

currENT Reaction to Draft ITRE Report on the Energy Efficiency Directive and Proposed Amendments

Introduction

Since the Commission first published the proposal for the recast of the Energy Efficiency Directive in July 2021, the geopolitical landscape in Europe has changed beyond recognition. The sudden need to reduce Europe's reliance on Russian fossil fuels will require an unprecedented scale-up in the deployment of renewable energy projects. This has also been stated as a key component of the REPowerEU communication and in the Versailles declaration.

These goals cannot be achieved without powerful and climate-proof power grids, both at the transmission and distribution levels. Innovative grid technologies can help Europe deliver on this ambition.

Article 3 Energy Efficiency First Principle

currENT is a strong supporter of the Efficiency Firsts principle, and very much welcomes the amendments that have been put forward to further define and strengthen its legal basis in this context. The consideration of system flexibilities, system efficiency, demand-side resources, cost-efficiency and security of supply are particularly welcome. In order to reach our decarbonisation goals, it is necessary to consider the overall functioning of a decarbonised energy system and the materials needed to achieve this as efficiently as possible.

With regards to a Cost-Benefit Analysis, currENT welcomes the provisions calling to develop a CBA methodology that will include the future impacts of climate change , also with regards to the transmission and distribution system.

Article 4 Energy Efficiency Targets

While the Commission had proposed a reduction in energy consumption of at least 9% in 2030 as compared to the projections of the 2020 reference scenario, many amendments coming out of the ITRE committee would increase this ambition to 19-20%. As some amendments are using different reference scenarios, this increased ambition can be more clearly compared in the Mtoe of final and primary energy. The Commission had proposed limiting final consumption amounts to no more than 787 Mtoe and primary consumption to 1023 Mtoe in 2030. Many amendments coming out of the ITRE committee would reduce this even further to between 752-692 Mtoe of final energy and 978-899 Mtoe primary energy. currENT strongly supports this increase in

energy efficiency ambition as one of the first order solutions in reducing dependency on fossil fuels, and does not support any amendments that would make these targets non-binding.

Article 25 Energy transformation, transmission and distribution

currENT welcomes the clarifications on the Energy Efficiency First Principle for network operators, and appreciates the amendments which include language on system-efficiency, cost-efficiency, and security of supply, as well as future-proof systems and smart grid deployments.

currENT also strongly supports the amendments which look more broadly at increasing network efficiency instead of looking more narrowly at merely reducing losses. This includes taking into account the curtailment of renewables and unavoidable technical losses due to decarbonization and increased electrification.

currENT would welcome further clarification on the methodology to be used to calculate and verify network losses.