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Financial Institutions Group

EASME Energy Efficiency Market Place,  
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## **THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP)**

*Carsten Glenting, COWI (cag@cowi.dk)*

# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP)



The De-risking Energy Efficiency Platform (DEEP) was launched on 30 November 2016 in close coordination with the Commissions launch of the Clean Energy for All Europeans package.

DEEP is an open source database for energy efficiency investments performance monitoring and benchmarking that provides detailed analysis and evidence on the performance of energy efficiency investments to support the assessment of the related benefits and financial risks.

The main objective of the DEEP Platform is to better understand the real risks and benefits of energy efficiency investments based on market evidence and track record.

Since launch on 30 November 946 users from 61 countries have viewed 4,500 DEEP pages



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Upon launch the database includes 7,800+ energy efficiency projects in buildings and industry from 25 data providers:



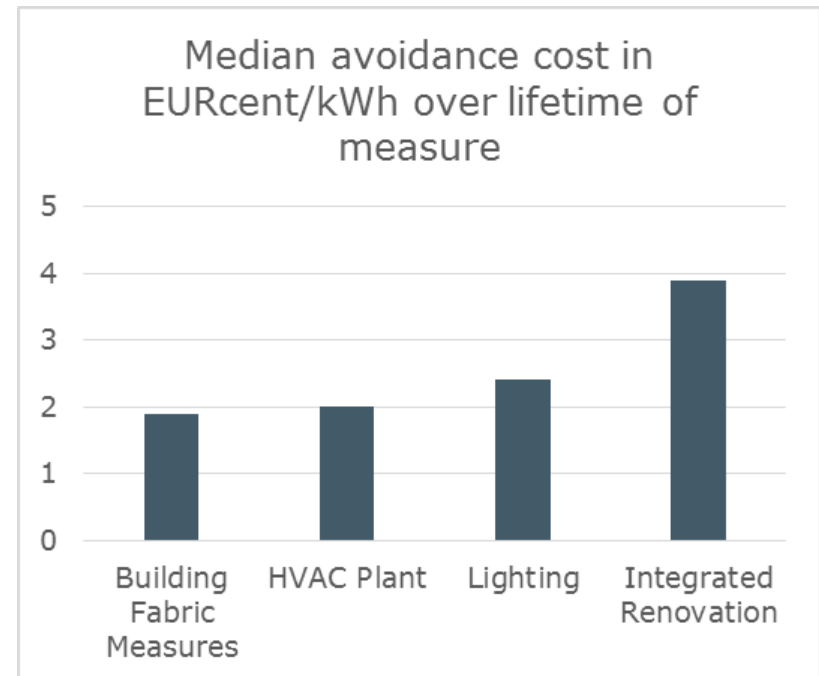
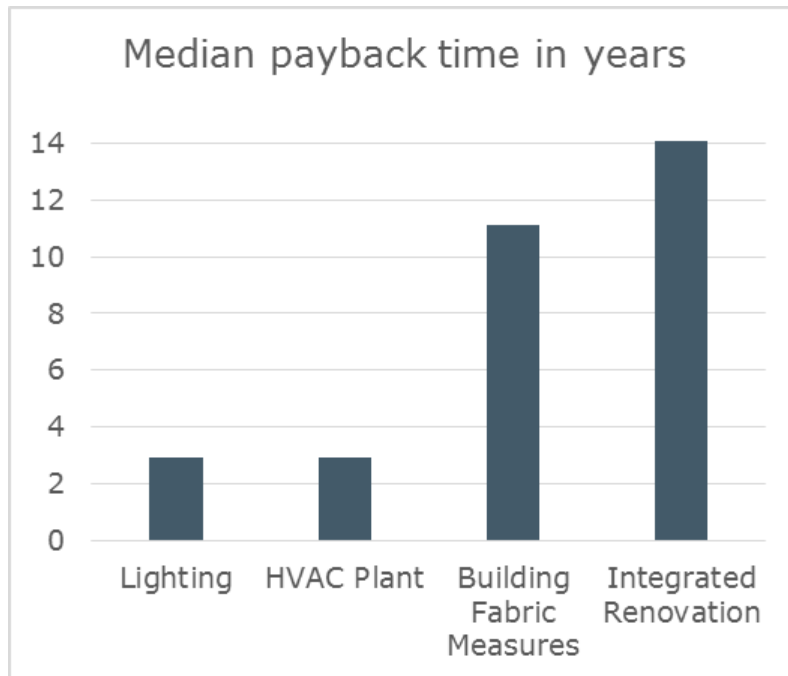
# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) EMERGING RESULTS - BUILDINGS



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Single measures (e.g. Lighting or HVAC) payback in a median of 3 years, whereas projects with deeper renovations typically require over 11 years to be paid back.

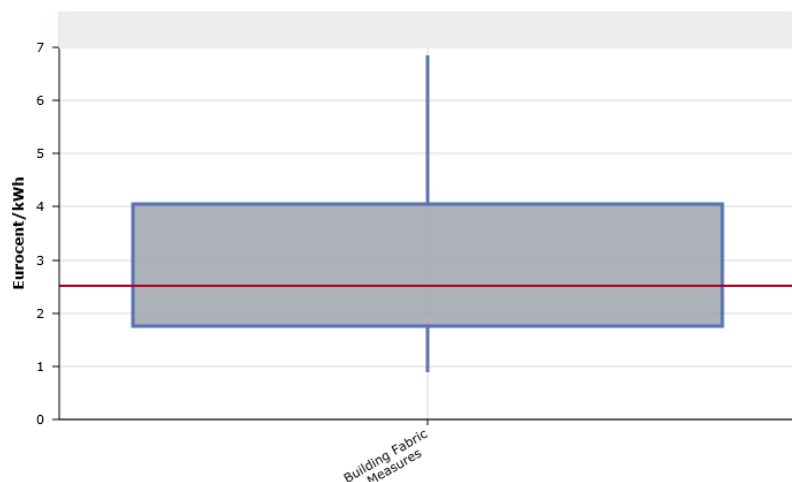
# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) EMERGING RESULTS - BUILDINGS



Deeper renovations are attractive from a socio-economic point of view, but require access to long-term financing.

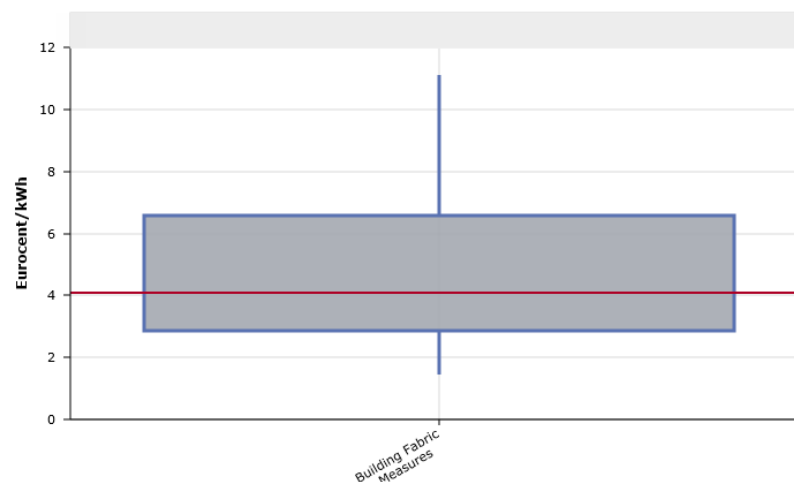
## Avoidance costs - socio-economic point of view (2% real discount rate)

Avoidance cost per measure on 10%, 25%, 75% and 90% percentiles - (Eurocent/kWh)



## Avoidance costs - financial point of view (6% real discount rate)

Avoidance cost per measure on 10%, 25%, 75% and 90% percentiles - (Eurocent/kWh)



Note: The avoidance cost is the average cost in Eurocent for each kWh energy saved over the lifetime of the measure.

Financing terms have a significant impact on project viability for deeper renovations.

# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) EMERGING RESULTS - INDUSTRY



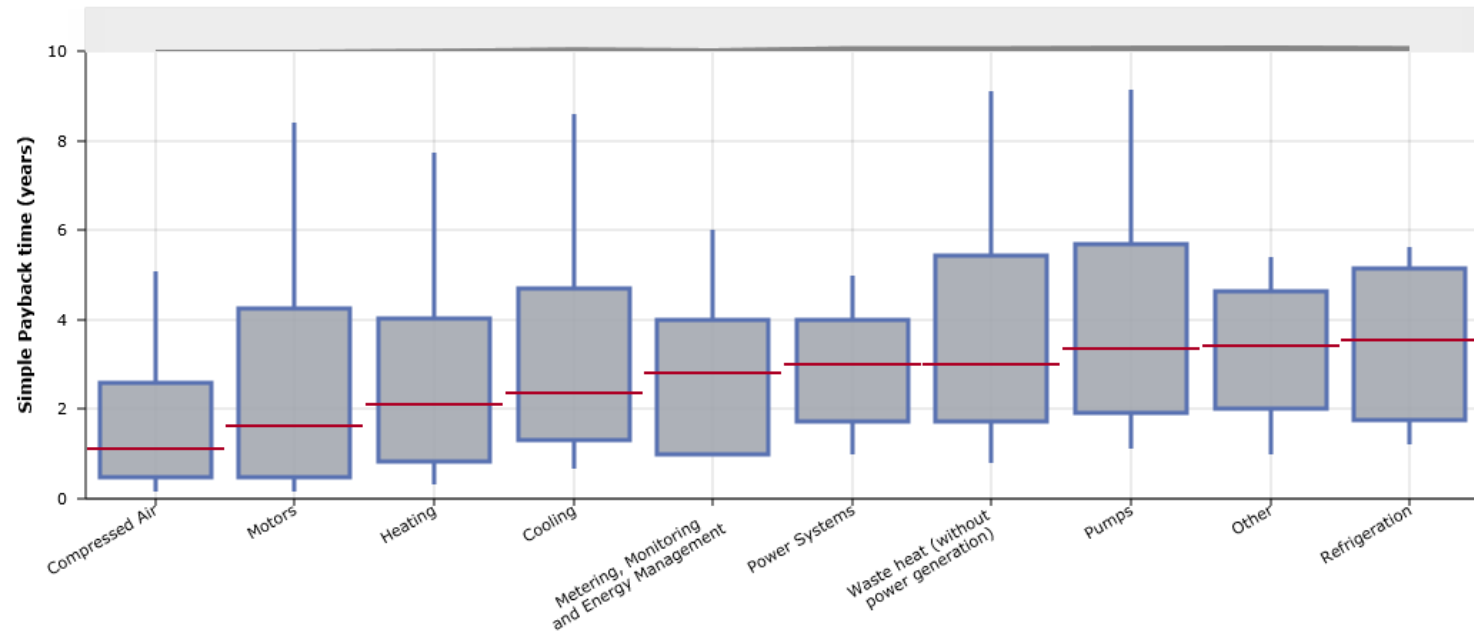
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Distribution of payback time on 10%, 25%, 75% and 90% percentiles - Measure types



The median payback from over 2,700 DEEP contributed projects from Industry is 2 years  
Many energy efficiency opportunities in industry have payback times below 3 years

# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) EMERGING RESULTS – VERIFICATION



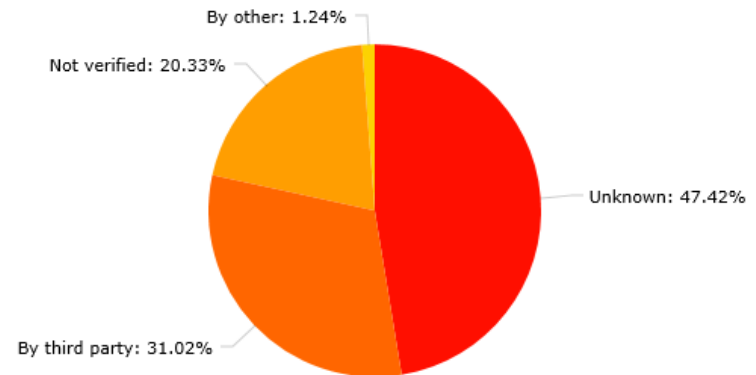
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- For buildings projects, savings have been verified by third parties for 31% of the projects and 20% have not been verified. The verification status is not known for almost half of the building projects.
- For industry projects, less than 1% of the projects have an independent ex-post verification of the energy savings.
- EE projects continue to lack sufficient monitoring of ex-ante and ex-post data, leading to higher risk perception.

**Verification status - buildings**



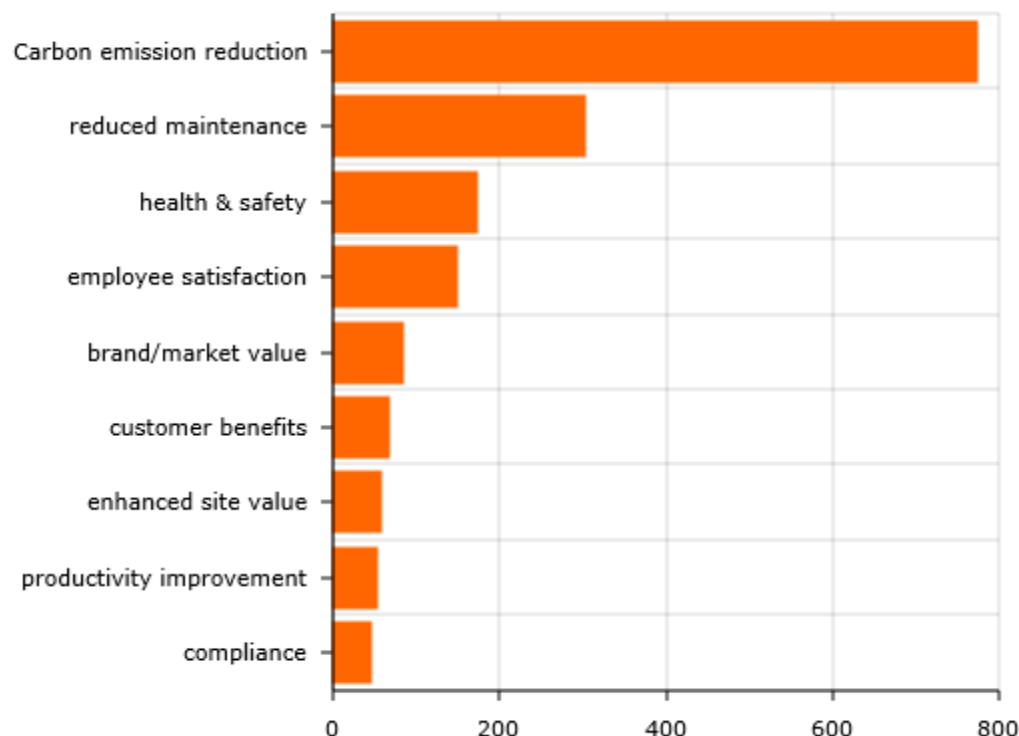
● Unknown 2,414 ● By third party 1,579 ● Not verified 1,035 ● By other 63

# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) EMERGING RESULTS – NON ENERGY BENEFITS



- Non-energy or multiple benefits from energy efficiency projects (such as carbon emission reductions, reduced maintenance costs, health & safety and employee satisfaction) are important investment drivers.
- At present just 12% of Buildings and 5% of Industrial projects (775 total) from over 7,800 in DEEP contain information about the non-energy or multiple benefits delivered through energy efficiency investments.
- Multiple benefits continue to be less visible and hard to track consistently. This suggests that real project returns are, in fact, much higher than reported in DEEP.

**Additional benefits triggered by the project**





# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP)

## WHY SHOULD YOU USE IT?



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- DEEP provides anonymized historical data structured along major project characteristics (geography, energy efficiency measures, verification status, industry / type of building, multiple benefits, etc.).
- DEEP platform provides insight on financial performance indicators such as payback time (allows assessment of minimum loan tenure needed) and discounted avoidance cost (allows assessment of financial viability at different interest rates and energy prices).
- These clearly document the existence of many investment opportunities within energy efficiency in both buildings and industry.
- Financial institution may upload their own individual projects or portfolios as private projects and benchmark them against user-selected sub-sets of the projects in DEEP.
- Want to test it? Access DEEP through:  
[deep.eefig.eu](http://deep.eefig.eu)



Become a user

- ✓ Enhance your understanding of and access to energy efficiency finance related business opportunities
- ✓ Streamline underwriting procedures through the development and use of a common language for energy efficiency underwriting
- ✓ Decrease due diligence and transaction costs
- ✓ Better risks assessment through high quality and credible data framework

# THE DE-RISKING ENERGY EFFICIENCY PLATFORM (DEEP) FOCUS DURING 2017



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Focus on supplementary data collection during 2017:

- Better geographic spread of buildings energy efficiency projects (more projects outside Germany, Poland, France, UK and Belgium)
- Better geographic spread of industrial energy efficiency projects (more projects outside Germany, USA and UK)
- More projects with data on verification status (for both buildings and industry)
- More projects with information on multiple benefits (for both buildings and industry)

Please help us achieving this by becoming a data provider!

You may contact:

Carsten Glenting ([cag@cowi.com](mailto:cag@cowi.com)) or

Timothee Noël ([Timothee.Noel@ec.europa.eu](mailto:Timothee.Noel@ec.europa.eu))



## Become a data provider

- ✓ Contribute to creating of European evidence base which is key to "get the EE policy and market story right"
- ✓ Acknowledgement and visibility as data contributor
- ✓ Benchmarking your project performance versus others
- ✓ Connect your data to investors
- ✓ Influence the industry best practice