

## PSEE ALSACE

# Integrated Service for Energy-Efficient Renovation in the Region Grand Est

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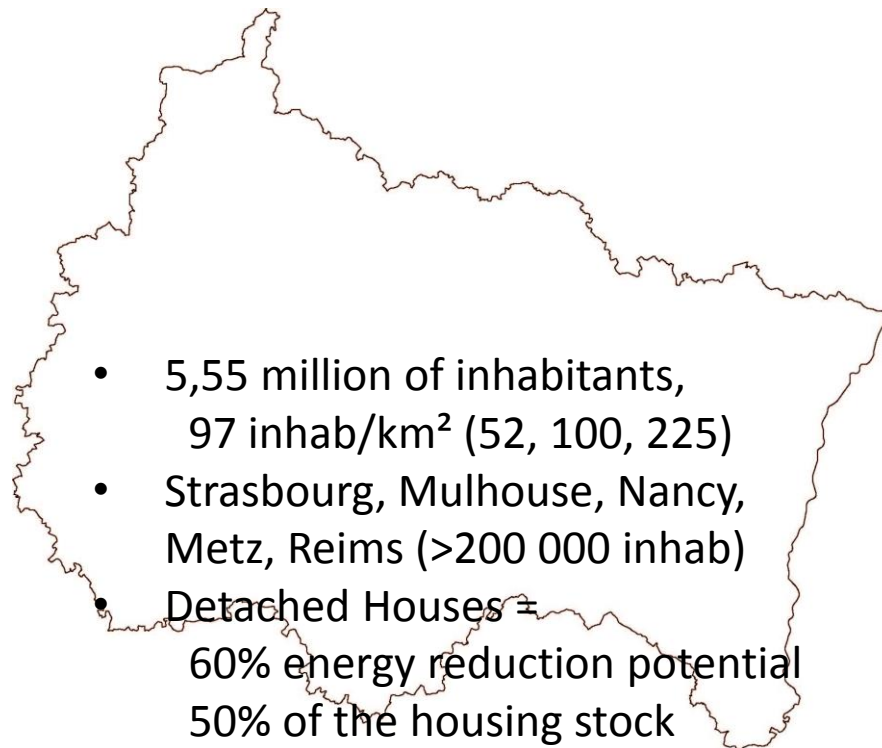
Energy Efficiency Finance Market Place  
Bruxelles, 19/01/2017



Co-funded by the  
Intelligent Energy Europe  
Programme of the European Union



- 1,9 million of inhabitants,  
225 inhab/km<sup>2</sup>
- Strasbourg, Mulhouse
- Detached Houses =  
60% energy reduction potential  
50% of the housing stock  
(800 000 homes)
- Regional climate energy plan:  
renovate all the building by 2050
- Low energy standard retrofit of  
390 000 houses (104 kWh/m<sup>2</sup>/year)  
=> 10 000 houses renovated  
per year



- 5,55 million of inhabitants,  
97 inhab/km<sup>2</sup> (52, 100, 225)
- Strasbourg, Mulhouse, Nancy,  
Metz, Reims (>200 000 inhab)
- Detached Houses =  
60% energy reduction potential  
50% of the housing stock
- 3 Regional climate energy plans  
to implement
- Low energy standard renovation  
of 38 700 houses per year

**TODAY**



**TOMORROW**



**1,3 million houses**

**Heating expenses:  
2,5 billion €/year**  
(~2000€/house/year)



**38 700  
renovations/year**



**Works contrats:  
1,9 billion €/an**

- Reduce greenhouse gas emissions by 4 before 2050  
=> 38 700 renovations per year at low consumption building level
- Convert the regional energy bill into local investments
- Develop the market of building renovations at low consumption level

- Generalization of the global renovation by proposing packaged service to householders
- Objectives related to MLEI PDA project (by 2017):
  - 40 million € of investment in renovation
  - 1000 houses renovated
  - 30 building companies trained
  - 15 GWh energy saved
  - 200 jobs maintained or created

## Deep renovation offer all in one



- **10 Refurbishment** packages enabling deep renovation
- craftsmen, architects and contractors are trained to **work together**



- **Optimization** of financement plan
- **Assistance** to obtain subsidies
- Subsidies **cash advance**
- **long term third financing** for remaining ressources needed

**One single contact from the begining to the end of the retrofiting project**

## In Alsace

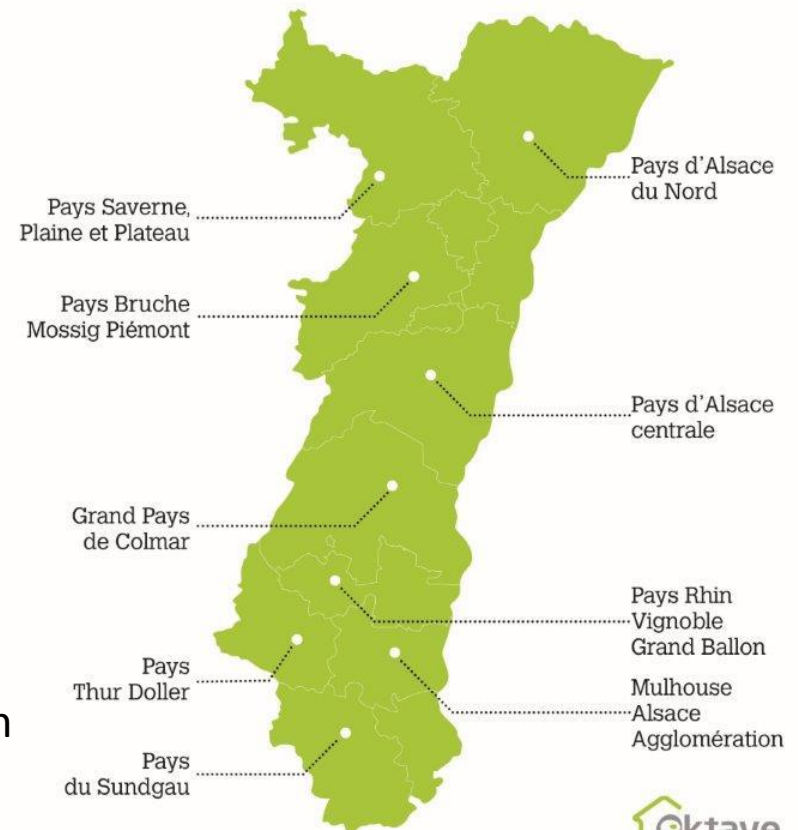
Initiating programmes : « 50 chantiers pionniers » et « Je Rénove BBC »: 507 houses & 41M€ travaux générés = technical proof of concept

### Oktave network:

- 10 local energy renovation platforms
- 249 craftsbusinesses organised in 35 groups
- Technical assistance for each project
- Financial assistance provided by Procivis
- Third financing experimentation
- Work programm initiated with 4 retail banks

### Local energy renovation platform:

- ✓ As per as french ET law, human resources to mobilize householders and coordinate craftsmen
- ✓ Organisation authority at regional level
- ✓ Territory: business activity area, urban or rural

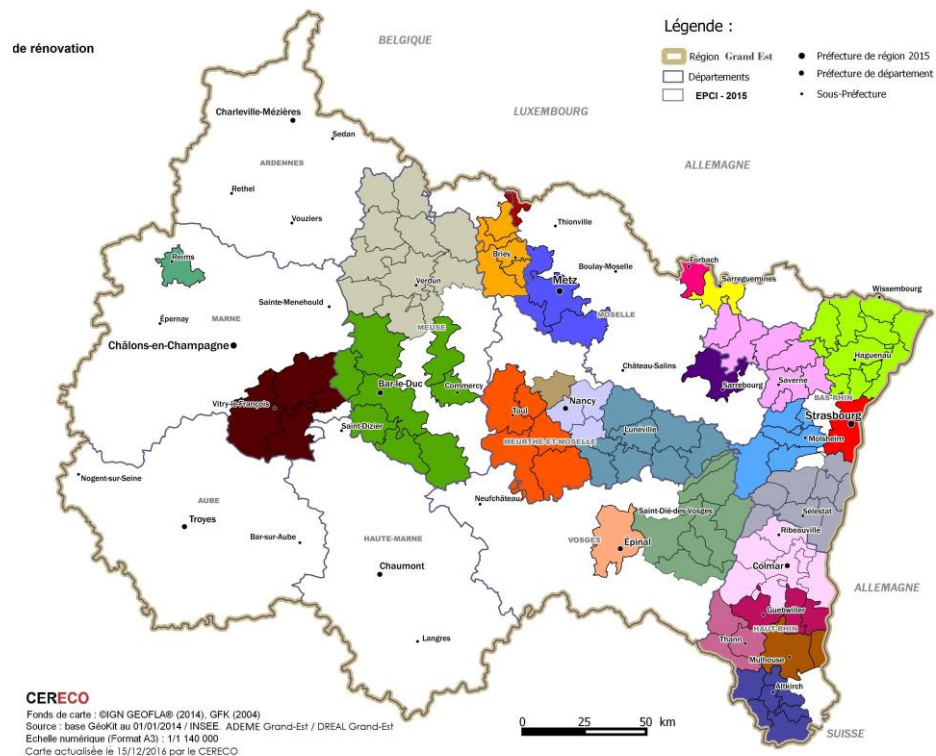


## » PSEE CONSTRUCTION COMPANIES TRAINING PROGRAM

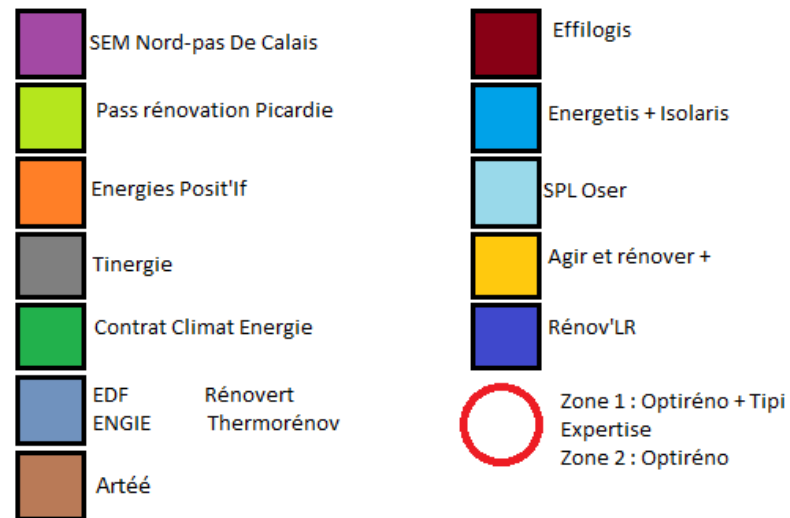
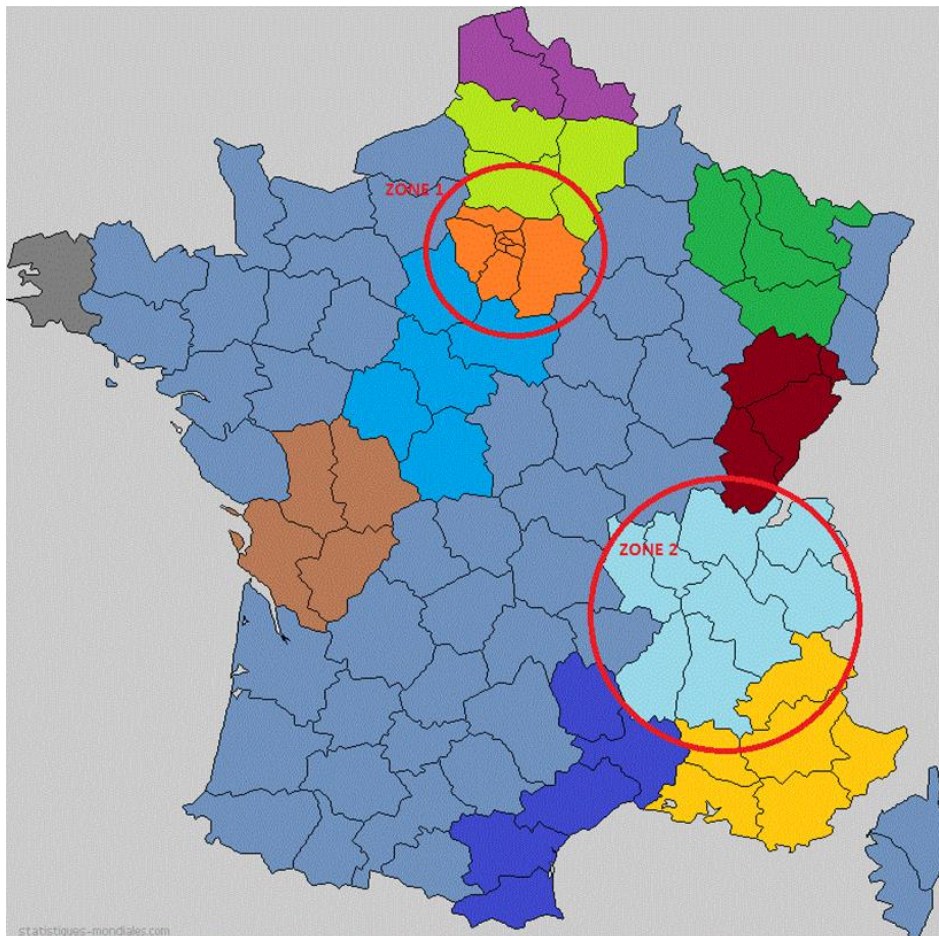
- Based on DOREMI method (developed by NÉGAWATT institute)
- Method avoiding energy audit and using pre-defined packages of measures to reach low energy standard (10 different scenarios)
- Program aim at creating building companies consortiums
- Training program based on real cases with 2 houses renovated for each consortium at the end of the pathway
- Building companies pool are trained to optimize their prices
- Experience in Rhone Alpes Region lead to cost **before** training program prices optimization at 600 €/m<sup>2</sup>
- Above 450 € VAT included /m<sup>2</sup>, the project is not bankable

An existing network of renovation platforms in former Lorraine and Champagne Ardenne: 16 plateformes

- Climate energy contracts in former Lorraine: more than 200 deep renovation
- Other projects developed in various areas : Déodatie, SAVECOM, Clairlieu, Pays Haut Val d'Alzette...
- Building sector members involved (LQE, ARCAD associations)
- Innovative projects : renovation techniques industrialisation, neighborhood actions, energy performance contracts...







*Situation april 2016*

## Regional level

*Regional operator*

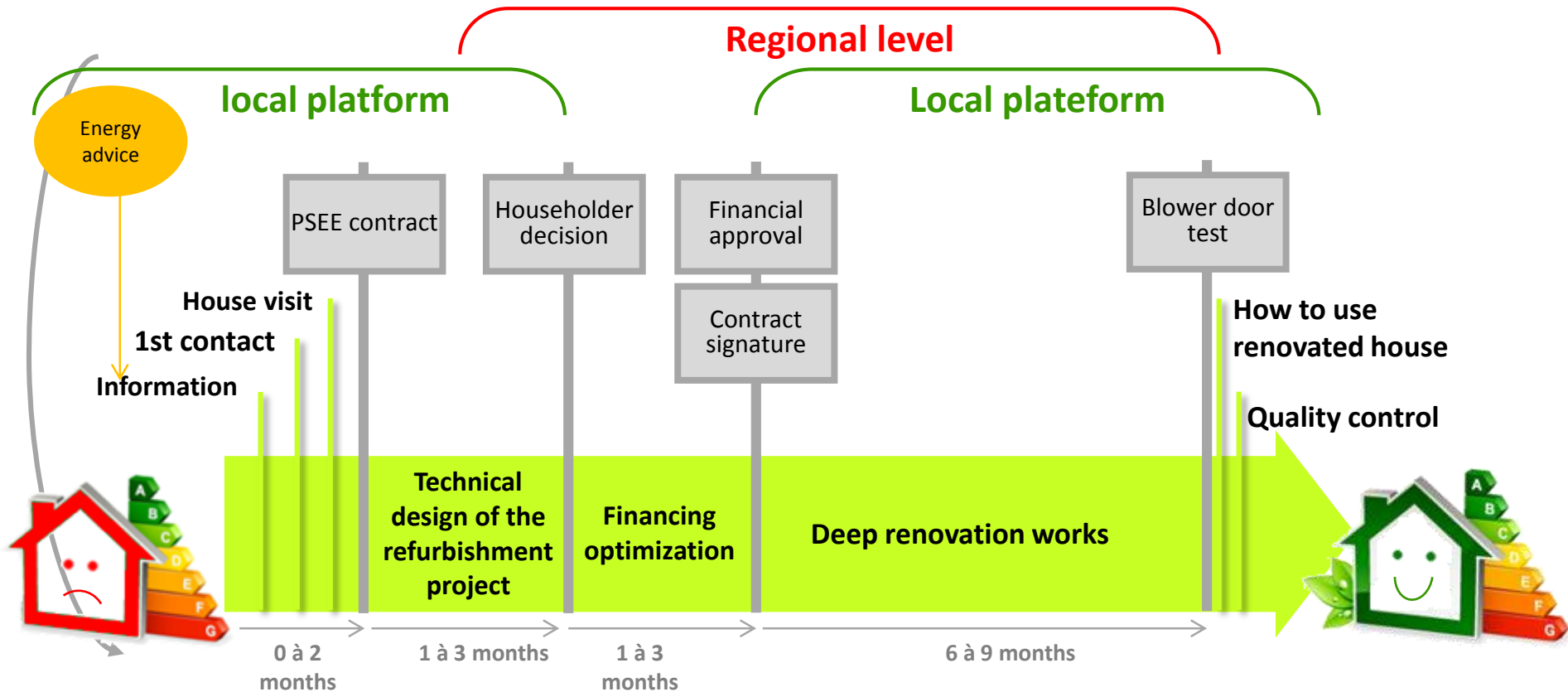
- Renovation works financing (loans, advance on tax breaks )
- Facilitation of regional partners (Building trade unions, Chamber of commerce, Banks, public institutions)
- Building work quality assesment...

## Overall management

## Local level

*Local platforms*

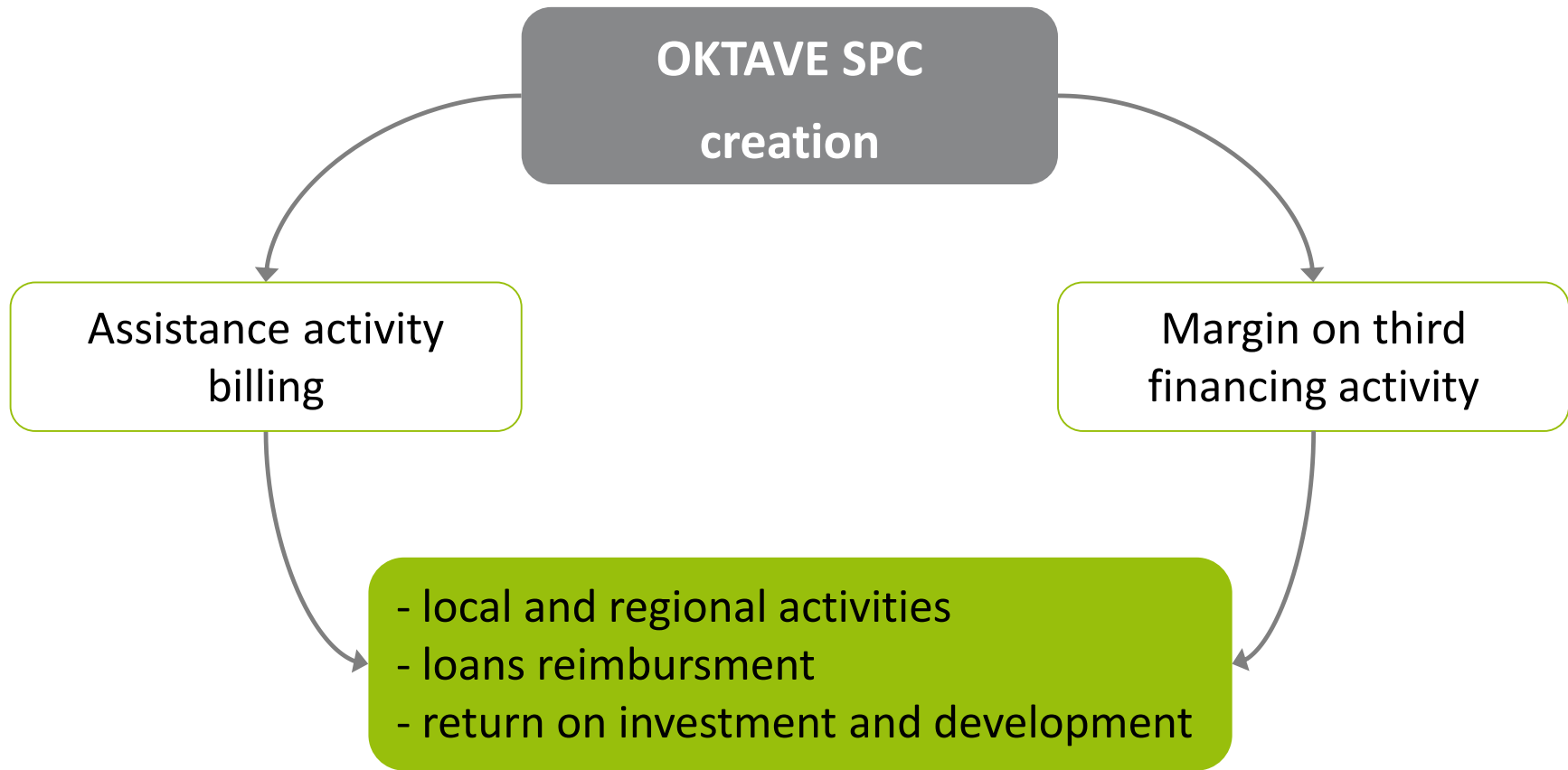
- One stop shop for householders
- Building companies training program and pool creation
- Local partners networking ( Estate agencies, Material suppliers, solicitor...)



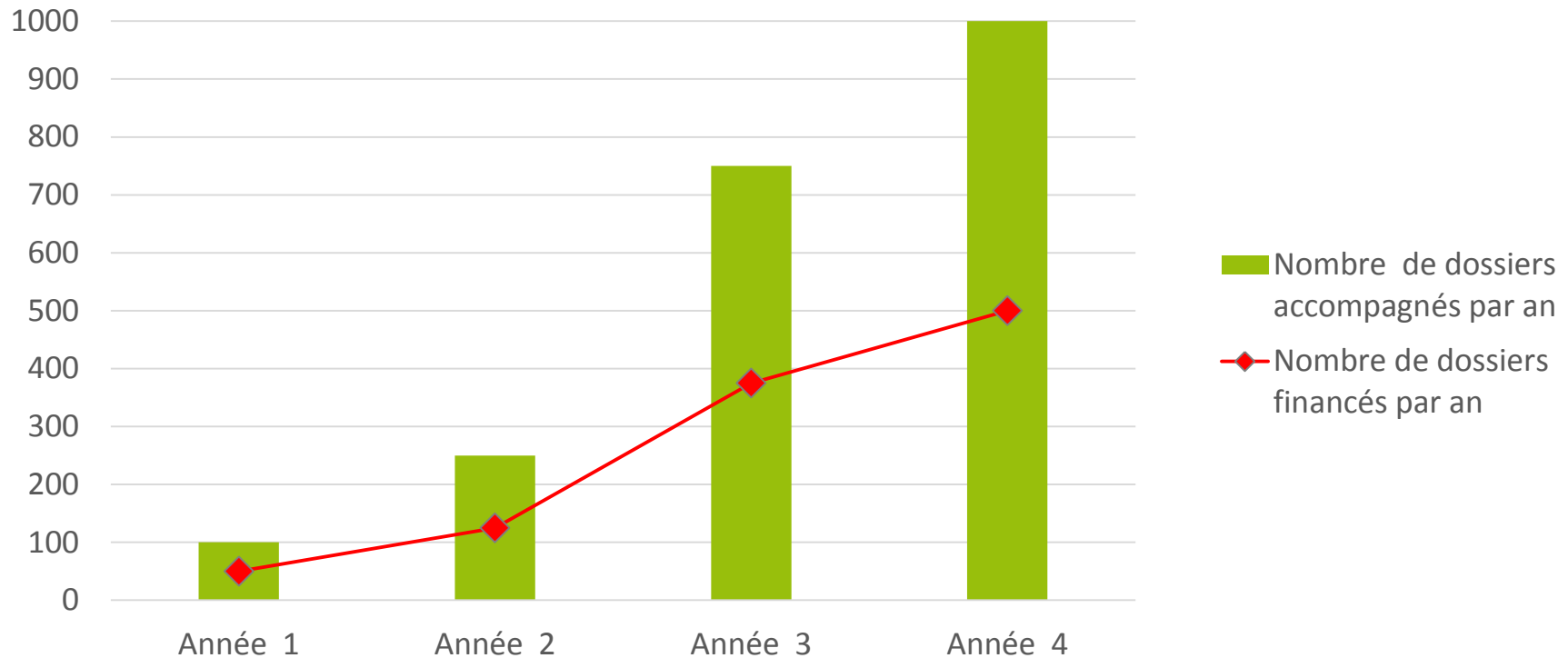
**Price of service < 1900 € VAT incl.**

# How? a semi public company (SPC)

In order to develop and **enlarge the energy efficiency renovation sector**  
... while **reducing the cost for public authorities**

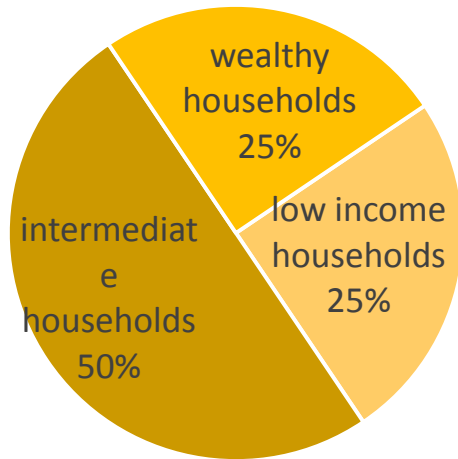


## Growth targets



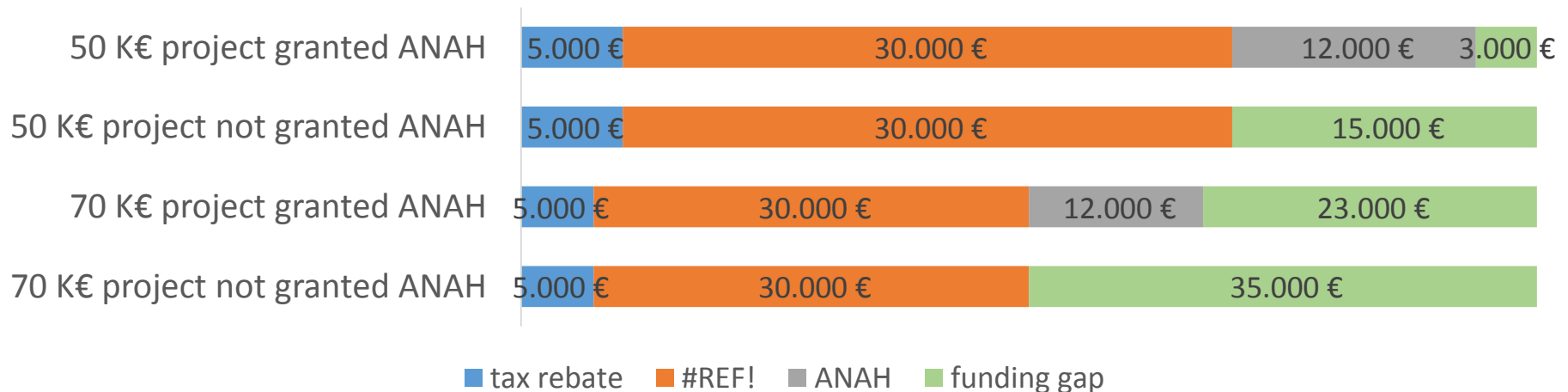
1 000 accompagnied projects/year after 4 years

50% projects with a long term loan Oktave



## Customer segments

### Project financial plans and rests to be financed according to households categories



*ANAH: renovation grants for low income households*

Base assistance  
fixed price

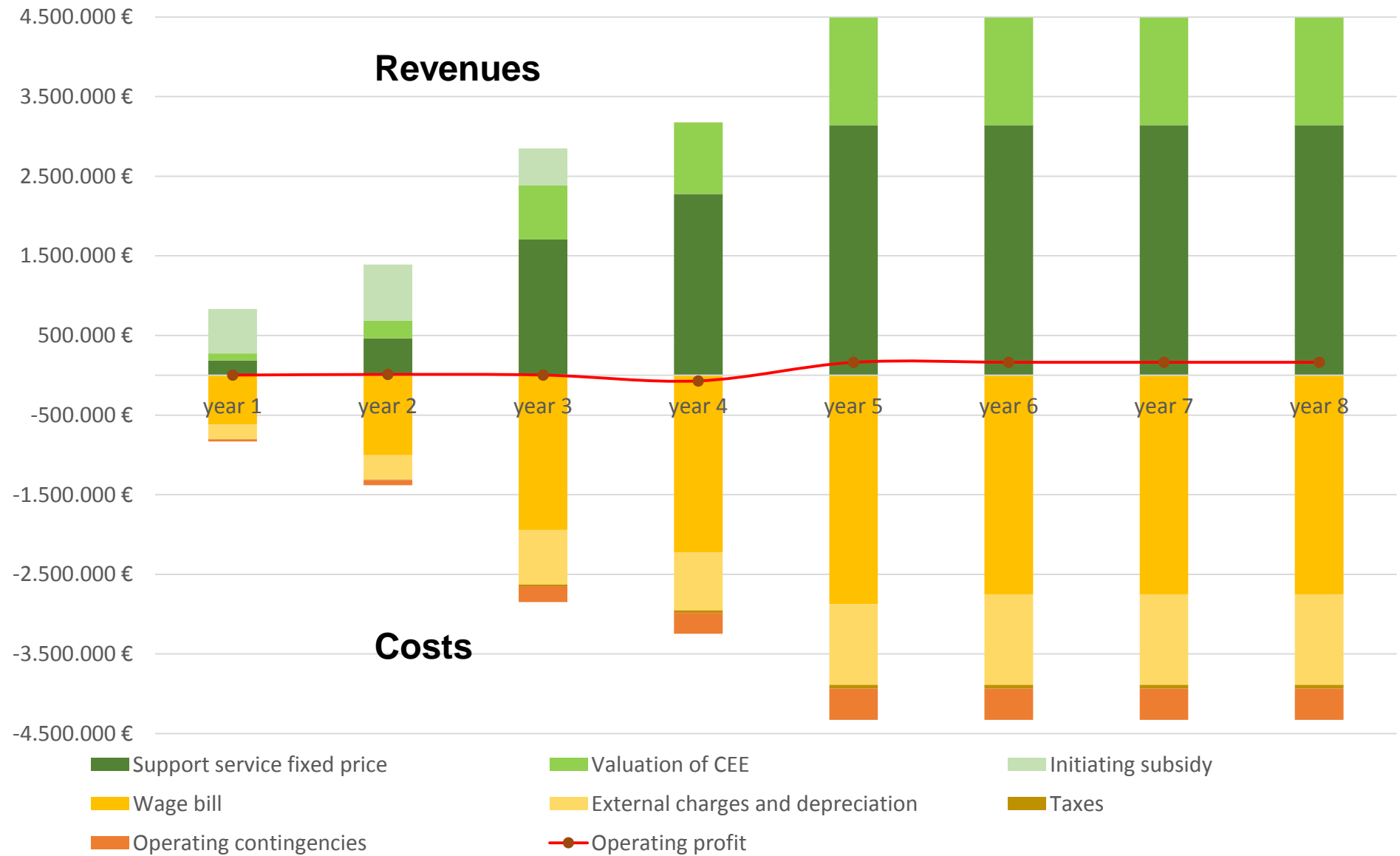
Valuation of one part  
of white certificates  
(CEE)

Optional assistance  
invoicing

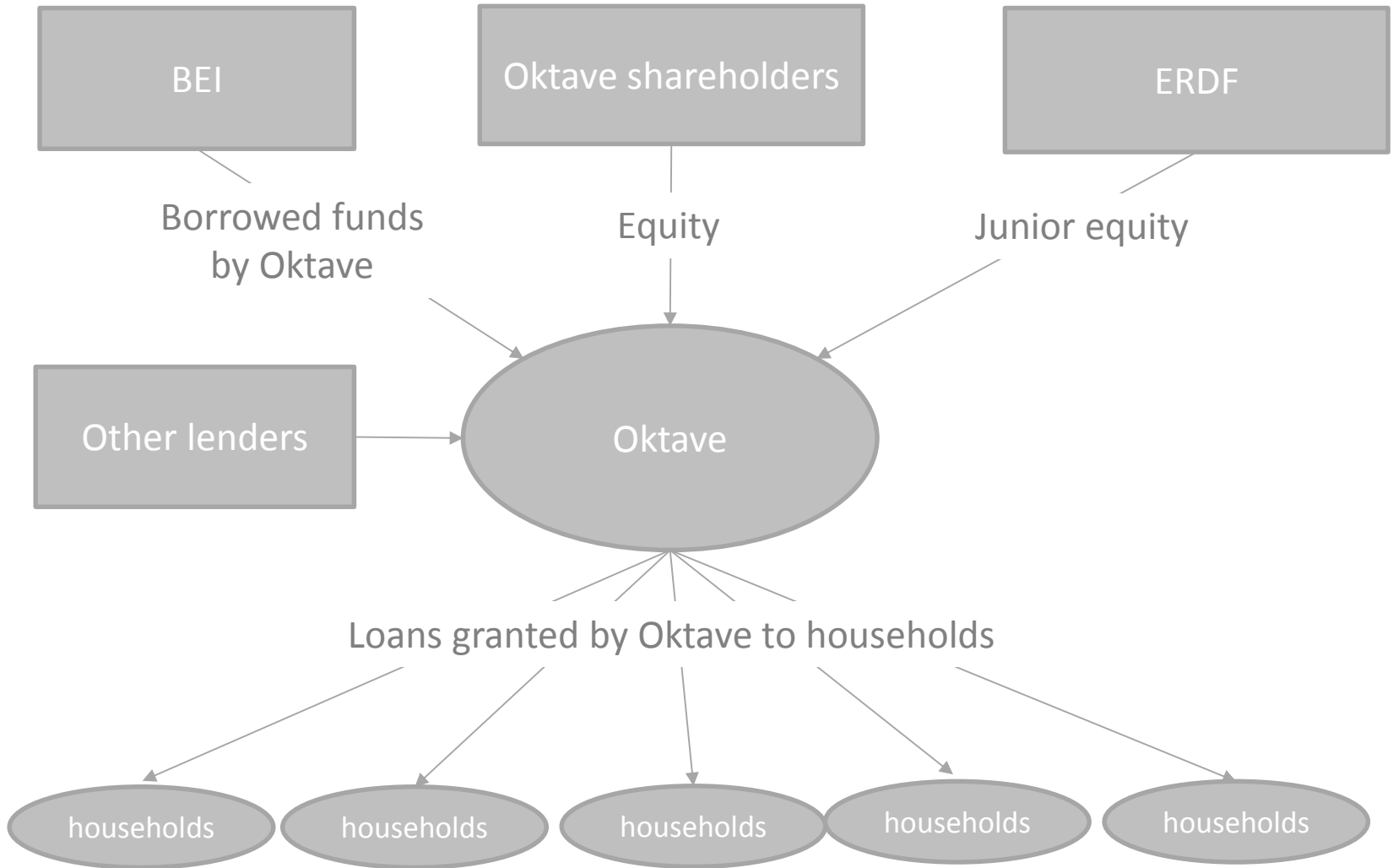
To finance

Cost of support service activity  
= 2 900 € per project (including tax)

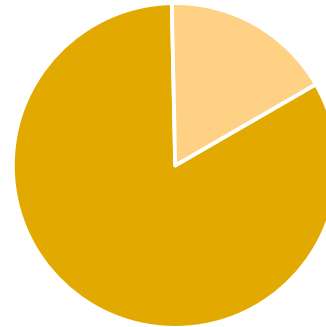
# Operating account







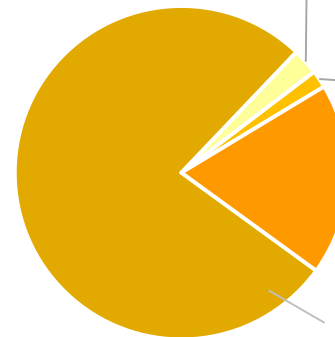
For 100€ granted by Oktave to a household for retrofitting his house:



17 € come from Oktave equity

83 € are borrowed from the EIB

Over the 15 years of the loans, the private individual will pay off 118€ (capital and interest) for :



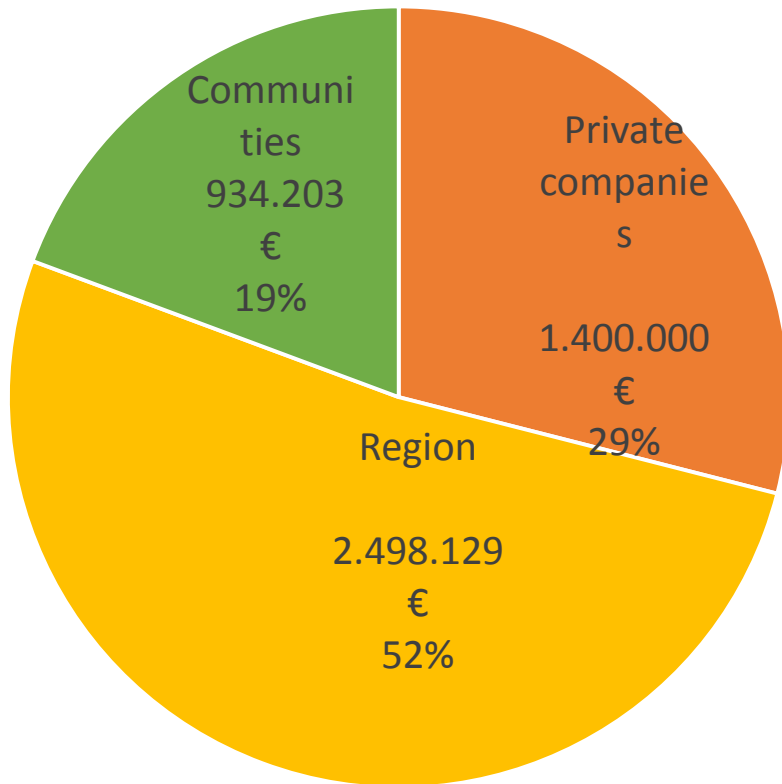
cover default (2€)  
administrative expenses (3€)

bound to the loan (2€)  
pay off

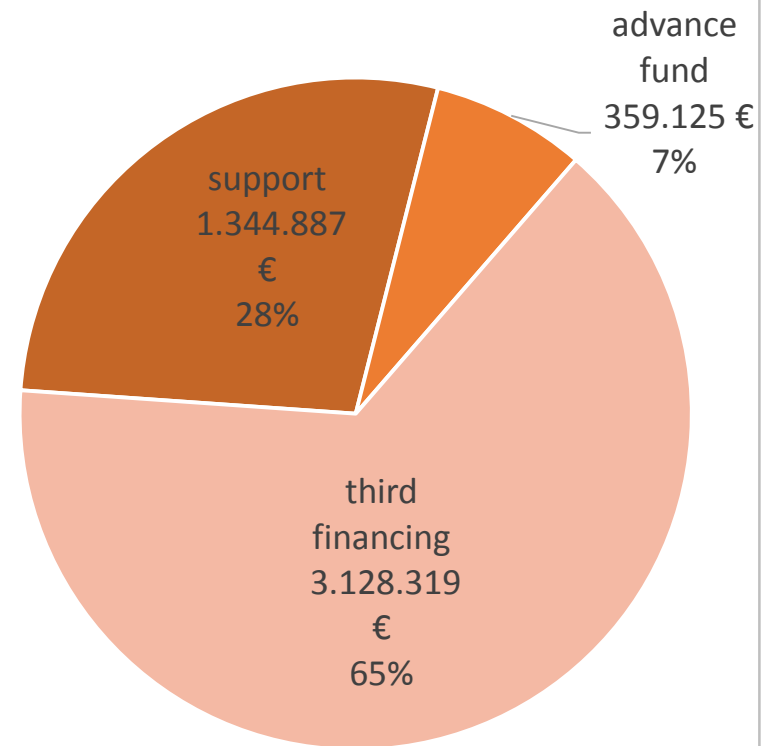
shareholders' equity pay off the BEI loan (capital and interest: 91€)

Shareholders' equity paid off from first loans can be reinjected in the financing of the following loans

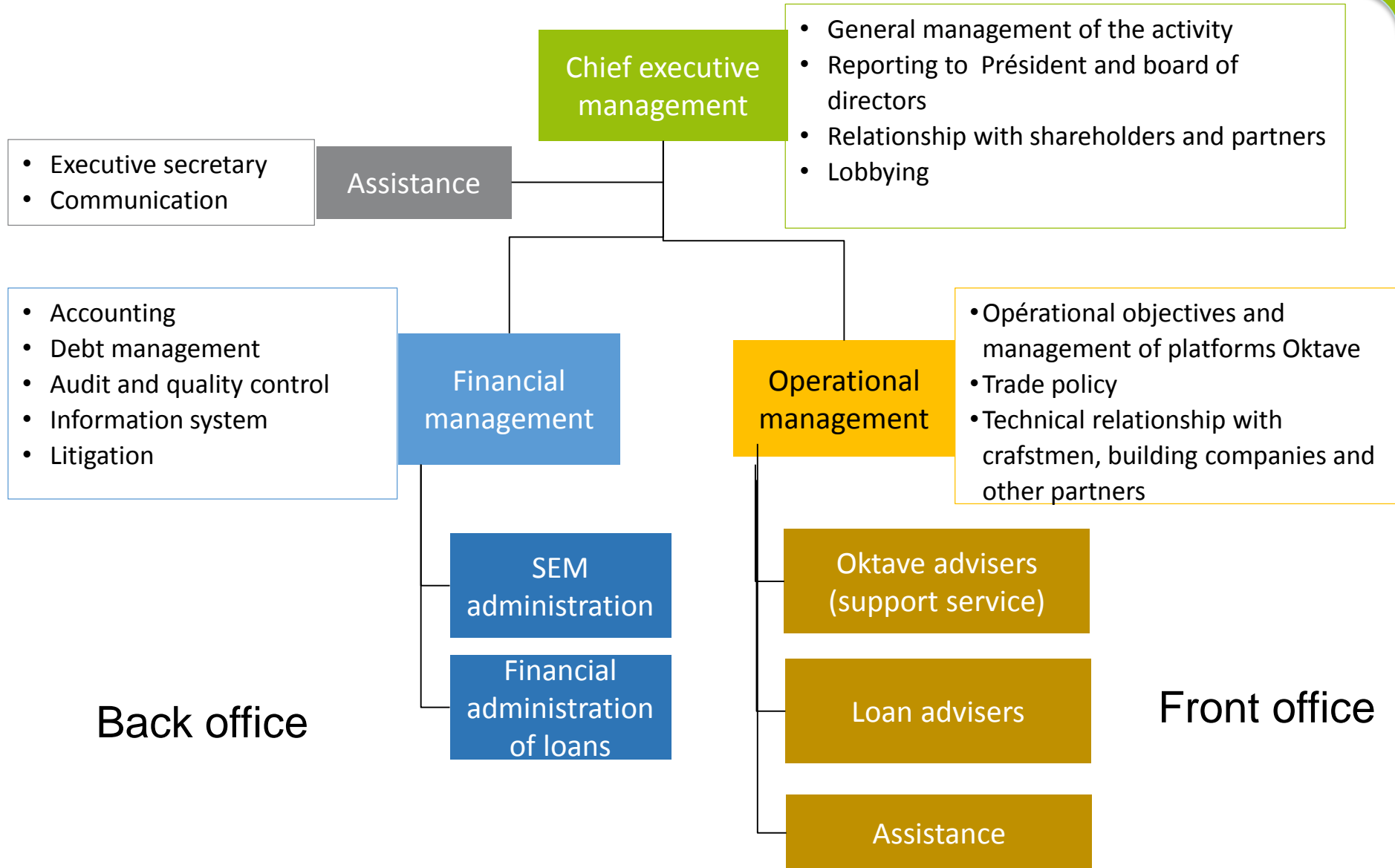
## Shareholder's equity to be mobilized : 4 832 k€



## Use of shareholders' equity



# Internal organisation of Oktave



## Targeted messages:

- ✓ Modest and intermediate households :  
Reduction of energy waste and bills
- ✓ Wealthy households:  
Comfort and enhancing of holdings

## Communication tools, used in platforms

- ✓ Web [www.oktave.fr](http://www.oktave.fr)
- ✓ Media campaign
- ✓ Communication kit (flyers, posters, rolls-up)
- ✓ Trade shows (at regional and local level)



## KEY FIGURES

- ✓ 430 first qualified contacts with house holders
- ✓ 217 house viewing
- ✓ 104 technical quotation made by craftsmens consortium
- ✓ 34 quotations waiting for householder decision
- ✓ 35 quotations with incomplete renovation
- ✓ 20 ongoing deep renovations
  
- ✓ 249 companies beginnig the training program
- ✓ 209 companies making part of a consortium
- ✓ 35 consortium



## Kaysersberg valley

House built on 1968 – 95 m<sup>2</sup>  
Works : insulation (walls, roof, floor), windows, ventilation with heat recovery, wood energy  
 Overall cost : 69 672 €  
 Energy works cost : 53 111 €  
 Third party financing : 12 500 € / 324 months



## Bruche Mossig Piémont area

House built on 1962 – 135 m<sup>2</sup>  
Works : insulation (walls, roof, floor), windows, ventilation with heat recovery, gas, electrical and wood heating, other works  
**Overall cost** : 110 549 €  
**Energy works cost** : 67 833€



## Thur Doller area

House built on 1956 – 153 m<sup>2</sup>  
Works : insulation (walls, roof, floor), windows, ventilation with heat recovery, water boiler, heating, electrical works, roof retrofit  
 Overall cost : 144 000 €  
**Energy works cost** : 90 786 €



## Kaysersberg valley

18th century house – 162 m<sup>2</sup>  
Works : insulation (walls, roof, floor), windows, ventilation with heat recovery, heating, extension  
**Overall cost** : 217 079 €  
**Energy works cost** : 64 745 €



## Northern Alsace area

House built on 1956 - 90 m<sup>2</sup>  
Works : insulation (walls, roof, floor), windows, ventilation with heat recovery,  
**Overall cost** : 70 000 €  
**Energy works cost** : 58 000 €  
 Third party financing : 45 000 € / 120 month



## » POINTS OF ATTENTION / LESSONS LEARNED

- Good reactions from building companies
- Where to detect householders who need assistance (banks, solicitors, building companies, local authorities...) ?
- Renovation financing habits is not to subscribe a loan
- « Caisse des depots et consignations » position concerning third party financing experimentation still not clear
- Some banks ready to invest and collaborate
- Training cost financed by fund collectors organism at 40% only
- Good reaction from householders for global assistance made by public company but difficult to sell it
- Which responsibilities of the regional operator towards energy savings after renovation works ?





*Thank you for  
your attention*

AVEC LE SOUTIEN DE

**climaxion**  
anticiper • économiser • valoriser



January  
2017

- Statutes
- Official request of potential investors

April  
2017

- Region and other stakeholders' deliberation processes

June  
2017

- General constituent assembly
- Recruitment of chief executive manager

Fin 2017

- ACPR agreement and BEI loan

## An overall assistance throughout the renovation project

**BEFORE** : a technical and financial tailor made analysis

First level information, personal advising, house technical evaluation, financial study, linking to partner craftsmen consortiums, technicals offers analysis

**DURING**: assistance throughout the renovation project

Advise and support during the works, prefinancing of the subsidies and direct payment for companies

**AFTER** : specific assistance while using the refurbished house

Assistance for house well using, equipment maintenance, energy consumption monitoring, eco-friendly house using

## Oktave SPC :

- sells the service
- employs the advisers
- references craftsmen

## Communities:

- host advisers in their offices
- take into account Oktave in their own local networking activities

