EU Heating and Cooling Strategy
Comments of PU Europe

PU Europe welcomes the initiative of the European Commission to develop a coherent strategy on heat, heating and cooling.
While we fully share the overall objectives, certain points need more clarification.

Starting point: Energy Efficiency First principle:
As stressed by Commissioner Cañete and highlighted in the Communication on the Energy Union[1], energy efficiency should be given primary consideration in all decisions regarding energy policy. Besides the fact that the best energy is the one that does not need to be generated, energy efficiency investments, in particular those into building efficiency, offer multiple additional benefits including the following:

- **Speed:** energy efficiency measures can be implemented immediately without lengthy delays.
- **Jobs:** With 19 new jobs per 1 million Euros invested, energy efficiency measures offer the highest job creation potential[2].
- **Growth:** Numerous studies converge on the fact that investments in energy efficiency offer significant growth opportunities.
- **Climate:** Energy efficiency, in particular that of buildings, can make a significant contribution to mitigate climate change.
- **Public budget:** Research has shown that the multiple benefits of energy efficiency investments in buildings generate additional government income and reduces health care expenses.

Energy Efficiency First versus decarbonisation:
There should be no conflict between the Energy Efficiency First principle and the goal to achieve the decarbonisation of the energy (heating and cooling) system. Current building technologies can reduce the imported heating and hot water energy demand to zero. This is achieved thanks to high building efficiency levels combined with the on-site generation of renewable energy. The impact on CO_2 emissions is obvious.

Holistic approach is needed:
The strategy must maintain a holistic approach and avoid a conflict between supply and demand-side measures. The Commission should not impose certain solutions but provide a methodology to determine the long-term environmental and societal benefits as well as the cost-effectiveness of possible measures.

Energy supply versus energy demand:
Both energy supply and energy demand offer significant potentials to increase energy efficiency and reduce carbon emissions. Their realisation must be well coordinated in

[1] Communication from the Commission "A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy"
[2] EEIF: How Many Jobs? A Survey of the Employment Effects of Investment in Energy Efficiency of Buildings (2012)

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order to avoid that certain solutions on one side block progress on the other. As a matter of example, if new district heating networks are put in place with a certain capacity, there will be no incentive to reduce the energy demand of the buildings to be supplied. In other words, new district heating networks must be sized according to the long-term energy efficiency vision for the building stock.

Cost effectiveness:

The modelling behind the Commission's cost efficiency considerations is unclear and should be presented in more detail:

- How is the cost-effectiveness of building refurbishment measures determined and what are the assumptions? Have learning curves and building investment cycles been taken into account? Which discount rates were applied?
- How is the cost efficiency of supply-side measures determined? Are the same criteria applied as used for energy demand side measures such as building refurbishment?

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