

# National EED Implementation Report (NIR) 2021

## EED implementation in Estonia

### Introduction

In June 2016, Parliament adopted a new act to transpose the main requirements of the EED – the Energy Management Coordination Act. The Act defines the roles of the public institutions and energy market participants in promotion of energy efficiency. The Ministry of Economic Affairs and Communications (MoEAC) has the key responsibility in coordination of the energy efficiency activities. The Ministry of Finance has a leading role in promotion of energy efficiency in buildings occupied by central government institutions. In addition, the Technical Regulatory Authority has to ensure governmental supervision related to energy auditing in large enterprises, and the Competition Authority should contribute to the implementation of energy efficiency with its activities in energy market regulation. Important energy efficiency measures are carried out by implementing agencies KredEx and Environmental Investment Centre, The State Shared Service Center and manager of real estate owned by central government Riigi Kinnisvara AS (State Real Estate Ltd.).

This National Implementation Report (NIR) of the Directive 2012/27/EU of the European Parliament and of the Council on Energy Efficiency (EED) builds on the 2016 NIR. This version includes the implementation of the amendment of this Directive (Directive (EU) 2018/2002 of the European Parliament and of the Council of 11th December 2018 amending Directive 2012/27/EU on energy efficiency) and Governance Regulation (Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11th December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) and Directives, among which is 2012/27/EU (NECPs and reporting/Energy Efficiency dimension related to EED).

### 1. Legal context

To ensure transposition of the EED, the MoEAC prepared a new act – the Energy Management Coordination Act. The majority of the requirements in the EED are transposed with this act and only a few other acts (the Building Code and Electricity Market Act) were changed to transpose the requirements of EED. The Act was approved in Parliament in June 2016 and secondary legislation – regulations under the Energy Management Coordination Act – were issued during the second half of 2016 and in 2017, which are Regulation for Calculating Energy Savings, Minimum Requirements for Energy Audits, Energy Efficiency Requirements for Products, Services and Buildings Purchased by Central Government, the Energy Saving Obligation Allocation Plan and regulations for cost-benefit analysis of efficient CHP plant and requirements for efficient cogeneration of heat and electricity.

Estonia's 2030 National Energy and Climate Plan (NECP 2030) states that in 2030, final energy consumption must remain at 32-33 TWh (Estonia's economy is growing, so significant measures are needed to keep consumption at the same level). The general energy saving objective of 14.7 TWh for the period 2020-2030 applicable under Directive 2012/27/EU (the Energy Efficiency Directive) Article 7 will help keep final energy consumption at the same level. Reduction of primary energy consumption by 14% (compared to the peak of recent years) in the period 2020-2030 is set as a target. Estonia is capable of reducing primary energy consumption by steps such as modernising the shale industry.

## 2. Status of the implementation

### 2.1 Legislative provisions

This table contains information on how the EED has been implemented by article, including any relevant web links.

EED Article	Implementation status
<b>Article 4</b>	As a result of the EED revision the Long Term Renovation Strategy as specified by Art 4 now falls under the Energy Performance in Buildings Directive.
<b>Article 5</b>	Estonia has taken a default approach in renovation of public buildings. To achieve the target, roughly 30 thousand m <sup>2</sup> should be renovated annually. The Riigi Kinnisvara AS, appointed as a manager of state real estate services to the executors of state authority by the Ministry of Finance, has a leading role to ensure achieving the target. Estonia has so far managed to renovate at least 3% annually.
<b>Article 6</b>	This article was transposed to national law with the Energy Management Coordination Act and its subordinate legislation. Minimum energy performance reagination for products, buildings and services purchased by the government were adopted by the Government. Energy efficiency standards are compulsory in public procurements carried out by central government institutions.
<b>Article 7</b>	<p>Estonia will use only alternative measures to fulfil the obligations under Article 7. National target for cumulative savings under Article 7 is 7.1 TWh. The most important measures to fulfil this target are taxation of energy products (with fuel and electricity excise), support schemes for energy efficiency investments in public and private sector financed from state budget. MoEAC as a coordinator of energy efficiency policy carries out annual monitoring of the results of policy measures.</p> <p>The planned measures are confirmed in the Energy Saving Obligation Allocation Plan with responsible authority and planned savings.</p> <p>There are different implementing authorities responsible for energy efficiency measures and measurement.</p> <p>The Tax and Customs Board collects taxes on data which MoEAC uses to calculate energy savings.</p> <p>Implementing authorities: SA Kredex, The State Shared Service Center and Environmental Investment Centre implement measures and collect necessary data. MoEAC uses this data for calculation and reporting.</p>

EED Article	Implementation status
<b>Article 8</b>	<p>The Energy Management Coordination Act includes an obligation for large enterprises to perform an energy audit after every 4 years. There are roughly 150 companies subject to this requirement. The first audits were requested from the companies in January 2017 and every four years thereafter. MoEAC updates the list every year. e-Business Register is used to compile the list of obligated parties based on fiscal year report. Energy audit results with energy audits are uploaded to an online database. Consumer Protection and Technical Regulatory Authority is responsible for monitoring and evaluation of results.</p>
<b>Articles 9-11</b>	<p>The issues related to metering are regulated in Electricity Market Act, Natural Gas Act, District Heating Act, Energy Management Coordination Act and their subordinate regulations. The network operator has to provide every final customer with remotely readable device. Electricity consumption is remotely readable for all final users. Biggest gas consumers are equipped with remotely readable devices.</p> <p>EED article 9b states that in multi-apartment and multi-purpose buildings with a central heating or central cooling source or supplied from a district heating or district cooling system, individual meters shall be installed to measure the consumption of heating, cooling or domestic hot water for each building unit, where technically feasible and cost-effective in terms of being proportionate in relation to the potential energy savings. MoEAC carried out an analysis which concluded that such meters are not cost-efficient in Estonia.</p> <p>The billing issues are regulated in the Electricity Market Act, Natural Gas Act, District Heating Act, The Energy Management Coordination Act and their subordinate regulations. Eesti Jõujaamade ja Kaugkütte Ühing worked out a methodology and guidance document with market participants to best display the information required on the bill.</p> <p>The access to metering and billing information on the internet is free of charge and every customer can use this data.</p>
<b>Articles 12 and 17</b>	<p>According to the Energy Management Coordination Act, the activities to ensure consumer information and their empowerment are carried out by the MoEAC. One of the recent developments to increase consumer knowledge and better involve them, is a <a href="http://www.energiatalgud.ee">www.energiatalgud.ee</a> website update which promotes knowledge about energy markets, including energy efficiency.</p> <p>The Energy Management Coordination Act stipulates MoEAC to carry out information and training activities related to Article 17 implementation.</p>
<b>Article 14</b>	<p>MoEAC carries out a comprehensive assessment and takes findings into account when planning new measures.</p>
<b>Article 16</b>	<p>The Energy Management Coordination Act states that the MoEAC should continuously analyse the situation with qualification, accreditation and certification schemes and intervene if the schemes need an upgrade. The Professions Act regulates the qualification system. Estonian Qualifications Authority is responsible for issuing professional qualifications.</p>
<b>Article 18</b>	<p>Promotion of the energy services in Estonia is a task of MoEAC.</p>

EED Article	Implementation status
Article 15	Estonia carried out an analysis to map energy efficiency potential in gas networks: <a href="https://www.mkm.ee/sites/default/files/1_lopparuanne_-_gaasisusteemi_energiatohususe_suurendamine.pdf">https://www.mkm.ee/sites/default/files/1_lopparuanne_-_gaasisusteemi_energiatohususe_suurendamine.pdf</a> . The national regulatory authority is taking into account energy efficiency in monitoring and coordination processes.

## 2.2 Implementing bodies

The Ministry of Economic Affairs and Communications is responsible for implementation of EED.

The Ministry of Finance is responsible for renovation of public buildings.

## 3. Implementation of revised EED articles

As a result of the EED revision of 2018, implementation did not lead to implementation of new legislation. Changes were done in the Energy Management Coordination Act, its subordinate legislations and the Natural Gas Act.

## 4. Relevant information