

"Energy upgrading of public buildings through Energy Performance Contracts"  
Roundtable Discussion with stakeholders  
Athens, 5 July 2018

INTERNAL FACTORS

## CATALYSTS

### STRENGTHS

- Reliability at all stages of the project: design, maintenance, operation, construction
- Guarantee of energy saving results/ Certification of energy savings
- Dissemination of experience & know-how in municipalities
- Third party financing
- Flexibility in the design, implementation, maintenance & operation of the project
- Boost in construction activities
- EUROSTAT Guideline: for the EPC to be off-balance sheet, 50% of initial capital must be private -> **Opportunity for co-financing projects**

## BARRIERS

### WEAKNESSES

- Difficulty to allocate specific public revenues which may guarantee the loan payback
- Inability to manage hard interventions (e.g. envelope renovation)
- Inability to intervene in all public buildings, given the lack of public funding
- Need for reliable consumption data & dynamic access to consumer information (lack of smart meters)
- Comprehensive information - public/private partnership
- EPC Duration of at least 8 years, according to EUROSTAT
- Uncertainty in case of public buildings use change

EXTERNAL FACTORS

## OPPORTUNITIES

- New registry for ESCOs (coming soon)
- Infrastructure Trust Fund (coming in 2019)
- Large building stock
- Public financing available to support blending
- Municipalities: lack of own resources
- Job creation
- Opportunity to undertake operation and maintenance costs

## THREATS

- Legislative framework limiting the duration of EPC (same applies for all public contracts)
- Cautious approach by municipalities and citizens, due to confusion of EPC with a PPP and correlation of latter with mismanagement on behalf of the public sector
- Proper financial risk assessment
- Assurance of both parties (i.e. Germany)

Bundling with EPC | Combination of funding for different repayment terms  
Requirements and financial schemes by credit institutions

## ADVANTAGES

- Achieve economies of scale
- Risk management – Performance guarantee

## DISADVANTAGES

- Complexity of contracts
- Difficulty in procuring the project

## PREREQUISITES

- Optimization of portfolio mix
- Contract type selection (mixed, project, procurement)
- Certification of energy savings undertaken by EPC facilitator

Implementation of EPC | Challenges and measures to inform & strengthen  
public organizations | Proposals by the ESCOs

## ACTIONS PER STAKEHOLDER

### CRES

Institutionalization of its role as EPC Facilitator, part. relevant  
during the first period of implementation of EPC pilot projects

### MOU

Assistance in pre-selection  
of buildings

### EPC Facilitators

Together with CRES, act as EPC facilitators at local / regional level

Implementation of EPC | Challenges and measures to inform & strengthen  
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## ACTIONS PER STAKEHOLDER

### MUNICIPALITIES

Participation in training/capacity building workshops  
Arbitrary arrangement and ownership transfer of public buildings  
Elaboration of Energy Efficiency Building Plans  
Activation of energy auditors

#### HELLENIC STATICAL AUTHORITY

Collaboration with other  
stakeholders for clarifications  
on recent EUROSTAT guide.

#### INTERMEDIARY MANAGEMENT BODY - O.P. TRANSPORT, ENVIRONMENT, SUSTAINABLE DEVELOPMENT

Enable project realization  
through blending of funds

### HELLENIC MINISTRY OF ECONOMY & DEVELOPMENT

Combination of energy upgrading and static interventions/structural  
strengthening of buildings  
Enable blending of funds  
Review the 7-year limitation on public procurement  
contracts duration

Implementation of EPC | Challenges and measures to inform & strengthen  
public organizations | Proposals by the ESCOs

## ACTIONS PER STAKEHOLDER

### MINISTRY OF ENVIROMENT & ENERGY

- Reform of the ESCOs registry (voluntary procedure) – New specifications (coming soon)
- Clarification on the code of Conduct for ESCOs
- Special arrangements on the legislative framework for the implementation of pilot projects (integration of RES interventions) with special provisions enabling the uptake of such projects
- Provision for EPC facilitators
- Update of model contracts based on building use/ type of intervention

### ESCOs

Set up of an association of ESCOs

- Project certification
- Advocacy
- Bound by Code of Conduct

Tabling of proposals to the Ministry of  
Environment & Energy