

Housing Supply and Affordability

WE DATA EUROPE'S CONTRIBUTION TO THE EUROPEAN COMMISSION'S CALL FOR EVIDENCE ON THE REGULATORY SIMPLIFICATION FOR HOUSING SUPPLY AND AFFORDABILITY



OUR RECOMMENDATIONS

1. Use metered-based EPCs to better target buildings renovations

The Energy Performance of Buildings Directive¹ already allows, under Annex I, the use of metered energy consumption data in the calculation of Energy Performance Certificates. Evidence from existing studies shows that significant differences can arise between energy performance assessments based on standardised calculated energy demand and those based on actual metered energy consumption.

A **2019 study by Prof. Dr.-Ing. Thomas Ackermann**² compared calculated energy demand, based on the German standards DIN V 4108-6/DIN V 4701-10 and DIN V 18599, with weather-adjusted consumption measured from actual meter readings in seven residential buildings. It demonstrated that the calculated energy demand for the same building was **up to 73% higher than actual metered consumption** and up to **173% higher** using the DIN V 18599 standard. The resulting energy-efficiency classes for the same building differed by **up to five classes** depending on whether a measured consumption solution was used or a calculated one was used.

The study consequently concludes that, for existing buildings, using energy performance certificates based on **metered-base data can provide a more objective picture of the actual energy performance than standardised demand calculations**. This helps better target the renovations, but also help improve their outcome, especially in multi-unit buildings.

2. Use submetering data to detect worst-performing units and improve renovation outcomes

Submetering enables continuous monitoring of energy consumption at both building and unit level, allowing for the rapid identification of inefficiencies and system malfunctions.

In **Poland**³, submetering data is used to establish thresholds that **trigger energy audits that enable the swift detection of poorly performing units**, when buildings exhibit excessive energy use. Data-based inspections and energy audits simplify the detection of anomalies and facilitate the early identification of inefficiencies. This ensures that corrective actions, including renovations, are taken in a timely and cost-effective manner, helping avoid unnecessary costs for consumers.

In multi-unit buildings, **energy consumption information provided to tenants can already complement the data contained in Energy Performance Certificates**, providing insights into actual heating and cooling patterns and the real-world energy performance of individual units.

¹ Directive (EU) 2024/1275, available [here](#).

² Thomas Ackermann, Energiebedarf versus Energieverbrauch oder Theorie versus Realität, Untersuchungsbericht, Fachhochschule Bielefeld, Campus Minden, Institut für Bauphysik und Baukonstruktion, 25 October 2019, available in German [here](#).

³ Polish Act of 10 April 1997, Article 45a, last amended on 15 January 2026, Energy Law, available [here](#), and Ordinance of 7 December 2021, available [here](#).

3. Favour digital metering systems over drive-by and walk-by solutions

The Energy Efficiency Directive⁴ mandates the installation of submeters or heat cost allocators in buildings supplied with a collective source of heat, cold, or domestic hot water, to ensure that consumption is billed based on actual use. **From January 2027, all submeters and heat cost allocators must be remotely readable.** Article 16 of the Energy Efficiency Directive allows Member States to determine whether walk-by or drive-by technologies qualify as remotely readable. While these technologies eliminate the need for physical access to individual units, they still require a technician to be physically present near the building to collect consumption data. This entails additional operational costs and limits the frequency with which consumption data can be collected and shared with consumers.

By contrast, **digital metering**, relying on IoT solutions, **eliminates the need for on-site intervention**, which simplifies data collection. It also enables **high-frequency consumption feedback** (i.e. up to every 15 minutes), which empowers consumers to better understand and adjust their behaviour, helping them take control of their energy use and spendings.

To maximise the benefits of digitalisation and strengthen citizen engagement, the Housing Simplification Package should **recommend Member States to prioritise digital metering over drive-by and walk-by solutions** in the roll-out of remotely readable meters, as the analogue fleet is progressively being replaced. For new submetering systems, **digital metering should become the standard.**

4. Water resilient buildings supporting housing affordability and availability

As highlighted in the Water Resilience Strategy⁵, ensuring the sustainability of Europe's housing stock also requires strengthening the **water resilience of buildings**. The Council Recommendations on the New European Bauhaus⁶ provide guidance on how water resilience can be better integrated into the building stock. It proposes ensuring that new buildings, as well as buildings undergoing major renovation, are **designed to enable smart water measurement and management**, where technically feasible.

We consider this approach, already enshrined in Danish legislation⁷, an important first step towards ensuring that new and renovated buildings are equipped with simple and cost-effective solutions that can **improve their long-term water resilience** and avoid a retrofit of their water system at a later stage.

Making the building stock as water-resilient as possible is also essential to **ensuring that new housing projects can be delivered**. In the Netherlands, for example, rising water demand is putting new construction projects at risk, at a time when the country is already facing significant housing shortages. Dutch water utilities have warned that, under current consumption trends, the national target of building 900,000 new homes may not be achievable without addressing growing pressure on water resources and infrastructure.⁸

⁴ Directive 2023/1791, available [here](#).

⁵ European Water Resilience Strategy, available [here](#).

⁶ Council Recommendations on the New European Bauhaus, available [here](#).

⁷ Danish Executive Order on Individual Metering of Electricity, Gas, Water, Heating and Cooling, available [here](#).

⁸ VSK (2024), "Too little drinking water for new construction projects", available [here](#).

A 2025 open-ended pan-European study⁹ demonstrated that apartments equipped with individual smart water meters consumed 25% less water than those that were not metered. However, there is currently no **EU-wide mandate for cold-water submetering**. Many residents of multi-unit buildings **receive little to no information on their water consumption** and are not billed based on their actual usage but based on a flat fee. This **lack of transparency** denies consumers the opportunity to monitor their usage regularly, adopt more efficient habits, and **detect costly leaks** in a timely manner, ultimately making them bear higher water-related cost in the long-run.

To address these concerns, we recommend that the Housing Simplification Package include a **clear mandate to ensure the installation of smart water meters in all new buildings and buildings undergoing major renovation**, where technically feasible.

In multi-unit buildings, **each dwelling should be equipped with an individual water meter**, ensuring that every consumer has access to timely and actionable consumption data to optimise their water use.

5. Prioritise better implementation over simplification using the full potential of digitalisation and data

Digitalisation and making a better use of the existing data available from buildings have the potential to improve the quality and cost-effectiveness of their renovations, while also **streamlining the implementation of the Energy Performance of Buildings Directive**.

The EPBD was required to be transposed into national law by 29 May 2026. To provide regulatory certainty and safeguard investment planning for relevant market participants, rather than simplifying the Directive, we recommend prioritising efforts on making its implementation as simple as possible.

The systematic use of submetering data and consumption information provided to tenants is a great example of implementation simplification that preserves the same level of ambition. In the long-term, it will be essential to **ensure that buildings remain affordable and liveable by keeping their associated heating, cooling and water costs as low as possible**.

⁹ WE Data Europe (2025), *Evaluating the role of water metering and submetering in reducing water consumption in buildings*, available [here](#).

Contact information

WE Data Europe - European Association for Energy and Water Data Management - AISBL (formerly E.V.V.E.)

International non-profit association - Association Internationale Sans But Lucratif (AISBL)

Avenue des Arts, 56, 1000 Brussels, Belgium

+32 280 11 395

office@wedata.eu

www.wedata.eu

EC register for interest representatives: ID number: 74838936515-43