



Brussels, 10/02/2016  
ENER B.3 LF/AV

**Subject: Minutes for the Vulnerable Consumer Working Group meeting held in Brussels on 26<sup>th</sup> January 2016**

The 4<sup>th</sup> meeting of the Vulnerable Consumer Working Group took place at the European Commission premises on Tuesday 26<sup>th</sup> January 2016 from 9:30-14:30. The list of participants and the agenda are attached (see Annexes I, II). The meeting was chaired jointly by Jan Panek, DG Energy and Carina Törnblom, DG Justice and Consumers. Below is a summary of the key points discussed at the meeting.

## **1. WELCOME**

**The Chair (Jan Panek)** welcomed the attendees. He presented the agenda which was adopted without additions.

## **2. Review of past VCWG**

**Eero Ailio** (DG ENER) summarized the work done so far by the VCWG and asked for comments/suggestions on the recommendations to be presented at the Citizens' Energy Forum in London on 23/24 February.

**Heidi Ranscombe** (Citizen Advice) recognized the value of validating the outcome from our discussions at the Citizens' Energy Forum as a milestone for the Working Group. With a renewed mandate from the next Citizens' Energy Forum, the work of the VCWG could continue. In the light of upcoming review of energy legislation, she further suggested that the group should be consulted in this regard. **Paolo Landi** (Fondazione Consumo Sostenibile) stressed the importance of broader participation of consumer organizations at the Forum to match that of the industry. The **Chair** (Jan Panek) supported this approach and invited DG JUST to see how/if they can facilitate such participation. He emphasized also to reinforce the collaboration with DG Employment.

## **3. Feedback on the Energy Poverty questionnaire**

**Oscar Guinea** (DG ENER) presented the results of the energy poverty questionnaire regarding the definition of energy poverty, indicators to measure energy poverty and policies to tackle energy poverty. He analysed 23 responses received from group members and considered these as a very valuable contribution for the energy poverty report that will be presented at the London Forum.

Following the presentation, several relevant topics were discussed. Some participants found that the issue of pricing was not recognized enough and raised the question if access to energy should not better be handled separately. To clarify the issue **Eero Ailio**

(DG ENER) recalled the distinction between lack of affordability and lack of access to modern energy services. While lack of access is more prevalent in developing countries, some households also in the EU lack access to modern energy services. Still, in the majority of Member States energy poverty refers to the lack of affordability, which is generally understood as the difficulty for households to pay for domestic energy services. **Oscar Guinea** (DG ENER) thanked the group for their useful comments; it was agreed that main parts of the discussion would be reflected in the final analysis of the questionnaire and the report on energy poverty.

#### 4. Reporting of the London Forum – state of play and next steps

**Eero Ailio** (DG ENER), presented the draft paper on "Energy Poverty in the EU: situation, definition and measures" building *i.a.* on the information from the survey and previous meetings of the group. It is structured around four main headings of which the first one, *the cost of energy bills*, describes the growing share of disposable income spent on energy bills that puts more and more households under the risk of falling in energy poverty. The *concept of energy poverty* considers that a common understanding of energy poverty is needed to help Member States, civil society and industry to start an informed dialogue about energy poverty. The third heading "*metric to measure energy poverty*" discusses relevant metrics to measure and monitor energy poverty to better understand the depth of the problem and to assess the impact of the policies that tackle energy poverty. *Providing targeted assistance* reflects the measures that Member States have put in place to alleviate and tackle energy poverty and identifies the good practices that can be shared across Member States. Finally, based on this content and the work from the VCWG-meetings the *Conclusions* include six brief statements<sup>1</sup>.

In the subsequent discussion, **Sébastien Doligé** (EURELECTRIC) underpinned the need for further clarification on the distinction between energy poverty and general poverty while several participants welcoming discussion on an integrated strategy in this regard. To measure metrics on energy poverty more efficiently, **Thomas Lowe** (EUROGAS) suggested being more specific on how to interpret income after paying energy bills in the conclusions. Furthermore he underlined the importance of national specificities with regard to defining energy poverty. **Paolo Landi** stressed the relevance of economic crisis and considered median income as a key parameter for describing energy poverty. Further comments were made on the importance of acknowledging housing tenure (**Davide Lanzillotti**, IUT) as a risk factor, managing disconnections and duly considering the financial consequences that the use of social tariffs may imply (**Sian Jones**, EAPN).

The group signalled an overall agreement about introducing a common generic concept of energy poverty which refers to the lack of access or the inability of a low income household to afford adequate domestic energy services. The group agreed also that any useful metric to measure energy poverty should account for household income and energy expenditure. Support was given also to using these concepts and indicators to improve the quality and comparability of energy poverty data which in turn facilitates evidence-based policymaking and research. In terms of measures the group confirmed the need to combine short term (social policy) and longer term measures (energy efficiency) to combat energy poverty while considering the impact of each measure on consumer bills and competition (notably market entry and choice).

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<sup>1</sup> Annex 3

Additional comments were invited by 10 February after which DG ENER would circulate a final draft report taking due account of the comments received.

## **5. Review of EU Energy Legislation**

**Guilio Volpi** (DG ENER) gave a presentation on "Renewable Energy Directive and best practises on renewable energy self-consumption". Within the broader Energy Union goals of secure, sustainable, competitive and affordable energy through a fully integrated internal energy market he highlighted the role of energy efficiency as an energy source with its own right. He outlined the main measures in order to ensure that Europe remains the world number one in renewables, the current and projected RES deployment situation as well as the key issues and timetable of the review of the Renewable Energy Directive.

## **6. Target Assistance for Vulnerable Consumer and Energy Poor**

**Adam Krawczyk** (Senior Statistician of the Scottish Government) presented the research conducted on energy efficiency in private sector dwellings. This research was carried out to assess possible levels of minimum energy efficiency standards for dwellings at the point of rent or sale. He highlighted the importance of gathering housing condition together with household data to understand the level of energy poverty and the possible policies to reduce it. The Scottish Government is working with stakeholders to develop and to pilot "Scotland's Energy Efficiency Programme", which will offer support to all buildings in Scotland to improve their energy efficiency rating; this programme will be launched in 2017/18.

## **7. Closing**

The **Co-chair** (**Carina Törnblom**, DG JUST) informed that the final version of the discussed energy poverty report will be presented at the Citizens' Energy Forum in London on 23-24 February.

She concluded the meeting by thanking all for active participation and recalled that the next meeting is likely to be held in April/May pending on the results of the London Forum (further details will follow).

**ANNEX I**  
**List of Participants**

Mr	AILIO	Eero	DG ENER B.3	European Commission
Ms	CLAERBOUT	Marie	ENGIE	France
Ms	CORNELIS	Marine	NEON	European Commission
Ms	COSAC	Arina	OFGEM	United Kingdom
Ms	FIRLOVA	Katerina	ERO/CEER	European Organisation
Ms	FONDI	Ludovica Sara	CEDEC	European Organisation
Mr	FRIEDEL	Michael	DG ENER B.3	European Commission
Mr	GRAHAM	Cosmo	University of Leicester	United Kingdom
Mr	GREVISSE	Francois	FdSS	France
Mr	GUINEA	Oscar	DG ENER B.3	European Commission
Ms	HAASOVA	Jana	ERO CZ	Czech Republic
Ms	JONES	Sian	EAPN	European organisation
Mr	KRAWCZYK	Adam	Scottish Government	Scotland
Ms	LAWNA	Maria	EASME/EC	European Organisation
Mr	LANDI	Paolo	Fondazione Consumo Sostenibile	Italy
Mr	LANZILLOTTI	P. Davide	International Union of Tenants	European Organisation
Mr	LOWE	Thomas	EUROGAS	European Organisation
Ms	LUBGANE	Krista	Ministry of Economics	Latvia
Ms	MARIN	Nadia	DG JUST	European Commission
Mr	PANEK	Jan	DG ENER B.3	European Commission
Mr	PICHLER	Florian	E-Control	Austria
Ms	RANSCOMBE	Heidi	Citizens advice	United Kingdom
Ms	SAIJETS	Heli	Ministry of Employment	Finland
Ms	SUTO	Timea	Ministry of National Employment	Hungary
Mr	SZYMANSKI	Akadiusz	Ministry of Economy	Poland
Ms	TÖRNBLOM	Carina	DG JUST E.6	European Commission
Ms	VARVESI	Marina	AISFOR	Italy
Ms	VIVARELLI	Silvia	EASME/EC	European Organisation
Ms	WARDAL	Katarzyna	EFIEES	European Organisation

## ANNEX II



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR ENERGY

Directorate B - Internal Energy Market  
**B.3 - Retail markets; coal & oil**

### **VULNERABLE CONSUMER WORKING GROUP AGENDA**

**Brussels, 26 January 2016, 09:30 - 14:30**

Venue: Meeting room DM 24 03/047 - SALLE G.HANREICH  
Rue De Mot 24, 1040 Brussels

- 09:30      **Welcome:** Jan Panek, Head of Unit B.3, DG ENER and Carina Törnblom, Head of Unit E.6, DG JUST
- 09:45      **Feedback on the Energy Poverty questionnaire**  
➤ Summary of the responses  
Presentation and Q&A  
*Oscar Guinea, DG ENER B.3*
- 10:30      **Coffee Break**
- 10:45      **Reporting to the London Forum - state of play / next steps**  
➤ Draft paper 'Energy poverty in the EU: situation, definition and measures'  
Presentation and discussion  
*Eero Ailio, DG ENER B.3*
- 12:30      **Lunch Break**
- 13:30      **Review of EU Energy Legislation**  
➤ Renewable Energy Directive and Best practices on Renewable Energy Self Consumption  
Short Presentation and Q&A  
*Guilio Volpi, DG ENER C.1*
- 14:00      **Targeted Assistance for Vulnerable Consumers and Energy Poor**  
➤ Minimum energy efficiency standards in houses for sale or rent. The case of Scotland.  
Presentation and Q&A  
*Adam Krawczyk, Scottish Government*
- 14:30      **Closing**

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### **ANNEX III**

1. The concept of energy poverty refers to either to the lack of access or the inability of a household to afford adequate domestic energy services.
2. Any metric used to monitor the level of energy poverty should account for household's energy needs and household income after paying for the energy bill.
3. Member States must improve the monitoring of energy poverty. Starting with the concept of energy poverty proposed in this paper, Member States should establish a metric to measure the level of energy poverty. The experiences in England and Austria represent good examples on how to measure energy poverty.
4. Better information of the housing stock is required. A House Stock Condition Survey linked to the National Household Budget Survey will inform policy makers about the social characteristics of the households and the physical characteristics of the houses where low-income and vulnerable households live.
5. Financial support through the welfare system remains the most effective measure to provide instant support to households facing energy poverty.
6. Energy efficiency programmes should allocate a share of their investments to be spent on the energy poor and vulnerable households or the most deprived areas.