

Views on the proposed draft energy efficiency rating scheme for data centres in Europe

Energy Efficiency for Europe (formerly EFIEES) is the voice of private energy service companies (ESCOs) and their national associations across Europe. Our members represent over 100.000 professionals committed to the design and implementation of energy efficiency measures in public and private buildings, industrial facilities, as well as to the efficient operation of district heating & cooling networks.

Energy Efficiency for Europe welcomes the Commission's intention to enhance transparency on the energy use of data centres, as well as its commitment to promoting renewable energy integration, improving grid efficiency, and enabling the reuse of waste heat, as reflected in the proposed amendments to the draft regulation on an energy efficiency rating scheme for data centres. As the EU strives to position itself as a global leader in digital technologies and Artificial Intelligence (AI), it is crucial that this ambition remains fully aligned with climate objectives and actively supports, rather than undermines, the energy transition.

The energy consumption of the information and communication technology (ICT) sector is increasing rapidly across both the EU and globally, with data centres at the heart of this growth. Beyond their significant energy use, the expanding data centre sector also poses challenges for electricity grids, carbon emissions, and environmental resources. In this context, the EU's digital strategy rightly underscores the need for highly energy efficient and sustainable data centres, calling for greater transparency from operators regarding their environmental footprint and operational performance.

The revised Energy Efficiency Directive already moves in this direction and addresses the data centre sector by requiring Member States to ensure that operators publish information on their energy performance and sustainability. The proposed draft provides an opportunity to build on this foundation and go further, notably **by recognising that the recovery and reuse of waste heat represent a significant and largely untapped opportunity to mitigate the energy impact of AI and broader digital expansion.** In this regard, we welcome the introduction of the concept and definition of “**waste heat reuse ready**” for data centres, whether newly built or retrofitted, capable of capturing and supplying waste heat to external users. This is a positive step towards embedding circularity and system efficiency into the design and operation of digital infrastructure.



However, **the proposed label in Annex I**, which simply indicates “waste heat reuse ready: yes or no”, **falls short of delivering meaningful transparency** and support to energy transition. This binary classification **does not distinguish between data centres that recover substantial volumes of waste heat and those that recover only marginal amounts**. As a result, it provides limited information to stakeholders and does little to incentivise ambitious or effective waste heat recovery and reuse practices. **A more graduated and performance based approach would better reflect actual outcomes**, support informed decision making, and encourage operators to maximise the recovery and utilisation of waste heat.

To fully encompass the importance of waste heat recovery, **the label should thus incorporate the Energy Reuse Factor (ERF)**. Annex III of the current Delegated Regulation (EU) 2024/1364 already identifies ERF as a sustainability indicator. **Including it in the newly proposed label would ensure regulatory consistency, enable a performance-based classification (from A to G) based on actual waste heat reuse**, and complement the proposed energy efficiency classes. This would make the label more informative, performance-driven, and aligned with the goal of promoting effective waste heat recovery, particularly in connection with district heating networks, while ensuring that the digital and energy transitions progress hand in hand.