

Energy Audit Scheme

Frequently Asked Questions

1. Why do I need to have an energy audit?

EU Legislation (Energy Efficiency Directive) mandates that large enterprises must have an energy audit of their operations by 5th December 2015.

2. Does it apply to me?

If your organisation has 250 or more employees (on payroll) , **or** if you have less than 250 employees but an annual turnover in excess of €50m *and* an annual balance sheet total in excess of €43m, then this requirement applies to you.

If you are a Public Service Organisation /Body (as defined in SI 426 of 2014) and you meet the threshold outlined above then the audit obligation applies to you.

For public service organisations with individual buildings, any one of which has a total useful floor area of over 500 m² or an annual energy spend in excess of €35,000 this requirement will apply in due course. The application of this will be introduced on a phased basis – phasing details of eligibility thresholds and timescales – will be published in the Public Sector Energy Efficiency Action Plan later this year.

3. Are there derogations?

Yes, certain derogations are in place to accommodate companies that already have extensive energy analysis of their operations. In general, companies must ensure that 70% of their total primary energy use is captured either within an audit or one of the derogations below:

- a. If you have a Greenhouse Gas Emissions Permit (ETS Participant), then your business is exempt, but:
 - i. You must be able to demonstrate, with evidence, that this is the case;
- b. If you have ISO 50001 certification, you may be eligible for a derogation, but:
 - i. You must have valid certificate on December 5th 2015 (certification typically lasts three years, with annual compliance checks);
 - ii. You must satisfy yourself that the approach taken meets the minimum audit requirements set out in the Annex VI of Energy Efficiency Directive. See details at: http://www.seai.ie/Your_Business/Energy-Auditing-Scheme/Guidance-note-for-Enterprises.pdf ;
 - iii. The management system must cover at least 70% of your total primary energy and include all categories of energy use e.g. thermal, electrical and transport;
 - iv. If you have commenced implementation of ISO50001 through an SEAI Energy Agreement, whether through the Large Industry Energy Network (LIEN) or Public Sector Programme, then certification must be complete by June 2016. You must be in a position to demonstrate that your initial energy review is complete by December 5th 2015 to avail of this extension.
 - v. A Registered Energy Auditor will need to confirm that the report attached to the certification meet the required standard.

- c. If you have ISO 14001 certification, your enterprise is eligible for a derogation, however, any derogation will be on similar basis to (b) above.

4. I am part of a large enterprise, how do I decide if I need an audit?

The requirement is based on legal entity status. Each legal entity registered in Ireland must assess whether they fall under the requirement as detailed in Q2 above.

5. My parent company or sister companies in the UK are implementing ESOS, can I follow their scheme?

The ESOS scheme sets out how organisations are to comply for that jurisdiction. Any organisation that is an Irish legal entity, falling within the requirements of size and turnover outlines in Q2 above must comply with the requirements of the Energy Audit Scheme as defined in Ireland.

6. How much will the audit cost?

This will depend on the scale of your operation, and the amount of previous work carried out in understanding your energy use. SEAI will define the minimum standards for the audit in line with the requirements of the Directive, and publish a list of registered auditors. It will be up to individual companies to select an appropriate auditor and to negotiate any fees that apply.

7. What happens to my audit report?

SEAI will not require all audits to be submitted to them on completion. Audits may be required to be submitted in the context of quality oversight of the Register of Energy Auditors. Any detailed records retained will be used solely for that purpose.

8. Will there be penalties for non-compliance?

There are no penalties planned in 2015. However, it is planned that compliance assessment will begin in 2016 and penalties as provided for in the legislation will be introduced at this time.

9. How do I demonstrate compliance?

SEAI will *not* contact you directly in relation to this scheme in 2015. It is, however, important that you retain records and the auditor's report is on file to be in a position to demonstrate compliance with the December 5th 2015 deadline.

10. If I had an energy audit carried out in the recent past, does this meet the requirements?

This will depend on a number of circumstances:

- I. It must have been undertaken since September 2014;
- II. Completed by a person now on the Register of Energy Auditors;
- III. The audit must meet the minimum audit requirements as detailed in Annex VI of the EU Energy Efficiency Directive 2012/27/EU.

If the audit does not fully meet the above requirements it will still be useful as an information base for any new audit to be undertaken.

11. I have had an SEAI Advice and Mentoring Assessment, does this meet the requirement?

No, this does not meet the requirement. The SEAI advice and mentoring assessment is not an audit. Its output will, however, be of great assistance in preparing for the audit, and acting on the findings of the audit.

12. My organisation is made up of many geographically diverse sites; do I have to audit each site?

No, an overall audit of the operation can be prepared by gathering energy use data for all of the sites. A sample of sites with similar business operations can be audited in order to build a representative picture and this must equate to 70% of your total primary energy use in order to comply. This type of benchmarking audit can help to identify replicable projects and potential outliers

13. Do I have to implement the findings of the audit?

There is no legal requirement to implement the findings of an audit. However SEAI would encourage organisations to act, where possible, on recommendations. Energy audits can identify waste, which can be expensive for your company and the environment. Many energy savings initiatives are very cost-effective, and the Registered Energy Auditor should be able to help prioritise projects. It is hoped that the audit will highlight opportunities.

14. Can I use an internal Auditor?

Many businesses have highly qualified auditors in-house and they can undertake the audit to comply with the obligation but in order to sign-off on the audit, they must be a Registered Energy Auditor listed on the SEAI Energy Audit Scheme. In addition the audit itself must be signed off by a senior internal authorised signatory, e.g. CEO or senior director.

15. Are all sectors included?

The nature of work that your organisation carries out and the amount of energy your organisation uses are not relevant to whether you qualify for the scheme. The determining criteria relate to number of employees and / or financial measures set out in Q 2.

16. Where can I get more information?

Check the SEAI website where information will be updated regularly. If you have specific queries please forward to eas@seai.ie

17. How will I know the Auditor is competent?

Auditors will not be requested to provide samples of previous client audits to SEAI on application but SEAI will recommend to enterprises that they request examples with references relevant to their business area. Each enterprise can review this information and make an informed judgement as to the suitability of an auditor for their class of business. SEAI will also recommend useful tools to enterprises to assess auditor competence when procuring the service. The British Standards Institution (BSI) – ‘Publicly Available Specification (PAS) 51215: Energy efficiency assessment - Competency of a lead energy assessor’ specification would be the key example as it gives a methodology to assess the competency of a person for conducting an energy audit assessment. Hence it provides a consistent way for energy auditors with the right competencies to be identified.

SEAI will also recommend that three quotations are obtained from potential auditors prior to finalising an appointment.

18. What forms of transport energy use are included?

For **air or sea transport**; the fuel to account for would include that for journeys which start and/or end in Republic of Ireland. You do not need to include flights or trips which your own staff may have travelled on and for other journeys outside of this it would be your own decision as to whether or not to include it;

For **road freight**, you would include it where you pay for the fuel used in the vehicles for your business but if you hire/subcontract in a lorry and driver then the fuel they would use does not need to be taken into account as this would be included in the hire fee.

For **rail travel** you do not need to take this into account unless you operate and run the trains;

For **cars**, the fuel used in company cars, fleet vehicles on business use should be included. You may elect to include expensed travel based on the mileage accrued and the average consumption for the vehicles in use.

SEAI will augment and update this FAQ document periodically.