

European Commission legislative proposal to amend the Energy Performance of Buildings Directive

A EURELECTRIC position paper

April 2017

EURELECTRIC is the voice of the electricity industry in Europe.

We speak for more than 3,500 companies in power generation, distribution, and supply.

We Stand For:

Carbon-neutral electricity by 2050

We have committed to making Europe's electricity cleaner. To deliver, we need to make use of **all low-carbon technologies**: more renewables, but also clean coal and gas, and nuclear. Efficient electric technologies in **transport and buildings**, combined with the development of smart grids and a major push in **energy efficiency** play a key role in reducing fossil fuel consumption and making our electricity more sustainable.

Competitive electricity for our customers

We support well-functioning, distortion-free **energy and carbon markets** as the best way to produce electricity and reduce emissions cost-efficiently. Integrated EU-wide electricity and gas markets are also crucial to offer our customers the **full benefits of liberalisation**: they ensure the best use of generation resources, improve **security of supply**, allow full EU-wide competition, and increase **customer choice**.

Continent-wide electricity through a coherent European approach

Europe's energy and climate challenges can only be solved by **European – or even global – policies**, not incoherent national measures. Such policies should complement, not contradict each other: coherent and integrated approaches reduce costs. This will encourage **effective investment** to ensure a sustainable and reliable electricity supply for Europe's businesses and consumers.

EURELECTRIC. Electricity for Europe.

European Commission legislative proposal to amend the Energy Performance of Buildings Directive

A EURELECTRIC position paper

April 2017

KEY MESSAGES

-) EURELECTRIC welcomes the European Commission's intention to streamline and simplify the Energy Performance of Buildings Directive. We also welcome the long term perspective, but stress that the European strategy for decarbonisation of buildings must reflect the importance of decarbonised electricity. Furthermore, it is important to explain clearly how milestones are set and how these will interact with the governance system of the Energy Union.
-) The smartness indicator appears to be a promising tool but must be defined in more detail within this Directive and not at a later stage via delegated legislation. If implemented correctly, this tool could play an important role in the development of a market for flexible solutions and technologies. EURELECTRIC believes that its features should be discussed in more detail, and decided in a transparent manner in the context of discussions of the Directive, in order not to miss out on its potential.
-) EURELECTRIC welcomes the Commission's initiative to address the need for electric vehicle recharging infrastructure in both residential and non-residential buildings. This is crucial to speed up the market penetration of electric vehicles and thereby the decarbonisation of the road transport sector.
-) Regarding the application of the Primary Energy Factor (PEF) in this Directive, EURELECTRIC welcomes the Commission's approach as it retains each Member State's right to set its own factor for buildings. We further welcome the decision to discount the share of renewable energy (RES) in energy carriers with equal treatment for onsite RES and RES from central sources.
-) EURELECTRIC welcomes the increased emphasis on smart financing mechanisms for buildings as a means of accelerating the transition to cleaner energy in Europe's building stock.

WG Energy and Resource Efficiency

Contact:
Henning Häder, Advisor Energy Efficiency & Electrification -
hhader@eurelectric.org

General Assessment of the Proposal

EURELECTRIC welcomes the European Commission's intention to streamline and simplify the Energy Performance of Buildings Directive. We also welcome the long-term perspective, but stress that the European strategy for decarbonisation of buildings must reflect the importance of decarbonised electricity. Furthermore, it is important to explain clearly how milestones are set and how these will interact with the governance system of the Energy Union.

Detailed Assessment of the Proposal

I. Definitions

Topic	Article	Commission Proposal	EURELECTRIC's view
Definitions	Article 2	Replacement of the definition of "technical building system".	Agree. But clarification is required regarding the meaning of the phrase 'on-site infrastructure for electro-mobility'.

Comment:

It is crucial to have a coherent and uniform definition of recharging points throughout all relevant legislation. The revised Electricity Directive will be brought in line with the existing definition in the Alternative Fuels Infrastructure Directive (AFI). Similarly to the Electricity Directive, the AFI Directive defines "recharging point", but also includes further definitions which distinguish between a normal power recharging point (up to 22kW) and a high power recharging point (offering electricity transfer to an electric vehicle with 22kW or more).

Furthermore, the AFI Directive makes it clear that "devices with a power less than or equal to 3,7kW, which are installed in private households or the primary purpose of which is not recharging electric vehicles, and which are not accessible to the public" are not regarded as a recharging point. This clarification is important, because otherwise the definition given above ("interface that is capable of charging one electric vehicle at a time") would apply to almost any plug there is. Annex II of the AFI Directive also specifies a number of standards for connectors.

In order to have a consistent definitions and harmonised understanding across all EU legislation, the revised Energy Performance of Buildings Directive (EPBD) should include a clear link to the AFI Directive's definitions of recharging points. This may be done, for example, by stating that "on-site infrastructure for electro-mobility" includes recharging points within the meaning of the AFI Directive, as well as the pre-cabing that allows for the installation of such recharging points at a later point in time without interference into the buildings structure.

II. Building Renovation

Topic	Article	Commission Proposal	EURELECTRIC's view
Long-term building renovation strategy	2a	<p>New Article 2a: 'Long-term renovation strategy' to be submitted in accordance with the integrated national climate and energy plans under the Energy Union Governance Regulation.</p> <p>Consisting of:</p> <p>Article 4 of the Energy Efficiency Directive 'on building renovation' –</p> <p>Strategy to have roadmap with clear milestones and measures to deliver 2050 decarbonisation of national building stock, with specific milestones for 2030.</p> <p>Strategy shall 'contribute to the alleviation of energy poverty'.</p> <p>Member States to introduce mechanisms for financing.</p>	<p>Agree.</p> <p>Clarification required.</p>

Comment:

The scope of this Article fits better under the Energy Performance of Buildings Directive (EPBD). Therefore the proposed move of this Article from the EED is supported.

The importance of this Article however lies in what the long-term renovation strategy for building decarbonisation will actually entail, how milestones are set, and how the strategy and the milestones will interact with the governance structure of the Energy Union.

The specifics should not hinder but rather promote Member States' strategies to move toward increased electrification of energy use in buildings with the aim of decarbonising them. Overall, a strategy that has a 2050 perspective will provide investor certainty and is therefore welcome, whether such investment will be made directly by the owner or by a third party. A second milestone for 2030, consistent with the EU-wide 2030 targets for energy efficiency and renewables, would provide better insight regarding each Member State's strategy, and contribute to policy consistency and avoidance of overlap.

While EURELECTRIC agrees that energy efficiency financing schemes can provide effective solutions for tackling energy poverty (as those customers do not have the financial resources upfront to make such investments), we believe that support granted to people suffering from poverty should come from the general income of the State (i.e. through general taxation). Therefore, the reference to energy poverty in this Article is not supported.

The further emphasis on financing mechanisms is welcome. A more detailed position on triggering energy efficiency investments can be found on the [EURELECTRIC website](#).

III. New/Existing Buildings

Topic	Article	Commission Proposal	EURELECTRIC's view
New / existing buildings - simplification	6 and 7	<p>Several provisions are deleted which oblige checks and analyses for high-efficiency alternative system for new-build.</p> <p>Provisions are now limited to the general obligation for new buildings to meet the minimum energy performance requirements.</p> <p>The same provision is deleted for existing buildings.</p>	Agree.

Comment:

EURELECTRIC welcomes the Commission's intention to simplify and streamline the Directive. However, some of our members are concerned that this change could lead to a situation whereby some highly efficient systems would no longer be taken into account, particularly when based entirely or partially on energy from renewable sources **in the case of existing buildings**. This therefore requires further clarification.

IV. Technical building systems

Non-residential buildings

Topic	Article	Commission Proposal	EURELECTRIC's view
Recharging points in non-residential buildings	8(2)	<p>One in ten parking spaces in all new non-residential buildings and in all existing non-residential buildings undergoing major renovation to be equipped with a recharging points for EVs.</p> <p>This shall apply to all non-residential buildings, with more than 10 parking spaces, as of 1 January 2025.</p> <p>There is a possibility for Member States to choose to exempt buildings owned and occupied by small and medium enterprises from this obligation.</p>	<p>Generally agree.</p> <p>Additionally, pre-cabling should apply for all parking spaces.</p> <p>More flexibility for Member States is needed regarding existing buildings.</p>

Comment:

EURELECTRIC welcomes Commission’s proposal to equip at least one out of ten parking spaces in new non-residential buildings and in existing ones undergoing major renovation, with more than 10 parking spaces, with a recharging point which is capable of starting and stopping charging in reaction to price signals. In the Commission’s Impact Assessment on the revision of the EPBD these recharging points are referred to as “smart”.

Smart recharging points should have a specified definition in the Directive, including a) Standardised plug and real time communication between the car and the charging point; and b) real time communication between the charging point and the charging operator; and so enabling c) the real-time management of the charging event by means of upregulating and downregulating the power without interrupting the charging event. If Europe wants to tap the potential of integrating electric vehicles and the electricity system it will not be sufficient for recharging points to only be capable of starting and stopping in reaction to price signals.

Having said this, according to the Commission’s Impact Assessment, the proposed provisions will lead to around 810,000 smart recharging points being installed across Europe by 2030. This is indeed only a fraction of the estimated needs to reach a sufficient density of charging infrastructure across Europe.

Therefore, it is crucial to extent the provisions on pre-cabling to the non-residential buildings to allow easy installation of a charging point, where needed, at a later point in time in a cost-efficient manner.

For existing non-residential buildings to which the provision would apply as of 2025 the issue is slightly different. Requiring the installation of one charging point per ten parking spaces in all non-residential buildings with more than ten parking spaces as of 2025 might be practically not feasible. Member States should therefore be given the possibility to prove that this is unfeasible and negotiate derogations while in any case guaranteeing a "right to install a charging point" to tenants.

Residential Buildings

Topic	Article	Commission Proposal	EURELECTRIC’s view
Recharging points in residential buildings	8(3)	Newly built residential buildings and those undergoing major renovations, with more than ten parking spaces, to include the pre-cabling to enable the installation of recharging points for electric vehicles for every parking space.	Generally agree. Some clarification required.

Comment:

Pre-cabling in parking spaces in or belonging to new residential buildings and those undergoing major renovation should enable the installation of a recharging point within the meaning of the AFI Directive. Pre-cabling should be done in such a way to allow for future upgrade of capacity.

In order to ensure that European citizens in existing residential buildings can charge their EV at home, installing charging infrastructure in existing residential buildings should be possible for EV drivers with the least possible administrative burden. This could be formulated as a “right to install a charging point”, which translates into the obligation of building owners to enable the installation with the necessary construction measures.

This right to install a charging point needs to apply to all residential buildings, regardless of the number of parking spaces linked to them. This measure would support the Commission’s main

objective under the Clean Energy Package of empowering consumers and of increasing EU citizens' confidence in the EU project through consumer-oriented proposals and initiatives.

There are already positive examples of this across Europe. In the new Spanish apartment building regulation, for example, EV owners need only to notify other co-owners to be able to install a recharging point.

Additional Comments on EV Charging:

EURELECTRIC welcomes the Commission's initiative to address the need for charging infrastructure in both residential and non-residential buildings. This is crucial to speed up the market penetration of electric vehicles (EVs) and thereby the decarbonisation of the road transport sector. At the same time, a delicate balance between ambitious targets and cost-efficient action has to be met.

A valid alternative for pre-cabling in both residential and non-residential buildings may be pre-tubing, i.e. putting the plastic conduits in the ground and pull through the cable when the actual charging station is installed. In any case, the diameter of the conduits should be generous, in order to make it possible, to install large cables and thus higher capacity at a later point in time.

Buildings of mixed usage should also be accounted for under the Directive. EURELECTRIC suggests that such mixed usage buildings should be obliged to comply with the requirements for non-residential buildings.

Topic	Article	Commission Proposal	EURELECTRIC's view
Energy Performance assessment after technical building change	8(5)	Energy Performance assessment after technical building system is installed, replaced or upgraded.	Agree.

Topic	Article	Commission Proposal	EURELECTRIC's view
Electronic monitoring, automation and control		Reinforcing the use of building electronic monitoring, automation and control in order to streamline inspections.	Agree.

Topic	Article	Commission Proposal	EURELECTRIC's view
Smartness indicator for buildings	8(6)	The Commission will be empowered to adopt delegated acts to create a 'smartness indicator' as additional information to prospective new tenants or buyers.	Agree to introduce indicator, but a more transparent process on its creation required.

Smartness Indicator:

The smartness indicator appears to be a promising tool but must be defined in more detail within this Directive. Depending on its implementation, this feature could work in favour of

advanced technologies and enable a better rate of electrification, digitalisation and decarbonisation. Overall, we believe that there should be a more detailed description in the revised EPBD regarding the features of the smartness indicators and its purpose, particularly in light of the proposed delegation to the Commission.

EURELECTRIC’s members believe that a smartness indicator should play an important role in the development of a market for flexible solutions and technologies, but will also drive innovation and make the ‘smart’ concept a sales argument for a building. Developing a simple, standard icon or features could make it easier for building owners, investors and buyers to identify smart buildings with part or full flexibility from buildings without.

The Commission has indicated its intention to include “electro-mobility readiness” in the smartness indicator. EURELECTRIC supports this and urges the Commission to consider smart recharging infrastructure in this context.

V. Financial Incentives

Topic	Article	Commission Proposal	EURELECTRIC’s view
Provisions on the use of Energy Performance Contracts	10	Introduces new provisions on using Energy Performance Contracts (EPC).	Clarify

Comment:

Relating to the database for registering Energy Performance Certificates (EPCs), it is necessary to clarify that such a database would not provide information on the actual energy consumption of the building covered but rather on the energy demand of the users of the building. The database would not provide information on the actual energy consumption of buildings as this depends on the usage of the building. The proposed legislation would seem to suggest that buildings which are not used (such as summer cottages) would be considered as most efficient. Furthermore, it is necessary to understand how this would impact on the calculated vs actual savings.

Article 11 should be amended to include the availability of EV recharging infrastructure in the EPCs.

VI. Inspection of Heating & air-conditioning Systems

Topic	Article	Commission Proposal	EURELECTRIC's view
Inspection of heating and air-conditioning systems	14 and 15	Member States to establish measures to ensure regular inspections for heating systems in large non-residential buildings (250MWh use). For residential buildings threshold is 100kW. Some alternatives are provided if continuous electronic measuring is installed.	Agree.

VII. Exercise of Delegation

Topic	Article	Commission Proposal	EURELECTRIC's view
Commission delegation empowerment	23	The Commission is given power to adopt delegated acts referred to in Articles 5, 8, 22.	Disagree.

Comment:

EURELECTRIC believes that the smartness indicator should be defined in more detail within in the Annex of this directive, not only via a delegated act. This would add transparency to the exact functioning of the smartness indicator and allow for a political discussion on the matter. EURELECTRIC believes that its features should be discussed thoroughly, and decided in a transparent manner in the context of discussions of the Directive, in order not to miss out on its potential.

VIII. Annex

Topic	Article	Commission Proposal	EURELECTRIC's view
Energy performance of buildings calculation	Annex	Amended to improve transparency and consistency in the way energy performance is determined at national or regional level and to take into account the importance of the indoor environment. Text on Primary Energy Factor changed.	Generally agree.

Comment:

EURELECTRIC welcomes that the calculation of the PEF should equally treat and discount RES on-site and RES supplied from central sources.

EURELECTRIC pursues in all its activities the application of the following sustainable development values:

Economic Development

▶ Growth, added-value, efficiency

Environmental Leadership

▶ Commitment, innovation, pro-activeness

Social Responsibility

▶ Transparency, ethics, accountability



Union of the Electricity Industry - EURELECTRIC aisbl
Boulevard de l'Impératrice, 66 - bte 2
B - 1000 Brussels • Belgium
Tel: + 32 2 515 10 00 • Fax: + 32 2 515 10 10
VAT: BE 0462 679 112 • www.eurelectric.org
EU Transparency Register number: [4271427696-87](https://ec.europa.eu/transparency/regexp1/index.cfm?do=entity.entity_details&entity_id=4271427696-87)