

## Partner Questionnaire

### 1. How can EPC affect local level (SEAPs and other energy plans) and National level energy efficiency targets?

Although EPC is considered to be far developed in Austria there is still large potential for applications, especially on federal and regional administrative level (national administrated buildings are already included into a comprehensive EPC campaign)

EPC is also explicitly mentioned in the national adaptation of the EU EED (energy-efficiency-law), although only for national facilities. Still there are ongoing discussions about whether savings out of an EPC-contract can immediately be traded in the framework of the energy-efficiency-law. If this question is answered positive this might produce additional incentives for public bodies to apply EPC.

### 2. Discuss the most prevalent barriers you have experienced whilst implementing EPC in your region/city, organising your answers under the following headings:

- **Financial Barriers**

Financing of energy-efficiency-measures is still one of the main arguments for EPC in Austria, especially for public bodies, which face certain difficulties to raise funding for necessary improvements and maintenance duties. Other arguments – outsourcing of technical and financial risks, one-face-to-the-customer, guaranteed savings – are still relevant, but only as secondary arguments.

On this behalf still awareness-rising has to be performed

- **Administrative Barriers**

Especially small communities are not able to carry out EPC-projects on their own because of a lack of resources and specific know-how. A project facilitator is therefore essential for the development of EPC-projects for those clients.

Each federal region has its own legislative context and “traditions”. This leads to huge differences between the several federal regions in terms of autonomous decisions, support and subsidies, and other framework conditions. This is represented in the differences in density of EPC-projects: in some federal regions there are hardly any EPC projects so far (apart from the national buildings), whereas others can show a decent number of projects.

- **Policy/regulation Barriers**

On federal level the declaration rules of public debt already led to problems and ceased EPC-programs.

On the level of communities (cities) this has not been observed so far.

- **Knowledge Barriers**

Small cities and even smaller entities don't have the resources to build up the necessary knowledge for the development of EPC-projects and are often overstrained in the internal

communication. Those deficits can only partly be compensated by an experienced external project facilitator as he cannot be involved into all steps of persuading of the decision makers. Moreover the anticipatory consideration of various decisions within the procurement phase can be supported mostly but not completely by the project facilitator.

One of the most important barriers for EPC-implementation is the lack of knowledge about energy consumption, technical status quo and technical potentials of the existing facilities of public bodies. The increasing introduction of standardized energy audits for buildings and other energy-consuming facilities builds up a good foundation for future EPC-projects, although energy audits are only mandatory for large companies at the time. Still for the “semi-public” bodies (e.g. public hospitals), which are obliged through the energy-efficiency-law to perform energy audits, the foundations for future EPC-audits is being prepared at the time.

- **Other Barriers**

The procurement of EPC doesn't reflect the traditional way of procurement of Austrian public building owners. This slows down and often prohibits the decision to go for an EPC because of a number of uncertainties and concerns.

### **3. In relation to the barriers outlined, please suggest your preferred solution or policy recommendation.**

#### **Answer:**

Recommendations from superior authorities to enable EPC would ease the implementation of more EPC-projects. This has to be supported by two strategies:

1. Information and training for those superior authorities on the topic, because EPC is still often seen only as a financing tool to overcome the barrier of additional debt.
2. Subsidising the development costs of an EPC-project

### **4. Discuss the most prevalent success factors you have experienced whilst implementing EPC in your region/city, organising your answers under the following headings:**

- **Financial success factors**

Financing through EPC is often not the cheapest way of financing (therefore financing through the ESCO is often only optional in Austrian EPC-projects), still it is sometimes the only option, when the responsible public body does not receive any credits on its own any more.

- **Administrative success factors**

It has often been observed, that after a successful procurement of EPC clients often look for further objects suitable for EPC. A routine-effect in those cases has also been observed.

- **Policy/regulation success factors**

It can be considered as a success to have EPC explicitly mentioned in the energy-efficiency-law. It can be hoped, that a kind of spill-over-effect enables EPC-projects for other authorities than the national ones as well.

- **Knowledge success factors**

Best practice examples and direct experience from clients of successful projects is one of the most important success factors, especially to enable project facilitators to show references of their experience.

- **Other success factors**

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## **5. In relation to the success factors outlined, please elaborate on why these factors were of particular importance.**

### **Answer:**

When potential clients consider going for EPC it is always one of the first questions, where similar projects have been developed and how they performed, what the experience was and how those examples differ from their own potential project. Best practice descriptions are a good way to communicate those projects, but even more effective are direct contacts with the clients of the best practice examples. This often requires personal relations in order to create trust, which limits the access to those examples.

Also series of EPC-tenders (i.e. LIG Styria, city of Wr. Neustadt, street lighting Graz) demonstrate effectively the customer satisfaction with the concept and it's concrete implementation.

Last but not least the financing-option for energy-efficiency in many cases is the door-opener to EPC-tenders, even if in the end financing is not the most important feature of those projects.