

EU Committee of the Federal Council, 13 September 2011

Committee Communication

concerning

COM (2011) 109 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Energy Efficiency Plan 2011

and

COM (2011) 370 Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on energy efficiency and repealing Directives 2004/8/EC and 2006/32/EC

Energy efficiency constitutes an important element of the efforts made to achieve the European climate control targets. Austria has committed herself to increase energy efficiency by 9% by 2016. This represents a significant contribution towards reaching the agreed energy and climate control targets as well as the targets set within the framework of the EU Strategy 2020. Against the background of increased imports of fossil sources of energy into the European Union at rising prices, energy generation from renewable sources of energy as well as measures to increase energy efficiency play an important role in the medium and long term. The proposal submitted by the European Commission refers to various measures intended to reduce the consumption of primary energy in the European Union by 2020 by 20% against current forecasts. After an evaluation of these measures by the Commission, this European target is to be achieved through the establishment of binding national targets. For the time being, however, it is impossible to foresee if and at what level such binding national targets will be established from 2014 onward. This implies a high degree of planning uncertainty for the Member States and their regional or provincial entities. In the Committee's opinion, it would therefore be counterproductive to set binding national efficiency targets for all EU Member States at a uniform level without considering their relative position to each other, as the initial situation differs greatly from country to country and the targets have to be adjusted accordingly.

For the citizens, a higher degree of energy efficiency will result in lower energy costs – for both private individuals and economic operators. The scope of the new directive proposed by the Commission overlaps with existing directives (Cogeneration Directive 2004/8/EC and Energy Services Directive 2006/32/EC). Therefore, it is essential to avoid unnecessary duplication.

As a matter of principle, a clear definition of energy efficiency and energy conservation would be needed. The former can be achieved through improvements in the technological standard of the equipment in use, while the latter demands a conscious energy saving effort on the part of consumers. It appears that the two notions are being mixed up in the proposal in the context of "smart meters", as these produce a change in consumer behaviour and, thus, result in energy savings.

Post-crisis economic growth should by not be jeopardised through Community-wide and possibly exaggerated measures. Therefore, any modification of existing provisions will also have to be assessed on the basis of a macro-economic cost-benefit analysis. This applies, for instance, to the introduction of the aforementioned "smart meters".

In particular, the obligation imposed upon energy utilities to achieve annual energy savings equal to 1.5% of their energy sales in the previous year through energy efficiency measures appears to be questionable. Generally speaking, the energy efficiency schemes of the individual Member States vary greatly. Imposing far-reaching obligations would interfere with the energy efficiency schemes in

existence in the Member States. Given the fact that energy suppliers are key actors of the energy sector, their involvement in measures intended to promote energy efficiency in the end-use sector is to be welcomed. However, numerous critical remarks are to be made with regard to the energy saving obligation provided for in Article 6. In particular, instead of imposing uniform and binding saving targets for the Union as a whole, which is bound to cause problems, the possibility of providing for concrete, binding measures should be taken into consideration.

As regards metering and informative billing, the Federal Council is of the opinion that changing over by 2015 to a system that provides consumers with information about their actual consumption through monthly billing, as required by the European Commission, is not feasible. Regardless of whether the measure as such is meaningful at all, it correlates with the Union-wide roll-out of smart meters.

For the members of the Federal Council, examining the proposal in light of the principle of subsidiarity is of particular importance. In areas which do not fall within its exclusive competence, the Union acts only and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union Level (Art. 5 TEU). Hence, a number of measures, such as those regarding the improvement of energy efficiency in general and the energy efficiency of buildings in particular, will have to be examined for their conformity with the principle of subsidiarity, which is to be strictly observed.

In principle, the Federal Council supports the initiative, subject to the proviso that subsidiarity is observed and overlaps are avoided. In conclusion, the Committee wishes to underline that a transitional period of twelve months after the entry into force of the directive is not sufficient, as a complex procedure of coordination between the federal government and the provincial authorities will be required in Austria.