

Are you answering on behalf of an organisation or institution?	Yes, I am answering on behalf of an organisation or institution
Please enter your full name:	
Please enter the full name of your organisation or institution:	ČEZ, a. s., EC register ID: 429600710582-32
Please enter your full name	Zuzana Krejčířiková, Public Affairs Director
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Please specify which category best describes your organisation or institution from the list below:	Utility
Please specify 'Other':	
Does your organisation or institution primarily deal with energy issues?	Yes
Please indicate your principal country or countries of residence or Please specify 'Other':	Czech Republic
How would you prefer your contribution to be published on the Commission website, if at all?	Under the name indicated (I consent to publication of all information in my contribution and I declare that none of it is under copyright restrictions that prevent publication)
1.1. What is the key contribution of the EED to the achievement of the 2020 energy efficiency target?	
1.2. How has the EED worked together with the Effort Sharing Decision, other energy efficiency legislation (on buildings, products and transport) and ETS? Could you describe positive synergies or overlaps?	<p>Energy savings realized thanks to the EED generate also emission savings as their by-product. This causes an artificial (not driven by market forces) weakening of the demand side of the EU ETS without any adjustment of the supply side. The oversupply of allowances on the EU ETS market increases as a consequence. Finally, the trading system is not able to fulfil its main role of being an incentive for a long term decarbonization. The overlap of the EED with the EU ETS should be therefore neutralized by adjusting the volume of allowances entering the market for these artificial savings.</p> <p>According to the assumptions of analytics (E.g. Sandbag, Slaying the dragon – Vanquish the surplus and rescue the ETS, October 2014), the Market Stability Reserve itself will not be able to restore a scarcity on the carbon market.</p>
1.3. How has the EED worked together with existing national legislation? Could you describe any	
1.4. What are the main lessons learned from the implementation of	

1.5. Which factors should the Commission have in mind in reviewing the EU energy efficiency target for 2030?

EC should bear in mind the main objectives of the EE target it stated in its COM in July 2014 (reduced energy dependency, more affordable energy for consumers and business and a well-functioning internal market). Consequently, the preferred way for incentivizing energy savings should be the use of EU-wide market instruments, notably the EU ETS. If it is not sufficient to bring the necessary emission savings and there is a need for further support through direct subsidies, EC should make sure that these non-market tools and related emission savings do not undermine the EU ETS. EC could mitigate this risk by adjusting the emission cap for these non-market emission savings. The energy security and affordability objectives imply that the energy savings effort should be focused on the final energy consumption. This would bring benefits for final consumers (better energy affordability for business and households) while reducing mainly the consumption of gas and oil at the same time.

1.6. What should the role of the EU be in view of achieving the new EU energy efficiency target for 2030?

The role of the EU should remain as it is now – the target has to be indicative at European level and the European legislation should establish a general framework of criteria. On the other hand, it should not set any targets at Member States level (e.g. Art 7) without taking into account national circumstances. The EE policy should be designed as a complementary measure to the EU ETS and the EU should try to avoid overlaps among the European climate-energy policies.

1.7. What is the best way of expressing the new EU energy
Please specify 'Other':

Expressed in both primary and final energy consumption in 2030

1.8. For the purposes of the target, should energy consumption be:
Please specify 'Other':

Expressed as energy, regardless of its source (as now)

2.1. In your view, are the existing EU energy efficiency requirements for public procurement sufficient to achieve the needed impact of energy
Please explain your answer:

No opinion

2.2. How could public procurement procedures be improved in the future with regard to high energy efficiency performance?

2.3. Do you think that there is sufficient guidance in your country to characterise "energy efficient products, services and buildings"?
Please explain your answer:

No opinion

2.4. Have you seen information campaigns or other public initiatives in your or in another EU country that explain public procurement of energy efficient products, services
If yes, how useful have they been to increase awareness? Please

3.1. Are you aware of any energy efficiency measures that have been carried out or are planned in your country, by the utilities or third parties in response to an energy efficiency obligation scheme or alternative measures) an effective instrument to achieve final energy savings? Please explain your answer:	No No, as the Czech Republic opted for the Alternative scheme.
3.2. In your view, is Article 7 (energy efficiency obligation scheme or alternative measures) an effective instrument to achieve final energy savings? Please explain your answer:	No It imposes the same nominal obligation to achieve additional savings (savings which would not be otherwise realized) on all Member states regardless of their previous energy savings achievements or economic and regulatory structure. For example, higher costs of energy in some countries can incentivize spontaneous energy savings whereas in other states lower energy costs are not sufficient to trigger such savings. Also, some member states can achieve some energy savings as a by-product of some regulation which is not implemented in other MS, etc... Consequently, the principle of additionality should be questioned as the important issue is whether the necessary savings are achieved and not how they are achieved.
3.3. What are, in your view, the main challenges or barriers to implementing Article 7 effectively and efficiently in your country? Please specify 'Other':	Lack of sufficient knowledge and skills of involved parties;Developing the calculation methodology in line with the requirements of Annex V;Limited timeframe (2014-2020) that makes it hard to attract investment for long term measures
3.4. Do you believe that the current 1.5% level of energy savings per year from final energy sales is adequate? Please explain your answer:	Disagree A uniform level of energy savings does not take into account previous achievements or economic and regulatory structure among Member states.
3.5. Should energy efficiency obligation schemes have specific rules about energy savings amongst different types of buildings? Please explain your answer:	No opinion
4.1. Overall adequacy: Do you think the EED provisions on metering and billing (Articles 9-11) are sufficient to guarantee all consumers easily accessible, sufficiently frequent, detailed and understandable information on their own energy consumption? Please explain your answer:	No opinion
4.2. Do you think it appropriate that the requirement to provide individual metering and frequent billing (Articles 9(1), 9(3) and 10(1)) is subject to it being technically feasible and/or cost effective? Please explain your answer:	No opinion
4.3. Should such conditions of being technically feasible and/or cost effective be harmonised across the EU? Please explain your answer:	No opinion

4.4. How would these conditions of being technically feasible and/or cost effective affect the potential for energy savings and consumer
Please explain your answer:

No opinion

4.5. Smart meters: Do you think that A) the EED requirements regarding smart metering systems for electricity and natural gas and consumption feedback and B) the common minimum functionalities, for example to provide readings directly to the customer or to update readings frequently, recommended by the Commission
Please explain your answer:

No opinion

If no, do you think the common minimum functionalities should be the basis for further harmonisation?
Please explain your answer:

4.6. What obstacles have national authorities/actors faced in introducing on a large scale individual meters that accurately reflect the final customer's actual energy consumption? Do you have any good experiences to share on

5.1. What should be the most appropriate financing mechanisms to significantly increase energy efficiency investments in view of the 2030 target?

In principle, market based instruments are the most cost-effective tools. Therefore, as much as possible energy savings should be driven by the increasing price of the EUA. This would have two positive effects: First, increasing energy price would make investments into energy efficiency more interesting. Moreover, these savings would be focused on the fossil fuels which would at the same time improve the energy security of the EU. Second, at least half of the EUA auctioning receipts are earmarked for projects related to the climate policies including energy efficiency. Higher EUA price would consequently increase the volume of available funds from this source. EC should therefore primarily focus on stable and robust design of the EU ETS.

5.2. Should there be specific provisions aimed at facilitating investment in specific areas of
If yes, specify your answer from the below list:

No

Please specify 'Other':

5.3. Do you agree that one way to increase the impact of energy efficiency investments could be through making the energy performance/savings monitoring mandatory under Article 20 whenever public funds/subsidies are used for EE investments? Such monitoring could be done, for

<p>6.1. Do you think that the existing reporting and monitoring system under the EED is a useful tool to track developments with regard to If yes, why is it a useful tool? If no, how do you think it could be improved in the future?</p>	<p>No opinion</p>
<p>6.2. Do you think that the reporting of national indicators (for example, value added/ energy consumption, disposable income, GDP etc. for year (n-2) under Annex XIV (1)(a)) of the Please explain your answer:</p>	<p>No opinion</p>
<p>6.3. Do you think additional indicators (in addition to those referred to in Annex XIV (1)(a) – (e)) are needed to improve monitoring to assess Member States' progress Please explain your answer:</p>	<p>No opinion</p>
<p>7.1. Do you believe that measures on public procurement of energy efficient products, services and buildings should become mandatory also for public bodies at regional Please explain your answer:</p>	<p>No opinion</p>
<p>7.2. In your view, what are the main barriers that preventing the use of energy efficiency requirements in the existing public procurement procedures (please select from the Please specify 'Other': Please explain your answer:</p>	
<p>7.3. In your view, should all EU public procurement rules relating to sustainability (including in particular energy efficiency in buildings, the use of renewable energy sources, etc.) be gathered into a single EU Please explain your answer:</p>	<p>No opinion</p>
<p>7.4. Do you think that there is sufficient guidance/framework to know what is meant by "energy efficient products, services and Please explain your answer:</p>	<p>No opinion</p>
<p>7.5. While energy efficient products will be cheaper to operate, their initial cost might be higher and a longer period of time will be needed to "pay back" this higher cost. Is this a problem and if so, how can public</p>	
<p>8.1. Emerging evidence suggests that most of the measures introduced under Article 7 have long lifetimes (20-30 years) and will continue have an impact beyond Please explain your answer:</p>	<p>No opinion</p>

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

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Better awareness of energy

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Better relationship between energy

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Lower energy generation (and

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Improved business and administrative environment for up-

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Aggregation of small-scale

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Development of new financing models – e.g. energy performance

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Stimulation of energy efficient

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Increased competitiveness in the

8.2. What is your view on the potential benefits (listed) of energy efficiency obligation schemes? :

Please specify 'Other':

Please explain your answer:

8.3. Are you aware of any No opinion

developments in the energy services markets that have benefited

particular actors (e.g. service providers, suppliers, distributors,

etc.) in Member States having an obligation to define the obligated

Please explain your answer:

8.4. If you think that some requirements of Annex V need more precise guidance please list those requirements and specify briefly what further information you think

**8.5. As you might know, the current framework of Article 7 is set until 2020, linked to the energy efficiency target for 2020, which will expire at the end of 2020. In your view, should the Article 7 obligations continue beyond 2020 in view of the new
If yes, what factors should be considered for the future Article 7
(please select up to 5 options from the list, and explain your reply if
Please specify 'Other':**

No

Please explain your answer:

It imposes the same nominal obligation to achieve additional savings (savings which would not be otherwise realized) on all Member states regardless of their previous energy savings achievements or economic and regulatory structure. For example, higher costs of energy in some countries can incentivize spontaneous energy savings whereas in other states lower energy costs are not sufficient to trigger such savings. Also, some member states can achieve some energy savings as a by-product of some regulation which is not implemented in other MS, etc... Consequently, the principle of additionality should be questioned as the important issue is whether the necessary savings are achieved and not how they are achieved.

8.6. Do you think that the scope of eligible measures allowed under Article 7 should be clarified?

Yes

If yes, please explain your answer further:

The scope of eligible measures should only be end-use energy savings (as it is at the moment)

Please specify 'Other':

If the scope should be expanded, please specify which of the following possibilities would be appropriate:

Please specify 'Other':

Please explain your answer:

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Calculation

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Materiality

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? :

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Lifetimes

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Price demand elasticities for taxation

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Indicative list of eligible energy saving

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Monitoring

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Reporting

8.7. Would there be benefits in greater harmonisation of some of the requirements of Article 7 to allow more consistent implementation across Member States? : Other
Please specify 'Other':

Please explain your answer:

8.8. What role should the EU play in assisting the Member States in the implementation of Article 7?

Member states should be given as much of flexibility in implementing energy efficiency measures as possible.

8.9. Please state which best practice examples could be promoted across the EU and how?

8.10. Would it be appropriate and useful to design a system where some types of energy savings achieved in one Member State would count towards obligations carried out either by governments or by economic operators in another country, just as the option to

In general, allowing the international cooperation can increase the efficiency and decrease the costs of achieving the required level of energy savings.

8.11. Would it be appropriate and useful to design a system where energy efficiency obligations would also include elements aiming at gradually increasing the minimum share of renewable energy applicable to energy suppliers and distributors?

No. Firstly, replacing the current generation portfolio with the renewable energy provided by energy suppliers/distributors does not have any effect on the final energy consumption. Consequently, it would not improve the energy affordability which is one of the main objectives of the energy efficiency target. Secondly, there are other support schemes (mainly RES auctions) which are preferred in order to achieve the RES target.

8.12. Could the option of establishing an EU wide 'white certificate' trading scheme be
Please explain your answer:

Agree

In principle, market based solutions should be the most efficient tools how to achieve a defined target.