

## ESOS IMPLEMENTATION: AN INDUSTRY PANEL DISCUSSION

**This paper was put together following the CBx evening event in October 2015 which aimed to shine a spotlight on industry uptake of the Energy Savings Opportunity Scheme and detailed the enforcement approach. An open discussion of the challenges, opportunities and learning outcomes from the process thus far across the industry concludes with recommendations for future phases.**

The Energy Savings Opportunities Scheme (ESOS) is a mandatory energy assessment and energy saving scheme within the UK that implements Article 8(4) of the European Energy Efficiency Directive (EED). The intention is to promote the implementation of energy efficiency measures within existing buildings and transportation portfolios. The official deadline for companies to submit their Declaration of Compliance to the Environment Agency (EA) is by the 5th of December 2015, which has subsequently been extended to late January and then mid-April.

The primary objective of the EA enforcement approach is to bring participating organisations into compliance. It is thought that this will be mostly achieved through enforcement notices (EA, 2015). Civil penalties are only to be used in the most serious of cases, while compliance notices, which act as

request for further information, can be issued only if an offence is suspected.



While there have been several updated guidance documents from the EA on how to comply with ESOS, there are still several common issues from the current compliance phase of ESOS that have been brought up from companies and consultants alike. These include:

1. The boundaries for selecting participating companies
2. Back loaded demand for lead assessors
3. Quality of the lead assessor
4. Split incentives between landlords and tenants

Furthermore, despite the EED stating that the data used in energy audits shall be storable for historical analysis and tracking performance, this would appear to be for the benefit of individual companies rather than industry.

“The validated data from ESOS could be invaluable in improving the performance of the UK’s energy efficiency through research and/or benchmarking perspectives.”

- Emma Bleach, CBx

### KEY FINDINGS:

- Overall, the first Compliance Phase of ESOS was intended to engage and sense check the scheme and indeed, ESOS has engaged with companies that have not previously considered their energy usage, audited their portfolio or considered saving opportunities in both energy and cost
- The next phase should incorporate the impact on not only energy and cost efficiencies, but also the impact on the occupant.
- Furthermore, the common or most implemented recommendations from the outcomes of ESOS should be presented to the whole market to engage with companies that did not qualify.

### FULL REPORT:

<http://cbxchange.org/knowledge/white-paper-esos-implementation/>

### MORE INFORMATION:

[www.cbxchange.org](http://www.cbxchange.org)

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