

The revision of the Energy Performance of Buildings Directive should allow all technologies to contribute to the decarbonisation of the EU's building stock in off-gas grid areas

40 million homes in the EU are not connected to the gas grid. In these areas the current fuel mix is still dominated by the usage of heating oil and coal. The revision of the Energy Performance of Buildings Directive (EPBD) opens an opportunity for policymakers to set up a pathway to cleaner and more efficient buildings in Europe. The rural and off-grid building stock should be looked at particularly closely due to their reliance on heating oil and coal, and given that nearly 25% of people in rural areas are at risk of poverty or social exclusion¹².

Liquid gases offer environmental benefits such as lower GHG emissions and less air pollution in comparison to heating oil and coal. At the same time, they are a cost-effective option for consumers facing financial difficulties, as they do not require expensive storage facilities and can be transported easily at ambient temperatures. In addition, renewable liquid gases (e.g. rLPG/bioLPG) act as a drop-in replacement for LPG, removing the need for new and expensive infrastructure. We are strongly convinced that consumers' choices and needs should be at the core of the new EPBD.

Liquid Gas Europe calls on Members of the European Parliament and representatives of the Member States in the Council to act upon the following recommendations:

1. Introduce a mixed technology approach to EPBD: use the potential of electricity as well as liquid gases to decarbonise rural buildings.
2. Ensure renewable gases such as rLPG, bioLPG and rDME are recognised for their contribution to the decarbonisation of buildings.
3. Increase consumers' awareness of indoor and outdoor air quality.

1. Introduce a mixed technology approach

The EU is characterised by a varied building stock that reflects the history, cultural traditions, geography and climatic conditions of its Member States. Rural areas have a greater proportion of homes built before the establishment of building performance standards. Rural properties are more varied in shape and character than urban homes and are typically older, and therefore harder-to-electrify.

A one-size-fits-all approach based on electrification fails to consider the diversity of the EU's building stock and the different needs of rural and off-gas-grid households. Liquid Gas Europe believes that consumers' varying needs should not be overlooked. The new EPBD should not establish *a priori* which technology is the best to drive the decarbonisation of the EU buildings stock. Relying solely on electricity as a heating source for households or businesses in rural areas would require new infrastructure and new backup options to manage a

¹ In terms of share of population that is at risk of poverty or social exclusion, the figures are higher in rural areas (22.4%), compared to cities (21.3%) and towns and suburbs (19.2%), and in ten Member States the percentage of the population at risk of poverty in rural areas has risen since 2012. See: Eurostat (2019), Share of people at risk of poverty or social exclusion, analysed by degree of urbanisation.

² In 2015, The European Commission was provided advice that the scope of energy poverty is not confined to the electricity and gas markets but is prevalent in households that are not on the gas or electricity networks. Full report: Pye S., Dobbins A. et al., Energy poverty and vulnerable consumers in the energy sector across the EU: analysis of policies and measures (2015).



higher energy demand. At the same time, the transition of rural heating from heating oil to liquid gases and renewable liquid gases offers a great decarbonisation potential.

In this respect, any potential bans on boilers would hinder the decarbonisation process in off-grid and rural areas and would have a detrimental impact on the development of renewable liquid fuels in the future. Whether a heating technology is carbon-free or not depends on the fuel type, not the type of boiler.

Liquid Gas Europe believes that a mixed technology approach is the best solution to tackle the decarbonisation of buildings within the EU. The mixed technology approach would safeguard consumers' choices while guaranteeing that the 2050 climate targets are met cost-effectively.³

2. Ensure renewable gases can contribute to the decarbonisation of buildings

Rural buildings that are off the gas grid are often hard-to-electrify. As energy poverty is more widespread – almost 25 % of people in rural areas are at risk of poverty or social exclusion – and as the building stock tends to be older, deep renovations and electrification are not a realistic option for many rural households.

The current description of a “zero-emission building”, whose primary energy consumption is “fully covered by energy from renewable sources generated on-site” is concerning. Together with language on “zero direct emissions building” this would seem to prevent any building from using renewable fuels to generate renewable heat and/or renewable electricity on-site. This generated on-site requirement constitutes an unjustified market barrier. It would narrow down consumers' choices to solar power, wind turbines, and heat pumps while excluding the use of renewable gases such as bioLPG and rDME. This would be problematic for many buildings, including hard-to-electrify, rural buildings with limited space for solar PV and wind generation.

Liquid gases are highly compatible partners for hybrid heating systems. Removing the need for zero 'direct' emissions and the need for 'generated on-site' from the description would stimulate the development of renewable fuels for heating but also for on-site cogeneration from renewable fuels, thus enabling more of the building's electricity demand to be met by on-site generation.

BioLPG, rDME and other renewable gases, even if not generated on-site, are of non-fossil origin and provide immediate emissions reductions compared to other heating fuels. They have an important contribution to make in decarbonising the European building stock in new buildings and in reducing emissions from existing buildings.

3. Increase consumers' awareness of indoor and outdoor air quality

Buildings impact our health and well-being. Liquid Gas Europe welcomes the increased attention to air quality in the revised proposal. Besides increasing standards for indoor air quality, we believe consumers should become more aware of a building's impact on outdoor air quality.

EPCs should feature information on air pollutant emissions and indoor and outdoor air quality of buildings. For example, consumers are well aware of the impact of their mobility choices on air pollution, but this is not the case for their heating choices. We believe clear messages on the environmental impact of heating systems would help consumers choose less polluting heating options and thus improve local outdoor air quality.

Furthermore, the minimum energy performance standards should include standards related to air pollutant emissions and indoor and outdoor air quality.

³ Ecuity Consulting, (2019) “A practical approach: Analysis of Off-Grid Decarbonisation Pathways”, pp. 27-28



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About Liquid Gas Europe

Liquid Gas Europe is composed of national LPG associations, main LPG suppliers, distributors and equipment manufacturers of LPG and renewable LPG including bioLPG, renewable DME (rDME) and other drop-in and complementary gases.

Liquid gases are acknowledged in Europe as the clean, available and innovative alternative energy of choice, that brings great benefits today to all users and will continue to deliver even more value in the future.