

# ENERGY LABELLING FOR LOCAL SPACE HEATERS: APPLES TO ORANGES

#### SUMMARY

- During the Consultation Forum of the 10th of September 2019, a discussion paper from the European Commission on the combination of the energy label for local space heaters (Lot 20 products) and air-to-air heat pumps (Lot 10 products) was discussed ;
- We believe that Lot 10 and Lot 20 products should remain in separate energy labelling schemes as :
  - 1) local space heaters and air-to-air heat pumps can both provide heat but have distinct sets of functionalities for which distinct performance criteria have been set ;
  - 2) keeping Lot 20 and Lot 10 products on separate energy labels is necessary in order to implement the flexible grid management that local space heaters allow for and that is necessary for RES development ;
  - 3) merging the two energy labelling schemes would make it more difficult for consumers to make informed purchase decisions as it would lessen the quality of the information they are provided ;
  - **4)** a common energy labelling scheme would discourage innovation and investment by making it impossible for local space heaters to ever reach the highest categories of this new larger energy label class.

#### I. Similar purposes, distinct sets of functionalities

It is logical, and supported by existing legislation, that for two products to be given a comparable energy label, they should have similar functionalities. Yet, local space heaters and air-to-air heat pumps have distinct functionalities as acknowledged in Regulation (EU) 2015/1186<sup>1</sup>.

Contrary to Lot 20 products, Lot 10 products can provide both heating and cooling functions. Additionally, Lot 20 products aim at heating one room, whereas Lot 10 products can cool/heat more than one room. These functional differences justify that Lot 20 and Lot 10 products should be maintained on two distinct energy labelling schemes.

#### II. Flexible local space heaters allow for flexible grid management

Performance of space heaters cannot only be assessed in terms of energy efficiency : flexibility should also be taken into account as it contributes to achieving the objectives set in Regulation (EU) 2017/1369, Recital 9 *"This Regulation contributes to the development, and market uptake of energy smart products, which can be activated to interact with other appliances and systems, including the energy grid itself, in order to improve energy efficiency or the uptake of renewable energies".* 

In this regard, **smart local space heaters bring much added-value for grid management** as they can be configured and controlled from a distance in real-time. The **flexibility provided by smart local space heaters can also contribute to the development of renewables in the energy mix**.

<sup>&</sup>lt;sup>1</sup> Regulation (EU) 2015/1186, Recital 5 "the typical use [of Lot 20 products] and therefore also energy consumption of local space heaters is different to that of other space heating products being regulated". This latter is one of the reasons why the Regulation sets "a labelling scale different to that of other space heating products."



#### III. Enabling consumers to make informed purchase decisions

The main purpose of energy labels as stated in Regulation (EU) 2017/1369 is to *"enable customers to make informed choices based on the energy consumption of energy-related products."* 

This mission statement implies that **customers have to be properly informed of the characteristics and energy consumption of energy-related products**, which cannot be reconciled with the prospect of merging 11 energy-classes into 4 (there are currently four active classes for Lot 10 products and seven active classes for Lot 20 products, which would be reduced to two classes for each sub-type of a product with a merged label).

Creating a new larger energy label class would result in :

- artificially drawing all air-to-air heat pumps at the top of the energy scale, which is precisely what Regulation (EU) 2017/1369 is supposed to prevent as stated in Recital 16 and which would blur the lines between the most energy efficient air-to-air heat pumps and the less energy efficient ones ;
- b) **artificially pulling all local space heaters to the bottom of the scale**, which would blur the lines between the space heaters that are smart, flexible and energy efficient and the ones that are not.

Due to air-to-air heat pumps and local space heaters having distinct functionalities as well as different average price points, both appliances will remain in demand in the coming years. We strongly believe that a common energy label would result in making it more difficult for consumers to see which product is the most energy efficient within the product category they intend to purchase.

#### IV. Incentivising investment and innovation

Manufacturers have channelled significant investment towards local space heaters over the last years. This investment has fostered breakthrough innovation and the emergence of a new generation of smart local space heaters that enable flexible energy use and increased energy savings.

Pulling local space heaters to the bottom of a combined energy scale with criteria that would be solely based on energy efficiency and would not reward flexibility would disincentivise manufacturers from pursuing their investment and innovation efforts as even the most advanced and energy efficient products would be relegated to the bottom of the scale.

Innovation and the deployment of technologically-advanced space heaters are still very much needed as the market is currently dominated by old or technologically-obsolete local space heaters produced outside of the EU. In order to foster the market uptake of European-made smart and energy efficient local space heaters, the Commission should be mindful not to hinder investment and innovation.

For all these reasons, we strongly believe that future legislation should remain consistent with Regulation (EU) 2017/1369 and Regulation (EU) 2015/1186 and that energy labels for air-to-air heat pumps and for local space heaters should remain distinct.



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### STRATEGIC OBJECTIVES

- ✓ To promote technologies that help reduce greenhouse gas emissions
- ✓ To support the growing use of renewable sources in the energy mix
- ✓ To encourage **energy efficiency** improvements of buildings
- ✓ To stimulate the development of **clean mobility** technologies
- ✓ To consolidate energy independence, both at national and European levels



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