

Consultation on the revision of the Energy Performance of Buildings Directive

A Eurelectric response paper

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

Consultation on the revision of the Energy Performance of Buildings Directive (EPBD)

The energy performance of buildings is a critical issue to tackle in order to reach a climate neutral economy. With 40% of the total EU energy consumption used to heat or cool buildings, improved standard and targets are essential aspects of the task. Following the Renovation Wave Strategy, Eurelectric fully supports the revision of the Energy Performance of Building Directive (EPBD).

Enhance the energy and climate performance of all buildings (public and private, non-residential and residential) is key to reduce their carbon-footprint towards a “near-zero energy and emission building” target. Therefore, we support an increased and more stringent ambition for buildings decarbonisation at European level. Dedicated tools, schemes and supports should be developed to improve energy efficiency across the EU. For instance, an assessment on how to better balance primary and final energy performance could be explored. Moreover, assessing the current performance of buildings and the cost-effectiveness of needed investments to reach a certain energy class is also crucial.

The EPBD needs to ensure that buildings are smart and climate resilient. Alongside higher buildings renovation rates, the revision can foster synergies with other sectors, primarily the energy one. Improved energy efficiency in buildings will only be achievable by a system-wide approach to fully leverage the potential of highly efficient, smart and flexible buildings. More specifically, the EPBD should:

- Promote the standardisation of demand-side management and related information exchanges with smart readiness indicators.
- Clearly make the link with Energy Communities, as empowered and engaged consumers, being able to integrate the production of renewable and thermal energy.
- Take into account network infrastructure development, especially the distribution grid, to allow an efficient and active management of electricity.
- Further develop smart meters to increase the information available to building occupants on their energy consumption and assess the need for a renovation and its effectiveness.

The integration of electricity in buildings is essential to reduce their carbon footprint, supporting the switch from old fossil-fuel based heating systems to low-carbon energy solutions. Power-based solutions are already available to improve the energy efficiency of buildings while reduce air pollution, GHG emissions and improve living conditions. Heat pumps constitute market-ready solutions that can be deployed, producing up to 4 units of heat for each unit of electricity consumed. Even higher benefits can be achieved in combination with solar panels, batteries and integrated energy

management systems, in well insulated buildings. However, affordability and up-front costs of low-carbon solutions (EVs, PVs, batteries, high efficient and decarbonised district heating & cooling or heat pumps) are sometimes holding back consumers from engaging in the energy transition, especially low-income households that might benefit the most from adopting them. Energy efficiency measures can be implemented in ways to benefit low-income households by financing them via revenues coming from different sources.

Buildings and vehicles: an underdeveloped synergy with the transport sector. Given that 80% of electric vehicles charging happens at home or at work, it is urgent to tackle the outstanding barriers and create favourable conditions for deploying charging infrastructure in all buildings, for both the new and the existing stocks. With regards to electric vehicles, Member States must make sure that private and semi-public charging infrastructure roll-out is facilitated by bringing forward obligations to make all buildings EV-ready. This would require stronger requirements for the cabling of new and renovated buildings to enable progressively setting up new charging points. A greater emphasis must also be placed on neighbourhood and urban quarter solutions, where the existing building stock lacks covered garage spaces. The right incentives for investments should be also developed and collective charging infrastructure deployed at least in new buildings and buildings subject to major renovations. The revision should aim to give all Europeans the 'right to plug', on a level playing field, by improving and speeding up permitting procedures. At the same time, the EPBD needs to support the implementation of smart charging to foster efficient decarbonisation of both transport and energy sectors. The increased integration of RES goes hand in hand with smart charging and makes the vehicle a resource of system flexibility

Improving the energy performance of buildings leads to lower energy bills for consumers, thereby contributing to consumer protection and the alleviation of energy poverty. Based on National Energy and Climate Plan 2030 (NECP 2030) and in the long-term renovation strategies (LTRS) for buildings for each Member State, a priority diagnostic action should be taken to quantify situations of vulnerability or energy poverty with focus on measures that are genuinely effective and sustainable in the long term, with continued effect. Efforts should be focused on actions that goes on the root of the problem which is to reduce the energy needed to have the same or even better levels of comfort, i.e. through energy efficiency measures.

Finally, the EPBD revision should be coherently implemented within the “Fit for 55 Package”, together with the revision of other pieces of the regulatory framework, in particular the Energy Efficiency Directive (EED) and the Alternative Fuels Infrastructure Directive. The revision should also be articulated with the other national energy policy instruments, in particular, the NECP 2030, the LTSR and the Energy Poverty Strategy for each Member State. The fragmented nature of the building sector makes its transformation extremely complex. Creating the legislative and enabling framework to support building renovation in Europe is a key element to mobilise private investments. As the revision of the EED and thus of the Primary Energy Factor (PEF) will start before the revision of the EPBD, it is important to make sure that the role of PEF in both texts is that of a real enabler of decarbonisation rather than a barrier. PEF calculations in the EPBD should equally treat energy from RES generated on-site and RES supplied through an energy carrier.

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



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