

EPC as a catalyst for building renovation in the public sector

CA EED plenary meeting 13/10/2020



Mission VEB



“VEB wants to exceed the climate goals for the public sector via efficient energy management”

Why client choose us?



No need for public tendering – VEB did that already for you



Save costs– VEB works cost efficient and covers only actual costs



Find expertise & experience – PDU model



What do we do?



Supply of energy (green electricity and natural gas)



Seperate energy saving measures



Generation of renewable energy



EPC



For who?

≥ 50% public resources



Local authorities



Umbrella organisations



Schools



Vlaamse
overheid

Government
agencies



Non-profit
organisations



Health care sector



Federal
government
agencies



Cultural buildings,
youth, sport,
leisure -facilities



Social housing



Higher education



Reasons why we think EPC can be an important catalyst

1. Climate change does not care about promises, but needs **guarantees**.
2. Technical and financial directors in the public sector want **stable cashflows** (TCO's incl. energy + maintenance costs), while ensuring healthy and comfortable indoor climate.
3. The **needs** of the building owners are described as **functional** performance guarantees and the **remuneration** of the private partner depends on it. Different **challenges are integrated** at once.
4. **Speed up:** separate based contracting will simply take more time to reach similar results. In-depth measures for long-term buildings can start counting and you can make use of economies of scale (both in tendering as in implementation and follow-up)





GRE Liège
Cofely Services



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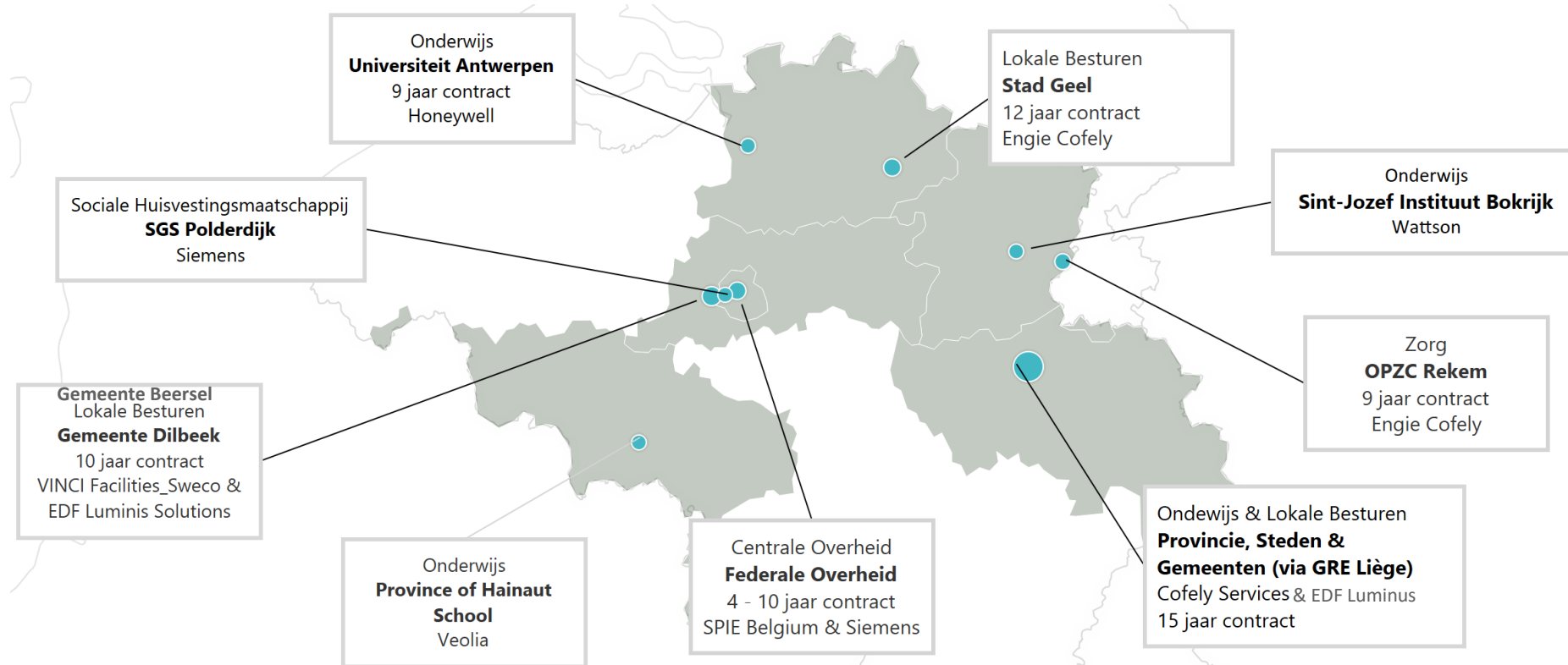
OPZC Rekem
Engie Cofely



Universiteit Antwerpen
Honeywell



Stad Geel
Engie Cofely



Federale Overheid
SPIE Belgium (& Siemens)



Gemeente Dilbeek
VINCI Facilities_Sweco



Gemeente Dilbeek
EDF Luminus Solutions



GRE Liège
Lot 1: EDF LS; Lot 2 : Cofely Services



Example 1



- City of Geel has a performance guarantee of 45% in electricity decrease and 18% natural gas.
- Total investment is 1,7 million €
- Contract duration is 12 years
- City finances itself



Example 2



Facility director of the hospital Marc Jackmaert:
“When clustering the responsibilities with an ESCO, we can realise a combination of measures with a guaranteed result, while remaining focus on our core competences”





EPC | Standardised phases

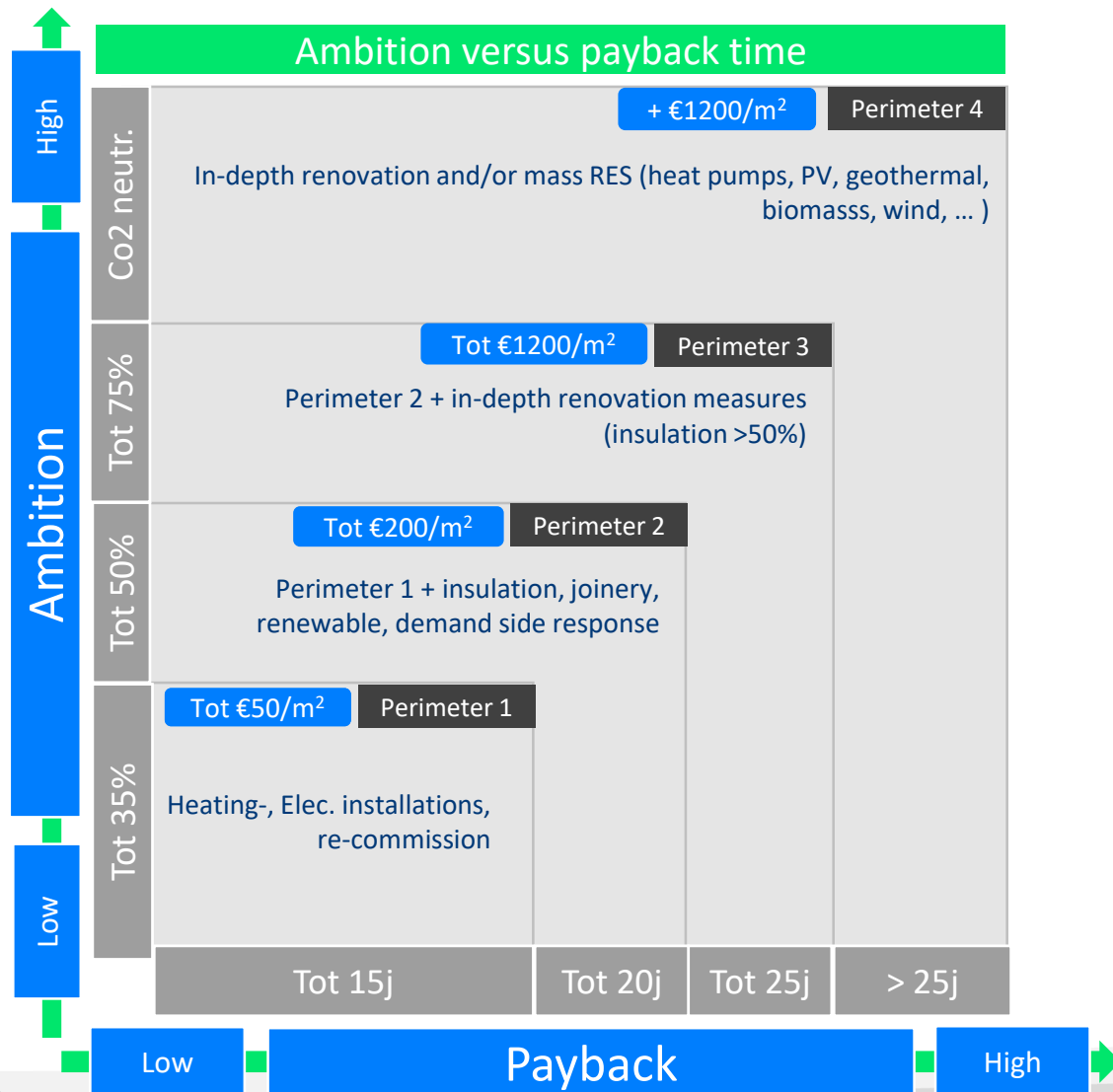


Market evolution EPC - M

Market item	Where do we stand Responsability VEB
Framework Agreement on facilitation	Quality control, legal supervision (5th minicompetition on-going with 4 private facilitators)
Contract standardisation and Elaboration (partly) off balance EPC-M	Formal advise won by our statistical office. First tender off balance on-going for cultural facility: only 'light' electricity measures with low maintenance needs Partly off-balance model under discussion with INR
Water saving guarantee	New performance guarantee (same baselining, M&V)
DER-(M)EPC	Max kWh/m ² or label, hybrid financing model. Current pilots will start in the education sector
Healthy indoor climate guarantee	New performance guarantee (air humidity, temp, CO2 PPM)
Circular awarding criteria	New awarding methodology New consortia
Citizen participation	New awarding methodology New consortia



What do we advise in terms of DER-EPC?



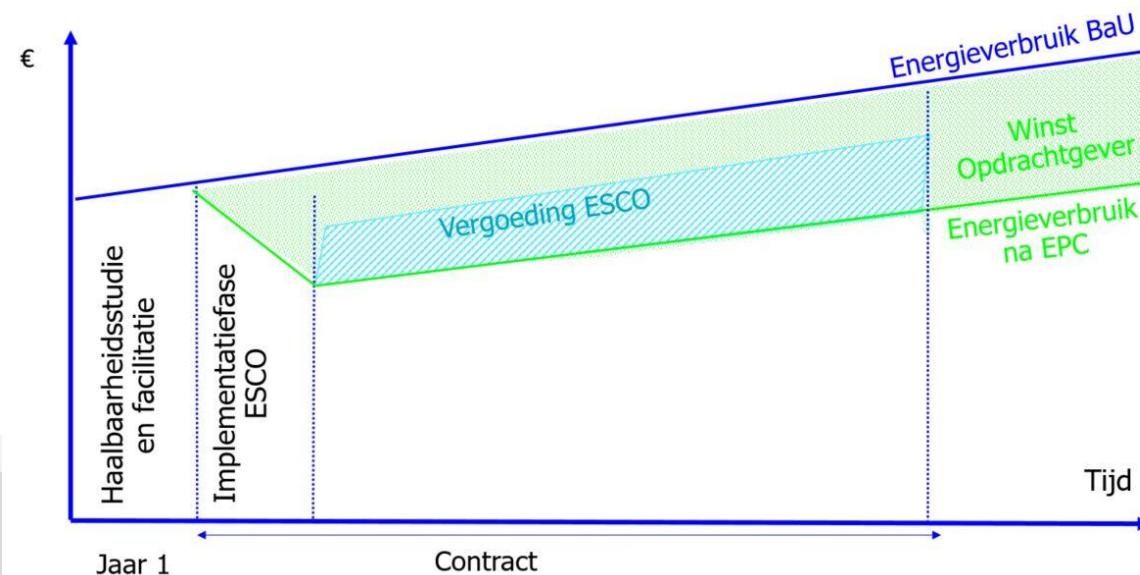
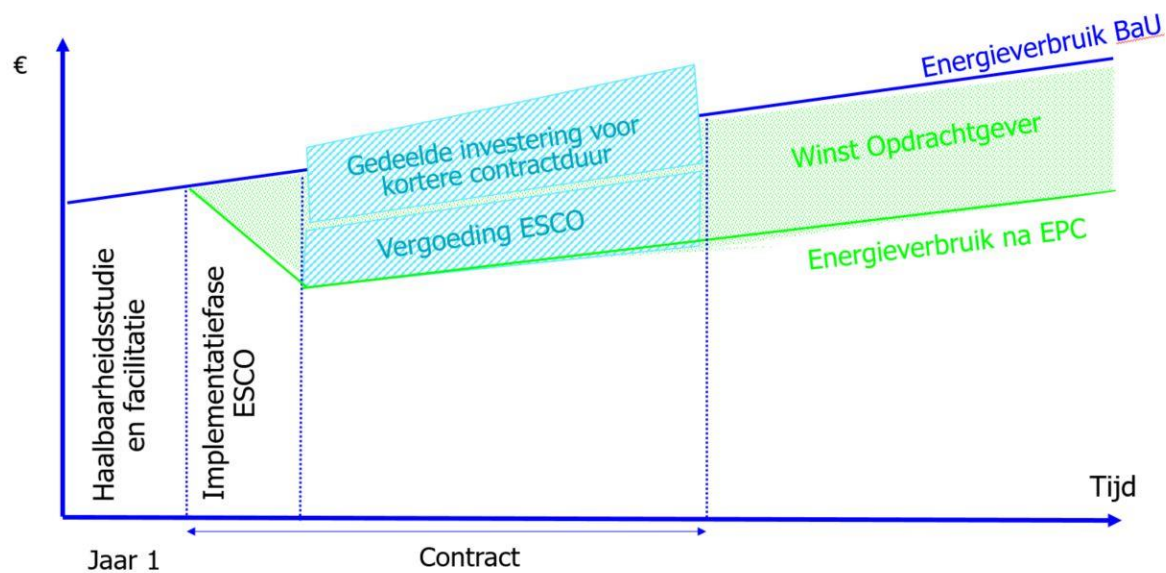
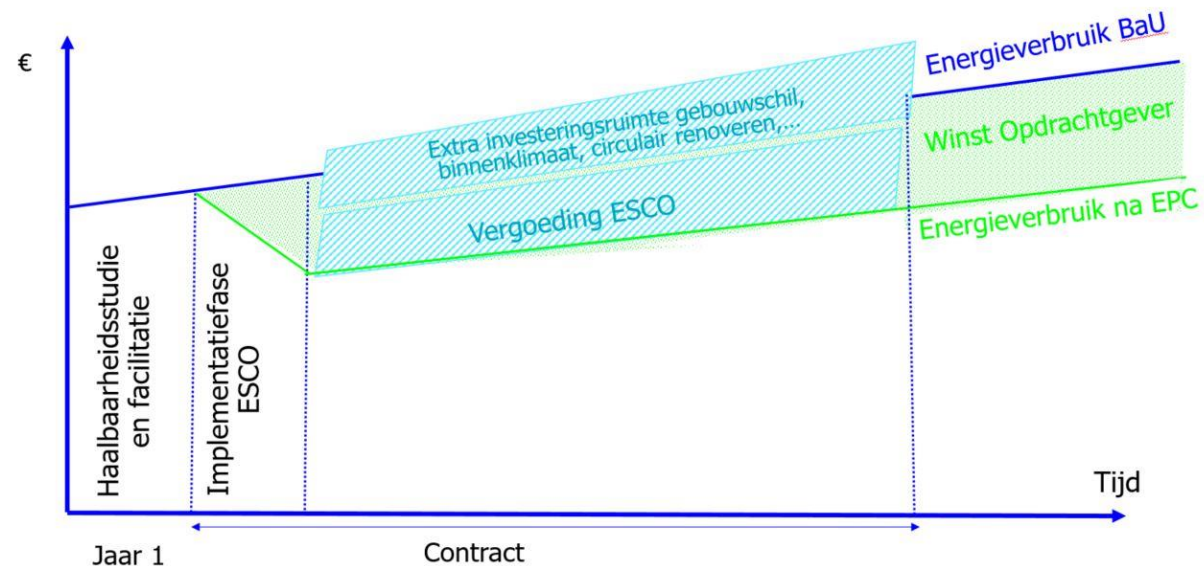
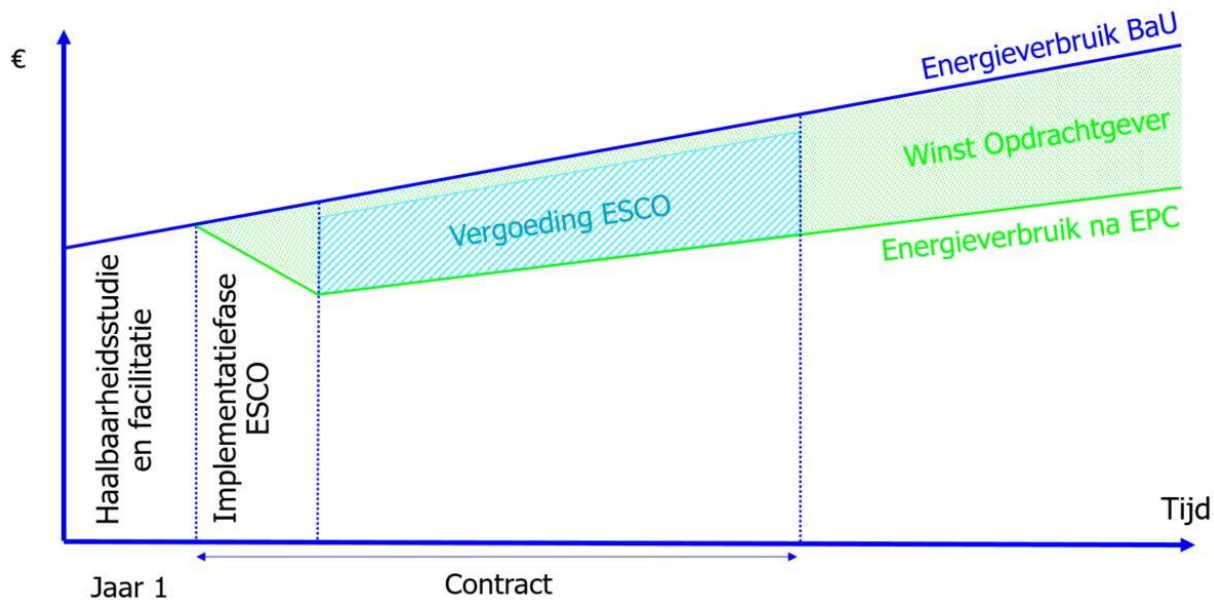
Advise:

“Cluster the right measures with high and low payback times in order to reach more cost efficiently the long term targets and prevent lock-in’s from happening”

Source: CITYInvest, 2015



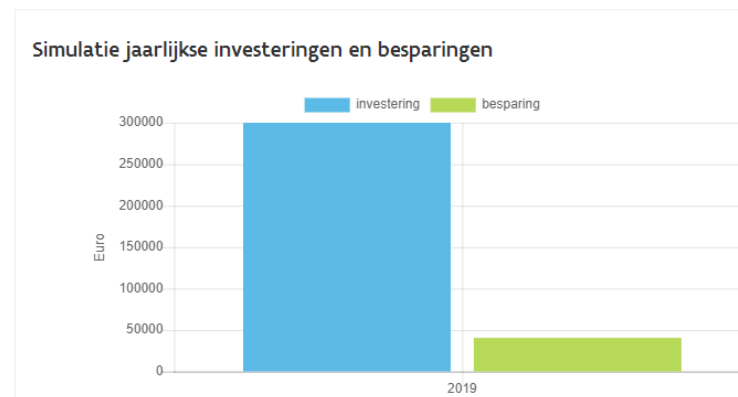
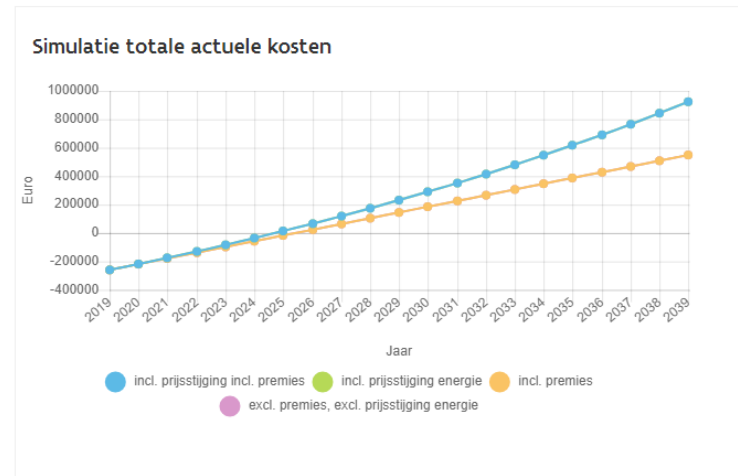
What defines an EPC?



Example TERRA in health care sector: VIPA – 1.000 buildings and support for facilitating EPC



Maatregelen		Herbereken
Naam ↓	Jaar	
Achterzetramen enkel glas (investering: 2400 €)	2019	<input checked="" type="checkbox"/>
Afblaasluicht perslucht (investering: 3000 €)	2019	<input checked="" type="checkbox"/>
Dakisolatie (investering: 280000 €)	2019	<input checked="" type="checkbox"/>
Dakisolatie (investering: 280000 €)	2019	<input checked="" type="checkbox"/>
Energie ID (investering: 0 €)	2019	<input checked="" type="checkbox"/>
Gebruik van timers (investering: 400 €)	2019	<input checked="" type="checkbox"/>
Inregeling thermostaat technisch lokaal liften (investering: 25 €)	2019	<input checked="" type="checkbox"/>
Isolatie appendages (investering: 6250 €)	2019	<input checked="" type="checkbox"/>
Isolatie appendages stoom (investering: 950 €)	2019	<input checked="" type="checkbox"/>
Isolatie appendages warmteterugwinning (investering: 1300 €)	2019	<input checked="" type="checkbox"/>



Key to change in DER-EPC: lessons learned so far



- Starting point: how do you achieve the long term climate goals in the most cost effective way?
- We move from ESCo financing to hybrid models, integrating:
 - Public (subordinated, commercial or soft) loans
 - Grants (example Climate Fund – VIPA)
- Request a real estate strategy first: define your scope for long term contracts
 - Structural measures: Kpeil-40: no lock-in for 100% RES
 - Provide a ceiling of remaining energy consumption e.g. 40 kWh/m² and start competition from there. Attach it to your current labeling policy.



WANTED

1. Learn from each other experiences on (partly) off balance projects and higher ambition levels
2. M&V integrated in our database for automatic follow-up parameters
3. AI for feasibility studies and quicker decision making processes



Let us know if we can cooperate on these challenges!





Questions?



Elise Steyaert

Project Lead Energy Efficiency

Elise.Steyaert@veb.be

+32 477 18 98 60



VEB

efficientie@veb.be

<https://www.veb.be/contact>

+32 2 421 32 00

