bmk.gv.at

Federal Ministry Republic of Austria Climate Action, Environment, Energy, Mobility, Innovation and Technology

Electricity Cross-border Committee

Directorate-General for Energy European Commission

Reference number: 2022-0.858.490

ENER-ELEC-CROSS-BORDER-COMMITTEE@ec.europa.eu

Mag. Dr. Jürgen Schneider

Director General

Section VI – Climate Action and Energy

JUERGEN.SCHNEIDER@BMK.GV.AT

+43 1 71162 612400

Postal address: PO.Box , 1000 Vienna Address: Stubenbastei 5, 1010 Vienna

E-mail replies should be sent to the above e-mail address, quoting the reference number

Vienna, 01.12.2022

Notification pursuant to Article 19 (2) of Council Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices;

Austria - planned demand reduction measures

Dear Madam/Sir of the Electricity Cross-border Committee!

Please find below the reporting of the planned measures in Austria to achieve the demand reduction required pursuant to Article 19 (2) of Council Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices.

Council Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices ("emergency-regulation") provides in Article 19 (2) for the obligation of Member States to report to the Commission no later than by December 1st 2022 on the measures planned under Article 5 of the regulation to achieve the required demand reduction. With the following report, Austria complies with this requirement and may present the planned national measures:

The legal basis for the overall implementation of the electricity demand reduction requirements in connection with Article 5 of the emergency-regulation will be created by the Electricity Consumption Reduction Act ("Stromverbrauchsreduktionsgesetz", SVRG), which is to be enacted. At the time of reporting, this draft is in the parliamentary process and adoption is expected in the coming weeks. In parallel, the state aid notification procedure of the SVRG before the European Commission (EC) has been started. The SVRG will enter only into force after the approval of the EC.

A reduction in total monthly gross electricity consumption by 10 % compared to the average of gross electricity consumption in the corresponding months from November 1st to March 31st in the five preceding consecutive years, shall be achieved by member states on the basis of the requirements of Article 3 of the emergency-regulation.

This requirement is complemented by Article 4, which requires Member States to reduce electricity consumption by an average of 5% during peak hours in the period December 1st 2022 to March 31st 2022.

The peak hours comprise 10 % of the hours in the period from December 1st 2022 to March 31st 2022 (i.e. 290.4 hours), with the expected highest gross electricity consumption that cannot be covered by energy from renewable sources (photovoltaic, wind, etc.). This method of identifying peak hours was chosen over day-ahead wholesale market prices since targeted savings in hours with high gas consumption also contribute to improving the future security of supply by limiting gas withdrawal from storages.

The SVRG provides for a two-step procedure to determine the peak hours by the transmission system operator (Austrian Power Grid AG), in which electricity consumption is to be reduced:

- **First step determination of timeframes:** Timeframes with the highest gross electricity consumption are determined on a daily basis using the electricity consumption of the last five years. The transmission system operator does this in advance for the entire period from December 1st 2022 to March 31st 2022. The timeframes are, based on historical consumption data, between 8 a.m. and 12 p.m. and between 5 p.m. and 7 p.m. on weekdays.
- Second step determining the peak hours within the previously identified timeframes: Within the predefined timeframes, peak hours are determined two days in advance based on the forecasted electricity generation from renewable sources. Hours in which consumption of fossil-generated electricity is expected to be highest (due to low wind speeds or clouds) are to be targeted as peak hours to reduce electricity consumption. Information on the identified peak hours will be made available free of charge and publicly accessible, among other things via the government website energie.gv.at. This is intended to maximise the voluntary demand reduction potential (see below) and minimise the extent of tendered consumption reductions.

The SVRG foresees two types of measures to achieve electricity consumption reduction with regard to the requirements Article 4 of the emergency-regulation (these measures will also contribute to reach the target of Article 3):

Priority should be given to the potential of voluntary measures. Voluntary measures include in particular awareness-raising measures, such as targeted saving appeals to the population as well as energy efficiency and renovation measures. The savings that can be achieved through mere changes in behaviour as a result of high electricity prices should also be included in the reduction target. A detailed list of planned measures to achieve a voluntary reduction in electricity consumption can be found in Annex 1 (see attached document).

• In addition to the voluntary measures and in case savings from voluntary measures are not sufficient to specifically meet the requirements of Article 4 of the emergency-regulation in individual peak hours, tenders for electricity consumption reductions can be carried out in order to achieve the binding reduction target of 5 % on average. A competitive procedure by means of tenders will be used for industrial and large-scale consumers to determine a mandatory reduction in electricity consumption at the most favourable price that is financed from the federal budget.

In the event that tenders are used, the SVRG also lays down essential key points for the tendering procedure:

- The transmission system operator Austrian Power Grid AG conducts the tenders for electricity consumption reductions.
- Subject of the tenders are binding electricity consumption reductions of 2 hours each
 during peak-hours. In addition to electricity consumers, also aggregators that combine
 consumption units into a larger pool are eligible to participate. The minimum bid size is
 2 MWh (megawatt hours) and the electricity consumption reduction can be provided as
 desired in the respective 2 hours.
- The bids that cover the demand reduction at the lowest costs are awarded.
- After the award, the beneficiary is obliged to reduce the electricity consumption in case the bid is activated. Only in this case the beneficiary receives a remuneration for the actual reduction, the solely award is not remunerated.

An overview over the planned demand reduction measures can be found attached in Annex 1. Please do not hesitate to contact us, should any further information be required.

Attachement:

Annex 1 - Demand Reduction Measures

Best regards

On behalf of the Federal Minister

Mag. Dr. Jürgen SCHNEIDER

Reporting of electricity demand reduction measures pursuant to Article 3.2 of the Council Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices

Measures taken and their impact over period 1 November 2022 - 31 March 2023

Short description of measure

M-A Energy saving campaign "Mission 11"

The campaign was launched on September 12, 2022 right before the start of the heating season, and aims to enable Austria's households to collectively save an average of 11% of their total energy needs for electricity, heating, hot water and mobility. The savings are intended to be achieved by small changes in behaviour, simple actions and without spending a lot of money. The campaign will last until the end of March 2023, thereby covering the whole heating period.

M-B Energy saving measures for obtaining an energy cost subsidy for companies

As a funding prerequisite for obtaining an energy cost subsidy, companies have to set the following energy saving measures: No outdoor lighting and shop window lighting between 10:00 p.m. and 6:00 a.m.; no heating in the outdoor area, especially no use of outdoor radiant heaters; no permanently open shop doors: doors that open and close automatically should not be kept open permanently; energy audit: mandatory for large companies that receive between EUR 2 and 50 million in funding (energy cost subsidy for companies).

Affected customers

households (4 million Austrian households)

companies

M-C Other subsidies

Domestic environmental subsidy program: provides around 180 million euros in subsidies per year for energy carrier change and/or energy efficiency improvement as well as the expansion of district heating, focusing on company projects but also projects of associations and municipalities.

White goods exchange subsidy program: budgeted with 10 million euros for low-income households; the program will support the replacement of white goods such as refrigerators, fridge-freezers and washing machines with particularly high energy consumption by appliances with lower energy consumption. A further 5 million euros will be made available to intensify energy advice for low-income households all over Austria.

households, building owners of multistorey residential buildings, companies, associations, municipalities

M-D Temperature reduction

Lowering the room temperature to 19 degrees Celsius in public buildings as well as at work places in the private sector and in service buildings and industrial buildings.

Temperature reduction in public transport vehicles: Reduction of temperature in the passenger compartments of public transport vehicles (e.g. underground trains, trams, regional buses). Abandonment of the heating of short-distance means of transport such as gondolas, cable cars, chair lifts.

employees of the public sector, employees of the private sector, public transport passengers

M-E Limitation of lighting

Limitation of public lighting in the outdoor area: Reduction of dispensable or purely representative lighting and the exterior lighting of sites as well as monuments and landmarks owned by/under the jurisdiction of the federal government. No Christmas lighting. Reduction of the intensity of street lighting in public spaces.

Optimisation of indoor lighting: Installation of motion detectors, no permanent lights; installation of LED luminaires; reduction of luminosity, use of dimming function if available.

public sector,
industry/commerce

M-F Consumption reduction in operational processes: Possible measures include: Insulation of pipelines and renewal of damaged insulation systems; reduction of leakages in compressed air systems; load curve analysis; carrying out energy audits / introducing energy management systems.

industry/commerce

M-G Optimization of heating system and fuel switch

Optimisation of existing heating systems: Possible measures include: Hydraulic balancing; maintenance and annual heating system check; insulation of heating pipes; adaptation of the heat distribution system in operation (reduction of flow temperature, optimised flow control); optimisation of heat pump settings (optimisation of heating curve); night setback; keeping the temperature of condensing boilers below 60 degrees; checking the water pressure.

Public sector fuel switch: Connection to district heating of properties where the connection option is already available in the heating centre or in front of the property. Photovoltaic offensive on federal buildings: Evaluation and implementation of renewable generation systems on existing federal buildings and car parks.

households, public sector, industry/commerce, owners or community of owners of a building