

## **STEPPING - Supporting The EPC Public Procurement IN Going-beyond**

### **D 4.4.6**

# **Report of MED web training activities**

**June 2019**

**Prepared by**

**Piemonte Region**

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Description
This document is the deliverable D4.4.6 “Report of MED web training activities” of STEPPING project. It describes the training activities carried out by REGPIE, ENVI and some other PPs with PROSPECT Horizon project and within a EUSEW19 event.



## REPORTING FORM WITH ANNEXES

The Stepping project was intended to organize 2 web training sessions for relevant stakeholders and other MED projects. The trainings were organized back to back with other EU initiatives in order to capitalize the most of possible networking and synergies with other projects.

The first session was organized during a meeting dedicated to the transfer of knowledge and experience on Energy refurbishment of public buildings by using Energy Performance Contracts to some mentees engaged in the framework of PROSPECT Horizon project. This session involved Piemonte Region, Environment Park, AEGEA, Diputacion de Huelva and Auvergne Rohne Alpes Energie. It was organized on the 28<sup>th</sup> of May.

The second session was organized on the 20<sup>th</sup> of June in the framework of the European Sustainable Energy Week in Bruxelles in the form of a Policy Conference. This event has been very important as it was part of the main official Program of EUSEW2019. The organization of the event was followed mainly by Piemonte Regione, Environment Park and AEGEA.

In the following tables both events are described.

Besides that, on the 30<sup>th</sup> of May a training was organized by AESS in cooperation with INPULSE MED project. The training was also web streamed in order to increase the number of attendees.

Training session reporting form	
Title of the event	<b>Web training organized for PROSPECT Horizon project</b>
Location	Environment park - Torino
Date and duration of the event	The web training was organized in the framework of an exchange of knowledge and experience meeting organized with PROSPECT Horizon project (beneficiary) the 28 <sup>th</sup> of May and last about 2 hours
Number of participants	20
Typology of participants (e.g. Local/Regional/National Authority; Development/Energy Agency; ESCO; Financial Institution; Professional Association (buildings, chambers of commerce, business clusters); SME; Other (please specify))	Representatives of local authorities and Energy Agencies coming from Spain, Greece, Belgium, Romania and Bulgaria engaged by PROSPECT Horizon project. Representatives of the City of Torino and representatives



	<p>of the project “URBAN AGENDA FOR THE EU - Partnership on Innovative and Responsible Public Procurement” engaged by the City of Torino and coming from Holland. Stepping Partners: REGPIE (LP), ENVI, AEGEA*, DPH*, AURA-EE*, AESS*, BSC*.</p> <p>*online</p>
Key note speakers	Silvio De Nigris (REGPIE), Stefano Dotta (ENVI), Nicola Giampaolo (Lawyer), Laurant Chanussot (AURAEE), Alkisti Florou (AEGEA), Ana Diaz (DPH)
Interactive tools used (simulation tools, web-games, quiz, etc.)	The STEPPING EPC simulation tool was used with participants before the web training session
Number of project posters displayed	1
Number of project flyers disseminated	20
Media representatives	None
List of press releases or articles in newspapers, magazines and on websites – parent institution, STEPPING, Interreg MED Programme. *Scan (pdf) – upload in Gdrive folder; Online links (www) – paste here	<p>News on Stepping website,</p> <p>2 tweet on Stepping Twitter channel</p> <p>1 tweet on Piemonte Region channel</p> <p>1 post on Piemonte Region channel</p>

#### Detailed description of the event

Based on the agenda (lectures, interactive tools, round table discussion, site visits).

A web training conference was organized by Piemonte Region and ENVIPark during a meeting dedicated to the transfer of knowledge and experience on Energy refurbishment



of public buildings by using Energy Performance Contracts to some mentees engaged in the framework of PROSPECT Horizon project.

The PROSPECT learning programme enables peer-to-peer learning in regional and local authorities in order to finance and implement their sustainable energy and climate action plans. The programme builds upon successful financing schemes implemented in cities and regions in the European Union.

It helps local and regional authorities to benefit from the lessons learnt and the experience of their peers in order to launch their own investment programme. PROSPECT aims to encourage the exchange of knowledge and experience on innovative financing schemes used to implement sustainable energy and climate plans, especially within the framework of the Covenant of Mayors. Through peer mentoring activities and study visits, cities and regions learn how to finance the energy transition from the ones who understand it the most. PROSPECT mentees were coming from local authorities or Energy Agencies located in Spain, Greece, Belgium, Romania and Bulgaria.

To the meeting attended also some representative of the City of Torino, of the city of Haarlem (Holland) and of an Environmental agency of Piemonte.

The main learning objectives of the training were based on:

- Set up of the energy management system and how to select buildings;
- Development of a robust energy savings monitoring and verification plan to be annexed to the EPC contract;
- Financial analysis to assess the viability of an EPC solution;
- How to write the tender specifications and how to select the ESCO, especially in the case of deep retrofitting in public building stock. How to design an EPC contract for the deep retrofitting of buildings;
- How to bundle projects for an ambitious regional strategy (what it requires in terms of human resources, time, budgets, support (political support mainly)
- How this model can be replicated and adapted to other local situations.



Before starting the web training, the meeting had been organized with frontal presentations made by REGPIE and ENVI in order to give a general view of Stepping project structure and the EPC bundling approach (pooling of demands and the bundling of tenders), and describe the procedures adopted for the assessment of technical and economic aspects



which have to be developed in order to prepare an Investment Plan and then an EPC tender. How to select buildings, how to carry out energy audits, the required financial analysis and a description of Measurements & Verification were the main topics presented.

Then a lawyer, Nicola Giampaolo, who handles contractual aspects for several Italian LAs, presented legal and administrative procedures. In particular were deepened the aspects related to the public procurement code, the different possible tender procedures (project financing, service contract, etc.), the pros and cons of the various alternatives and the best practices implemented by the contracting authority during contract life, with a specific expertise in EPC contracts rules, presented the legal and administrative aspects.

Participants had also the opportunity to test the EPC Simulation Tool developed by the STEPPING project, simulating different investment scenarios which would balance the public and private interest in making the investment.

The web training session was dedicated to illustrate the case stories of 3 STEPPING partners. AURA-EE, DPH and AEGEA were connected online and could describe their different experiences and the constraints they had faced.

- AURA-EE illustrated the work done with 5 pilot municipalities on 5 public building, the necessity of pooling municipalities and help small SMEs to gather in order to participate to tenders. It is also highlighted the fact that in France are the municipalities which make the investment (as they have long term loan, state subsidies, etc.), while ESCOs guaranty the energy savings.



- In Spain the situation is completely different and DPH, despite the engagement of 11 municipalities, the audits on 15 buildings and the delivery of an Investment Plan, faced some relevant constraints due to high payback time, lack of interest of ESCOs due to minimum profitability (the investment is too low) and lack of public subsidies. So they didn't succeed in launching a tender.
- AEGEA illustrates the lesson learnt in Greece: only hospital and swimming pool are adequate for EPC tender; ESIF funded retrofitting intervention can be tendered with EPC, maybe in the future it will be possible to combine ESIF and ESCO funded intervention. They are going to make 3 Investment Plan focusing on 13 municipalities and 26 buildings and are confident to launch a tender for about 1,4K€.

After a general remark about the quantity and quality of the information gained, a brief description of a case study from Piemonte Region implemented thanks to the 2020Together project was provided. Such project was going to be site visited by the delegation the day after.

A site visit to a primary school in the municipality of Bruino, nearby Torino, was, thus, the main event scheduled in agenda on the second day. The participants appreciated the opportunity of visiting this public building recently refurbished thanks to an EPC and which obtained the nZEB certification. They



were welcomed by the municipality major and technicians and a detailed explanation of the works implemented and the monitoring system now running, was done by the ESCO who won the tender.



### General remarks and conclusions

Overall, the training received a good evaluation by the mentees and was a really helpful experience also for Piemonte Region and EnviPark.

The most appreciated tools presented have been:

- Output 3.2 - Procurement Procedure for Awarding Energy Efficiency Works
- Simulation Tool for the Evaluation of the Financial Sustainability of an EPC Contract

In particular the possibility to test the use of a tool as a group exercise makes the training more effective and interesting and helps to improve skills and common understanding of main concepts.

Even the opportunity to discuss with ESCO on a real case brought added value for the mentees. The management system presented by the ESCO helped to understand the importance of such tool based on IoT for the fine-tuning of the use of energy in buildings and for achieving important levels of energy savings. The outcomes from the first two thermal seasons have been outlined and presented, showing that the challenging target of about 60% of savings is going to be achieved.

A general assessment of the overall networking session will be done in the framework of the H2020 PROSPECT project. This will be coordinated by Fedarene and will take place likely in September.

Finally, the presentations of the case studies from Spain, Greece and France was very helpful also to test it for the EUSEW presentation to be done in the following weeks and for the final conference scheduled in Athens in October.

### Annexes – upload in G-Drive folder:

- Agenda (local language + English),
- Presentations (local language + English),
- Photos/Videos,
- Lists of participants (scanned original + Word/Excel file),



- Scanned press releases and articles published in a hard copy newspapers or magazines (local language or English)



Training session reporting form	
Title of the event	<b>EPCs: delivering real energy savings from EU to local level</b>
Location	Berlaymont Building, Bruxelles, Cinema Conference Room
Date and duration of the event	The event was organized on the 20.06.2019 in Bruxelles as part of the official program of the Policy Conference of the European Sustainable Energy Week (EUSEW 2019). The scheduled time was 11.00 – 12.30
Number of participants	About 70 (120 registered people, capacity of the room: 57; people were also standing)
Typology of participants (e.g. Local/Regional/National Authority; Development/Energy Agency; ESCO; Financial Institution; Professional Association (buildings, chambers of commerce, business clusters); SME; Other (please specify))	Representatives of regional, local authorities, Energy Agencies, Interreg MED Program, ESCOs, Banks, Federation of SMEs, Professional Association, Energy Utilities.
Key note speakers	<ul style="list-style-type: none"> <li>• Monica Frassoni, President of European Alliance to Save Energy (EU-ASE)</li> <li>• Paula Rey-Garcia, Team leader Buildings &amp; Finance, DG ENER, European Commission</li> <li>• Robert Pernetta, Financial Instrument Advisor, EIB)</li> <li>• Roman Dojcak, Advisor to Slovak Investment Holding Board of Directors</li> <li>• Silvio De Nigris, project manager of Piemonte Region - STEPPING Project</li> <li>• Pierre Langlois, chairman of the board, EVO</li> <li>• Hostas Komninos, project manager of AEGEA, Stepping project</li> <li>• Joan Vidal, Energy Solutions Development Leader,</li> </ul>



	<ul style="list-style-type: none"> <li>• Honeywell Katarzyna Wardal, EU Public Affairs Manager, Knauf Insulation</li> <li>• Razvan Greco, President of ARPEE</li> <li>• Samuel Thomas, Senior Advisor at the Regulatory Assistance Project (RAP)</li> <li>• Volker Dragon, President of eu.ESCO</li> </ul>
Interactive tools used (simulation tools, web-games, quiz, etc.)	No interactive tools have been used
Number of project posters displayed	1
Number of project flyers disseminated	70
Media representatives	Due to inclusion into EUSEW official Program, the event had a big media exposure.
List of press releases or articles in newspapers, magazines and on websites – parent institution, STEPPING, Interreg MED Programme. *Scan (pdf) – upload in Gdrive folder; Online links (www) – paste here	News on Stepping website, Several tweets and LinkedIn posts

**Detailed description of the event (min 2000 characters)**

Based on the agenda (lectures, interactive tools, round table discussion, site visits).

The purpose of the event was to demonstrate that Energy Performance Contracting (EPC) represents one of the most cost-effective tools for the reduction of energy consumption and CO2 emissions in buildings. EPC has the advantage of guaranteeing measurable and verifiable energy savings, often requiring limited or no upfront investment from clients. It



represents one of the best available solutions for improving buildings' energy efficiency (EE), especially in the public sector. Thanks to the recent revision of Eurostat's approach for their accounting treatment, EPC has become easier to implement for public authorities. Moreover, the growing attention to EPC and its effective combination with structural funds reflects the increasing interest in this solution, which has been thoroughly analysed throughout the event.

The conference started with a panel discussion focused on the uptake of EPC in the public sector, its progress and remaining challenges. An expert from the EU Commission presented the role that EPC can play on the pathway towards a climate-neutral economy. Then, the impact of the revised Eurostat rules one year after their publication was examined by an EIB's specialist. The new Eurostat's approach adopted significantly reduces indeed the possibilities EPC can affect government net lending/borrowing and public debt. Following the removal of this barrier, it was assessed whether the new rules have achieved the desired objectives and what still needs to be done in this respect.



Next, the application of the rules by public authorities at national level was presented by an expert from Slovakia, where a "Maastricht neutral" EPC model for the public sector has been recently developed. The session brought into focus the regional and local perspective in relation to EPC with the

presentation by a representative of the STEPPING project, supporting the development of EPC Public Procurement in different regions of the Mediterranean area.

The panel was closed by a presentation on the key role of M&V in demonstrating real savings in EPCs and other EE programs to give them credibility and the importance of using a reliable and recognised protocol, developing experts' capacity to use it.

The event was concluded with an interactive dialogue involving representatives of the business sector, other panellists and attendees on how to ensure effective implementation



of EPC. The discussion was moderated by y Pascal Guillaume, President of EFIEES.

### **General remarks and conclusions**

The event was organized by STEPPING project under the coordination of the European Federation of Intelligent Energy Efficiency Services (EFIEES). The event was co-organized as well by the Efficiency Valuation Organization (EVO), European Alliance to Save Energy (EU-ASE) and the European Association of Energy Service Companies (eu.ESCO).

Even though planned to be web streamed, the The Cinema room was not set for that purpose due to technical reasons which was not possible to solve.

Due to very tight agenda the session was less interactive with the audience but a panel discussion was very well organized and the 90 minutes slot was used in a very effective and participative way.

The question posed to STEPPING speaker during the panel discussion was: “How do you think STEPPING MED EPC Guidelines can support the uptake of EPC in the MED are?”. The answer emphasized the policy interventions that can be conducive to the uptake of EPC considering the implementation models that have been tested in the project. The enabling conditions for the EPC market uptake analysed in the involved countries have been highlighted and the contribution to such roll out was provided.

One of the most important achievement coming out from the active participation in such event was the media exposure that the Interreg MED Program and STEPPING project had (mainly on social media), besides the possibility to work together with important stakeholders associations and lobbying institutions of the EPC market. Direct contacts and networking were very fruitful. As a general conclusion it can be said that the approach developed by the project is perfectly in line with the European policy framework highlighted by Paula Ray Garcia, pointing out the crucial role of the one-stop shop approach and the bundling in order to create a projects pipeline which is in the interest of the market.

Finally, capacity building and training was also considered a crucial step to develop more the market. This is for sure useful for public administration but also for professionals and SMEs.

Still several constraints exist, mainly on the application of the rules and procedures, but important steps have been made in the last few years and the pathway seems to be traced for the real uptake of EPC market.



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