Energy efficiency

2016/0376(COD) - 11/12/2018 - Final act

PURPOSE: to achieve the EU's target of increasing energy efficiency by 20% by 2020 and by at least 32.5% by 2030.

LEGISLATIVE ACT: Directive (EU) 2018/2002 of the European Parliament and of the Council amending Directive 2012/27/EU on energy efficiency.

CONTENT: <u>Directive 2012/27/EU</u> as amended establishes a common framework of measures to promote energy efficiency within the Union in order to ensure that the Union's 2020 headline targets on energy efficiency of 20 % and its 2030 headline targets on energy efficiency of at least 32.5 % are met and paves the way for further energy efficiency improvements beyond those dates.

The Commission shall assess the Union's 2030 headline targets on energy efficiency with a view to submitting a legislative proposal by 2023 to revise those targets upwards in the event of substantial cost reductions resulting from economic or technological developments, or where needed to meet the Union's international commitments for decarbonisation.

National indicative targets

The Directive provides for the establishment of national indicative energy efficiency contributions and targets for 2020 and 2030. There are no binding targets at Member State level in the 2020 and 2030 perspectives, and the freedom of Member States to set their national contributions based either on primary or final energy consumption or primary or final energy savings, or on energy intensity, should continue not to be restricted. Member States should set their national indicative energy efficiency contributions taking into account that the Union's 2030 energy consumption has to be no more than 1 273 Mtoe of primary energy and/or no more than 956 Mtoe of final energy. This means that primary energy consumption in the Union should be reduced by 26 %, and final energy consumption should be reduced by 20 % compared to the 2005 levels.

Energy saving obligations

Member States shall achieve cumulative end-use energy savings at least equivalent to:

- new savings each year from 1 January 2014 to 31 December 2020 of 1.5 % of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2013. Sales of energy, by volume, used in transport may be excluded, in whole or in part, from that calculation;
- new savings each year from 1 January 2021 to 31 December 2030 of 0.8 % of annual final energy consumption, averaged over the most recent three-year period prior to 1 January 2019. By way of derogation from that requirement, Cyprus and Malta shall achieve new savings each year from 1 January 2021 to 31 December 2030 equivalent to 0.24 % of annual final energy consumption, averaged over the most recent three-year period prior to 1 January 2019.

Member States shall continue to achieve new annual savings for ten-year periods after 2030, unless reviews by the Commission by 2027 and every 10 years thereafter conclude that this is not necessary to achieve the Union's long-term energy and climate targets for 2050.

Obligation schemes

To meet their obligations to achieve the required volume of savings, Member States should be able to make use of an energy efficiency obligation scheme, alternative policy measures, or both.

Various options, including whether energy used in transport is included, in whole or in part, in the calculation baseline, should be provided in order to give Member States flexibility in how they calculate the amount of their energy savings, whilst ensuring that the required cumulative end-use energy savings equivalent to new annual savings of at least 0.8 % are reached.

Social provisions

Member States will have to take into account the need to reduce fuel poverty by requiring, to the extent necessary, that part of energy efficiency measures under national energy efficiency obligation mechanisms, alternative public policy measures, or programmes or measures financed under a National Energy Efficiency Fund, be implemented as a priority for vulnerable households, including those in fuel poverty, and, where appropriate, in social housing.

Consumer information

The amended Directive reinforces the minimum right of consumers to have accurate, reliable and clear information on their energy consumption in a timely manner.

Member States shall ensure that, for district heating, district cooling and domestic hot water, final customers are provided with competitively priced meters that accurately reflect their actual energy consumption.

Where final customers do not have smart meters, Member States shall ensure that billing information is reliable, accurate and based on actual consumption.

ENTRY INTO FORCE: 24.12.2018.

TRANSPOSITION: no later than 25.6.2020 or 25.10.2020 depending on the provisions.