

Important to think of when you prepare for this training

- This training material is primarily prepared as a face-to-face / on-location training opportunity for a group of 8-15 persons, ideally representing 4-8 different SME clusters.
- It can also be carried out as an trainer-led online training event for the same type of group. Suggestions for adapting interactive elements in such a case are included, but some further adaptations may be needed.
- The target group include Trusted Partners (or potential new Trusted Partners) but also other stakeholders that may be involved in the activities of local energy collectives, e.g. energy auditors, energy experts, local energy advisors, etc.
- The training should be interactive – with the aim that participants will actively contribute and learn both from you and each others' experience.
- Interactive elements are marked with the symbol at the right. Sometimes alternative options are given. Choose and adapt, so that you do it in a way you are comfortable with, and that best suits the group.
- You will find explanatory notes about the content of the slides in the notes of this presentation as well as extra material to read. Some specific notes on how to lead the training are added under *Instructions to the trainer* and *Note for the trainer*.





Messages to convey in this training

- **Learn how to organise collective energy projects in business parks**
- Learn the benefits of collective energy projects for SMEs
- Learn how you can design the role as a Trusted Partner* in the process of organising collective energy projects
- Find inspiration for developing a way of working that is relevant to everyone's own situation

* This training is relevant to anyone who have/will have a coordinating/supporting role in relation to a local cluster of SMEs (a Trusted Partner) and want to address energy efficiency and sustainability in that role.

This can be people working with business park management, a local industry association, climate and energy advice, municipal business development, etc.

The training material combines theory on specific topics with concrete examples and interactive activities based on the participants' own experience.



Gear@SME
Saving energy together

Collective energy projects

LEVEL II – Unit B



This project has received funding from the European Union's H2020 Coordination Support Action under Grant Agreement No. 894356.





Who are we?

Insert your own
picture and contact
info





Key elements of previous units in this training module



What do we mean with ‘collective energy projects’?

- Implementing energy efficiency measures **together**
 - Two or more SMEs join forces
- A Trusted Partner takes a facilitating role, partly unburdening the individual SMEs
 - This role can be taken by one or several of the SMEs, or a business park association, but also in some cases a municipality or energy service supplier

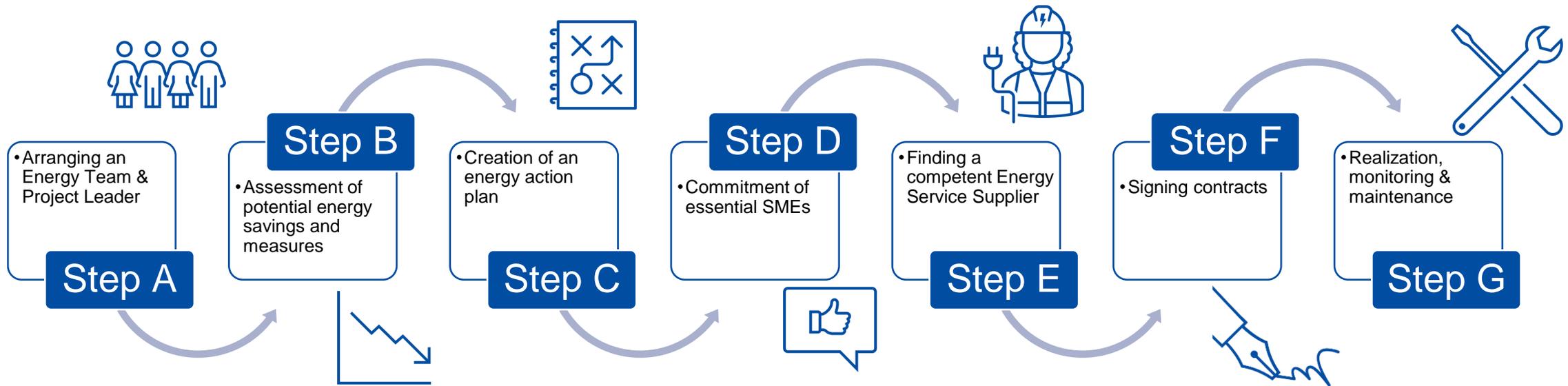
Examples of collective energy projects



Area	Building	Energy Culture of companies
<p>Buffering, Storage </p> <p>  PV on land</p> <p>Heat network </p> <p> Windmills</p>	<p>Solar panels </p> <p> Insulation</p> <p>Heating </p> <p> LED lighting</p> <p>Sensors </p> <p> Building management</p>	<p> Efficiency</p> <p>Individual SME Barriers AND Drivers</p> <p>Behavior </p>

Circularity	Transport
	

Generic overview of the process





Step A: Arranging an Energy Team & project leader

Function of an Energy Team

- Leading this process
- Support for you (Trusted Partner)
- Needs a project leader

An energy team can consist of:

- Several ambitious SMEs (e.g. 5)
- The Trusted Partner
- A representative of a business association

Outcome of this step: a dedicated energy team and selected project leader (problem ownership)



Step B: Assessment of potential energy savings and measures

Two approaches

- Energy audits for each SME (individual) > building-level measures
- Energy scan for the whole business area (collective) > area-level measures.

Not alternatives of each other, but strengthening each other

Outcome of this step: Identification of potential energy projects and their energy savings potential (needed for business case)



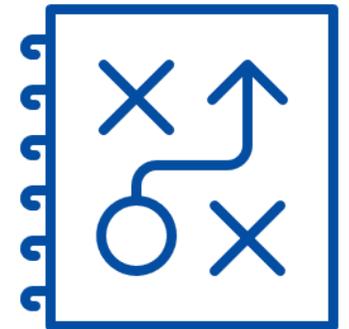


Step C: Creating an energy action plan

Elements included in the action plan

- Motivation and goal of the action plan
- Ambition of the business area
- Detailed description of the energy project
 - Which energy measures will be implemented, what actions are needed for this, and when will they be done?
- Division of tasks between members of the energy team
- Business case of the energy project

Outcome of this step: Selection of an energy project with a dedicated team, written down in concrete steps (action plan)





Step D: Commitment of SMEs in the business park

- Find commitment of major players in the business park to ensure support
- Develop a positive business case

Outcome of this step: sufficient support in the entire business park for execution of energy action plan

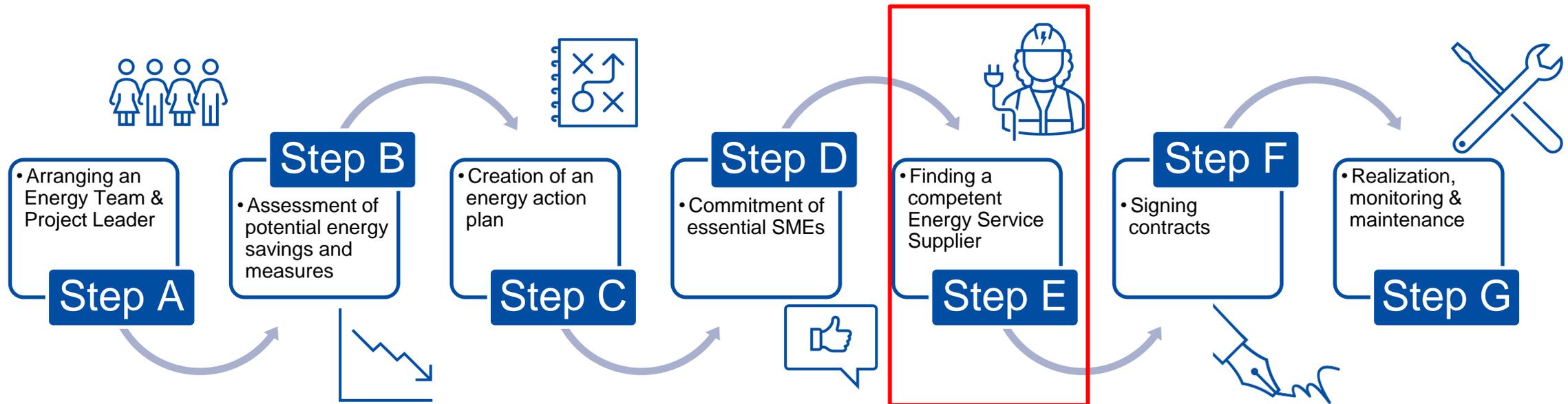




Finding an Energy Service Supplier



Generic overview of the process

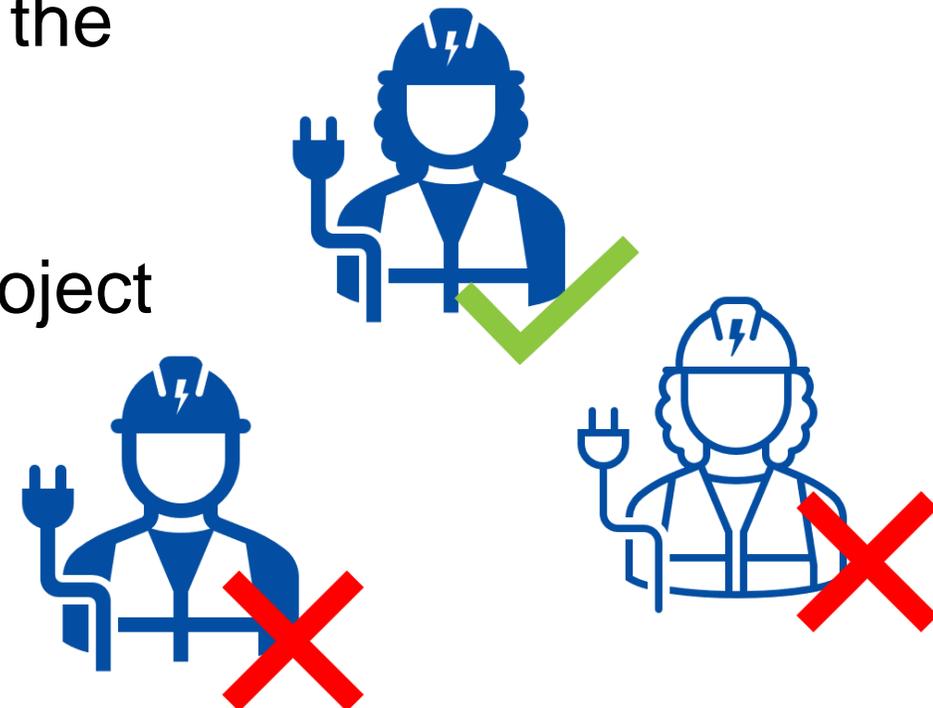




Step E: Finding a competent Energy Service Supplier

- Selection of a competent Energy Service Supplier (ESS) for the energy project
- Create project and investment plans for the energy project on SME level

Outcome of this step: selected ESS and project and investment plans per SME





What are Energy Service Suppliers?

- ESS provide **energy expertise and services**
 - Making audits and interpreting results
 - Help raise energy awareness
 - Guidance on energy financing
- ESS are energy consultants, ESCOs, grid operators, technology suppliers, etc.
- Level of involvement depends on the energy collective.



Role of the Trusted Partner

Dealing with Energy Service Suppliers entails for the TP:

- Support in selecting the right ESS
- Coordination and signalling of possible bottlenecks during the project
- Create, share and safeguard the procurement policy/standard

What is the right Energy Service Supplier?

The first step is to **formulate a clear goal** for selecting the ESS for a project.

For instance:

- *The ESS with the most knowledge/experience; and/or*
- *The ESS with the best price/quality ratio*
- *...*

Based on this goal, a list of **selection criteria** can be designed



Exercise

Compose a list of selection criteria for choosing an ESS in your business park



Selection criteria – an example

Criteria	Points
Appropriateness until what extent does the offer match with the required service?	Perfectly: 6 points Well: 4 points Weakly: 2 points Poorly: 0 points
Value for Money what is the quality/price ratio?	Outstanding: 6 points Well : 4 points Weak : 2 points Poorly: 0 points
If possible, grant requests to local and regional suppliers	Local/regional supplier: 2 points Non-local/regional supplier: 0 points
Sustainable procurement: ECUB designed a certificate for this purpose. Suppliers map in which phase of the certificate they reside.	Step 5 and higher: 6 points Step 3 and 4: 4 points Step 1 and 2: 2 points Step 0: 0 points
Social Return On Investment (SROI)	Supplier actively involves people with a distance to the labour market : 2 points Supplier does not involve people with a distance to the labour market : 0 points.



Finding Energy Service Suppliers.

The third step is to **compose a longlist of suitable ESS.**

For this, you can use:

- Databases
- ESS you know from experience
- ESS that are already suppliers for SMEs in the project



Grading Energy Service Suppliers

- When the longlist is completed, the ESS should be scored based on information you can find about them.
- After scoring the ESS, create a **shortlist** (of for instance the best 3) that you will approach and ask for a tender.



Writing a tender

- In the tender, formulate
 - The **goal** of the collective project
 - The **specific request**
- List the specific subjects that should be included in the offer
- Add a deadline for handing in the offer

Selecting the right Energy Service Supplier

The following questions help to see if, based on the tenders, an ESS is a good fit for your project.

can you think of more?

- Does the ESS have experience with similar projects?
- How does the ESS deal with leads and warranty period?
- In what time can the ESS realize the energy project?
- Which payment terms and conditions occur?



Selecting the right Energy Service Supplier

- A structured way for the final selection is a so-called ESS **selection matrix**.
See the next slide for an example.
- All participating SMEs should fill in the matrix and discuss it together afterwards.
- Based on the discussion and the matrix result, the ESS will be selected.



Selection matrix (example)

	Selection criteria	Selection method	Weight factor (1-3)	ESS 1 Score 1-10	ESS 2 Score 1-10	ESS 3 Score 1-10
E S S	Trustworthiness	Experience				
	Acquisition effort	Action				
	Service	Action				
	Customer contact	Experience/ reputation				
	Delivery time					
	References	Experience				
	Other					
S E R V I C E	Total price	EUR				
	Warranties	Year				
	Maintenance product	Which/how long				
	Specific capacities product/service					
	Quality					
	Lifespan product	Years				
	Installation product	Quality				
	Check working product					
	Energy use product chain					
	Billing terms					
	Fee TP	EUR				
	Certification	which				
	Total score ESS: sum of score x weight					



Procurement policy

In some cases, the TP would want to discuss every single tender for an energy project with members of the collective projects.

In other cases, it might be efficient to set up a **procurement policy** in which frames of procurement are fixed.

Members of the energy collective then only have to give their approval for the policy (not for every individual tender).



Procurement – example of policy (1/2)

- Suppliers will receive a case on which they can formulate the offer.
- Annual evaluation of agreements with ESS. These evaluations are discussed in the general members meeting.
- Contracts have a maximum term of three years.

Example: ECUB - a non-profit energy collective in Utrecht, The Netherlands



Procurement – example of policy (2/2)

An offer cannot be split into different ones, nor merged into one large offer.

The various manners of procurement are as followed:

- A service until € 5.000,- may be granted directly
- Services between € 5.000,- and € 10.000,- require at least two offers of different parties (if available). The tender is published on the website.
- Services larger than € 10.000,- require at least three offers of different parties (if available). The tender is published on the website.



Collective vs. individual procurement

Collective procurement of energy services/technology:

- The TP purchases from the ESS, and SMEs directly pay back to the TP.

Individual procurement of energy services/technology:

- SMEs pay directly to the ESS.

Discussion: what are the (dis)advantages of individual and collective procurement?



Collective vs. individual procurement – example

ECUB – Hydrogen tank stations on business parks.

- Individual SMEs invest in hydrogen vehicles (**individual procurement**)
- The collective invests in a hydrogen tank station (also receiving subsidies) and pays revenues to individual SMEs (**collective procurement**).



Round-the-table discussion

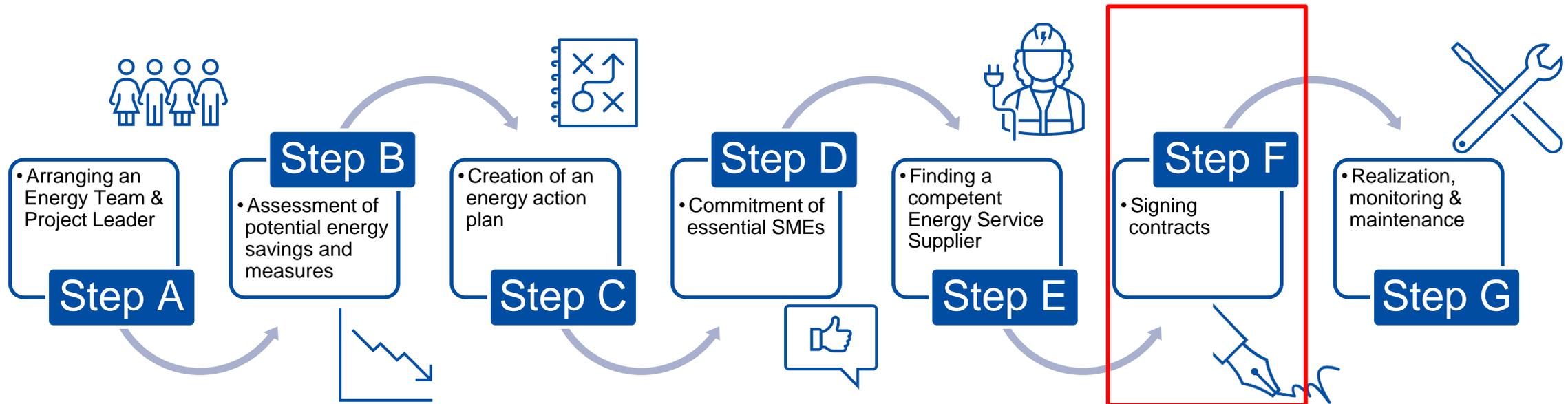
- What advice do you take with you for finding an ESS?
Why?
- What are your experiences with ESS?
- How would you choose between different ESS?
- What are your needs in choosing between different ESS?



Signing contracts



Generic overview of the process



Procurement contracts

When a choice is made for a specific ESS, a procurement contract should be made.

In practice, there are two possibilities:

- A contract between the Trusted Partner and the ESS
- A contract between the individual companies and the ESS



Composing a contract – example materials

The first step is to see if there are any example contracts available in your country. If so, this is a good start for composing the final contract.

Where can you find these examples?

If no such material is available, it would be good to get assistance from someone with a legal background.

How do you get legal assistance?



Procurement – contract checklist

The procurement contract should contain information on the following:

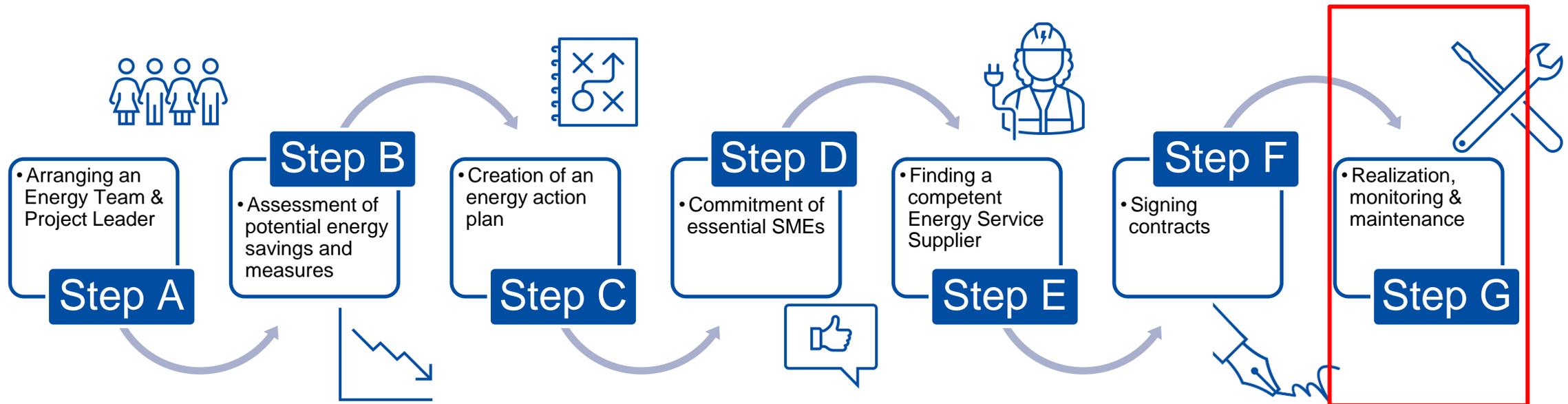
- | | |
|---|--|
| <ul style="list-style-type: none">• <i>Services</i>• <i>Prices/tariffs</i>• <i>Other conditions</i>• <i>Deliveries</i>• <i>Planning</i>• <i>Warranties</i> | <ul style="list-style-type: none">• <i>Invoices</i>• <i>Insurances</i>• <i>Confidentiality</i>• <i>Project organisation</i>• <i>End of the agreement</i> |
|---|--|

... and should be checked by a lawyer before finalizing.



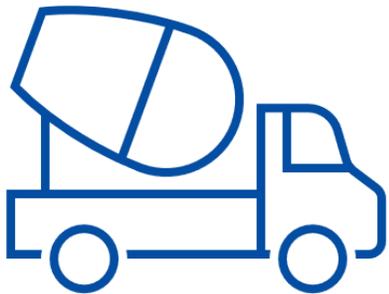
Realization, monitoring & maintenance

Generic overview of the process





Step G: Realization, monitoring & maintenance



Taking the necessary steps for realization of the energy projects, such as; ordering supplies, monitoring the process, continuous informing of SMEs.



Outcome of the step: realization of energy project, and a monitoring plan for its benefits



Realization

- The Trusted Partner proposes the contracts to the ESS (and, if not done before, to the SMEs).
- After this, the necessary financial transactions can start.
- During the process, the Trusted Partner:
 - Supports SMEs with any questions and continuously updates them about the project.
 - Makes sure the realization is done correctly.

Monitoring / evaluation

- After a few weeks/months, **evaluate**: ask the SMEs for the points that they are content with and those that can be improved. Discuss these results with the ESS.
- In addition, **monitor** the energy results of the project and communicate the results to SMEs and other important partners.

Maintenance

- When measures are implemented, maintenance of the energy products occurs for some projects. Propose a clear maintenance and execution plan with the SMEs and the ESS
- Keep evaluating also this part of the project with both the SMEs and the ESS.



Round-the-table discussion

- When is a project executed successfully in your eyes?
- What are important risks to take into account for the execution phase?



Training summary

- Finding an energy service supplier
 - Identifying energy service suppliers
 - Criteria for selecting energy service suppliers
 - Creating a procurement policy
- Signing Contracts
 - Individual versus collective contracts
 - Checklist for topics that should be covered in contracts
 - Examples and Legal Assistance
- Realization, monitoring and maintenance
 - Clear contract agreements for all stakeholders: Trusted Partner, Energy Service Suppliers, and SMEs who joined the initiative
 - Trusted Partner ensures that contract agreements are lived up to



Questions & Feedback



Thanks for your attention!

