

European Commission consultation on the “Renovation Wave” initiative

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.

Dépôt légal: -

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The Renovation Wave (RW) initiative is a unique opportunity to tackle climate change while delivering concrete benefits to European citizens. It can create high quality jobs, improve comfort and system efficiency, and support low-income households that are the most in need of energy efficiency (EE) upgrades.

Investments in EE stimulate the economy, especially the construction and renewable energy industries, generating about 9% of Europe’s GDP and directly accounting for 18 million direct jobs (European Commission). This is crucial in a context of economic recovery.

Prioritize electrification of heating and cooling (H&C) in buildings at individual and district levels

The RW should prioritize direct electrification of H&C in buildings, at individual building or at district level, as part of an urgent transition away from inefficient fossil-based heating solutions towards full decarbonisation by 2050.

Heat pumps constitute market-ready solutions that can be deployed and which can produce 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.

While the decarbonisation will not happen at the same speed in all EU Members States (MS) due to their diverging starting points and heat markets, the RW should set the path for all EU MS. In suitable areas, the RW should adopt a holistic approach that promotes the connection to networks of high-efficient and decarbonized district heating and cooling, coupled with the installation of the necessary devices for its use.

Strengthen the integration between buildings and transport

The sectorial integration between buildings and transport should be enhanced through the deployment of future-proof smart charging infrastructure in residential and commercial real estate, existing or newly-built.

To truly tap on the potential of integrating electric vehicles (EVs) and buildings, the RW should go beyond the minimum requirements of the Energy Performance of Buildings Directive (EPBD). The RW should promote charging infrastructure which is able to interact with the grid (i.e. smart charging infrastructure), a requirement which is not foreseen by the EPBD.

Moreover, the EPBD includes rules for charging points for new buildings only, while the RW should extend the requirements to existing buildings as well. The projects are there and ready to link the Green Deal with the EU recovery, with the added value of helping both the construction and automobile sector. They only need to be implemented at large scale.

Tackle the non-economic barriers to energy efficiency

The RW should carefully examine the non-economic barriers that actors face when carrying EE measures. These barriers should be acknowledged and tackled thanks to new solutions, with the support of all involved stakeholders, especially the design of appropriate funding products, of tools like minimum performance certificates (uniform within the EU), and the aggregation of actions via energy suppliers and service companies. Moreover, as underlined in the EU Strategy on Smart Sector Integration, the right adjustments to the Primary Energy Factor (PEF) are needed in order to unleash the electrification potential of EU building stock.

Other challenges include the landlord/tenant dilemma (landlords do not have the right incentives to do the works because the tenant is most likely to pay the energy bill), carrying out EE measures in multifamily buildings, or the lack of availability of trained installers with the right set of skills.

Already implemented tools, like EEOs, need to be carefully designed and implemented. Around 20% of households in the EU are supplied at regulated prices, which are administratively set at a low level. In these cases, if EEOs are applied, effective financial mechanisms must be in place to enable regulated suppliers to meet their EE obligations.

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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