

Amendment 1

Proposal for a directive

Recital 16

Text proposed by the Commission

(16) A number of municipalities and other public bodies in the Member States have already put into place integrated approaches to energy saving and energy supply, for example via sustainable energy action plans, such as those developed under the Covenant of Mayors initiative, and integrated urban approaches which go beyond individual interventions in buildings or transport modes. Member States should encourage municipalities and other public bodies to adopt integrated and sustainable energy efficiency plans with clear objectives, to involve citizens in their development and implementation and to adequately inform them about their content and progress in achieving objectives. Such plans can yield considerable energy savings, especially if they are implemented by energy management systems that allow the concerned public bodies to better manage their energy consumption. Exchange of experience between cities,

Rapporteur Amendment

(16) A number of municipalities and other public bodies in the Member States have already put into place integrated approaches to energy saving and energy supply, for example via sustainable energy action plans, such as those developed under the Covenant of Mayors initiative, and integrated urban approaches which go beyond individual interventions in buildings or transport modes, ***in order to design “low energy cities and regions”***. ***This concept of “low energy cities and regions” considers energy issues as an essential component of urban and regional development embedded in local democratic and governance processes. As a precondition to local integrated and sustainable energy efficiency plans, Member States should encourage local authorities to define such local development strategies based on a dialogue with local public, commercial and social stakeholders.*** Member States

GEODE Amendment

(16) A number of municipalities and other public bodies in the Member States have already put into place integrated approaches to energy saving and energy supply, for example via sustainable energy action plans, such as those developed under the Covenant of Mayors initiative, and integrated urban approaches which go beyond individual interventions in buildings or transport modes, ***in order to design “low energy cities and regions”***. ***This concept of “low energy cities and regions” considers energy issues as an essential component of urban and regional development embedded in local democratic and governance processes. As a precondition to local integrated and sustainable energy efficiency plans, Member States should encourage local authorities to define such local development strategies based on a dialogue with local public, commercial and social stakeholders.*** Member States

towns and other public bodies should be encouraged with respect to the more innovative experiences.

should, *then*, encourage municipalities and other public bodies to adopt integrated and sustainable energy efficiency plans with clear objectives, to involve *local stakeholders and* citizens in their development and implementation and to adequately inform them about their content and progress in achieving objectives. Such plans can yield considerable energy savings, especially if they are implemented by energy management systems that allow the concerned public bodies to better manage their energy consumption. Exchange of experience between cities, towns and other public bodies should be encouraged with respect to the more innovative experiences.

should, *then*, encourage municipalities and other public bodies to adopt integrated and sustainable energy efficiency plans with clear objectives, to involve *local stakeholders (in particular local energy companies) and* citizens in their development and implementation and to adequately inform them about their content and progress in achieving objectives. Such plans can yield considerable energy savings, especially if they are implemented by energy management systems that allow the concerned public bodies to better manage their energy consumption. Exchange of experience between cities, towns and other public bodies should be encouraged with respect to the more innovative experiences.

Or. en

Justification

GEODE JUSTIFICATION

Local DSOs could play a crucial role in helping consumers to reduce their energy consumption. Local DSOs have a high level of reliability because of the close relationship they maintain with consumers and because of their local infrastructure, which ensures an excellent standard of communications.

Justification

Amendment 4

Proposal for a directive

Article 1 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. This Directive establishes a common framework for the promotion of energy efficiency within the Union in order to ensure the achievement of the Union's target of 20% primary energy savings by 2020 and to pave the way for **further** energy efficiency **improvements** beyond that date.

Amendment

1. This Directive establishes a common framework for the promotion of energy efficiency within the Union in order to ensure the achievement of the Union's target of **at least** 20% primary energy savings by 2020 and to pave the way for **the additional** energy efficiency **and savings measures needed** beyond that date **to meet a nearly fully renewables and energy efficient based economy by 2050.**

Justification

This Directive is Europe's chance to honour the EU Heads of States energy and climate commitments. Achieving 20% reduction of the EU primary

energy consumption is the minimum needed towards a self sufficient energy efficient renewables based economy by 2050. The Commission estimates that current efforts will only achieve half of the target, wasting for example, €1.000 per household per year. This Directive should redress this tendency.

GEODE COMMENTS

GEODE disagrees with this amendment that is considered as too ambitious. It is surprising to fix an expectation of 1000 € savings per household per year. It will depend on the average consumption that varies from country to country but even in countries with highest electricity consumption the potential savings are in our opinion not achievable.

Amendment 7

Proposal for a directive Article 2 – paragraph 12b (new)

Text proposed by the Commission

Amendment

12b. 'bill' means a statement of account and shall not be deemed a demand for payment (invoice);

GEODE COMMENTS

GEODE supports Amendment 7 made by the rapporteur.

Amendment 17

Proposal for a directive

Article 4 – paragraph 4 – introductory sentence

Text proposed by the Commission

4. Member States shall encourage public bodies to:

Amendment

4. Member States shall encourage ***local, municipalities and other*** public bodies to:

Justification

A number of municipalities and other public bodies in the Member States have already put - or are planning to put - into place integrated urban approaches which go beyond individual interventions in buildings. Member States should therefore encourage municipalities, cities, regions or any other public bodies towards such initiatives or concepts, in order to design for example “low energy cities and regions” embedded in local democratic and governance processes.

GEODE COMMENTS

GEODE supports Amendment 17 made by the rapporteur.

Amendment 18

Proposal for a directive

Article 4 – paragraph 4 – point (a)

Text proposed by the Commission

a) adopt an energy efficiency plan, freestanding or as part of a broader climate or environmental plan, containing specific energy saving objectives, with a view to continuously improving *the body's* energy efficiency;

Rapporteur Amendment

a) adopt an *integrated* energy efficiency plan, freestanding or as part of a broader climate, *low energy cities or regions* or environmental plan, containing specific energy saving objectives, with a view to continuously improving *their* energy *savings and* efficiency;

GEODE Amendment

(c) The contents and frame of these plans shall be defined at national level and developed and adopted at regional and local level, adapted to the specificities of the public bodies.

(d) The energy efficiency plans adopted by the regional and local public bodies should be legally binding.

Or. en

Justification

A number of municipalities and other public bodies in the Member States have already put - or are planning to put - into place integrated urban approaches which go beyond individual interventions in buildings. Member States should therefore encourage municipalities, cities, regions or any other public bodies towards such initiatives or concepts, in order to design for example "low energy cities and regions" embedded in local democratic and governance processes.

GEODE JUSTIFICATION

GEODE supports Amendment 18 made by the rapporteur and would like to add new paragraphs c) and d). **GEODE** sees a need to strengthen the work on energy efficiency at local and regional level. The exact orientation and measures at these levels should be decided in a bottom-up process.

Amendment 20

Proposal for a directive Article 6 – Title

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Energy *efficiency* obligation schemes

Energy *saving* obligation schemes

Energy *saving* obligation schemes and other measures

Or. en

Justification

This scheme is at the centre of this Directive and must lead to real energy savings.

GEODE JUSTIFICATION

An energy efficiency obligation scheme, such as the white certificate schemes implemented in some Member States, is one option among many others to incentivise end user efficiency. It is very much a question of the regulatory framework around the energy markets that determines what is the best way to ensure energy savings. Taxation schemes, support schemes and market design are often radically different between Member States. Thus it is wrong to promote energy saving obligation schemes over other schemes for increasing end user efficiency.

Moreover, the schemes are not the only measure that Member States will adopt to achieve their targets and higher ambitions are possible but

optional. As already mentioned in paragraph 1, the alternative possibility for Member States to the schemes described in paragraph 9 will put it on equal footing with the obligation scheme from the start.

Amendment 21

Proposal for a directive Article 6 – paragraph 1

Text proposed by the Commission

1. Each Member State shall set up an energy *efficiency* obligation scheme. This scheme shall ensure that either *all* energy distributors or *all* retail energy sales companies operating on the Member State's territory achieve annual energy savings equal to 1.5% of their energy sales, by volume, *in the previous year in* that Member State *excluding energy used in transport*. This amount of energy savings shall be achieved by the obligated parties among final customers.

Rapporteur Amendment

1. Each Member State shall set up an energy *saving* obligation scheme. This scheme shall ensure that either energy distributors *and/or* retail energy sales companies operating on the Member State's territory achieve *cumulative* annual *end-use* energy savings equal to *at least* 1.5% of their *annual* energy sales, by volume, *averaged over the most recent three-year period for* that Member State. This amount of energy savings shall be achieved by the obligated parties among final customers.

GEODE Amendment

1. Each Member State shall set up an energy *saving* obligation scheme *or take other measures to achieve energy savings among final customers. Either the obligation scheme or other measures* shall ensure that either energy distributors *and/or* retail energy sales companies *or other relevant parties* operating on the Member State's territory *take measures which represent energy savings equivalent [adjusted to average years and other relevant factors like economic growth] to 4.5% of their energy distributed or energy sales, by volume, in the previous three years in that Member State.*

Member States may include measures in the transport sector in their national schemes.

Or. en

Justification

The proposed 1.5% annual savings obligation must apply to the economy as a whole, the transport sector which holds a significant economic but yet unrealised saving potential should be therefore included. In addition, in order to balance possible variations between one year and the other due to extreme weather events or economic changes, the Rapporteur suggests averaging the volume target on the basis of a three-year period rather than one as suggested by the Commission.

GEODE JUSTIFICATION

In order to facilitate the implementation of the schemes or measures and to clarify the role and task of obliged parties, a more flexible and less bureaucratic approach is needed. Since the use of energy varies substantially between years, we agree with the Rapporteur that the baseline for calculation should be a longer period, at least the previous three years instead of one year. The measures should be equivalent to 4.5% over three years to give ample time for taken measures to have an effect on the use of energy.

Geode agrees with the rapporteur that the transport sector should be included. Since the EU target for energy efficiency includes the transport sector, it should be possible for Member States to include the transport sector for energy efficiency measures. Measures taken in the transport sector have a direct effect on the reduction of carbon emission and there should be an option for Member States to include them as part of their energy efficiency measures. Many energy companies are already involved in promoting electric vehicles and produce biogas and biofuels.

Amendment 33

Proposal for a directive

Article 6 – paragraph 9 –subparagraph 1

Text proposed by the Commission

9. *As an alternative to paragraph 1, Member States may opt to take other measures to achieve energy savings among final customers. The annual amount of energy savings achieved through this approach shall be equivalent to the amount of energy savings required in paragraph 1.*

Rapporteur Amendment

9. Member States *shall permit obligated parties to fulfil between 25% and 50% of their obligation annually by paying into the financing facilities referred to in Article 2a. This shall be done by contributing to the financing facility an amount equal to the investment costs estimated to achieve the corresponding share of their obligation.*

GEODE Amendment

Rejected

Or. en

Justification

A full opt-out clause, as suggested, by the Commission, would threaten the new business model Art 6 is establishing. The approach, as suggested by the Rapporteur, offers the opportunity -for those MS who decide to do so- to let their obligated parties to contribute partly to a financial facility (Art 2a) instead of implementing fully energy savings measures. At the same time, this approach will guarantee that the saving target of 1.5% is achieved at Member States level in using the contributed share in this facility for energy saving measures.

GEODE JUSTIFICATION

Consequential rapporteur Amendment 21 to Article 6 (1)

Amendment 35

Proposal for a directive
Article 6 – paragraph 10

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

10. If appropriate, the Commission shall establish, by means of a delegated act in accordance with Article 18, a system of mutual recognition of energy savings achieved under national energy efficiency obligation schemes. Such a system shall allow obligated parties to count energy savings achieved and certified in a given Member State towards their obligations in another Member State.

deleted

rejected

Or. en

Justification

The energy savings obligations schemes should be established at national level and implemented on their respective territory.

GEODE JUSTIFICATION

One size does not fit all, it is fundamental that member states can establish systems for energy savings schemes which are adapted to national circumstances and focus on the right national challenges. The transport sector, micro-renewable energy installations (like solar cells on roofs), stimulation of the local energy services market involving competent players on local level must be left open. The deletion of the art 6(9) risks to prevent the achievement all the identified potential in national energy efficiency plans according to the Energy Services Directive.

Amendment 38

Proposal for a directive

Article 7 – paragraph 1 – subparagraph 3 b (new)

Text proposed by the Commission

Amendment

Member States shall ensure that the enterprises which are beneficiaries of incentives or financial support schemes commit themselves to implement the highly cost-effective recommendations identified by the audits.

Or. en

Justification

SMEs will need support to cover the costs of the energy audits but also to implement the proposed recommendations within the audits which have a

pay-back period of up-to five years. High quality audits and concrete implementation of at least the most cost effective measures are key features for an effective and efficient energy savings policy based on audits, which is the purpose of Article 7.

GEODE Amendment

Proposal for a directive

Article 7 – paragraph 1 – subparagraph 3 c (new)

Text proposed by the Commission

GEODE Amendment

Member States shall ensure that energy distributors and retailers can participate in this market.

GEODE JUSTIFICATION

Due to their direct contact with end-users, it makes sense to clarify that energy companies can continue to be active in this market.

Amendment 41

Proposal for a directive

Article 8 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

1. Member States shall ensure that final

1. ***When smart meters are installed,***

1. ***When smart meters are installed, in***

customers for electricity, natural gas, district heating or cooling and district-supplied domestic hot water are provided with individual meters that accurately measure and allow to make available their actual energy consumption and provide information on actual time of use, in accordance with Annex VI.

Member States shall ensure that final customers for electricity, natural gas, district *or other central* heating or cooling and district *or other centrally* supplied domestic hot water are provided with individual meters that accurately measure and allow to make available their actual energy consumption and provide *real time* information on actual time of use, *free of charge and in format that enables customers to better understand their energy use*, in accordance with Annex VI.

accordance with time frame and conditions introduced by Directive 2009/72/EC and Directive 2009/73/EC , Member States shall ensure that final customers *of electricity and natural gas* are provided with individual meters that accurately measure and allow to make available their actual energy consumption and provide information on actual time of use, in accordance with Annex VI.

Or. en

Justification

The installation of smart meters is welcomed by your Rapporteur if the cost-benefit analysis is assessed positively as it is foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets, which is not always proven for small customers, like households. However, your Rapporteur thinks that there is sufficient evidence, from an energy demand response point of view, to impose smart meters on enterprises that consume a certain amount of electricity.

GEODE JUSTIFICATION

GEODE supports the the rapporteur welcomes the installation of smart meters if the cost-benefit analysis is assessed positively as it is foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets and according to the Directive's timeframe. GEODE believes it is neither technically feasible nor useful from a cost/benefit perspective to provide information on energy use of for instance district supplied hot water, heating and cooling to final customers. Member States can go further if they want to, but it should be decided on the national level..

Amendment 43

Proposal for a directive

Article 8 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Member States shall ensure that enterprises, including from the commercial sector, which have an electricity end-use consumption of more than 6000 kWh per year, have installed smart meters by 1 January 2015 at the latest.

Rejected

Or. en

Justification

The installation of smart meters is welcomed by your Rapporteur if the cost-benefit analysis is assessed positively as it is foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets, which is not always proven for small customers, like households. However, your Rapporteur thinks that there is sufficient evidence, from an energy demand response point of view, to impose smart meters on enterprises that consume a certain amount of electricity.

GEODE JUSTIFICATION

GEODE rejects Amendment 43 made by the rapporteur. The obligation proposed to install smart meters for those customers with consumption higher than 6000 kWh by 1 January 2015 is not in accordance with the timeframe foreseen by Directives 2009/72/EC and 2009/73/EC and it is neither technically feasible to meet this new time target. There are a lot of legal issues to be considered such as tendering procedures or technical procedures, e.g. intensive test runs before starting the roll-out of smart meters. Furthermore, the complete exchange of all meters will take several years.

In addition, the threshold of consumption of 6000 kWh, representing a level of consumption in which potential savings could be achieved, varies a lot from country to country and so it is difficult to establish the same threshold all over Europe. At the same time GEODE expresses concerns when running both systems simultaneously: it will be complicated and costly when there will be customers with smart meters and customers with normal meters. It will also complicate the installation of the new meters.

Amendment 45

Proposal for a directive

Article 8 – paragraph 1 – subparagraph 4

Text proposed by the Commission

In case of heating and cooling, where a building is supplied from a district heating network, a heat meter shall be installed at the building entry. In multi-apartment buildings, individual heat **consumption meters** shall also be installed to measure the consumption of heat or cooling for each apartment. Where the use of individual heat consumption meters is not technically feasible, individual heat cost allocators, in accordance with the specifications in Annex VI(1.2), shall be used for measuring heat consumption at each radiator.

Rapporteur Amendment

In case of heating and cooling, where a building is supplied from a district heating network, a heat meter shall be installed at the building entry. In multi-apartment buildings, individual heat **metering devices** shall also be installed to measure the consumption of heat or cooling **and hot water** for each apartment **respectively**. Where the use of individual heat consumption meters is not technically **or economically** feasible, individual heat cost allocators, in accordance with the specifications in Annex VI(1.2), shall be used for measuring heat consumption at each radiator.

GEODE Amendment

Rejected

Or. en

Justification

The installation of smart meters is welcomed by your Rapporteur if the cost-benefit analysis is assessed positively as it is foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets, which is not always proven for small customers, like households. However, your Rapporteur thinks that there is sufficient evidence, from an energy demand response point of view, to impose smart meters on enterprises that consume a certain amount of electricity.

GEODE JUSTIFICATION

As a consequence of Amendment to Rapporteur Amendment 41 to Article 8 - paragraph 1 - subparagraph 1

Amendment 46

Proposal for a directive

Article 8 – paragraph 1 – subparagraph 5

Text proposed by the Commission

Member States shall introduce rules on cost allocation of heat consumption in multi-apartment buildings supplied with centralised heat or cooling. Such rules shall include guidelines on correction factors to reflect building characteristics such as heat transfers between apartments.

Rapporteur Amendment

Member States shall introduce rules on cost allocation **and billing** of heat consumption in multi-apartment buildings supplied with centralised heat or cooling. Such rules shall include guidelines on correction factors to reflect building characteristics such as heat transfers between apartments.

GEODE Amendment

Rejected

Or. en

Justification

The installation of smart meters is welcomed by your Rapporteur if the cost-benefit analysis is assessed positively as it is foreseen by Directives 2009/72/EC and 2009/73/EC concerning electricity and gas markets, which is not always proven for small customers, like households. However, your Rapporteur thinks that there is sufficient evidence, from an energy demand response point of view, to impose smart meters on enterprises that consume a certain amount of electricity.

GEODE JUSTIFICATION

As a consequence of Amendment to Rapporteur Amendment 41 to Article 8 - paragraph 1 - subparagraph 1

Amendment 47

Proposal for a directive

Article 8 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. In addition to the obligations resulting from Directive 2009/72/EC and Directive 2009/73/EC with regard to billing, Member States shall ensure, not later than 1 January 2015, that billing is accurate and based on actual consumption, for all the sectors covered by the present Directive, including energy distributors, distribution system operators and retail energy sales companies, in accordance with the minimum frequency set out in Annex

Rapporteur Amendment

2. In addition to the obligations resulting from Directive 2009/72/EC and Directive 2009/73/EC with regard to billing, Member States shall ensure, not later than 1 January 2015, ***or at the time of installation of the smart meter, which ever comes first***, that billing is accurate and based on actual consumption, for all the sectors covered by the present Directive, including energy distributors, distribution system operators and retail energy sales companies, in

GEODE Amendment

2. In addition to the obligations resulting from Directive 2009/72/EC and Directive 2009/73/EC with regard to billing, Member States shall ensure, not later than ***1 January 2020***, that billing is accurate and based on actual consumption, for all the sectors covered by the present Directive, including energy distributors, distribution system operators and retail energy sales companies, in accordance with the minimum frequency set out in Annex

VI(2.1). Appropriate information shall be made available with the bill to provide final customers with a comprehensive account of current energy costs, in accordance with Annex VI(2.2).

accordance with the minimum frequency set out in Annex VI(2.1). Appropriate information shall be made available with the bill to provide final customers with a comprehensive account of current energy costs, in accordance with Annex VI(2.2).

VI(2.1). Appropriate information shall be made available with the bill to provide final customers with a comprehensive account of current energy costs, in accordance with Annex VI(2.2).

Or. en

Justification

GEODE JUSTIFICATION

The obligation to provide a more accurate billing based on actual consumption (in case this means deployment of smart meters) conflicts with the 3rd package 2020 deadline previously agreed for electricity meters roll-out and goes far beyond Directive 2009/72/EC and Directive 2009/73/EC from 2009 for internal electricity market. The year 2020 was decided during the negotiations of the third energy market package only after careful consideration. Only two years ago, this was accepted by Member States and market players. To change this deadline will increase the financial and administrative burden for companies concerned and actually force companies which have already changed to the first generation of smart meters to install new meters. The costs of such a requirement would outweigh the possible benefits.

Amendment 50

Proposal for a directive Article 8 – paragraph 3

Text proposed by the Commission

3. Information from metering and billing of individual consumption of energy as well as the other information mentioned in paragraphs 1, 2, 3 and Annex VI shall be **provided** to final customers free of charge.

Rapporteur Amendment

3. Information from metering and billing of individual consumption of energy as well as the other information mentioned in paragraphs 1, 2, 3 and Annex VI shall be **made available** to final customers free of charge **within 2 hours or as quickly as the technology allows**

GEODE Amendment

3. Information from metering and billing of individual consumption of energy as well as the other information mentioned in paragraphs 1, 2, 3 and Annex VI shall be provided to final customers ***in a transparent and cost effective manner, free of charge, as frequent as the technology allows and as soon as the meters are installed in accordance with the Directive 2009/72/EC.***

Or. en

Justification

Real time information is essential to be able to use energy more efficiently.

GEODE JUSTIFICATION

It is important to bear in mind that billing is included in the price for the end-user. A more frequent billing will be more costly for the end-user as every additional service generates costs and the DSOs should be able to recover these costs in usual way for regulated activities. Monthly billing will only make sense if it is done electronically. Monthly paper bills will increase network costs/tariffs by approximately 5%. **GEODE** believes that

electronic bills shall be stated as standard, and that paper bills shall be an additional service the customer has to pay for. Monthly information on energy demand sent electronically might be an alternative to monthly bills. Monthly information on consumption is required to allow customers to make a better use of their energy consumption, not monthly billing. However, once again this information can not be provided until the full roll-out of smart meters has taken place by 2020.

Moreover, it has to be taken into account that monthly billing will lead to higher energy bills in winter time. This might cause great problems especially for vulnerable customers.

Amendment 53

Proposal for a directive Article 10 – paragraph 1

Text proposed by the Commission

1. By 1 January 2014, Member States shall establish and notify to the Commission a national heating and cooling plan for developing the potential for the application of high-efficiency cogeneration and efficient district heating and cooling, containing the information set out in Annex VII. The plans shall be updated and notified to the Commission every five years. Member States shall ensure by means of their regulatory framework that national heating and cooling plans are taken into account in local and regional

Rapporteur Amendment

1. By 1 January 2014, Member States shall establish and notify to the Commission a national heating and cooling plan for developing the potential for the application of high-efficiency cogeneration and efficient district heating and cooling, containing the information set out in Annex VII ***and detailing the associated measures and legal obligations***. The plans shall be updated and notified to the Commission every five years. Member States shall ensure by means of their regulatory framework that national heating

GEODE Amendment

1. By 1 January 2014, Member States shall ***ensure that local authorities and municipalities*** establish a ***local*** heating and cooling plan for developing the potential for the application of high-efficiency cogeneration and efficient district heating and cooling, containing the information set out in Annex VII ***Nr. 3. District heating and cooling companies should appropriately participate in the establishing of the local heating and cooling plans. The local heating and cooling plans could be part of the regional***

development plans, including urban and rural spatial plans, and fulfil the design criteria in Annex VII.

and cooling plans are taken into account in local and regional development plans, including urban and rural spatial plans, and fulfil the design criteria in Annex VII. *The national heating and cooling plans shall take full account of the analysis of the national potentials for high-efficiency cogeneration carried out under 2004/8/EC.*

or local energy efficiency plan referred in Article 4 (4). By 1 January 2015, Member States shall summarise the local heating and cooling plans and notify them to the Commission. The plans shall be updated and notified to the Commission every five years. Member States shall ensure by means of their regulatory framework that *local* heating and cooling plans are taken into account in local and regional development plans, including urban and rural spatial plans, and fulfil the design criteria in Annex VII.

The national heating and cooling plans shall take full account of the analysis of the national potentials for high-efficiency cogeneration carried out under 2004/8/EC.

Or. en

Justification

Member States should profit of the potential of combined production of power, heat and cooling they have on their territory.

GEODE JUSTIFICATION

Heating and cooling plans should be set up locally. The exact orientation and measures on these levels should be decided in a bottom-up process.

The cooling and heating should, where appropriate, be an integral part of the energy efficiency plans in Article 4. The national plans could not provide such an amount of details and should therefore be used rather as a statistical tool in order to determine national potentials. These could be gathered, for statistical purposes, in national heating and cooling plans.

Amendment 54

Proposal for a directive Article 10 – paragraph 4

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

4. Member States may lay down conditions for exemption from the provisions of paragraph 3 when:

deleted

rejected

a) the threshold conditions related to the availability of heat load set out in point 1 of Annex VIII are not met;

b) the requirement in point (b) of paragraph 3 related to the location of the installation cannot be met due to the need to locate an installation close to a geological storage site permitted under Directive 2009/31/EC; or

c) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling.

Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions or make suggestions for modifications in the 6 months following notification. In such cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.

Or. en

Justification

Member States should profit of the potential of combined production of power, heat and cooling they have on their territory. There is therefore no reason for exemptions.

Amendment 56

Proposal for a directive Article 10 – paragraph 7

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

7. Member States may lay down conditions for exemption from the provisions of paragraph 6 when:

deleted

rejected

a) the threshold conditions related to the availability of heat load set out in point 1 of Annex VIII are not met; or

b) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of electricity and heat with separate heating or cooling.

Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions

or make suggestions for modifications in the 6 months following notification. In such cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.

Or. en

Justification

Member States should profit of the potential of combined production of power, heat and cooling they have on their territory. There is therefore no reason for exemptions.

Amendment 57

Proposal for a directive Article 10 – paragraph 8 – subparagraph 3

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Member States may lay down conditions for exemption from the provisions in the

deleted

Rejected

first sub-paragraph when:

a) the threshold conditions related to the availability of heat load set out in point 2 of Annex VIII are not met; or

b) a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs, including infrastructure investment, of providing the same amount of heat with separate heating or cooling.

Or. en

Justification

Member States should profit of the potential of combined production of power, heat and cooling they have on their territory. There is therefore no reason for exemptions.

Amendment 58

Proposal for a directive

Article 10 – paragraph 8 – subparagraph 4

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Member States shall notify such conditions for exemption to the Commission by 1 January 2014. The Commission may refuse those conditions or make suggestions for modifications in the 6 months following notification. In such cases, the conditions for exemption shall not be applied by the Member State concerned until the Commission expressly accepts the resubmitted or modified conditions.

deleted

rejected

Or. en

Justification

Member States should profit of the potential of combined production of power, heat and cooling they have on their territory. There is therefore no reason for exemptions.

Amendment 59

Proposal for a directive

Article 11 – subparagraph 1 a (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Member shall ensure that the overall annual energy efficiency of their thermal electricity production capacity increases by at least 1% annually and reaches at least 60% on average by 2025.

Rejected

Or. en

Justification

The EU's energy transformation system – from conventional power plants to refineries – has overall quite low efficiencies of below 35%. Significant and rapid savings are possible over the next years. Member States should also grasp the existing potential for combined heat and power.

GEODE JUSTIFICATION

Measures introduced in Article 10 of this Directive and corresponding Annex VII will facilitate the greatest possible development of CHP plants in general. Therefore GEODE sees no particular need to settle concrete goals in this respect.

Amendment 60

Proposal for a directive Article 11 – subparagraph 1 b (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

Member States shall implement at least one third of the identified potential for CHP identified in Article 10 paragraph 1 by 2020 and two third by 2030.

rejected

Or. en

Justification

The EU's energy transformation system – from conventional power plants to refineries – has overall quite low efficiencies of below 35%. Significant and rapid savings are possible over the next years. Member States should also grasp the existing potential for combined heat and power.

GEODE JUSTIFICATION

Measures introduced in Article 10 of this Directive and corresponding to Annex VII will contribute to a very high development of CHP and thermal electricity production in general. Therefore GEODE sees no particular need to settle concrete goals in this respect.

GEODE Amendment 61 (new)

Proposal for a directive Article 12 - paragraph 1

Text proposed by the Commission

1. Member States shall ensure that national energy regulatory authorities pay due regard to energy efficiency in their decisions on the operation of the gas and electricity infrastructure. They shall in particular ensure that network tariffs and regulations provide incentives for grid operators to offer system services to network users permitting them to implement energy efficiency improvement measures in the context of the continuing deployment of smart grids.

GEODE Amendment

1. Member States shall ensure that national energy regulatory authorities pay due regard to energy efficiency in their decisions on the operation of the gas and electricity infrastructure. They shall in particular ensure that network tariffs and regulations provide incentives for grid operators *to make investments into the smart grids and integration of renewable energies and CHP as well as* to offer system services to network users *or to their customers themselves* permitting them to implement energy efficiency improvement measures, *in particular those resulting as a consequence of the energy savings scheme obligation of art 6.1 and* in the context of the continuing deployment of smart grids.

GEODE JUSTIFICATION

It remains unclear what “incentives” stands for in the EC proposal. It is necessary to establish a system of bonuses that rewards system operators for offering system services to network users. The bonus should not be absorbed afterwards by the cost regulation. To focus solely on the energy

efficiency is too short-sighted. The challenges set by the new developments make it necessary to rethink the role of distribution networks and to invest in them. Smart Grids deployment implies huge investments to be undertaken by network operators, so smart regulation should be put in place to make these investments happen. The regulation does not refer to the supply of smart grid services by grid operators themselves (e.g. system responsibility and feed-in management (e.g. virtual power plants))

GEODE Amendment 61 (new bis)

Proposal for a directive Article 12 - paragraph 2

Text proposed by the Commission

2. Member States shall, by 30 June 2013, **adopt plans:**

- a) **assessing the energy efficiency potentials** of their gas, electricity and district heating and cooling infrastructure, notably regarding transmission, distribution, load management and interoperability, and connection to energy generating installations;
- b) **identifying** concrete measures and investments for the introduction of cost-effective energy efficiency improvements in the network infrastructure, with a detailed timetable for their introduction.

GEODE Amendment

2. Member States shall, by 30 June 2013,:

- a) *take sufficiently into account the potential for energy efficiency and system optimisation* of their gas, electricity and district heating and cooling infrastructure, notably regarding transmission, distribution, load management and interoperability. *Network operators are to be consulted to an appropriate extent. The results of the assessment should, where appropriate, be an integral part of the regional and local energy efficiency plans described in Article 4.*
- b) *identify* concrete measures and investments for the introduction of cost effective energy efficiency improvements

in the network infrastructure, with a detailed timetable for their introduction;

c) ensure that cost effective investments in energy efficient grid components are fully integrated by national regulators in the network tariffs.

GEODE JUSTIFICATION

It remains unclear what energy efficiency potentials stand for. It should be made very clear that thereby is also meant a system optimisation in order to minimise network expansion and to promote – for example – the feed-in of renewable energy. It is important that regional and local energy efficiency plans refer to the energy efficiency potentials of local grids. The wording “assessing” gives Member States the possibility not to take the aforementioned potentials into consideration.

Besides measures and investments for improving energy efficiency in electricity networks, the corresponding costs also have to be calculated and recovered.

Amendment 62

Proposal for a directive

Article 12 – paragraph 5 - subparagraph 1

Text proposed by the Commission

5. Member States shall ensure that, subject to requirements relating to the maintenance of the reliability and safety of the grid, based on transparent and non-discriminatory criteria defined by the competent national authorities, transmission system operators and distribution system operators in their territory:

Amendment

5. Without prejudice to the provisions of article 16(2) of Directive 2009/28/EC which gives first priority in access and dispatch to the grid to electricity produced from renewable energy sources, Member States shall ensure that, subject to requirements relating to the maintenance of the reliability and safety of the grid, based on transparent and non-discriminatory criteria defined by the competent national authorities, transmission system operators and distribution system operators in their territory:

Or. en

Justification

Priority grid access and dispatch for CHP is welcomed but should not impede the priority access created for renewable energy. Benefits which cogeneration plants bring to the electricity system as a whole will have to be rewarded.

GEODE COMMENTS

GEODE supports the rapporteur Amendment 62. Enlarging the scope of implementation of the above provision is needed. When the consumers' need for heating has become marginal, then the strategy to build extensive heating networks might not be relevant anymore and, if possible, smaller and more material-related solutions should instead be employed (e.g. solar heat at least in Southern Europe). One has to envisage an adequate strategy for Northern Europe (development of heating networks) as well as for Southern Europe. A differentiated view is necessary.

Priority dispatch of CHP is not possible on a deregulated electricity market and is also contradictory to the principals of the third energy market package.

If the CHP-electricity is more expensive than electricity from regular production the price difference will have to be borne by the consumer. A guarantee for the dispatch of CHP-electricity does not encourage efficient generation of CHP. Member States shall have the possibility to provide a first priority for renewable energy if appropriate with national electricity regulations.

Amendment 63

Proposal for a directive

Article 12 – paragraph 5 - subparagraph 1 – point c a (new)

Text proposed by the Commission

Amendment

c a) implement provisions to provide appropriate compensation for avoided network costs.

Or. en

Justification

Amendment 64

Proposal for a directive
Article 12 – paragraph 7 a (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

7a. Member States shall ensure that Transmission System Operators (TSOs) and Distribution System Operators (DSOs), in procuring resources for balancing and ancillary services, treat demand response providers, including aggregators, in a non-discriminatory manner, on the basis of their technical capabilities. TSOs / DSOs shall validate the execution of Demand Response measurement operations and the financial operations of Demand Response programmes.

*7a. Member States shall ensure that Transmission System Operators (TSOs) and Distribution System Operators (DSOs), in procuring resources for balancing and ancillary services, treat demand response providers, **(to delete)**, in a non-discriminatory manner, on the basis of their technical capabilities. TSOs / DSOs shall validate the execution of Demand Response measurement operations and the financial operations of Demand Response programmes.*

Or. en

Justification

The practical realisation of energy efficiency measures needs the comprehensive involvement of the regulators, TSOs and DSOs. In addition to the speeding up of the deployment of smart grids, the establishment of national and regional demand response markets should be prioritised.

GEODE JUSTIFICATION

GEODE supports Rapporteur Amendment 64. DSOs need to be involved to ensure reliability and stability of the system while safeguarding commercial interests of other market actors. DSOs need to validate the demand being placed on the grid because DSOs are responsible for quality and security of supply. However we recommend deleting the specific reference to “aggregators” as they are included in the general reference to demand response providers; if aggregators are mentioned, all other potential individual actors should be mentioned as well.

Amendment 65

Proposal for a directive Article 12 – paragraph 7 b (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

a) the minimum number of kW capacity needed for participation;

*7b. Member States shall promote access of Demand Response and their participation in organised energy markets, if necessary by requiring National Regulatory Authorities (NRAs), TSOs **and DSOs** to define technical specifications for participation in energy and tertiary reserve markets, on the basis of the technical requirements of these markets and Demand Response capabilities, including through aggregators. **(to be deleted)***

- b) baseline measurement methodology;*
- c) duration of demand response activation;*
- d) timing of demand response activation;*
- e) notice time for activation of demand response;*
- f) telemetry requirements;*
- g) availability payments;*

When implementing capacity adequacy schemes, Member States shall ensure that the potential for contribution of Demand Response is fully taken into consideration. Member States shall report to the Commission, by 31 December 2013 and every two years afterwards, on the measures implemented to fulfil the objectives set out in this paragraph.

Or. en

Justification

The practical realisation of energy efficiency measures needs the comprehensive involvement of the regulators, TSOs and DSOs. In addition to the speeding up of the deployment of smart grids, the establishment of national and regional demand response markets should be prioritised.

GEODE JUSTIFICATION

GEODE considers that the obligations on the content of the technical specifications for Demand Response are too detailed and should not be in the scope of this Directive. National Regulators, through CEER, in consultation with stakeholders are working on the development of Demand Response markets providing guidelines on this topic which are sufficient enough.

Amendment 75

Proposal for a directive

Article 15 – paragraph 1 – point b a) (new)

Text proposed by the Commission

Rapporteur Amendment

GEODE Amendment

ba) restrictions for energy companies not allowing them to offer energy efficiency services, with a view to ensuring a level playing field in the market;

rejected

Or. en

Justification

GEODE JUSTIFICATION

GEODE believes that energy companies, in particular DSOs, should play an important role in providing energy services in competition with other market actors

Amendment 111 (new)

Proposal for a directive Annex VI – Part 1 – point 1.1.

Text proposed by the Commission

1.1 Individual meters

When an individual meter is installed, Member States shall ensure that it is connected **to an interface** which provides secure communication to the final customer, enabling the meter to export private metrological data to the final customer or a third party designated by the final customer.

The **interface** shall provide private information enabling final customers to better control their energy consumption and use the information for further potential analysis. Such information shall at least indicate the current rate of consumption (e.g. kWh, kJ, m³) and related costs and be communicated in a format that promotes consumer action in energy efficiency.

GEODE Amendment

1.1 Individual meters

When an individual meter *for electricity* is installed, Member States shall ensure that it is connected with ***an open standardised way*** which provides secure communication to the final customer, enabling the meter to export private metrological data to the final customer or a third party designated by the final customer.

The ***standardised connection*** shall provide private information enabling final customers to better control their energy consumption and use the information for further potential analysis. Such information shall at least indicate the current rate of consumption (e.g. kWh, kJ, m³) and related costs and be communicated in a format that promotes consumer action

The National Regulatory Authority shall ensure that the **interface** also provides **public** data that allows the final customer to consult and use the applicable time-of-use tariffs with real-time pricing, peak time pricing and peak time rebates.

The private data exported through the **interface** shall offer the final customer a possibility to consult his/her historic consumption levels (in local currency and in kWh, kJ or m³):

in energy efficiency.

The National Regulatory Authority shall ensure that the *standardised connection* also provides *(to be deleted)* data that allows the final customer to consult and use the applicable time-of-use tariffs with realtime pricing, peak time pricing and peak time rebates.

The private data exported through the *standardised connection* shall offer the final customer a possibility to consult *electronically* his/her historic consumption levels (in local currency and in kWh, kJ or m³) *starting from the data of smart meter installation:*

GEODE JUSTIFICATION

Since fast-moving technical development for smart meters is on-going, it is important to leave new and innovative ways open in order to use the new technology. The suggested changes above are a way to ensure that the requirements in the annex do not preclude new opportunities from a wide range of market players with different business models.

Amendment 111 (new bis)

**Proposal for a directive
Annex VI – Part 1 – point 1.2**

Text proposed by the Commission

GEODE Amendment

1.2. Heat cost allocators

1.2. to be deleted

Heat cost allocators shall be equipped with clearly legible displays allowing the final customer to consult the current rate of consumption as well as historic consumption levels. The historic periods displayed by the heat cost allocator shall match the billing periods.

GEODE JUSTIFICATION

Consequence of the changes in Article 8.

Amendment 111 (new ter)

**Proposal for a directive
Annex VI – Part 1 – point 2.1.**

Text proposed by the Commission

2.1 Frequency of billing based on actual consumption

In order to enable final customers to regulate their own energy consumption, billing on the basis of actual consumption shall be performed with the following frequency:

- a) On a monthly basis for electricity consumption.
- b) At least every two months for the consumption of natural gas. Where gas is used for individual heating, billing shall be provided on a monthly basis.**
- c) With centralised heating and cooling, billing shall be provided on a monthly basis during the heating/cooling season.**
- d) At least every two months for hot water billing.**

Billing based on the measurement of

GEODE Amendment

2.1 Frequency of billing based on actual consumption

In order to enable final customers to regulate their own energy consumption, *information on actual consumption* shall be performed with the following frequency:

- a) On a monthly basis for electricity consumption. *(to be deleted)*

heat consumption using heat cost allocators shall be accompanied with explanations of the numbers available through displays of heat cost allocators, taking into account the standard characteristics of heat cost allocators (EN 834).

GEODE JUSTIFICATION

Consequence of the changes in Article 8. Monthly information is sufficient for customers for regulating their consumption, monthly billing will increase costs and in most cases this is not the option preferred by customers.

Amendment 111 (new fourth)

**Proposal for a directive
Annex XI – Part 2 – point 2.1.**

Text proposed by the Commission

2. Network regulation and tariffs shall allow network operators to offer system services and system tariffs for demand response measures, demand management and distributed generation on organised electricity markets, in particular:

GEODE Amendment

2. Network regulation and tariffs shall allow network operators, ***taking into account their system responsibility and considering proportionate and reasonable network tariff levels for all end consumers***, to offer system services and system tariffs for demand response measures, demand management and

distributed generation on organised
electricity markets, in particular

GEODE JUSTIFICATION

This addition aims at making sure that the offer of the system services and system tariffs mentioned in the first sentence of paragraph 2 is not set up at the expense of the network stability, and allows a proportionate and reasonable level of network tariffs to be maintained for all end consumers. Granting a large number of end consumers, particular tariffs could lead to an unreasonable increase in network tariffs for all end consumers.

It should be understood that network operators are only able to offer relevant services when holding network control. This shall not be made more difficult by integrating third parties in terms of certain network services – as has already happened in some Member States through the deregulation of metering.

Amendment 111 (new fifth)

Proposal for a directive Annex XI – Part 3 – point 2.1.

Text proposed by the Commission

3. **Network** tariffs shall be available that support dynamic pricing for demand response measures by final customers, including:

- a) time-of-use tariffs;
- b) critical peak pricing;

GEODE Amendment

3. **Electricity customers** tariffs shall be available that support dynamic pricing for demand response measures by final customers, including:

- a) time-of-use tariffs;
- b) critical peak pricing;

- c) real time pricing; and
- d) peak time rebates.

- c) real time pricing; and
- d) peak time rebates.

GEODE JUSTIFICATION

GEODE thinks that it is important that DSOs can undertake Demand-Side management measures, as DSOs are responsible for the reliability and stability of the grid. These measures shall also include interruptible tariffs or time-of-use tariffs, and DSOs shall also be able to interrupt the electricity consumption or feed-in to the grid of customers if necessary.

Real-time prices or other dynamic pricing models (depending on real time grid situations) for electricity grids seem to be very academic and are neither very practical nor easy to understand for customers. It is difficult for some customers to understand why they must pay a very high grid fee because of grid congestion at times when the price for energy is very low, e.g. because of high wind production.

However, network prices that reflect costs such as capacity oriented prices or fixed price models seem to work better. Therefore, **GEODE** recommends a more capacity-orientated tariff system that will help to flatten the load curve once Smart Meters are in place.