



**CONCERTED ACTION
ENERGY EFFICIENCY
DIRECTIVE**

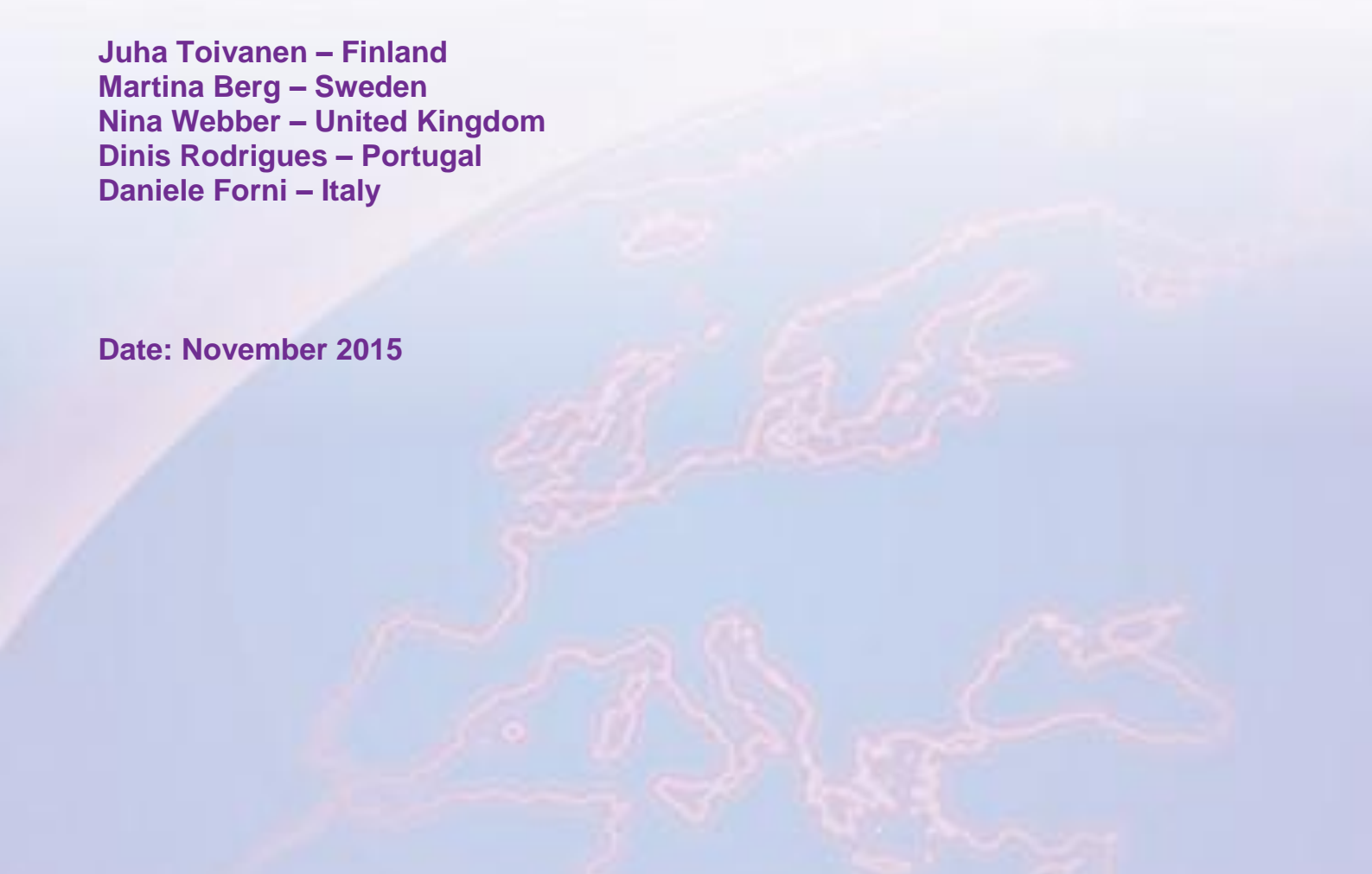
Energy audit obligation for multinational and multisite enterprises

Executive Summary 5.6

Energy services and ESCOs, energy auditing, solving administrative barriers

**Juha Toivanen – Finland
Martina Berg – Sweden
Nina Webber – United Kingdom
Dinis Rodrigues – Portugal
Daniele Forni – Italy**

Date: November 2015



1 Summary

Article 8 of the Energy Efficiency Directive (EED) requires that non-SMEs are subject to an energy audit by 5 December 2015 – and then every four years from the date of the previous energy audit – or that they implement an energy management system or an environmental management system which includes an energy audit. The energy audit should be carried out in an independent manner and on the basis of minimum criteria based on the EED Annex VI.

The CA EED participants investigated how different Member States (MS) transposed and are implementing the energy audit obligation, in particular for enterprises with a high number of sites in the same MS and for multinational enterprises with other premises within and/or outside Europe.

At the end of October 2015, the situation was still only partially defined. Transposition was not yet completed in 7 MS. At least 5 of those MS will most probably complete the transposition after the deadline of 5 December 2015. There are a number of differences in how Article 8 has been transposed in the rest of the MS, starting from the enterprises within the scope of the obligation: there are five different national definitions of non-SMEs, including three different combinations of employee and/or financial criteria and, in two cases, different financial criteria. In addition, in 6 MS, the obligation is not only on non-SMEs, energy consumption thresholds are an additional criteria and in one case this consumption threshold was the only criteria.

In different MS, the energy audit obligation applies to different areas of energy consumption, to different sites in the same country (sampling in clusters is permitted for multisite enterprises in most MS, but could be approached in different ways), and there are also different approaches to applying the obligation to SMEs linked/partnered to enterprises outside the MS/EU (Figure 1). In the case of rented properties, the energy audit obligation can be on the tenant, on the owner or on the person who pays the energy bills (Figure 2). Exemptions from the obligation are mainly linked to non-economic activities or to consumption being lower than defined qualification thresholds. Different energy management systems (e.g. ISO 50001) or environmental management systems (e.g. ISO 14001, and in some cases EMAS) are seen as an alternative to compliance with the obligation in almost all MS.

Figure 1 Linking to abroad enterprises

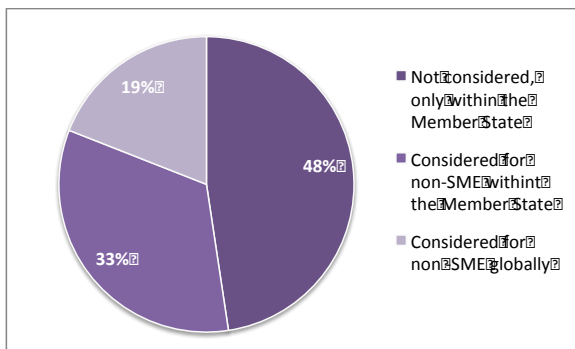
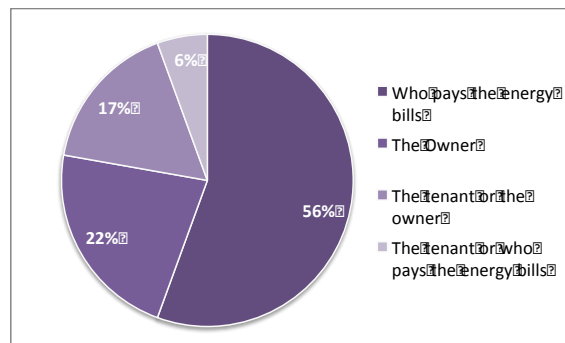


Figure 2 Audit obligation in rented premises



References used for energy audit methodologies are: European technical standards EN 16247, part 1 or parts 1 to 4 (used in 14 MS); ISO 50002 (5 MS); and/or national standards (2 MS) or national guidelines (7MS). In 8 MS, there are other references to those listed above.

Minimum criteria for energy audits from EED Annex VI are/will be transposed by almost all the MS. Some MS added requirements or explanations in the transposition of the criteria, mostly related to proportionality and representativeness and to data storability. Multiple approaches were adopted by different MS, due to the different interpretation of “proportionate, and sufficiently representative” and cost effectiveness concepts.

International transport and other specific sectors such as construction are not yet clearly defined; most MS are still working on these topics.

The majority of MS recognise energy auditors from other MS in principle, but there was little evidence of this in practice. There are differences in the nature of the energy auditor (a physical person, a legal one or both of them), in the presence of sectoral specialisation (typically buildings, processes and transport) and in what can be required from energy auditors from other MS. The different approaches can vary from direct recognition, with a knowledge of national legislation, to the fulfilment of the same or equivalent requirements of an energy auditor in that MS.

Internal auditors can conduct an energy audit in 23 MS. Usually the requirements are the same for internal and external auditors, but in 16 MS there are additional requirements, mostly to guarantee the independence of the energy auditor.

2 Recommendations/Conclusions

The main issues arising from discussions at the October 2015 plenary meeting concern the diverse approaches to the transposition of the energy audit obligation in the MS. There is in fact a large variation between MS on almost all aspects of Article 8 (e.g. provisions on energy audits obligations, exemptions, auditor requirements, audit conditions, etc.) and there is concern that this may lead to unnecessary administrative burden and legal uncertainty for businesses in some countries.

It seems unfavourable to multinational enterprises that will have to face several different legal frameworks across MS with a higher or lower level of complexity, and it is also not seen as a level playing field for enterprises competing in the EU market. It is probable that MS that did not consider the existence of simplifications/flexibility, or were not able to implement them will suffer some pressure to adopt them. The examples from the remaining MS might help them to adopt some of those practices. A more standardised approach would be useful for the multinationals, but not easy to design due to the specificities and previous schemes of each MS.

The international issues seem to be the right point to start, because most of the MS are still working on these topics. It was widely agreed that it is of interest to develop common guidelines for aviation and maritime transport in order to have a common approach and legal requirements, as well as making the adoption of the energy audit obligation by these sectors more effective. A Commission guideline would be welcome, but it should be discussed with the relevant stakeholders (EED Committee and sector auditors/representatives).

Another sector where MS are still working is the construction sector, characterised by relevant consumptions of specific machinery (e.g. earth-moving) which is often leased/rented, portable cabins etc. In this case, MS were very much interested in sharing experiences rather than waiting for guidelines, which would probably be more complex to apply due to the aforementioned specificities.

The definition of “obliged organisation” - based on the EU implied definition of non-SMEs - created a number of differences, starting right from the definition of non-SMEs and the link to other SMEs within the same MS and abroad. It is also related to some of the exemptions and flexibilities introduced in different ways by various MS to balance this approach with the requirements for cost effectiveness and representativeness. It seems that a way to simplify things and make the process more useful for multinationals and MS would be to have an energy consumption threshold instead.

There are different approaches on clustering/sampling: binding or not binding guidelines/indications on how to cluster or on the number of sites to be audited. In most MS, the clustering criteria is defined by the energy auditor, but this means that an extra effort in quality control procedures will be probably be required.

The mutual recognition of energy auditors is theoretically possible but not simple, due to the differences that would be faced in minimum requirements (education, experience, need of exam, re-fresh/update periodicity) and specialisations (only one sector or three sectors: buildings, processes and transport). It seems that it could be easier in the industrial and transport sectors and more difficult in the building sector. This is because the energy audits under EED may include some requirements from the Energy Performance of Buildings Directive (EPBD), and as a result it may be mandatory for auditors to have knowledge of national laws and standards related to EPBD transposition.

A fixed deadline for the compulsory energy audit creates a peak in demand. A different approach should be considered both to maintaining the demand for energy audits within each MS – maybe in connection with the

supporting programmes for SMEs – and/or allowing energy auditors from abroad to be present in the market, to make it more competitive.

There are some MS without a complete transposition of the energy audit obligation due to lack of availability of highly skilled energy auditors or to MS having the impression that there is not enough time to meet the 5th December 2015 deadline. In those cases, there is the option of establishing a first deadline to collect declarations from enterprises that will then undertake an energy audit within a further deadline. In this way, there will be a chance to establish a list of obliged enterprises, to give prompt signals to non-compliant enterprises and to cross-check with other criteria/lists, whilst there will still be time for those laggard enterprises to get back on track and undergo an energy audit.

Guaranteeing the same level playing field will be difficult if not impossible, due to the kaleidoscope of approaches to all of the aspects of the energy audit obligation. It seems that each MS is still struggling to find its optimum balance between the short term burden and medium-long term advantages of energy auditing.

The enthusiasm among the participants at the CA EED Plenary Meeting in October 2015 reflects the level of interest in understanding how the other MS are dealing with transposition/implementation and the desire to make the system effective.

3 Practical Examples

At the CA EED plenary meeting in October 2015, the main issues were discussed along with controversial points arising from the answers to the questionnaire.

Germany gave a presentation (see the good practice fact-sheet) on the additional information sheet issued by BAFA (Federal Office of Economics and Export Control) to assist obliged enterprises to ensure that the energy audit is proportional and representative. Among the main points discussed:

- Energy which is not taken into account in audits.
- Clustering/sampling for multisite enterprises (which may include linked/partner enterprises) and in the case of unstaffed delivery points with minimal energy consumption.

Another approach to the clustering/sampling is the non-compulsory method used in Italy, described in a good practice fact sheet.

Denmark has guidelines on the shipping sector¹, also available in English. These were developed in collaboration with the shipping companies, bridging the requirements of Annex VI with existing management/auditing practices in the sector.

Malta gave a presentation which described their approach to training energy auditors (including internal ones), the requirements from training and how experts from other MS are recognised.

Sweden gave a presentation which illustrated a new approach to the certification of energy auditors. This has been set up because experience of past auditing schemes showed that the reports were very different. This will cause a delay to the 5 December deadline, but it is considered necessary to guarantee the high quality of energy audits. The mutual recognition of auditors is possible and has so far been applied for experts coming from a couple of MSs.

Presentations and or good practice fact-sheet are available at: www.ca-eed.eu/themes/energy-services-ct5

¹ http://www.ens.dk/sites/ens.dk/files/forbrug-besparelser/EE_ny_web/Dokumenter/guidelines_for_energy_audits_for_shipping.pdf

For more information please email
forni@fire-italia.org

Legal Disclaimer

The sole responsibility for the content of this report lies with the authors. It does not necessarily reflect the opinion of the European Union or the Member States. Neither EASME nor the European Commission are responsible for any use that may be made of the information contained therein.

The Concerted Action for the Energy Efficiency Directive (CA EED) was launched by Intelligent Energy Europe (IEE) in spring 2013 to provide a structured framework for the exchange of information between the 29 Member States during their implementation of the Energy Efficiency Directive (EED).

For further information please visit www.ca-eed.eu or contact the CA EED Coordinator Lucinda Maclagan at lucinda.maclagan@rvo.nl



Co-funded by
the Intelligent Energy Europe Programme
of the European Union