

Energy Performance Contract

*financing energy efficiency through
guaranteed savings*

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agenda

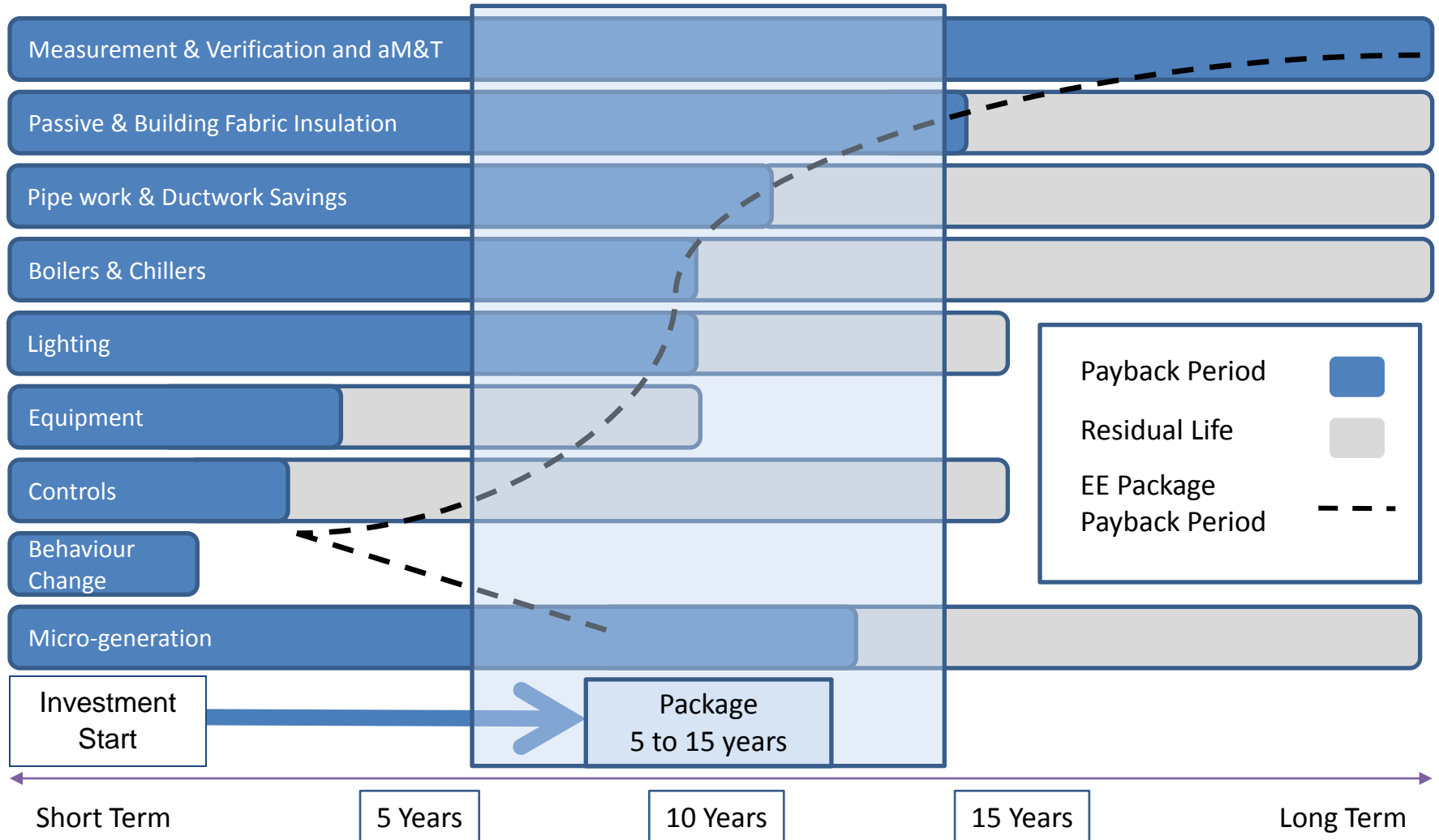
- Identify Measures
- Call Off Framework
- Guaranteed Savings

Identify Measures

- Project Register
 - Resource Efficient Scotland's Carbon Management Plan tool
- Whole Building approach for optimum impact
- SFT's Financial Model

Packaging up Measures to Achieve Ambitious Savings

(illustrative only)



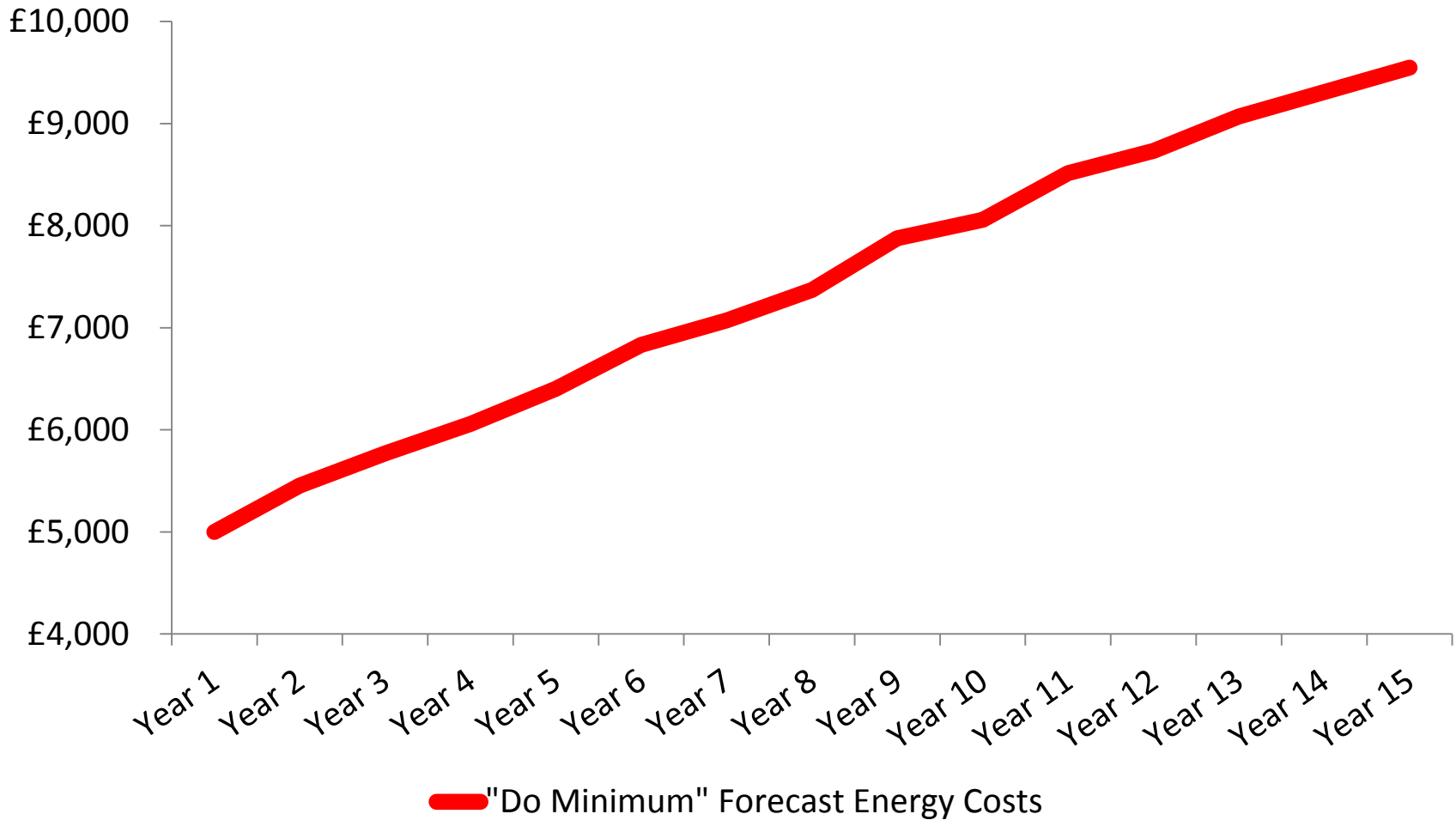
Using Financial Model

- Input your project register (from RES tool)
- Model calculates value of savings over term
- Calculates budget
- Produces outputs for Business Case

An example follows of an Authority with a £5m energy bill, investing £5m to save ~12% p.a.

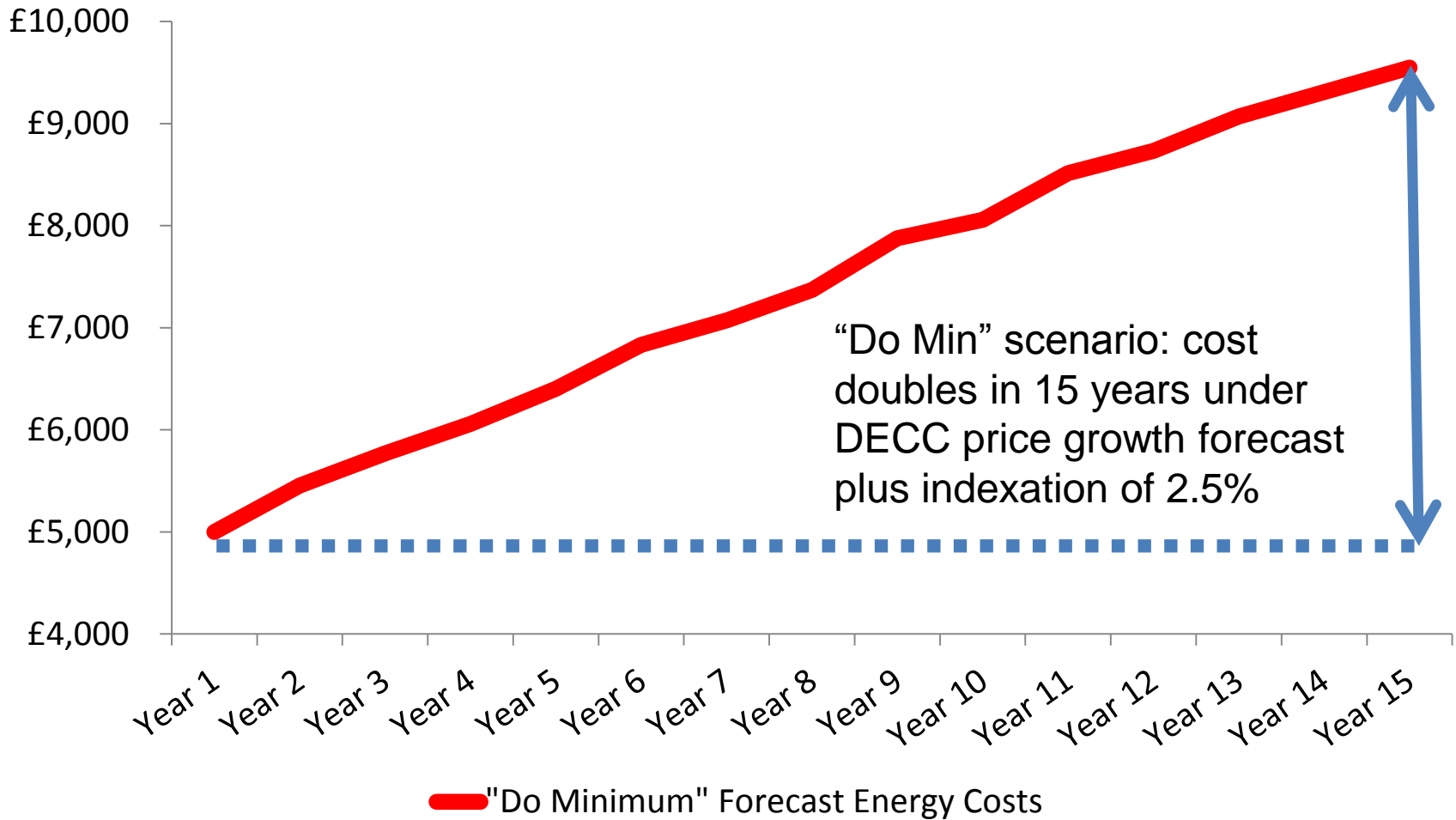
Forecast Energy Costs £000's

"Do Minimum" versus ambitious energy Strategy



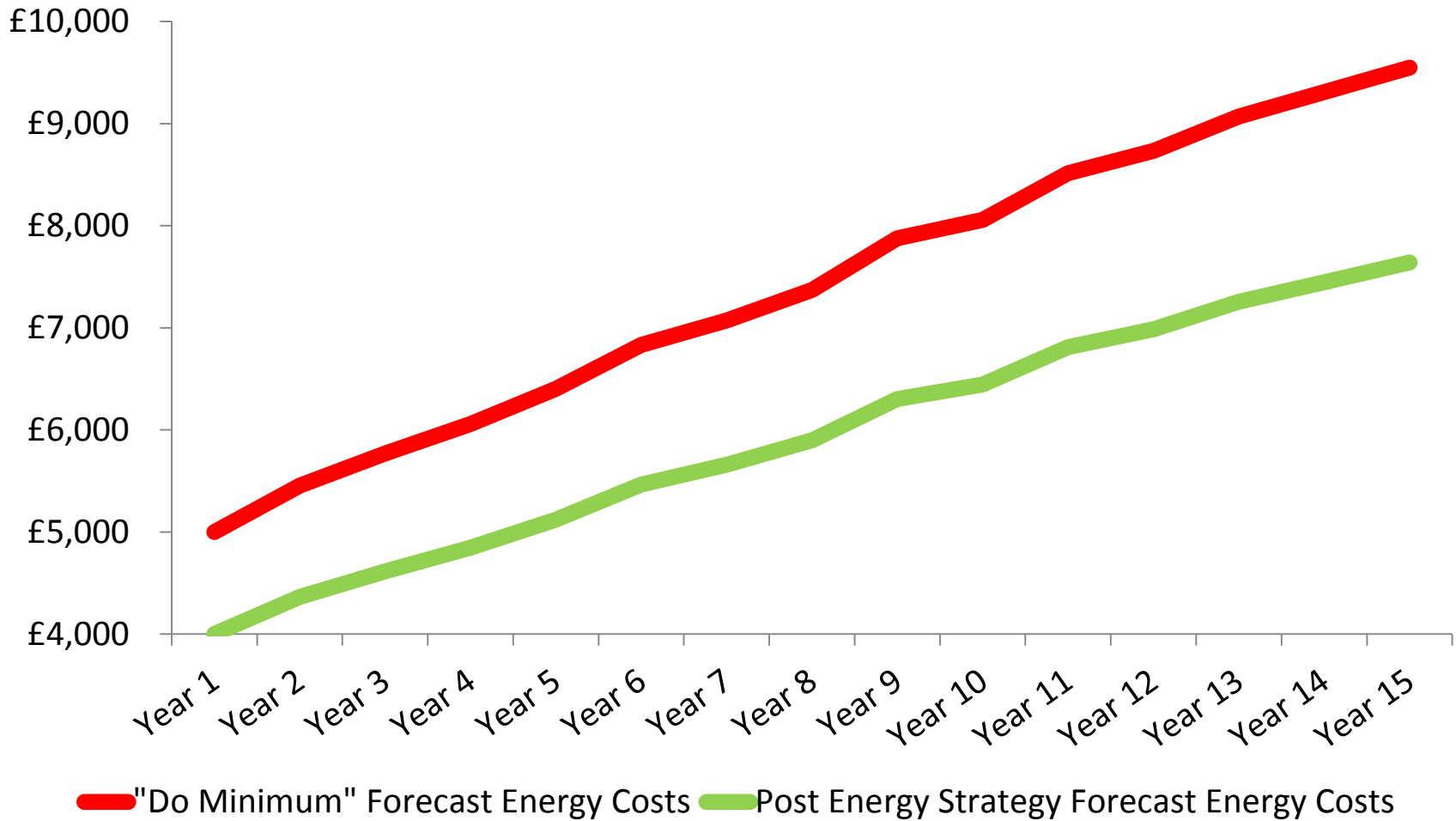
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"Do Minimum" versus ambitious energy Strategy



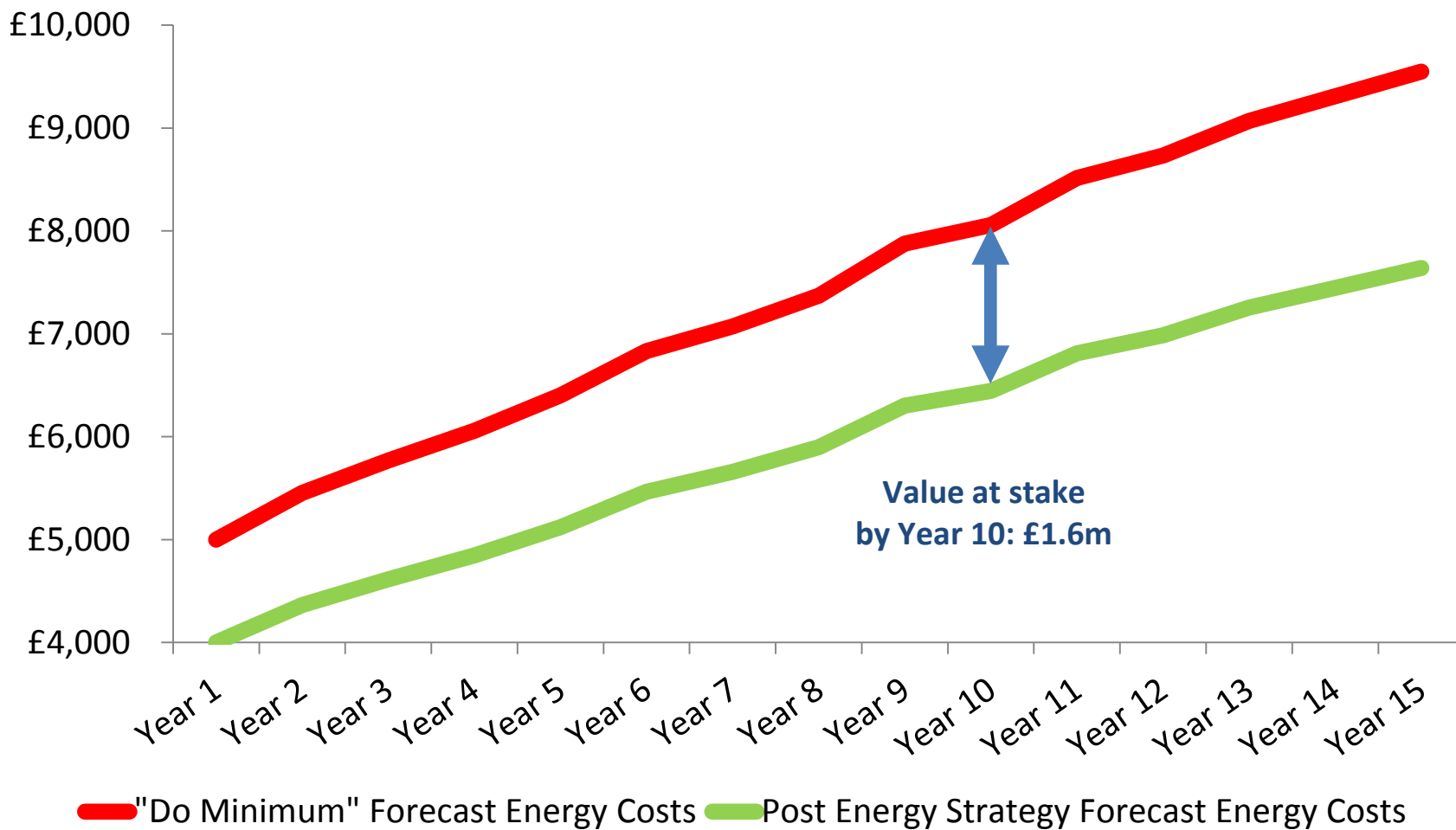
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Forecast Energy Costs £000's

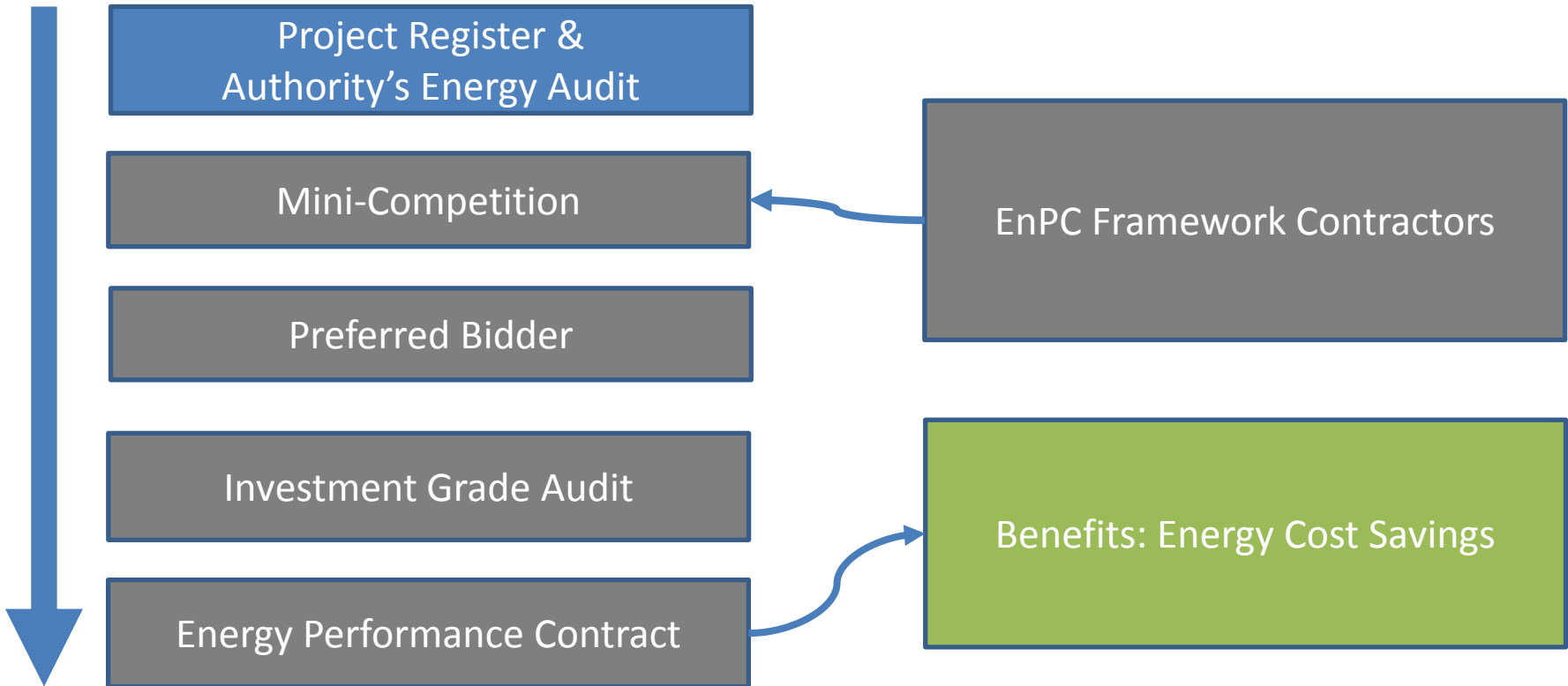
"Do Minimum" versus ambitious energy Strategy



Call Off Framework

- Pre-Procured Contractors
- Quick to call off
- No more OJEU

From Carbon Management Plan to Energy Performance Contract



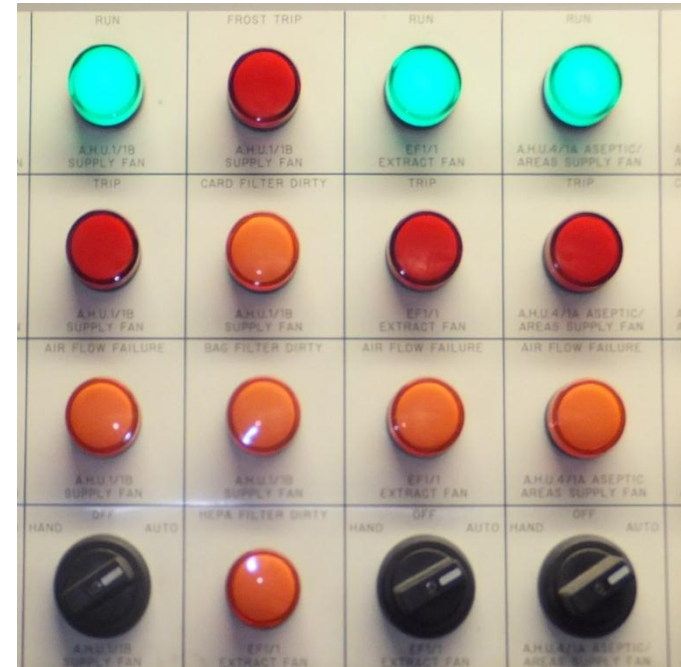
Support

Authority Led

Contractor Led

Energy Performance Contract?

- Level of savings guaranteed before signing
- Payment linked to meeting guarantee
- Self or Third Party Funded



Full In House

Partial In House

Minor EnPC

Partial EnPC

Full EnPC

On Capital Budget

On/Off Capital Budget

Off Capital Budget

- Guaranteed Savings
- Contract for financial penalties:
 - Deductions if savings not met
 - Deductions if service not delivered
- Contract for other remedies
 - Energy reporting to flag up failures & successes
 - Rectify / replace faulty ECMs

From Identifying Measures through Framework to Energy Performance Contract

- Support to access Framework
 - RES' Project Register tool
 - Authority's Energy Audit
- Guaranteed savings
 - Ambitious projects
 - Strength of Business Case
- Option of 3rd Party Finance
 - No upfront cost
 - Accelerated investment

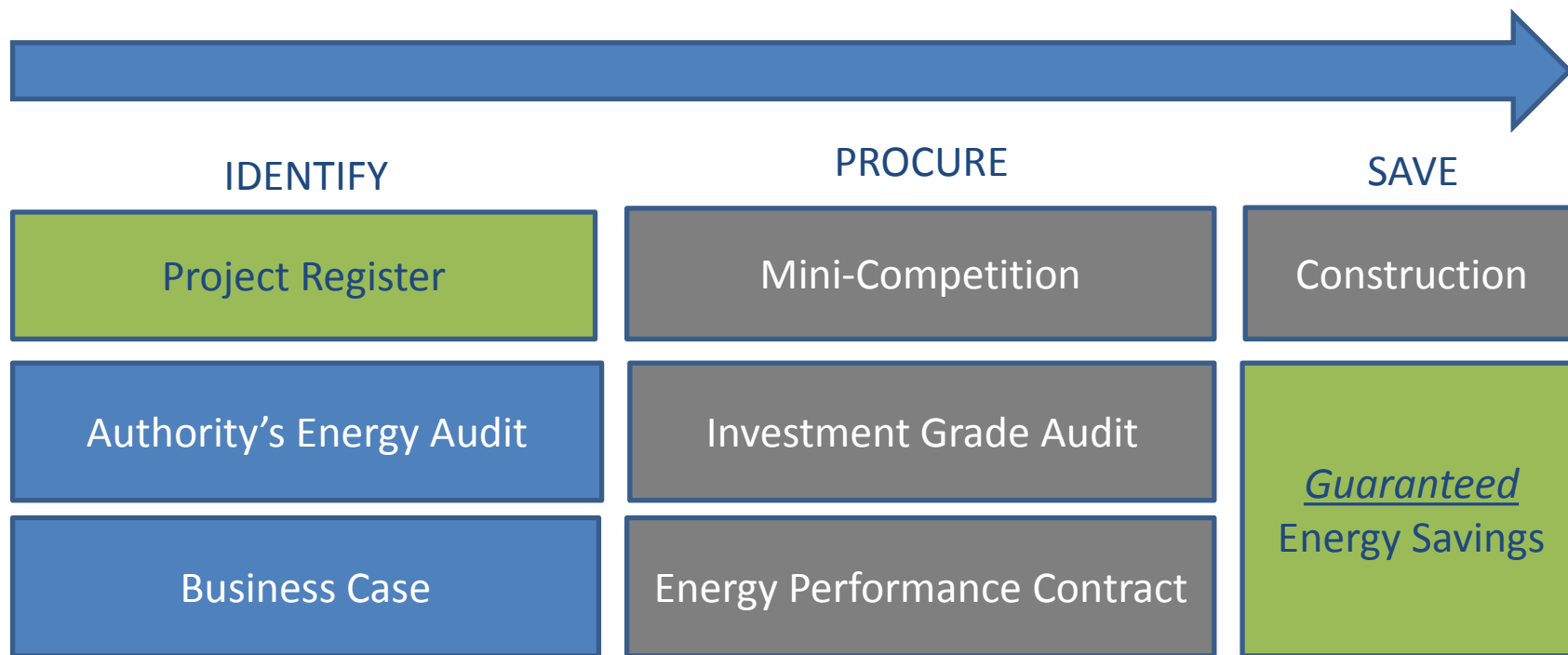
Questions?

- Framework
- EnPC
- Financial Model
- Other support

Further Information

- OJEU Process - Prior Information Notice
 - http://www.publiccontractsscotland.gov.uk/search/show/search_view.aspx?ID=JAN198074
- Background on Scottish Futures Trust
 - www.scottishfuturestrust.org.uk
- Resource Efficient Scotland
 - www.resourceefficientscotland.com

From Project Register to Guaranteed Savings - Overview

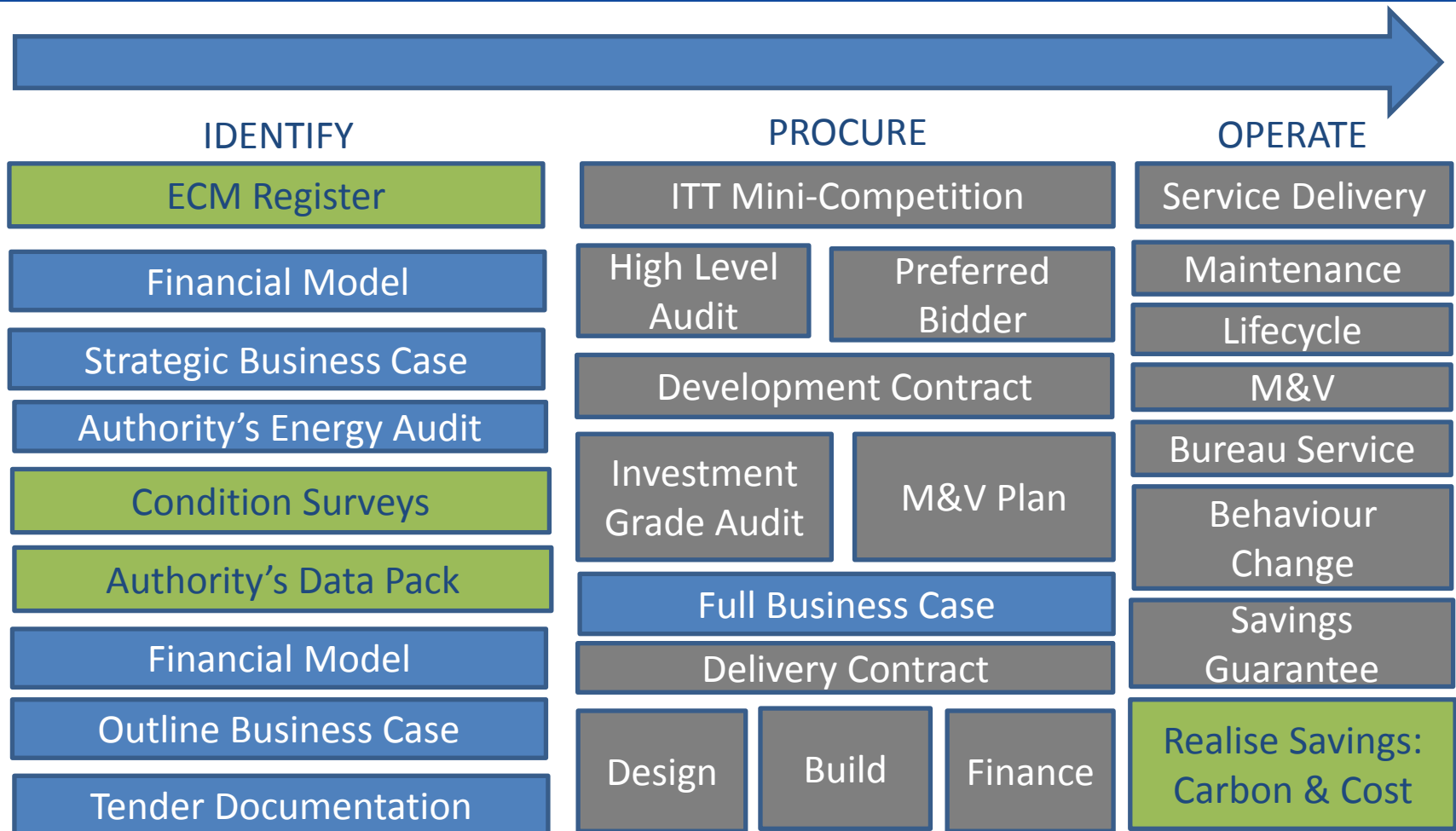


Support

Authority Led

Contractor Led

From Project Register to Guaranteed Savings - Detail



Support

Authority Led

Contractor Led