

Project EIE-06-189 ClearSupport

Clearinghouse Facilitation:  
Paving Way for Better Energy Building Performance  
in Europe

# Tool 2: Guide; Clearinghouse Processes and procedures

Prepared by

ENERGY CONSULTING NETWORK

DANISH  
  
ENERGY  
AUTHORITY

In coordination with partners of the ClearSupport project

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## **1 Introduction**

The aim of the Tool2: Guide: Clearinghouse Processes and Procedures is to present regional or local stakeholders in EU, to the concept Project Service Facilities (PSF's) which has showed useful (in the ClearSupport project) in achieving regional and local energy efficiently goals by introducing RUE in buildings.

This report can be seen as manual on the procedures and processes of importance when starting up a PSF.

The potential for energy savings in buildings is huge, but there are a number of barriers to be confronted. These range from lack of awareness and capacity in developing the appropriate type of measures to lack of financing for ensuring the investments.

Thus the challenge of decision-making in European regions is to make proper design of the efforts with a view to overcoming the barriers in conjunction with involving the stakeholders having an interest in a proactive policy.

The ClearSupport project has entailed pilot testing of the PSF concept in five locations: Latvia, Lithuania, the Pomeranian region of Poland, the Czech Republic and the Crete region of Greece. For each region valuable experience has been obtained and this report tries to give a condensed view of the experiences.

This report is also useful for existing PSF's in order to ensure exchange of lesson learned.

## **2 Project Service Facility**

### **What is a Project Service Facility?**

The Project Service Facility (PSF) is to establish an entity dedicated to provide practical assistance to project owners on project identification & documentation. The aim is to facilitate access to financial sources with the ultimate goal to enhance implementation of RUE in building measures. Besides this it is also an important objective of the PSF to be a knowledge resource base for helping the implementation of the projects.

The organisational setup of the PSF can have different shapes depending on the area/region of establishment. The size and nature of the entity can also differ from one region to another depending on the existing stakeholder marked. The regional PSFs could either be established as 100% public entities (as new organisations or within existing organisations) or as public/private partnerships funded and operated through a partnership of regional/local governments and one or more private sector companies (or industrial associations). It can be a single person facility or a multi-person facility depending on the potential (e.g. energy efficiency, economically and socioeconomically) of RUE projects in buildings.

One of the scopes of this guide is therefore to create a project manual describing some planning steps to be carried out by the PSF developer in co-operation with the relevant stakeholders in order to develop the best possible PSF in the given region or country.

### **Why is PSF's necessary?**

The PSF's can contribute to the implementation the EU-directives in respect of the EU-building Stock. The following directives are supported by the PSF's.

- EU Energy Saving Action Plan, to be renewed 2009-10
- Newly adopted EU '20-20-20 package
- European Energy Performance of Buildings Directive/EPBD, including ongoing recast
- Economic Recovery Plan, combined wish of stimulating economy and gaining energy savings where energy savings in the residential sector is one focus area.

The PSF's can act as an catalyst to ensure and enhance project development in targeted regions and countries and thereby be an effective tool to achieve the ambiguous targets set by the EC member

states in regards to achieving energy efficiency in the building mass of the European Community.

### **Define intervention**

When developing and operating a PSF it is important carefully to define the intervention needed in order to map the best point of departure for the structure/framework of the PSF, and hence ensure that the PSF provide added value for project development and best contribute to reaching the targeted energy efficiency goals. A PSF set-up should therefore be designed to support the various stakeholders along the process of planning and developing RUE projects in buildings.

First of all it is important to identify the goals for energy reduction, CO<sub>2</sub> emission reductions, development of the energy sector etc. in the target region or country. It is the local/regional/national legal framework and regulatory system that to some extent helps define the activity level on which the PSF are to be focused. It is vital to the success of the PSF to know the local, regional or national energy efficiency targets in order to set the ambition level of the PSF.

Equally significant is to investigate the potential for development of a PSF. Such investigation shall focus on technical, economic as well as social conditions in the targeted region/country. The existing potentials define the level of activity level the developer of the PSF should aim for.

Thus, when setting up the PSF, the needed capacity and capability to support stakeholders along the project cycle must be carefully assessed in relation to local conditions and circumstances. Stakeholders along the value chain include: Local governments, regulators, project owners, financing institutions, end-users, different kind of project service providers (engineers, architects, ESCOs, constructors, installers etc.).

Furthermore, it is important for the success to draw upon existing lesson learned of already implemented projects to ensure the best possible understanding of the area of intervention. By targeting the correct point in the project cycle the PSF will act as a catalyst for project development and will help achieve the targeted energy efficiency goals.

### **3 What to consider when using a PSF**

It is important to consider where in the project cycle of energy efficiency projects the PSF is needed. We have therefore in this report incorporate the processes/procedure steps and the project cycle. This is done to ensure that the PSF support the implementation of the most relevant projects but also to ensure that the PSF it the right body to facilitate the specific project in question.

The project cycle includes the steps from project identification, implementation and evaluation, and is interlinked to the steps of the processes and procedure presented below.

Before engaging in the steps below it is important to gain knowledge of the existing stakeholder market in order to address the needs at the right level of the project cycle. In some regions many service providers already operate in the market and are in a position to deliver many of the required project services (ESCOs, energy auditors, engineering companies, architects, institutes etc.). But there are possibly still areas where more capacity is needed in the market. It is therefore outmost important that the service provided by the PSF's are based on analyses of the local needs and the current local market capacity.

The PSF could have an essential role towards ensuring that market players are mobilised towards the huge amount of EE projects and that projects are developed and documented in accordance with the requirements of the financing institutions. Some projects may be defined and initiated by project service providers, but could still be coordinated with and supported by the PSF structure.

After analysing the local needs, capacities and capabilities it is possible to target the PSF's support and address the following steps of the processes and procedures.

#### **Type of activities and steps:**

It is important to stress that Step No. 1 and 2 Step No. can be carried out in parallel.

#### **Step 1. Collection of relevant knowledge by mapping**

1. Knowledge of national and local energy policy and objectives in the field of increasing the energy efficiency in the building sector.

2. The amount and type of energy consumption in the building sector in the actual area, where the PSF is situated.
3. Potentials for improving the energy efficiency in buildings in the actual area, where the PSF is situated.
4. Technologies and possibilities for improving the energy efficiency in the buildings.
5. Experiences from successful projects.

## **Step 2. Elaboration of lesson learned**

Elaboration of prefeasibility studies based on the experiences from successful projects from the first phase of the Clear Support Project. The feasibility study should include manuals for increasing the energy efficiency in different type of houses, categories etc. and/show how to make energy supply to the houses based on small renewable energy plants. When implemented, these projects could have a function as demonstration projects.

As to the feedback from projects the PSF could have a role in relation to summarize lessons learned from the projects, including impacts of measures. This should be done to facilitate exchange of know-how and experience between projects as well as supporting identification of shortcomings and needs in the current framework conditions.

To be a qualified market operator in the PSF network service providers could be required to possess certain qualifications and experience, which probably would include most of current market players. A service provider would receive technical and strategic support from the PSF network. In return they should be required to develop and documents the project according to certain standards and requirements, and further to provide feedback on the project results together with the project owners.

**Step 3.** Discuss with relevant stakeholders like house owners and constructional engineering firms how to implement a projects. At this stage of the project cycle the PSF would identify possible projects, project owners and influence project owners to understand their needs for implementing EE projects.

Drivers for initiating projects include:

- Implementation of policy framework (EU directives, local legislation etc.)
- Awareness of technical measures and their feasibility

- Awareness of financing options
- Environmental consciousness
- Energy management routines

Having decided to develop and implement a project it is important that project owners are aware of all the external factors that will affect the process such as local, national and international policies, requirements, development trends, legal frameworks etc. It is therefore here important that the PSF can be of assistance and guide the project owner to take the right decision based on the identified needs.

#### **Project Initiation - The possible role of the PSF:**

- Initiation of new projects and establishment of contacts with ongoing projects through workshops, market reviews, marketing, consultations etc.
- Facilitation of contacts between project owners and project service providers and financing institutions
- Awareness rising through campaigns, training etc.
- Guidelines
- Dissemination of best practise examples
- Information sessions (workshops etc.)

#### **Project Appraisal - The possible role of the PSF:**

- Support to audits and feasibility analyses through guidelines and ad-hoc assistance to project owners and project service providers
- Training seminars

#### **Project Preparation - The possible role of the PSF:**

- Guidelines on development options (Best Available Technologies (BAT) etc.)
- Analysis tools and guidelines
- Pre-feasibility analysis / project screening / initial audit
- Assessing appropriate financing options
- Facilitation of contacts between project owners, financing institutions and service providers

**Step 4.** The PSF Could also be active in supporting the actual implementation of a projects with their knowledge about , technical solutions, financing options, national and local regulation and subsidies, rules for selling and buying energy from energy companies.

Having decided to develop/implement a project the next step would be to assess the current situation and the possibilities for improvements.

At this stage it is important that the PSF can provide an overview of the energy consumption in the buildings and be able to point to the energy intensive areas and areas where energy savings can be realised with the fastest pay-back time.

This overview is most often supported by “energy audits”, which can range from a quick walk-through of the buildings to identify major problem areas to a comprehensive analysis of the implications of alternative energy efficiency measures sufficient to satisfy the financial criteria of investors.

A preliminary audit may involve minimal interviews with site-operating personnel, a brief review of facility utility bills and other operating data, and a walk-through of the buildings to become familiar with the building operation and to identify any glaring areas of energy waste or inefficiency.

Financing institutions will at this stage require that both financial and economic analyses be undertaken for projects. Both types of analysis aim at assessing whether the proposed investment is viable. The PSF could also be able to provide this type of analysis if the market lacks capacity or capabilities in this area.

The financial analysis is part of a business plan, which serves as the basis for negotiations with financial institutions on project financing. It contains the main results of the feasibility analysis and presents additional information needed to convince potential financing institutions.

### **Implementation - The possible role of the PSF:**

The PSF is not expected to play a major role but may e.g. guide the tendering and contracting process in relation to national and international requirements and procedures.

### **Project Financing - The possible role of the PSF:**

- Guidelines on elaboration of business plans
- Ad-hoc assistance to project owners, project service providers, financing institutions in preparation of documentation for the business plan
- Training seminars on financial requirements
- Guidelines on financing schemes, including third party financing

**Step 5.** Monitor the project processes of development and implementation and giving advice to the project owner of adjusting this process and how to overcome barriers in the process.

The PSF can assist in setting up an efficient operation to ensure the estimated energy savings and the sustainability of the project. Energy savings and performance is often measured through energy management schemes which implies frequent and regular measurements and controls/inspections and proper evaluation of these.

### **Monitoring - The possible role of the PSF:**

- Guidelines on energy management procedures and tools

**Step 6.** Evaluate whether the expected results of improved energy efficiencies have been reached and evaluate the project processes and the activities of the PSF related to these project processes.

In addition to evaluate the impact of implemented measures this contributes to implement necessary measures in time and implement technical improvements when necessary. As such it is also a source for initiating of new projects, and also an interesting area for the PSF to be involved in, in order to improve the services provided by the PSF in the future.

### **Evaluation - The possible role of the PSF**

- Establishment of mechanisms to provide systematic feedback from projects (statistics, impact analysis, best practise etc.)

**Step 7.** Developing a strategy for defining, developing and implementation of new relevant projects based on the experiences from the demonstration plants.

### **Strategy - The possible role of the PSF**

- Summarising project feedback

## **4 Activity Levels of the PSF's**

The objectives of the PSF's will differ in respect of three different activity levels in such a way that new PSF will start on activity level 1 and later in they can move to activity level 2 and 3.

The experience with existing PSF's shows that they have focused their engagement on activity level No. 1 but they have also activities, which are related to activity level No. 2 and 3. The staff of a new PSF often has good contact to relevant stakeholders and knowledge of potential sound project proposals, which have not yet been implemented due to different reasons. It would therefore be relevant if new PSF's could try helping with development and implement of such project proposals as a first priority, before the PSF begin with a more systematic approach in the field of local energy planning.

One key task is to secure the financing of the activities of the PSF. This could be done by agreements having subsidised the PSF-activities by the local or national level or by creating some kind of revolving fund, which also can finance the activities of the PSF.

### **Activity Level 1**

At this level activities related to creation and collection of important relevant data for development and implement of relevant project could be carried out together with facilitation of already known project proposals and new ideas coming from external stakeholders.

#### ***Creation of important relevant knowledge***

- Knowledge of relevant national and local energy policy and objectives and targets
- The amount and type of energy consumption in the building sector in the actual area, where the PSF is situated
- Potentials for improving the energy efficiency in buildings in the actual area, where the PSF is situated
- Technologies and possibilities for improving the energy efficiency in the buildings
- Financing possibilities
- Subsidy arrangements
- Possibilities of using ESCO's
- Relevant stakeholders to be contacted
- Experience from concrete implemented projects
- Evaluation procedures for the projects

All relevant created knowledge produced by the PSF's should be kept and used to improve the implementation of relevant projects. It is important

that all PSFs both situated in the same country but also in other countries have access to this data base.

Some of this knowledge has already been created by some of the work-packages in the Clear Support Project and it should be notified, where to find this information.

**Facilitation of existing project ideas already known by the PSF-staff or facilitation of new projects coming from different stakeholders.**

It is the experience that the PSF-staff of new PSF's already have good contacts to external stakeholders and therefore also knowledge of relevant project ideas or even well described and developed project proposals, which just need a suitable finance for being implemented. The tasks here are to give support on existing and new project proposals presented by external stakeholders directed on the actual specific level of the projects, and to give information about how to improve the possibilities of implementation of the projects.

Some very developed projects should only need suggestions of financing. Other projects could need input to define the relevant technologies or assistance to get the necessary permission from the authorities.

**Activity Level 2**

- The tasks of the PSF's will be the same as mentioned in activity level 2, but the following elements should also be included:
- A more active role in visiting or contacting potential project owners to help defining the projects.
- Organise information meetings presenting relevant projects and their possibilities of implementation
- Sending information letters to relevant stakeholders
- Take part in discussions with relevant stakeholders (e.g. energy companies and ESCO's)
- What could be the role of these stakeholders/companies in defining and implementing the projects
- Different types of training courses could be relevant, and they should be organised in respect of specific needs of these stakeholders.

**Activity Level 3**

- The tasks of the PSF's will be the same as mentioned in activity level 1 and 2, but the following elements should also be included:
- Discussion with the national authorities about:

- How to make the national plan based on the EU-directives
- Defining some specific targets for the energy conservation in buildings in the specific area
- Defining some demonstration projects, which could be subsidised by the government
- Give input to the needed national measures to implement the projects in respect of the national plan
- Being active partners in the local energy planning in respect of defining the most relevant projects and secure the implementation in co-operation with the municipalities
- Co-operate with other PSF´s within the country and outside the country
- Supporting the creation of new PSFs within the country and outside the country

#### **Activity Level 4**

#### **Future perspectives of the PSF´s**

The PSF-organisation could also be used to initiate local energy planning in respect of other types of sources, plants and consumption.

One example is renewable energy, where the new EU-Directive (23 April 2009) on the promotion of the use of energy from renewable sources put a strong pressure on the EU Member States.

According to this Directive each Member State shall adopt a national renewable energy action plan. The national renewable energy action plans shall set out Member States' national targets for the share of energy from renewable sources consumed in transport, electricity and heating and cooling in 2020, taking into account the effects of other policy measures relating to energy efficiency on final consumption of energy, and adequate measures to be taken to achieve those national overall targets, including cooperation between local, regional and national authorities, planned statistical transfers or joint projects, national policies to develop existing biomass resources and mobilise new biomass resources for different uses, and the measures to be taken to fulfil these requirements.

Member States shall notify their national renewable energy action plans to the Commission by 30 June 2010.

As mentioned in the Directive the creation of the national plans demands a close cooperation between the national, regional and local level to secure

the fulfilment of the national targets, and the local energy planning will be an important element for reaching the targets.

It is rather obvious that the PSF's could have an important function in this field. The energy planning procedure could rather easily be expanded to include renewable energy sources and the development and implementation of renewable energy projects.

This would give priority to these activities of the PSF's especially related to the energy planning field, and the PSF's could in this way compare benefits and drawbacks of different types of energy projects and they could also be more involved in the long term planning and decision making.

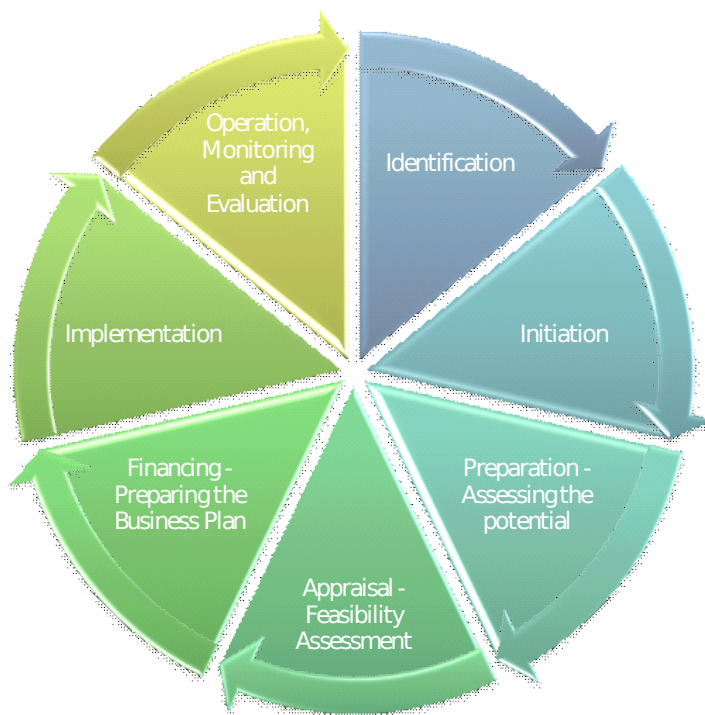
## 5 PSF Project Cycle Guideline

A PSF set-up should be designed to support the various stakeholders along the process of planning and developing RUE projects in buildings.

Thus, when setting up the PSF the needed capacity and capability to support stakeholders along the project cycle must be carefully assessed in relation to local conditions and circumstances.

Stakeholders along the value chain include: Local governments, regulators, project owners, financing institutions, end-users, different kind of project service providers (engineers, architects, ESCOs, constructors, installers etc.).

A simplified overview of the project cycle is shown below:



### The role of the PSF in relation to the project cycle

The PSF could e.g. be envisaged to have a role in relation to:

- Project identification
- Project initiation
- Support to the further steps along the project cycle, including lining projects with financing schemes

- Analysis of project feedback

Assistance can be provided to new or already on-going projects.

Further the PSF will work closely with financing institutions and local authorities to improve framework conditions for EE projects, a.o. in relation to experience gathered from the projects.

The PSF would first of all have a role as a facilitator supporting project owners to identify and initiate projects and put them in contact with potential financing institutions.

The initial contact may be derived from information workshops, awareness campaigns, training and short consultations.

The further contact may include initial project analysis and assistance towards establishing a financial set-up in relation to available financing sources.

However, the PSF should not necessarily possess capacity to support projects in all phases, which would require very big resources and further distort the market for project services. Particularly in the implementation phase the role of the PSF should be expected to be minimal.

Many service providers already exist in the market and are in a position to deliver many of the required project services (ESCOs, energy auditors, engineering companies, architects, institutes etc.). Possibly more capacity is needed in the market. Nevertheless, the needed capacity and capability of the PSF will depend on local needs and the current local market capacity.

The PSF could have an essential role towards ensuring that market players are mobilised towards the huge amount of EE projects and that projects are developed and documented in accordance with the requirements of the financing institutions. Some projects may be defined and initiated by project service providers, but could still be coordinated with and supported by the PSF structure.

Mechanisms/Drivers to mobilise this market could be

*Towards project owners:*

- A request (or a recommendation) to use authorised/approved service providers for project documentation in relation to certain financing schemes (approvals could be managed by the PSF)
- Grants for project preparation, which are ear-marked for authorised PSF operators (possibly administrated by the PSF)

### *Towards project service providers*

- Matchmaking between Project service providers and project owners (managed by the PSF)
- Availability of support tools and guidance (by the PSF)
- Availability of grants for project preparation (which may encourage service providers to identify projects).

As to the feedback from projects the PSF could have a role in relation to summarize lessons learned from the projects, including impacts of measures. This should be done to facilitate exchange of know-how and experience between projects as well as supporting identification of shortcomings and needs in the current framework conditions.

To be a qualified market operator in the PSF network service providers could be required to possess certain qualifications and experience, which probably would include most of current market players. A service provider would receive technical and strategic support from the PSF network. In return they should be required to develop and documents the project according to certain standards and requirements, and further to provide feedback on the project results together with the project owners.

#### Potential European Supporting Structure:

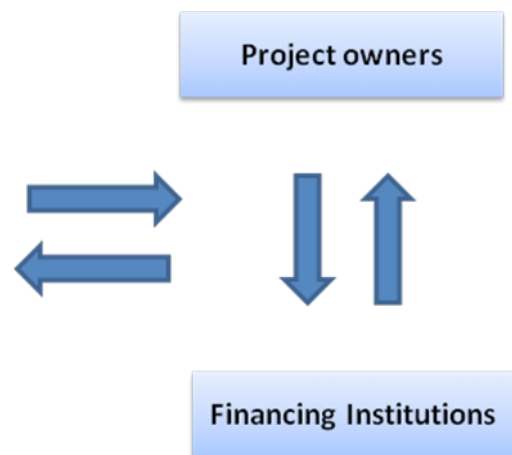
- Overall coordination
- General strategic support
- Cross country support tools
- Cross country summaries
- European Statistics

#### Regional PSF Structure :

- Regional coordination
- Project identification
- Authorisation of project service providers
- Regional strategic support
- Locally adapted supporting tools
- Grant administration (if available for project preparation)
- Project statistics and summaries
- Feed back to the European supporting structure (statistics, best practise, evaluation)
- Exchange of know-how

#### Project service providers:

- (market players: ESCOs, engineering companies etc.)
- Project identification and documentation
  - Project implementation
  - Feed-back to the PSF (evaluation, statistics, proactive efforts etc.)



### Project Initiation

At this stage the PSF would identify possible projects and project owners and influence project owners to understand their needs for implementing EE projects.

Drivers for initiating projects include:

- Implementation of policy framework (EU directives, local legislation etc.)
- Awareness of technical measures and their feasibility
- Awareness of financing options
- Environmental consciousness
- Energy management routines

Having decided to develop and implement a project it is important that project owners are aware of all the external factors that will affect the process such as local, national and international policies, requirements, development trends, legal frameworks etc.

***Project Initiation - The possible role of the PSF:***

- Initiation of new projects and establishment of contacts with ongoing projects through workshops, market reviews, marketing, consultations etc.
- Facilitation of contacts between project owners and project service providers and financing institutions
- Awareness rising through campaigns, training etc.
- Guidelines
- Dissemination of best practise examples
- Information sessions (workshops etc.)

**Preparation - Assessing the Potential**

Having decided to develop a project the next step would be to assess the current situation and the possibilities for improvements.

At this stage it is important to obtain an overview of the energy consumption in the buildings and to be able to point to the energy intensive areas and areas where energy savings can be realised with the fastest pay-back time.

This is most often supported by “energy audits”, which can range from a quick walk-through of the buildings to identify major problem areas to a comprehensive analysis of the implications of alternative energy efficiency measures sufficient to satisfy the financial criteria of investors.

A preliminary audit may involve minimal interviews with site-operating personnel, a brief review of facility utility bills and other operating data, and a walk-through of the buildings to become familiar with the building operation and to identify any glaring areas of energy waste or inefficiency.

Typically, only major problem areas will be uncovered during this type of audit. Corrective measures are briefly described, and quick estimates of implementation cost, potential operating cost savings, and simple payback periods are provided. This level of detail, while not sufficient for reaching a final decision on implementing proposed measures, is adequate to prioritize energy-efficiency projects and to determine the need for a more detailed audit.

***Project Preparation - The possible role of the PSF:***

- Guidelines on development options (Best Available Technologies (BAT) etc.)

- Analysis tools and guidelines
- Pre-feasibility analysis / project screening / initial audit
- Assessing appropriate financing options
- Facilitation of contacts between project owners, financing institutions and service providers

### **Appraisal - Selecting the right solutions in relation to the potential**

The detailed audit will expand on the preliminary audit by collecting more detailed information about facility operation and performing a more detailed evaluation of energy conservation measures identified. This may include an evaluation of energy/demand rate structures, and energy usage profiles. Additional metering of specific energy-consuming systems is often performed to supplement utility data. In-depth interviews with operating personnel could be conducted to provide a better understanding of major energy consuming systems as well as insight into variations in daily and annual energy consumption and demand.

This type of audit will be able to identify all appropriate energy saving measures. A detailed feasibility study should be performed for each measure based on detailed cost estimates, site-specific operating cost savings, and the investment criteria.

The feasibility study serves to verify the feasibility of proposed project variants (energy saving measures) and thereby works as a basis for deciding which project variants to implement and whether to implement the project at all.

Design and analysis of technical characteristics of technologies should support the project feasibility analysis.

#### ***Project Appraisal - The possible role of the PSF:***

- Support to audits and feasibility analyses through guidelines and ad-hoc assistance to project owners and project service providers
- Training seminars

### **Financing - preparing the business plan**

Financing institutions will require that both ***financial and economic analyses*** be undertaken for projects. Both types of analysis aim at assessing whether the proposed investment is viable.

The **financial analysis** of a project examines the adequacy of returns to the project-operating entity and to the project participants, whereas **economic analysis** measures the effect of the project on the economy, as a whole.

For a project to be economically viable, it must be financially sustainable, as well as economically efficient. If a project is not financially sustainable, economic benefits will not be realized. Financial analysis and economic analysis are therefore complementary.

The financial analysis is part of **the business plan**, which serves as the basis for negotiations with financial institutions on project financing. It contains the main results of the feasibility analysis and presents additional information needed to convince potential financing institutions.

Quite often conclusions of economic analysis may contradict those of financial analysis. This may happen in a strongly regulated environment, - e.g. if government establishes import tariffs, considerable taxes, minimum wages, etc. that distort market. Part of project benefits goes to government in the form of taxes, the other part - to private companies but in the economic analysis these two are not distinguished (country's viewpoint) and are summed up as the gain of the whole economy. Meanwhile, financial analysis only assesses company's gains and losses (investor's viewpoint) while taxes, import tariffs, etc. are considered losses.

Moreover, proper economic analysis should include externalities like environmental damages but financial analysis may not (if the company is not charged with environmental taxes or these are insufficient to cover full harm to the society).

The major difference lies in the definition of costs and benefits. In financial analysis, all expenditures incurred under the project and revenues resulting from it are taken into account.

Financial analysis is necessary to

- assess the degree at which a project will generate revenues sufficient to meet its financial obligations,
- assess the incentives for producers, and
- ensure that demand or output forecasts on which the economic analysis is based are consistent with financial charges or available budget resources.

The business plan serves as a basis for negotiations with financial institutions on project financing.

Much of the information necessary for compiling the business plan can be gathered from the feasibility study, but additional information must be developed on the project developer, the ownership structure, the management structure etc. The feasibility study is related to the project measures alone (feasible project or not), - without taking into account any business environment where the project is “immersed”.

Meanwhile, a business plan adds the business environment, since in reality some real economic actors, most frequently by companies, implement all projects. If, for example, a company’s financial performance is poor and the company is insolvent, a bank may refuse to lend even though a project that this company was going to undertake were excellent (and this had been proved by a feasibility study).

***Project Financing - The possible role of the PSF:***

Guidelines on elaboration of business plans

Ad-hoc assistance to project owners, project service providers, financing institutions in preparation of documentation for the business plan

Training seminars on financial requirements

Guidelines on financing schemes, including third party financing

## **Implementation**

Having the financial application approved it’s time to plan the project for implementation; including, design, procurement, contracting, construction and commissioning.

***Implementation - The possible role of the PSF:***

The PSF is not expected to play a major role but may e.g. guide the tendering and contracting process in relation to national and international requirements and procedures.

## **Operation and Monitoring**

An efficient operation should be set up to ensure the estimated energy savings and the sustainability of the project.

Energy savings and performance is often measured through energy management schemes which implies frequent and regularly measurements and controls/inspections and proper evaluation of these.

In addition to evaluate the impact of implemented measures this contributes to implement necessary measures in time and implement

technical improvements when necessary. As such it is also a source for initiating of new projects.

Energy management systems are often related with Energy Managers (co-ordinator) and energy responsible persons in every institution/building, who are given the task of energy management.

***Monitoring - The possible role of the PSF:***

Guidelines on energy management procedures and tools  
Establishment of mechanisms to provide systematic feedback from projects (statistics, impact analysis, best practise etc.)  
Summarising project feedback