Member States should also be encouraged to mitigate energy poverty by financially supporting the participation of vulnerable households in energy communities. This would offer a long-term, structural path outside of energy poverty, while undertaking actions to tackle this issue, such as building renovations.

We also call for the recognition of the enabling role of thermally efficient buildings in unlocking consumer participation and flexibility measures. Indeed, insulation measures can enhance the impact of technologies like smart meters and dynamic pricing, especially for vulnerable groups.

Finally, further guidelines to support all policymakers in choosing cost-efficient energy efficiency solutions are also needed. For instance, the guidelines on the Cost-Benefit Analysis (CBA) and the sectoral guidelines for the EE1st principle, which could be published with this package, should be partly focused on offering advice and tailor-made solutions on how to involve citizens in energy efficiency projects. Specifically, the guidelines on the CBA could help highlight how to better evaluate and leverage projects that address the root causes of energy poverty when deciding on policy and financing priorities.

*02. What are the main challenges to tackling energy poverty in the EU?
(Please rate according to importance)*

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| --- |
|  |
| High energy prices | Very important |  |  |  |  |
| Effective identification of vulnerable and energy poor consumer |  | Important |  |  |  |
| Lack of energy efficiency in housing | Very important |  |  |  |  |
| Limited access to renewable energy |  | Important |  |  |  |
| Income inequality |  | Important |  |  |  |
| Insufficient awareness and education about energy-saving measures and available assistance programs | Very important |  |  |  |  |
| Inadequate financial support schemes | Very important |  |  |  |  |
| Lack of political will |  | Important |  |  |  |
| Other |  | Important |  |  |  |

Other:

Regarding high energy prices as a challenge to tackle energy poverty, the Coalition would like to underline that high energy prices are rather a root cause of energy poverty. However, they also highlight the structural inequalities in households regarding their home energy performance, making them more vulnerable to price variabilities. This suggests that special protection through price mechanisms (social tariffs or direct payment) should be done in combination with targeted financial support conducive to save energy and better manage their energy consumption.

Enabling energy-poor households to use their energy in a flexible manner is an important challenge to ensure they are regarded and treated as actors in the energy transition and can benefit from it. Improving the thermal insulation of buildings and ensuring frequent provision of consumption data is crucial to ensure energy consumption patterns can be shifted, ensuring the adoption of more efficient habits and making energy-poor households active actors on the grid.

Renovating these buildings while integrating and empowering vulnerable households (who often live in worst-performing buildings) will create an opportunity to reduce energy demand during peak times, lowering the total cost of the EU energy system. At the same time, citizens will be rewarded when shifting and reducing their consumption, which can help reducing energy poverty and increasing their involvement in the energy transition.

*03. Do you think that, in addition to implementing existing EU legislation, other measures are needed to tackle energy poverty in the EU?*

Yes

*If yes: Please elaborate on what measures, other than implementing existing EU legislation, are still needed to tackle energy poverty in the EU*

As mentioned previously, the implementation of the existing EU energy efficiency legislative framework is crucial to tackle the growing energy poverty in the EU. However, several additional measures could further facilitate and enable actions to mitigate energy poverty.

First of all, Member States must be supported in targeting the vulnerable groups most affected by energy poverty. In that effort, an EU-level monitoring mechanism is needed, as many countries still use different methodologies, statistics and indicators to measure and therefore design policies towards energy-poor households. While taking into account national circumstances affecting energy poverty, such as different climate zones, an EU-level monitoring mechanism could improve the use and ringfencing of EU measures and funds, facilitate the assessment of impacts and help Member States to select the best typology of measures to mitigate energy poverty.

Municipalities should be supported with resources to engage their communities district by district so they know their options to support the most vulnerables (RES, energy efficiency measures, energy sharing schemes, energy communities). This is already done successfully by some municipalities for example via energy tours to engage citizens, One Stop Shops, energy offices at district level, using national and regional programmes*.*

In addition, new measures to address the improvement and decarbonisation of the heating & cooling systems in energy poor households are needed, given the costs and potential low return on investment of these solutions. Such measures could be presented in the Citizens Energy Package and/or the upcoming Heating & Cooling strategy.

Finally, additional EU guidance could facilitate comprehensive building renovations that tackle both the envelope improvements and the installation of low-temperature and decarbonised heating systems, especially in energy-poor households residing in the worst-performing buildings. This would maximise system efficiency, reduce the size and cost of required equipment, and ensure buildings are thermally ready to participate in demand-side flexibility.

*04. Would setting mandatory target(s) help Member States address energy poverty?*

Yes

*If yes, please elaborate (e.g. on methodology, indicators, timeframe etc)*

The Coalition for Energy Savings believes that setting mandatory targets for Member States to reduce the share of their population in energy poverty would bring attention to the importance of tackling this crucial issue. As for other existing national targets defined at EU level, each Member State’s target should take into account national circumstances and starting points, using commonly agreed and replicable indicators. Namely, the four criteria used to define the energy poverty ringfencing of the Energy Savings Obligation (inability to keep the home adequately warm, the arrears on utility bills, the total population living in a dwelling with a leaking roof, damp walls, floors or foundation, or rot in window frames or floor, and at-risk-of-poverty rate) could be a good basis to define these targets, adding other building specific criteria such as the average Energy Performance Certificate of the country’s building stock. In terms of timeframe for such objectives, they could be synchronised with the timeline of the 2030 EU energy and climate targets or be defined as a linear year-by-year reduction.

**3. On Energy Communities**

How can the Commission support the realisation of the objectives of energy communities?
(Please rate according to importance)

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| --- | --- | --- | --- | --- | --- |
| Awareness raising | Very important |  |  |  |  |
| Legislation |  | Important |  |  |  |
| Capacity building support | Very important |  |  |  |  |
| Funding | Very important |  |  |  |  |
| Other |  |  |  |  |  |

For 'Other', please specify:

Recommendation 9 of the European Citizens’ Panel on Energy Efficiency highlighted that more information and financial support are needed to help EU citizens develop energy communities based on energy efficiency.

First of all, the Commission should support the enforcement of the existing EU legislative framework on energy communities, as some Member States still struggle to accurately implement it. This can lead to corporate capture, misuse of public funds, or a lack of an enabling framework. The Commission could establish a platform to share knowledge and expertise between different levels of government and federations of energy communities to support national authorities in their implementation efforts.

The Commission should also support integrated guidance and funding models that enable energy communities to combine renewable generation with neighbourhood-scale demand reduction measures — such as insulation or heating system upgrades — particularly in multi-family buildings. This would enhance both the technical viability and social equity of energy communities, especially in energy-poor districts. Reducing energy demand within energy communities is essential to make shared renewable generation and flexibility financially viable.

Many energy communities are facing barriers to accessing banks and receiving loans. Raising awareness in the banking sector about the structure and role of energy communities is needed to increase the trust and reliability of these projects. Dedicated reforms would allow for further implementation of an enabling framework for energy communities, such as through simplified permitting and facilitated public procurement rules.

Reaching all these objectives would be simplified if energy communities could benefit from OSS support. Such OSSs already exist in some regions of Europe but should be further supported. Having OSSs that offer technical, legal, financial, and administrative services for free is a key enabling factor for energy communities.

2. Would you find it useful if the Commission provides guidance to the EU Member States on the following:

*Maximum 6 selection(s)*

|  |  |
| --- | --- |
|  | Permitting and licensing |
|  | Tick yesAccess to financing and information |
|  | Tick yesAccess to markets |
|  | Tick yesPublic procurement |
|  | Tick yesOther: The Commission should fulfill its role as Guardian of the Treaties, and ensure a full implementation of the existing legislation on energy communities, particularly regarding the transposition of its definitions and enabling framework. |

03. Are there any good practices that you think would be useful to highlight in such a guidance?

In access to financing, it is very important to open the banking sector to citizen initiatives that usually struggle to access bank loans. Energy communities struggle with the lack of access to capital or investment and to tailored financial products (e.g., microloans, cooperative investment schemes). They also have difficulty accessing bank financing due to the small-scale, citizen-led, or sustainable nature of the project and the lack of interest in non-profit and community-based business models and awareness about energy community business model.

A good practice in public procurement is when regional energy agencies play an enabling role in supporting energy communities, by directly managing or designing procurement processes or by advising municipalities on how to set up energy communities. While only a few of these agencies are active in this area, most see strong potential for future engagement. The same goes for permitting and licensing, these agencies are well placed to support energy communities. This includes support to all actors that may find themselves in such a project, ranging from local authorities, citizens and SMEs. In this spirit, many of these regional energy agencies, as well as cities, associations or federation of energy communities, now operate as a one-stop shop for energy communities.

***Section 3 on Consumer Protection, Affordability and Public Acceptance***

**General questions**

Question 01. What actions are needed at EU, national and local level and by whom to raise awareness about consumer protection, rights and opportunities for consumers to engage in the energy transition? Are you aware of any good practices?

As already mentioned above, the implementation of existing legislation is paramount to raise awareness among consumers on their opportunities to engage in the energy transition. Specifically, the implementation of the provisions on information and awareness raising in EED Article 22 and EPBD Article 18 related to the creation of one-stop shops will enable consumers to be more aware of their energy rights and possibilities and therefore be better equipped to take actions related to their energy use.

Such legislative provisions echo the first recommendation of the European Citizens’ Panel on Energy Efficiency which suggests that “information provided to consumers be made more accessible, transparent, and usable, to empower households and organisations to become more energy efficient”. The panel proposes, for instance, an online portal with a self-audit function, a network of physical one-stop-shops at municipal level and more accessible energy efficiency labels on products. Another element to improve the engagement of consumers in the energy transition is to facilitate information about their individual energy consumption in real time or frequently, providing insights on consumption data and how to optimise it using energy efficiency technologies and services.

However, to bridge the first gap of awareness raising, information campaigns should be organised at all levels (EU, national and local) to highlight the benefits of energy efficiency solutions. In addition to awareness, these campaigns should be followed by personalised and tailored advice while making the link with the opportunities available to implement these technologies. This is a pre-requisite to ensure sustainable behaviour change and the continued uptake of energy efficiency solutions. For instance, an [EU Peers LIFE Project](https://energy-cities.eu/coming-soon-a-european-community-of-local-one-stop-shops-for-home-energy-renovation/?utm_source=chatgpt.com) aims at creating a European community of One-Stop Shops for energy renovation, ensuring that awareness measures can be directly linked to tailored advice and acted on to unlock their energy efficiency potential.