

## **Consultation response**

## Proposed revision of the Energy Efficiency Directive

AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3 trillion in 2020, directly supports more than 4.8 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

American Chamber of Commerce to the European Union

Speaking for American business in Europe

Avenue des Arts/Kunstlaan 53, 1000 Brussels, Belgium • T +32 2 513 68 92 info@amchameu.eu • amchameu.eu • European Transparency Register: 5265780509-97 The American Chamber of Commerce to the EU (AmCham EU) welcomes the Fit-for-55 package. However, further ambition is needed to increase energy performance of buildings. We also encourage further decarbonisation of the power sector to enhance low-carbon electricity.

We welcome the explicit legal basis for the 'energy efficiency first' principle. The new efficiency target for public bodies to achieve 1.7% annual energy savings and the enhanced scope of renovation requirements are equally important. However, more could be done to achieve the EU energy efficiency target for 2030 and beyond:

- The scope should include all tertiary buildings;
- Energy Efficiency Directive (EED) article 8 should include the obligation to implement the recommendations resulting from the Energy Audits for the building sector;
- Energy audits under EED article 8 should be used to assess technical building systems and fulfilment of maintenance requirements (Energy Performance of Buildings Directive (EPBD) article 4, 8, 14/15);
- The EU should ensure that all EU legislation having the potential to achieve energy savings EED, EPBD and RED – is coherent and correctly implemented and synchronised especially for heating and cooling comprehensive assessments with renewable assessments under RED and waste heat recovery from cooling installations in scope of comprehensive assessments;
- Commercial waste heat and cold recovery should be included in the scope.

Incentives need to be streamlined. Today, incentives for energy efficiency as well as technologies using renewable energy are treated separately without considering the overall building's consumption and how to reduce demand. The two incentives could be combined into one energy efficiency incentive system based on a single energy efficiency calculation from external energies and through promoting all-inclusive rent contract models. Additionally, the Commission should ensure carbon pricing revenues for buildings are exclusively used for energy efficiency renovation. We encourage the Commission to give attention to funding of digital solutions as a key driver for energy efficiency gains.

We applaud the Commission on the increased annual energy savings obligation to 1.5% and exclusion of fossil fuels from counting towards the target. The synchronised comprehensive heating and cooling assessments and RED renewable assessments with the NECPs and the progressive phase-out of fossil fuels in district heating and cooling are an important step in the right direction. Energy Efficiency Obligation Schemes impose and have implications for investment decisions.

Implementation is critical. The national reports stemming from both EED and EPBD should be streamlined to provide transparency to enforce legislation. This is important as the Commission has not suggested binding national targets; but a new calculation methodology for national contributions and powers for the Commission to enforce.

Smart meters contribute to the proper implementation of the EPBD and achievement of EU energy efficiency goals. However, intelligent control systems and digital solutions contribute to meeting energy efficiency targets by providing data from all installed equipment. This system approach ensures that the input from each equipment is considered, measured, and then connected to the right action by the occupants. Intelligent control systems and smart heat pumps also enable demand response by activating all devices according to the building's needs. The EU can help by providing a clear definition and raising awareness at the national level. The smart metering model and the use of smart heat pumps and digital solutions should be extended from private households to utilities, to help them manage more efficiently the integration of renewables into the energy system, better controlling and avoiding fluctuation problems.

AmCham EU welcomes further dialogue on the guidelines on public procurement criteria, especially as the Commission now formulates the guidelines. It is important to clarify how energy efficiency should be measured to ensure technology neutrality and that the cost of the energy consumption of the 'use phase' is included.

We support that all new public buildings must reach a 'nearly zero energy level' from 2019 onwards. This target should be applied to all public buildings in EED. A clear target exists for Nearly Zero-Energy Buildings (NZEBs)



within EPBD. Moreover, this represents a good opportunity to establish coherence between EED and EPBD and provide a clear definition and guidance regarding calculation methodologies for NZEBs (eg, the use of on-site renewable energy).

sources as Heat Pumps).

AmCham EU recommends an increase in the uptake of efficient heating and cooling systems through public procurement, while also acknowledging the role of indoor environment quality, especially to drive employee productivity and healthy buildings.

