

Response to the Inception Impact Assessment (IIA) on the possible revision of the Energy Efficiency Directive (EED)

Total shares the Green Deal's ambition of climate neutrality in the EU by 2050 and communicated in May 2020 on its Ambition for Net Zero across all its production and energy products used by its customers in Europe by 2050 or sooner (scope 1+2+3). Energy efficiency improvements are key for realising that ambition.

Total has improved the energy efficiency of its operated sites by more than 10% since 2010 and maintains its efforts to improve further at this pace. Through its affiliate Greenflex, the Group also helps its customers to improve their energy efficiency by offering them strategic advice, operational assistance, digital solutions and financial support. These efforts are key elements to realise the Group's ambition for climate neutrality.

The EED can play an important part in establishing a clear, predictable and strong regulatory framework to provide the right incentives for low-carbon investments and behavioural changes.

Total invites the EU Commission to consider the following points:

Cap on energy emissions instead of cap on energy consumption

We strongly support an objective to put a cap on the carbon emissions from energy use by 2030 and are convinced it is much more effective than putting a cap on energy consumption – as in the current EED – for the following reasons:

- Several technologies that will be vital to address “hard-to-decarbonize” sectors have high energy requirements. For example, clean hydrogen needs massive power generation from solar & wind to be produced at scale and play a role in achieving the Green Deal objectives. It is the same for synthetic fuels and other emerging technologies such as Direct Air Capture.
- The management of the intermittency of renewable power generation requires increased need for power storage which also implies a higher energy consumption to compensate for energy losses (during storage and release from storage : batteries, hydropower, hydrogen as storage ...). An absolute target for primary and final energy could work out to be an obstacle for the large-scale deployment of these technologies.
- The relocation of some industry sectors into Europe – for reasons of security of supply or health considerations – will also require additional amounts of energy. On the contrary, an absolute cap on primary and/or final energy consumption could work out to be an obstacle giving an incentive to delocalize some of the energy intensive activities.

Minimize overlapping policies effects

Several regulations are addressing the different aspects of the European energy. The exemptions under Art. 7 of the existing directive are necessary to address overlapping of the various regulations and to minimize the negative associated side-effects.

These exemptions are addressing specific sectors, such as:

- Vehicle efficiency standards and measures to improve infrastructure for transport.
- EU ETS for industrial activities (as listed in Annex I to Directive 2003/87/EC).
- Energy Efficiency for Buildings Directive.

Transparency

Total is advocating for a correct and accessible information reporting which is a key driver for changing consumption behaviour. We encourage to increase the measures to inform the public about energy performance of products and services and to expand them to inform also about carbon footprint.

Raw material use

Some Energy products such as electricity and biogas, are also used as raw materials for industrial applications, for example to produce hydrogen, ammonia & fertilizers, chlorine & polymers... This use should be reported separately and not be included in energy efficiency targets.

As Total, we are committed in the energy transition and have the ambition to reduce drastically our greenhouse gas emissions including through the support of our customers to reduce theirs. Energy efficiency is an important tool to realise the primary goal of emissions reduction.

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