

# ENERGY EFFICIENCY DIRECTIVE

## Key points for consumers

### Why it matters to consumers

Consumers are willing to improve the comfort of their homes and to save energy, which is good for their wallets and for the planet. However, for consumers to undertake energy efficiency measures, further guidance and support are needed. Active consumer engagement will only work if all consumers can benefit from consumer rights and protections in heating and cooling. Vulnerable and energy poor consumers need particular protection and support.

This two pager summarises BEUC's main recommendations on the Commission's proposed recast of the Energy Efficiency Directive. The table assesses the proposals with the following symbols, illustrating whether BEUC:



supports the Commission's proposal



support for idea but room for improvement



rejects the proposal

#### COMMISSION PROPOSAL

#### BEUC STANCE



##### **A BINDING ENERGY EFFICIENCY TARGET:**

The cheapest energy is the one we do not consume. A binding target will encourage Member States to adopt measures helping consumers to reduce their energy consumption (*Article 4*)



Supports the Commission's proposal.



**LOCAL HEATING AND COOLING PLANS:** will help consumers to get the information needed to make their individual investment decisions (*Article 23*).



BEUC suggests incentivising active consumer engagement and develop strategies on how to include vulnerable and energy poor consumers.



**MINIMUM SHARE OF ENERGY SAVINGS AMONG ENERGY POOR HOUSEHOLDS:** Energy savings are particularly beneficial for lower income households (*Article 8 and 9*).



BEUC supports the inclusion of energy poverty alleviation into the objectives of Energy Saving and Energy Efficiency Obligation Schemes (EEOS) but recommends making it mandatory and not only a recommendation. We also recommend targeting a share of the EEOS objectives towards multi-unit buildings.

## COMMISSION PROPOSAL

## BEUC STANCE



**CONSUMER RIGHTS & PROTECTIONS FOR HEATING & COOLING:** shall be mirrored from electricity to ensure that consumers have equivalent rights and protections no matter the fuel used (*Article 17, 19, 20, 21, 22 and Annex VIII*).



BEUC supports the proposals on alternative dispute resolution and single points of contact.



Basic contractual rights need to be completed with the right to terminate a contract, price transparency and measures to prevent disconnections. User-friendly energy bills will help consumers to actively engage with the energy market.



**EFFICIENT DISTRICT HEATING AND TRANSPARENCY ABOUT CO2 EMISSIONS:** will allow consumers to save energy and choose the right heating solution (*Article 24 and Annex VIII*).



BEUC suggests taking distribution losses into account and introducing full transparency on CO2 emissions. Fossil fuels should be phased out as fast as possible without exceptions for fossil gas.



**INDEPENDENT ADVICE VIA ONE-STOP SHOPS:** Undertaking an energy retrofit is a complex project and consumers often have difficulties finding reliable and trustworthy information. One-stop-shops can help them find guidance and support to undertake retrofit works (*Article 21*).



BEUC welcomes that one-stop-shops (OSS) are promoted in the Commission's proposal. However, to be fully beneficial, they should not only provide information to consumers but also offer operational support to people in their retrofit projects. For instance, OSS should facilitate contacts between, consumers, accredited installers and banks throughout the retrofit project.



**INNOVATIVE FINANCIAL INSTRUMENTS AND DE-RISKING TOOLS:** besides subsidies, innovative financial instruments (such as on-bill schemes) can help consumers undertake retrofit projects by enabling them to cover the high up-front costs insulation works often require. (*Article 22 and 27*).



BEUC welcomes the proposal's reference to creative financial instruments. However, to maximise the impact of such instruments, several regulatory barriers need to be addressed and consumer protection strengthened. For instance, in tenancy laws, third party financing is not allowed, and all up-front costs need to be covered by landlords.



**TECHNICAL ASSISTANCE:** is needed to ensure the quality and effectiveness of the residential retrofit policies and programmes and empower local authorities with the necessary skills on complex topics (multi-units, energy poverty alleviation). (*Article 21 and 22*)



BEUC recommends that the European Commission ensures that the technical assistance provided to Member States and local authorities is inclusive and meets the needs of consumers on low incomes. Regulatory framework reforms are also needed to facilitate multi-unit housing retrofit projects.



**SOME FOSSIL FUEL SUBSIDIES WILL BE PHASED OUT** as energy companies will not be able to claim support to the installation of fossil fuel boilers or to the purchase of fossil fuel cars as a means to achieve their obligation to promote energy efficiency among their customers foreseen in Article 8 of the Directive. (*Recitals 50, 51 and 54*)



Supports Commission's proposal, as fossil fuel boilers and internal combustion engine cars will need to be phased out in the next decade for Europe to become carbon neutral. Hence public support to these investments would not only be a waste of taxpayers' money, but it would risk locking consumers into stranded assets.