

Summary of discussions

Exchange of views on the definition of a valuable Smart Readiness Indicator (SRI) for buildings: a smartEn workshop with the business community

24 January 2019

Christiane Mann, SVP Strategy and Operations, Schneider Electric and smartEn Chair of the Board welcomed the representatives of the 20 organisations around the table (7 smartEn members, 13 non-members) and shortly presented smartEn and the agenda of the SRI workshop.

Michael Villa, Senior Policy Advisor, smartEn highlighted the proposal of the first consortium lead by VITO and outlined the next steps for the definition of the SRI. He reiterated that the objective of the workshop was to have an exchange of views with the business community on the SRI developments before its finalisation in mid-2020.

He moderated the discussion which was focused around 4 topics:

CONSISTENCY WITH THE EPBD REVIEW

- Participants manifested their alignment on the equal importance of the 3 key functionalities¹ outlined in the EPBD review. Some representatives highlighted that the 8 impact scores² identified by the VITO consortium could be grouped into 3 categories in order to fully reflect the 3 key functionalities set in the EPBD review. A weighting mechanism could also be considered.
- Some participants highlighted the competition as well as the complementarity between energy efficiency and flexibility, which could have an impact on the SRI. For example, some solutions can lead to better energy efficiency, but not contribute to the flexibility of a building (e.g. lighting), while other solutions can improve the efficiency of a building and also contribute to its demand-side flexibility (e.g. efficient domestic heat pumps).
- A transparent standardised methodology should clarify how the SRI proposed by the VITO consortium should reflect the differences in building types. If a weighting mechanism is introduced to reflect these differences, it should apply to all buildings of the same type across Europe.
- Some participants pointed out that the SRI does not include all Technical Building Systems. For example, elevators are not considered either in the EPBD or in the current SRI methodology. However, they can be key assets in assessing the smartness of a building: they affect energy consumption, but can also play a role as an energy storage asset to enhance demand-side flexibility of buildings.
- It was also highlighted that as the SRI has a focus on energy, and stays within the scope of the EPBD review, safety/security sensors are not considered.

QUANTITATIVE

- The SRI should make sense for the building occupant, for investors and for market participants – it should be an easy and simple tool. Participants expressed a sense of urgency to deploy a simple indicator on the market in mid-2020 which could be improved in later revisions.

¹ Readiness to facilitate maintenance and efficient operation of a building, Readiness to adapt in response to the needs of the occupant and Readiness to adapt in response to the situation of the energy grid.

² Energy savings on site, flexibility for the grid and storage, self-generation, comfort, convenience, wellbeing and health, maintenance & fault prediction, information to occupants.

- All participants agreed that the objective of the current SRI, as set in the EPBD review, is to express the “readiness” of a building, i.e. its potential for smartness. Qualitative information fits this purpose, and is easier to deploy.
- All participants recognised the value of a quantitative evaluation, but acknowledged that data covering all the 3 key functionalities/8 impact scores are currently not available. Quantitative data are easier to attribute for some impact scores rather than for others. If the SRI is too complex in its first deployment, it will not be picked up by Member States and the market. Costs might also increase. As the SRI is a voluntary tool, a balance should be found between SRI attractiveness, complexity and costs for its definition.
- All participants believed that the SRI should be deployed as soon as possible, with improvements and additions in the next revisions. In particular, all participants would welcome the definition of transitional steps for the SRI evolution to a quantitative score, or the possibility to have add-on quantitative data to the current SRI. A possible quantitative evolution of the SRI requires the definition of metrics which will provide data on the actual performance of a building. This will take time.
- However, most buildings currently do not have the edge infrastructure required as a basis for a quantitative, data-driven indicator.
- Some participants questioned whether having a quantitative SRI would help to drive the market for digital and decentralised energy resources further compared to a qualitative SRI.

OPEN TO INNOVATION

- While BACS are well supported by standards and their contribution is duly reflected in the proposed SRI methodology, some lighting solutions, humidity control and water leakage detection systems are currently excluded in the streamlined catalogue of services defined by the VITO consortium because they are not supported by standards.
- Standards rarely provide information on all 3 key functionalities set in the EPBD review, e.g. a standard can focus on efficiency, while overlooking demand-side flexibility.
- All participants agreed on the need to foresee a regular revision/update of the current qualitative SRI to consider new innovative technologies/services in the methodology and also to assess the relevance of services which might change over time. An industrial panel/technical committee should be established to ensure a proper revision of the SRI methodology over time and take stock of experiences across Europe on the SRI implementation. A 3-years revision period was suggested, in line with the standardisation processes.
- Participants agreed that such a regular revision to include innovative solutions makes more sense for a qualitative indicator rather than for a quantitative one.
- Comparability of different SRI versions following the regular revisions should be ensured.

COHERENT

- The SRI should fit into a system of incentives and subsidies to boost the uptake of smart solutions. Some criteria based on the SRI could be set, for example for the allocation of EU funds, i.e. European Regional and Development Funds could be attributed for the upgrade of building to smart levels (or a number of buildings should reach a certain SRI score).
- A multiplication of indicators for buildings will not help occupants and the market. Existing (EPC) and forthcoming indicators (SRI, Levels and Building Renovation Passports) have some overlapping information (notably the energy performance of a building), but look at it from a different perspective. All participants agree that coherence must be ensured between the different indicators. An integration of all different indicators into a single one is not considered as an ideal option, but complementarity among them should be ensured. It is important that all Commission DGs involved in buildings are aligned and cooperate.

LIST OF PARTICIPANTS

ORGANISATION	NAME	ROLE
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APPLiA	Lenka Jancova	Smart Living and Competitiveness Policy Specialist
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