# Standards and Regulations for Energy Audits

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How can policy better support SMEs in the pathway to Net Zero? (Energy Saving Trust) - Climate Change Committee (theccc.org.uk)





The EN standard for energy audits, EN-16247 provides the basis for the International Standard ISO 50002 for energy audits

ISO 50002 and EN 16247 can be used within the overarching ISO 50001 standard for energy management systems,

American ASHRAE standard







### **Energy Saving Opportunities Scheme**

UK large businesses scheme:

 All large undertakings must audit their energy use, in four-yearly cycles.

The audit must be carried out or reviewed by an approved assessor

- An option for ESOS compliance is ISO50001
- ISO50002/EN16247 <u>may</u> be used as a standard within ESOS energy auditing, particularly where compliance is demonstrated via the ISO50001 route
- "ESOS reports will use an existing auditing standard such as ISO 50002 or EN 16247 from Phase 4 onwards"
- A 2021 consultation discussed extending ESOS to more energy intensive SME businesses.



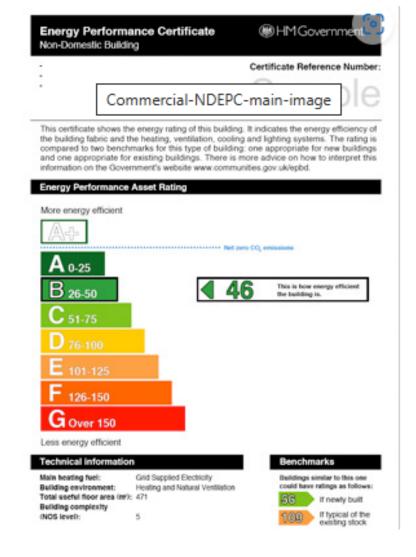




## Two other regulated assessments relevant to energy audits

- Non-domestic Energy Performance Certificate
- Required at point of sale or renting out of property. Based on "asset rating" assessment of energy performance of the building.
- Display Energy Certificate

Show the operational performance of a public building. Required for any building owned or occupied by a public authority.













#### **SME Energy Audits: The State of Play?**

- Growing numbers of level 1, online or phone based tools for initial energy assessments, often overlap with carbon foot printing tools?
- There has been a very limited SME market for level 2 and 3 audits?
  - SMEs don't tend to <u>pay for</u> energy audits (except for statutorily required EPCs)? Until the current crisis it has sometime been hard to give audits away.
  - Carbon Trust has delivered SME audit programmes, using its own audit methodology, for UK and Wales governments, and now delivers a commercial service of business energy audits
  - Business Energy Scotland audit programme on behalf of Scottish Government and using its own audit methodology (currently delivered by Energy Saving Trust).
  - Many regional ERDF/Shared Prosperity Fund programmes have developed their own audit approaches and/or rely on EPC assessments/assessors – mixed quality and often, in practice, building only?
  - Similarly some sector organisations (eg NFU) offering energy audits to their own methodology/using ESOS assessors.
- Some public support for transport and process energy reviews
- No widespread use/uptake of ISO50002/EN-16247 standard, certainly in SME sector?
  - This is very different from other countries where these standards are the basis of national energy audit support programmes for SMEs.

### Thoughts for programme delivery

Should a more standardised approach (eg based on ISO50002/EN16247) to energy audits be encouraged in the SME sector? How?

Where regional SME support programmes (ERDF & Shared Prosperity Fund) provide audits— should there be more shared learning and best practice?

Do free or heavily subsidised energy audits work in driving action? (at national at regional/local level) Are they a good idea?

What is the value of Level 1,2 and 3 audits? Do all SMEs need audits at all levels? Is there more potential because of the energy crisis?

How could government and regional policy makers support development of a market for SME energy audits?

How does the potential/market for SME audits differ between business sectors?



