

# ESD implementation in Denmark

## Introduction:

### Legal context

Almost all elements of the Energy Service Directive are in place in the national energy policy. Although no secondary legislation related to the ESD has been adopted, the Directive is transposed in national law. Several requirements of the ESD were in place in Denmark through preexisting legislation including the National Action Plan on Renewed Energy Conservation from 2005. The responsibility of ESD implementation lies with the Danish Energy Agency (DEA) which is a part of the Ministry of Climate and Energy.

### Status of the implementation

#### Article 4

The national target for energy efficiency is determined by the political agreement on Danish energy policy of February 1st 2008 which succeeds (and strengthen) the previous target included in the political agreement from 2005. (The full agreement can be found here: <http://www.ens.dk/en-US/policy/danish-climate-and-energy-policy/political-agreements/Sider/political-agreements.aspx>).

The responsibility of ESD implementation (art. 4.4) lies with the DEA.

#### Article 5

Art. 5 – Several measures as listed in annex VI of the ESD are in place in regards to energy efficiency in the public sector. The overall national target of the public sector is a reduction in energy consumption of 10 % in 2011 compared to 2006. The initiatives are rooted in national legislation through [Circular no. 9787 of October 1<sup>st</sup> 2009](#), which succeeds and replaces circular no. 27 of April 19th 2005 on energy efficiency in state institutions.

The municipalities have committed to fulfil many of the same efficiency targets as government institutions are required to, through a voluntary agreement.

The DEA is responsible for the tasks as stated in Art. 5.2.

#### Article 6

Information and statistics regarding aggregated energy consumption is collected by the DEA (Art. 6.1(a)).

In regards to article 6.2 a) and b ) the energy distribution and energy grid companies are obligated to provide information both energy consumption and energy saving activities to final consumers of energy through [Law no. 520 of June 7<sup>th</sup> 2006](#). Furthermore the grid and distribution companies are obligated to ensure energy savings of 5.4 PJ/year in final consumption which is more than 50 % of the total national savings target. The specific conditions of the activities, such as financing and included consumption, are rooted in a voluntary agreement between the companies and the Ministry of Climate and Energy. A renewed agreement of November 20<sup>th</sup> 2009 entered into force on January 1<sup>st</sup> 2010. This agreement is managed by the DEA in collaboration with representatives from the included energy sectors.

#### **Article 7**

Information regarding activities in place in order to ensure energy savings in final consumption is available on the DEA website: [www.ens.dk](http://www.ens.dk). Further information on energy efficiency measures in final consumption can be found at [www.elsparefonden.dk](http://www.elsparefonden.dk) (electricity savings fund).

#### **Article 8**

Other than certification for energy auditors under the buildings directive, a certification scheme for voluntary energy auditing of industry is in place as well as a standardisation of energy management.

#### **Article 9**

Some initiatives on the development of energy services are in progress, but at this point a model contract has not been developed. No national legislation hinders or limits the use financing instruments in regards to energy services.

#### **Article 10**

The responsibility of monitoring the energy rates and tariffs lies with the [Energitilsyn](#). In 2009 an evaluation of the national tariffs was completed in order to ensure that incitements towards reducing energyconsumption is in place.

#### **Article 11**

The Electricity Savings Fund was established in 1997 with the purpose of securing savings in final consumption of electricity in the domestic and public sector through subsidies and other meassures. In 2010 the Electricity Savings Fund will be replaced with a Center for Energy Savings, with the purpose of continuing the work of the Electricity Savings Fund but with a wider focus on energy savings in all types of energy and in all sectors (excluding transportation).

#### **Article 12**

Provisions on energy labelling of buildings is in place.

Furthermore, the Electricity Savings Fund as well as energy supply companies provide information on efficiency measures and carry out energy audits in the domestic and business sector.

#### **Article 13**

[Regulation no. 891 of November 9<sup>th</sup> 1996](#) on the individual measuring of electricity, gas, water, and heat consumption determines the rules on metering. Current legislation states that, when economically possible, individual metering of final consumption must be in place.

Consumers with an electricity consumption of more than 100,000 kWh/year are equipped with smart meters.

Furthermore, regulation 1105 of November 9<sup>th</sup> 2006 on energy savings by grid and distribution companies determines the rules regarding informative bills. Information regarding actual consumption, development in consumption during a three year period, and information on consumption compared to best practices must be provided to final consumers.

For information regarding comparison of prices websites have been established with information on current prices from various energy supply companies.

## **Additional efforts**

Energy Cities

Government subventions for scrapping of ineffective furnaces

Knowledge centre for energy efficiency in buildings.

The Electricity Savings Fund is being replaced (by March 1<sup>st</sup> 2010) by a Center for Energy Savings, thus broadening the focus from electricity savings in the household and public sector to savings in all types of energy and all sectors (excluding transportation).

## **Future planning**

The national efforts on energy savings in Denmark was evaluated in 2008. This evaluation has led to several initiatives which will be implemented in the near future. Furthermore, new measures e.g. in regards to smart metering is currently under review.

The process of developing the 1<sup>st</sup> NEEAP is being evaluated and preparatory works for developing the 2<sup>nd</sup> NEEAP has been initiated.

## **Relevant information**

Information on Energy Savings can be found at the DEA website: [www.ens.dk](http://www.ens.dk)