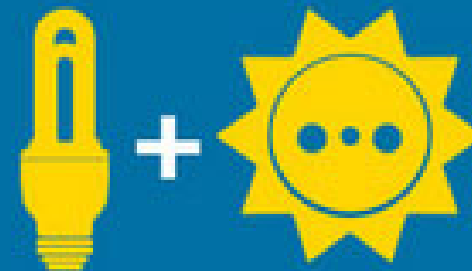


ESCO
LIMBURG
2020



Cooperation for refurbishment of municipal buildings in Limburg (B)

Energy efficiency finance market place
18 January 2017 – Brussels

Dirk Schreurs - Infrax / Patrick Boucneau - Province of Limburg (Belgium)

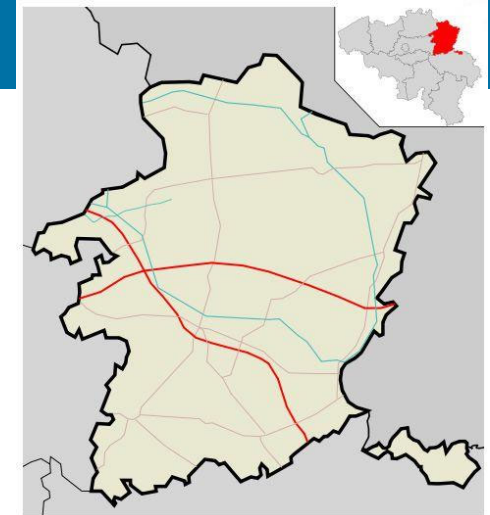


ESCOLimburg2020

- Context
 - The project
 - Projectgoals
 - Policy dialogues
 - Capacity building
 - Improvement of the ESCO-model
 - Innovative financial models
 - Lessons learned
-

Context: the province

- Province of Limburg
- 838 050 inhabitants in **44 (small) cities and towns**
- The province as **a partner** for the municipalities
- www.limburg.be



Context: the province



- Limburg wants to be **climate neutral**
- All 44 cities and towns signed the **Covenant of Mayors** in 2011
- Limburg is **covenant coordinator**
- Supporting municipalities with **BEI, SEAP and concrete projects**

Context: the partners

infrac

- Infrac: public grid operator in Flanders
- Electricity, gas, cable and sewage
- 2 000 000 connections/ 1600 employees
- Investments: 250 000 000 €/year
- www.infrac.be



- Provincial consultancy for sustainable building
- Building and renovation advice
- www.dubolimburg.be



ESCOLimburg2020: the project

- How to give the **good example** by renovating municipal buildings?
- **New public ESCO** for refurbishment & RES
- **IEE MLEI-PDA** - call 2012
- 1 April 2013 – 31 march 2016 (36 months)
- **Prolongation 1 year till 31 march 2017**
- EUR 19.8 million investments (17% leverage)



Project goal: capacity building

Building sector

- ESCO and public procurement?
- Renovation with high ambition?

Municipalities

- ESCO?
- Project financing?
- Learning from good examples



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Project goal: policy dialogues

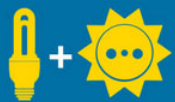
- Province as **Covenant Coordinator**
- ESCO framed in the municipal climate ambition
- Translating SEAPs into
Retrofit and Renewables Action Plans (R&R)
(= building investment plan for the municipality)
- **Policy dialogues**: convincing the municipalities!



Project goal: new ESCO service

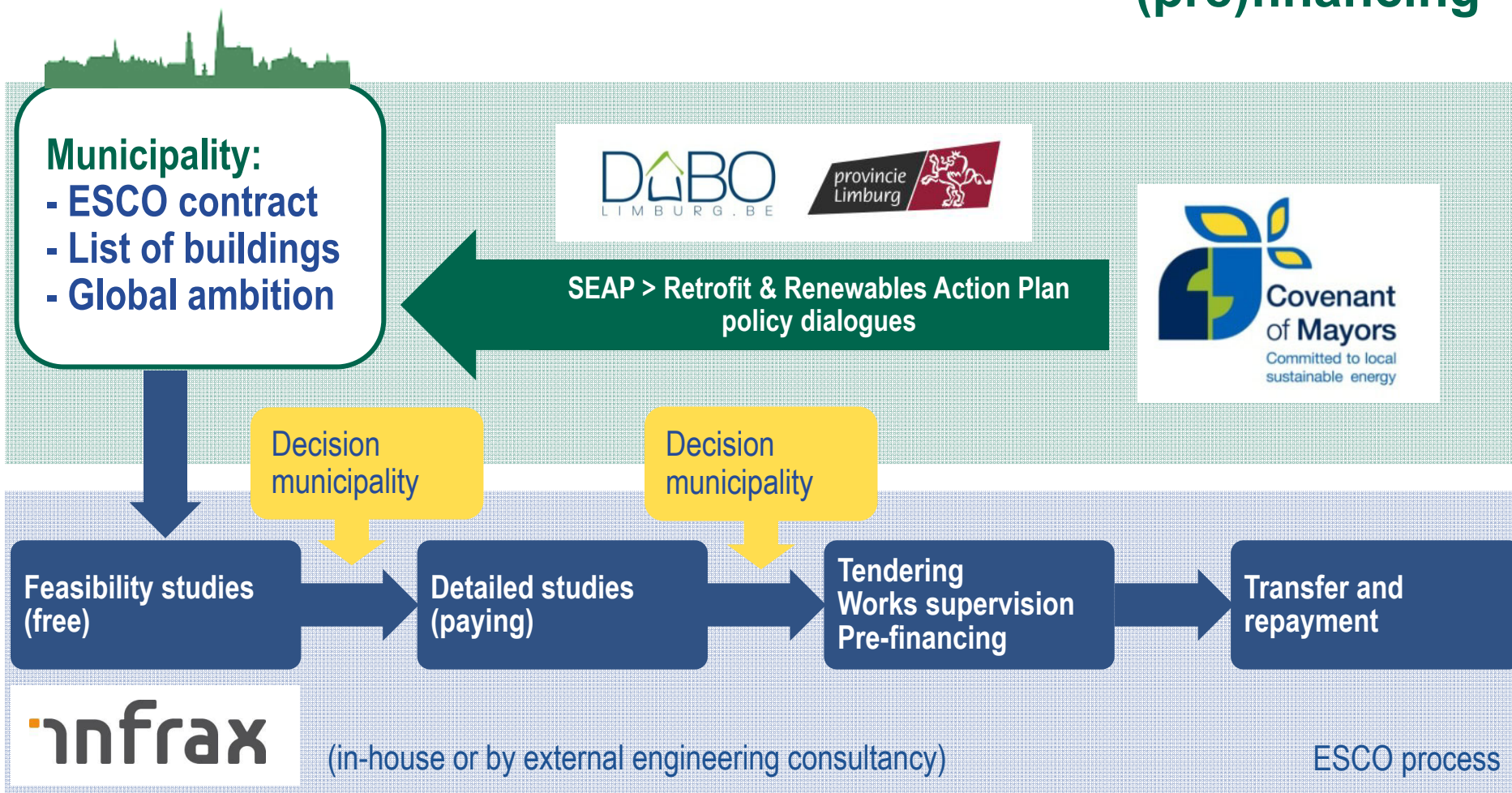
Infrax:

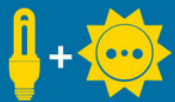
- Improvement of the ESCO-model
- Based on energy accounting municipal buildings
- Building envelope, RES, relighting, HVAC...
- High ambition (>30% savings) and no cherry-picking
- Innovative financial models



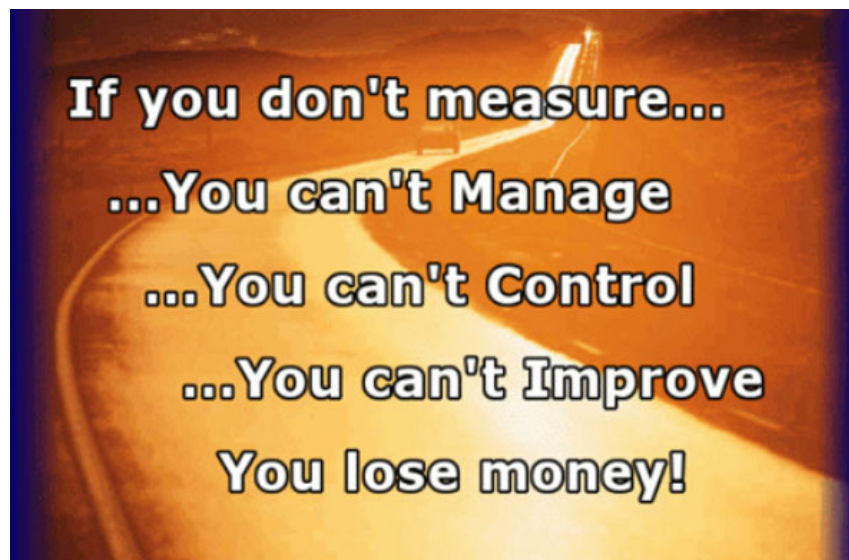
Our ESCO model: how & what?

No real EPC but calculated savings, 'unburdening' & (pre)financing

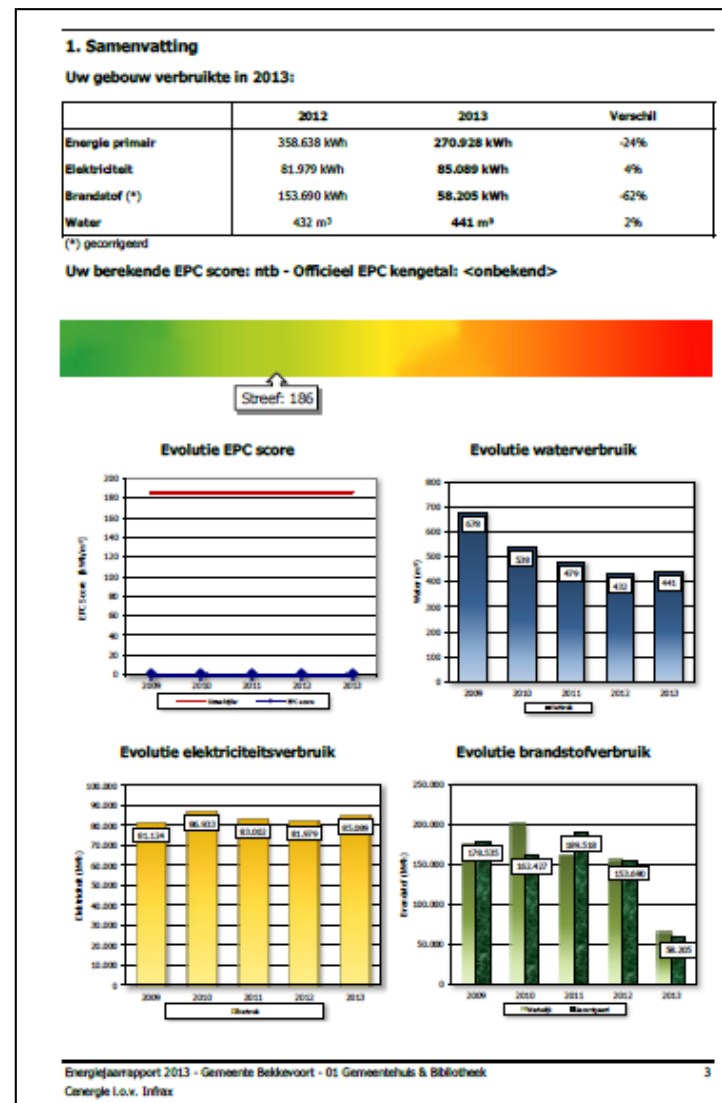




The basis: monitoring



- 1.200 buildings
- Benchmarks
- Advice





Aggregation of projects

Bundling projects – tendering

- To contractors
- To engineering offices

 *Better offers, lower Prices*

Bundling projects - execution

- List of preferred contractors
- 1 contractor for more projects

 *Higher efficiency of the project*



Project goal: project financing

(Pre-)Financing investments by Infrac

- Repayment after transfer (acceptance and invoice)

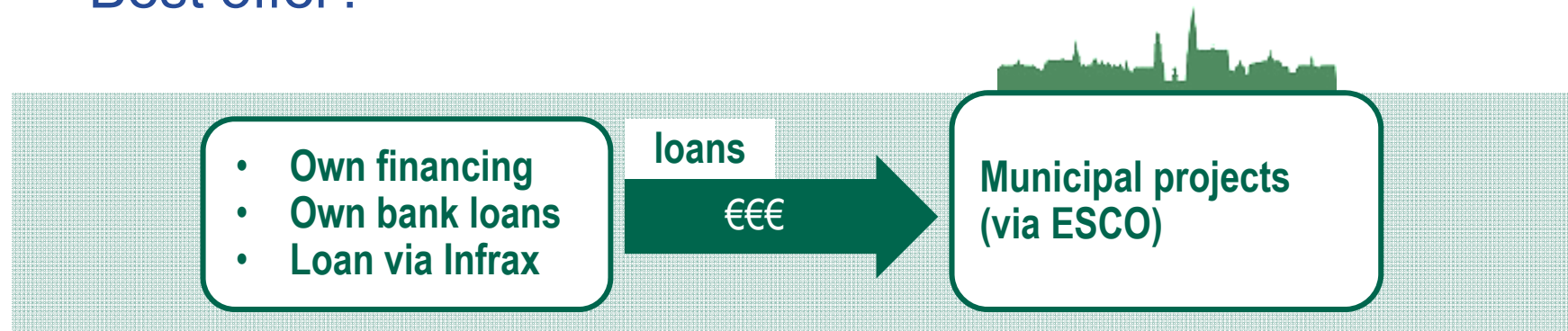
Own financing or bank loan by municipality*

- Loan capacity?

* loans on balance!

Deferred repayment (loan) by Infrac*

- Very easy (no additional costs) without long procedure
- Best offer?





How to finance projects?

Study by KPMG

- Objective: financing ESCO-investments by municipalities
- Exploring 'all' possible financial strategies and products
- Scoring and ranking
(ESA? financing margin? financing cost? ...)
- Long list > shortlist
- Working out some interesting, realizable products



How to finance projects?

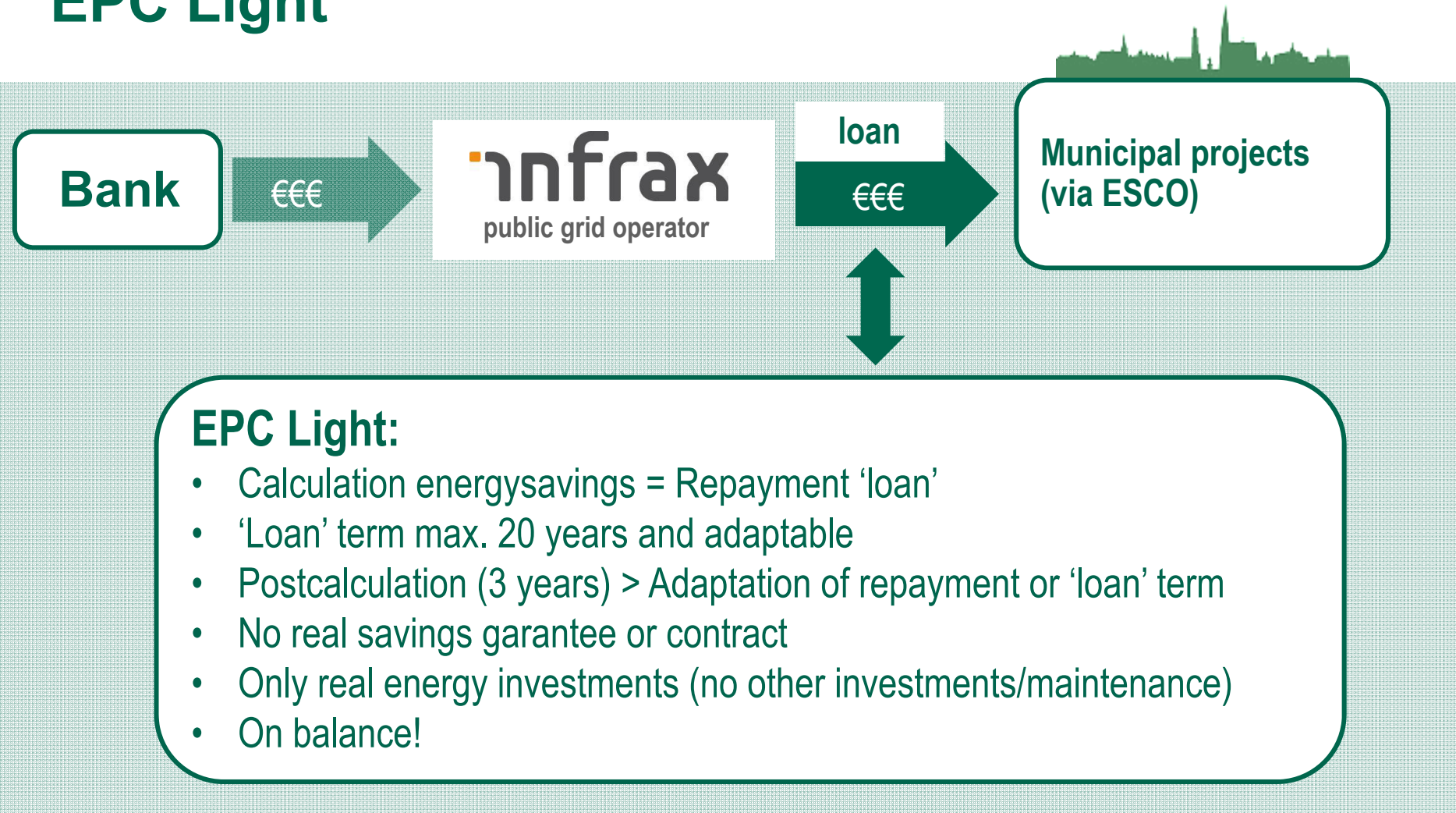
Study by KPMG: shortlist

- Real EPC with Special Purpose Vehicle (SPV)
(financial partner & technical partner)
- **‘EPC light’** (calculated savings = repayment loan)
- DBFM (Design, Build, Finance en Maintain)
- **Green Investment Fund** (with SPV)
- EEEF (European Energy Efficiency Fund)
or Jessica (can we use these funds?)



Innovative financial models?

'EPC Light'





Innovative financial models?

Green Investment Fund

- Mobilise more cheap money for municipal ESCO-projects
- Use the existing Limburg Climate Fund
- Create involvement of citizens at local level
- Improvement of municipal facilities by and for the citizens
- Combining money from: municipality, Infracx, NUHMA (municipal holding company), citizens, private banks, EEEF...



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Limburg Climate Fund

www.limburgsklimaatfonds.be

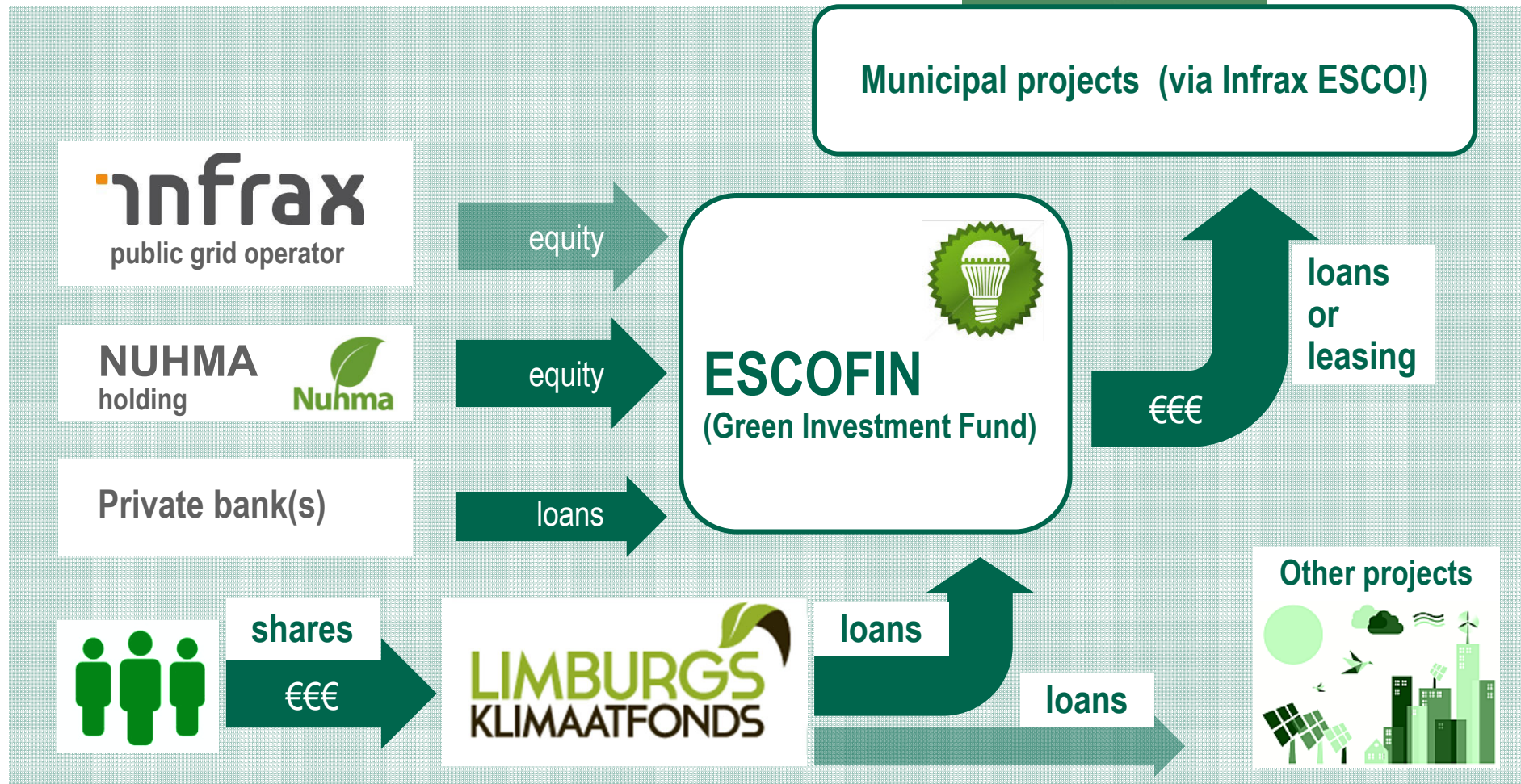


- Cooperative fund (subordinated loans, shares...)
- Create revenue for shareholders
(1% > savings account)
- Founded 2012, approval by supervisory authority 2014
- Create involvement of citizens and organisations
- Mobilise money for financing climate projects



Innovative financial models?

Green Investment Fund





Best practices - conclusions

Cooperation is possible everywhere!

- Cooperation province - Infracx - Dubolimbург

Policy dialogue !

Our ESCO-services

- Design an approach for your situation, based on:
 - energy monitoring and benchmarking (priorities)
 - feasibility and detailed studies
 - support tendering process (bundling, frame contracts...)
 - project management, construction supervision

Unburden the municipalities !



Best practices - conclusions

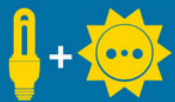
Financial problems municipalities?

- 'EPC light' can be a solution
- Other funding possible? (green investment fund)
- Real EPC possible?

(Support municipalities when hiring a private ESCO for real EPC contracting)

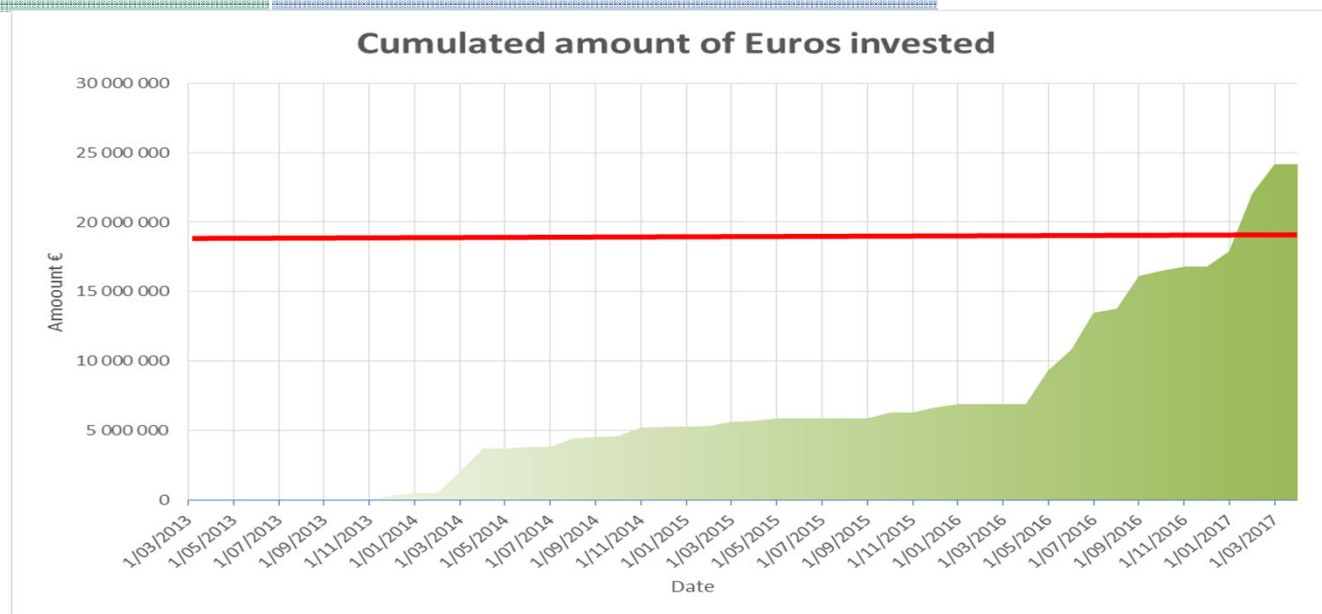
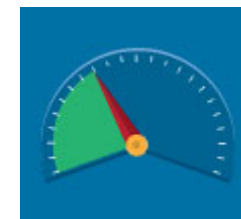
In our region:

Municipalities have no great financial problems & low interest rates !



Interim results (december 2016)

Status	Amount of investments (€)
Feasibility studies	6.642.129
Detailed studies	4.066.327
In progress...	6.231.311
Excecuted...	7.205.267
Total	24.145.034
Project goal	19.800.000





473.794
kWh



93.987
kg



139.334
kWh



1.269.000
€



BOUWEN AAN EEN DUURZAME TOEKOMST

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NIEUWE PROJECTEN VAN ESCOLIMBURG 2020

25-09-2014

Steeds vaker nemen lokale overheden ESCOLIMBURG2020 onder de arm voor het verduurzamen van hun bestaande patrimonium. Dit jaar werden onder andere het gemeentehuis van Diepenbeek, sporthal De Bemvoort in Overpelt en drie provinciale scholen - in Lommel, V

LEES MEER



EXCURSIE VLAAMS- BRABANT OP 30 OKTOBER

15-09-2014

Hoe werkt een warmtenet? Zijn er opportuniteiten en uitdagingen van deze innovatieve manier van collectieve verwarming voor uw gemeente? ESCOLIMBURG2020 neemt u op donderdag 30 oktober mee op excursie naar Vlaams-Brabant en geeft u antwoorden op al uw vr

LEES MEER



ESCO IS WINST

ESCO geeft impulsen aan de Limburgse economie, de investeringen van de Limburgse gemeenten ter verduurzaming van het eigen patrimonium komen ten goede aan aannemers uit onze provincie.

ESCOLimburg2020

1 april 2013 - 1 april 2017

www.ESCOLimburg2020.eu

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