

Investor Ready Energy Efficiency

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Lack of standardization is a problem

Lack of standardization (in project development and documentation) is one of the major barriers to increasing investment into energy efficiency

Energy Efficiency – the first fuel for Europe



Energy efficiency projects do not yet meet the requirements of capital markets. No two projects or contracts are alike.

Michael Eckhart, MD & Global head of Sustainable Finance



Standards are like DNA. They are the basic building blocks for all technology and economic systems.

D.E. Purcell

Lack of standardization results in:

Greater performance risk

Uncertainty limiting demand

Higher transaction costs

Difficult to build capacity

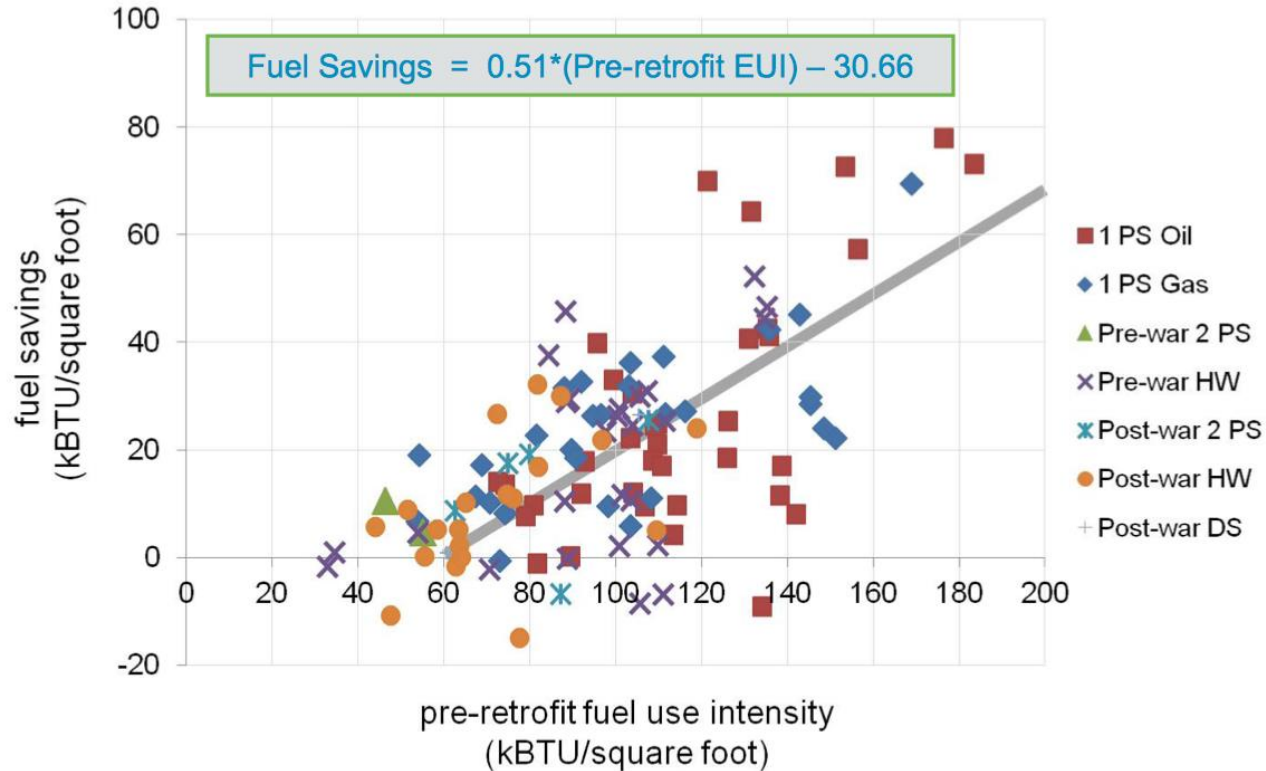
Difficult to aggregate



The performance gap

Relationship Between Buildings' Actual Post-retrofit Savings and Pre-retrofit Fuel Consumption

Actual Fuel Savings vs. Projected Fuel Savings



- 231 projects – more than 21,000 units – undergone energy efficiency retrofits in NYC
- Low realization rate (actual savings divided by projected savings)
- While fuel savings projections ranged from 25% to 50% across about two thirds of the buildings, most projects actually saved 10% to 40%.

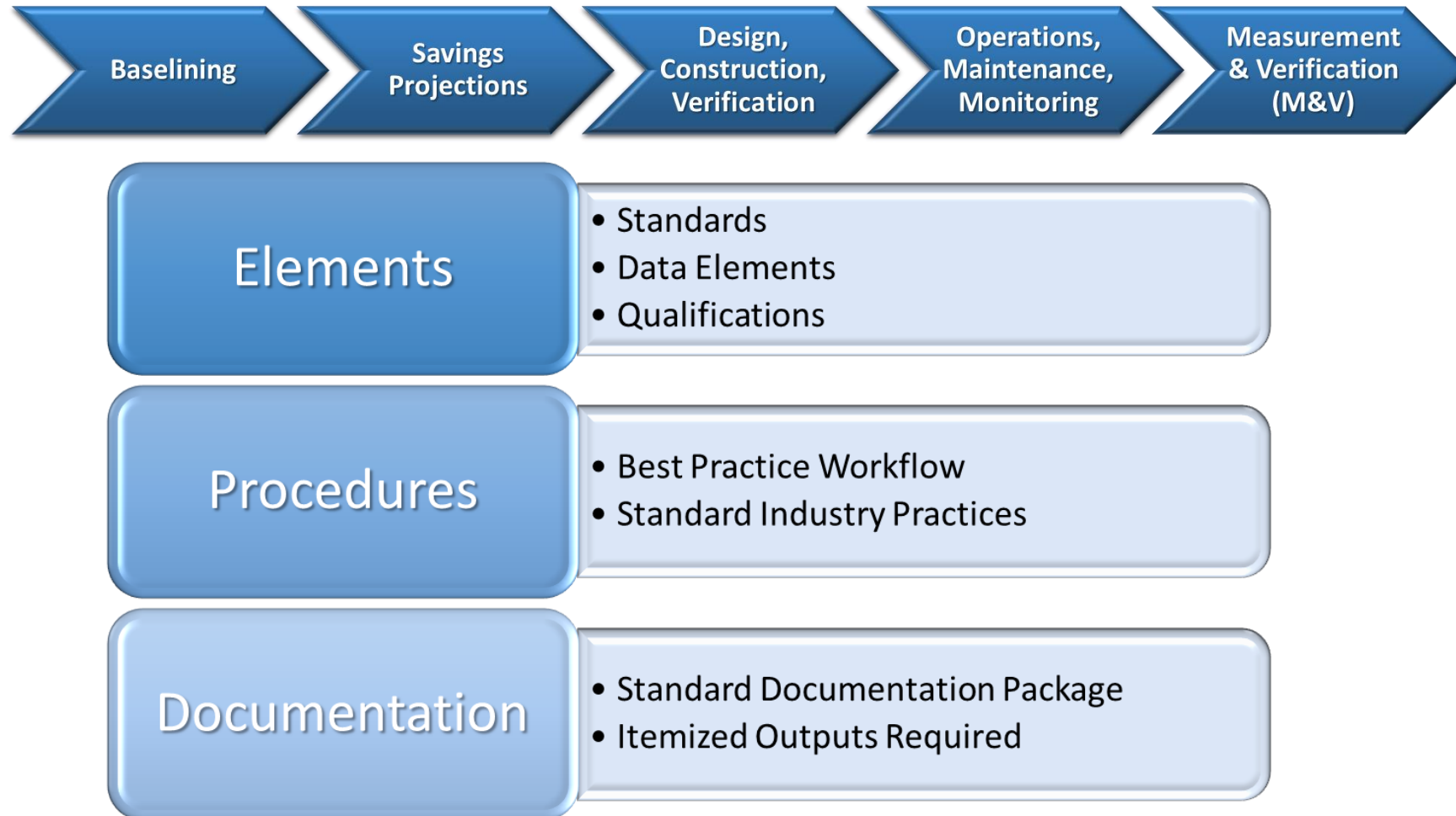
Source: Recognizing the benefits of Energy Efficiency in multifamily underwriting, Deutsche Bank

An international framework for reducing owner and investor risk, lowering due diligence costs, increasing certainty of savings achievement and enabling aggregation.

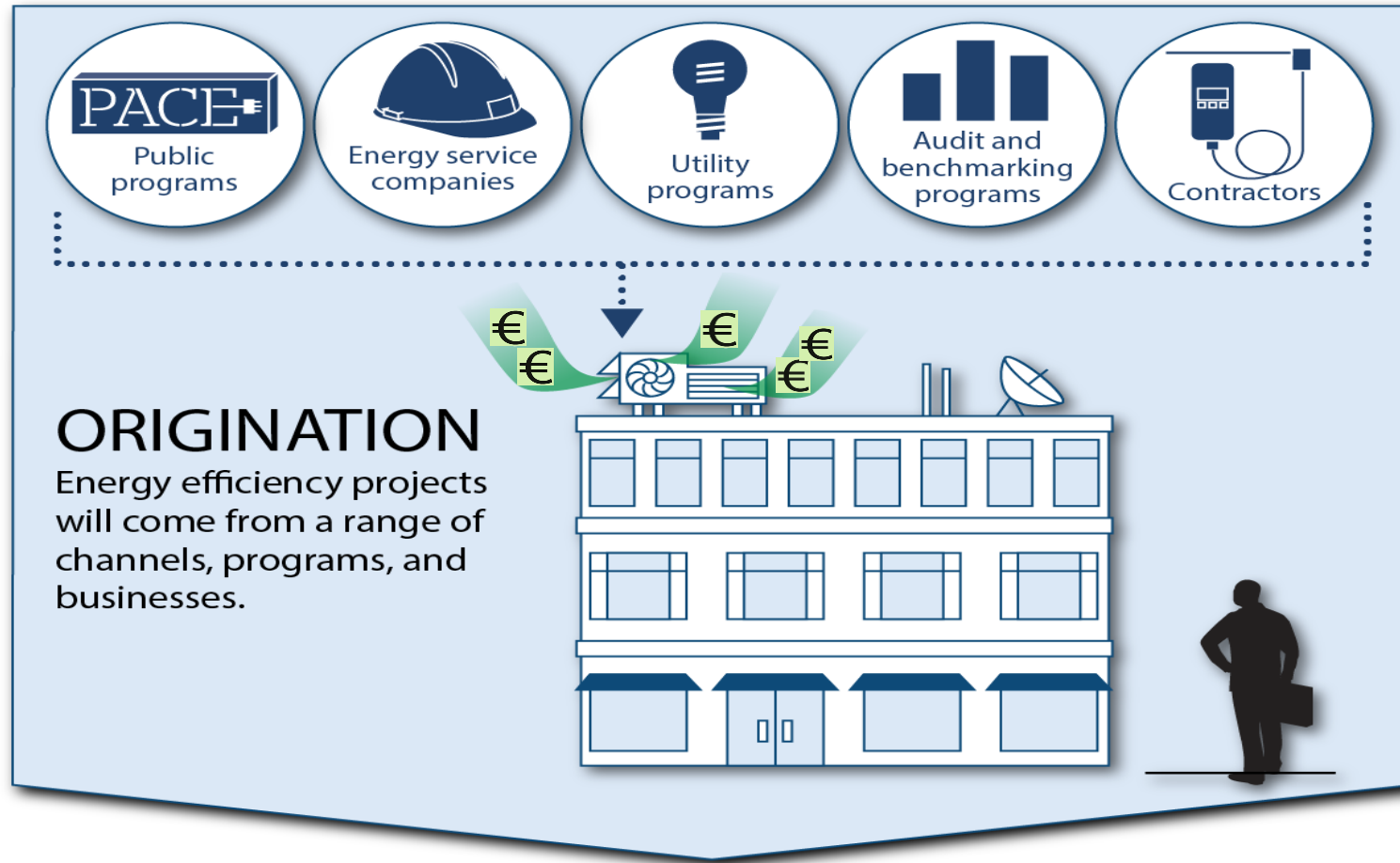


Ensures transparency, consistency and trustworthiness through **best practice and independent verification.**

What is the content of the IREE™ Certification?

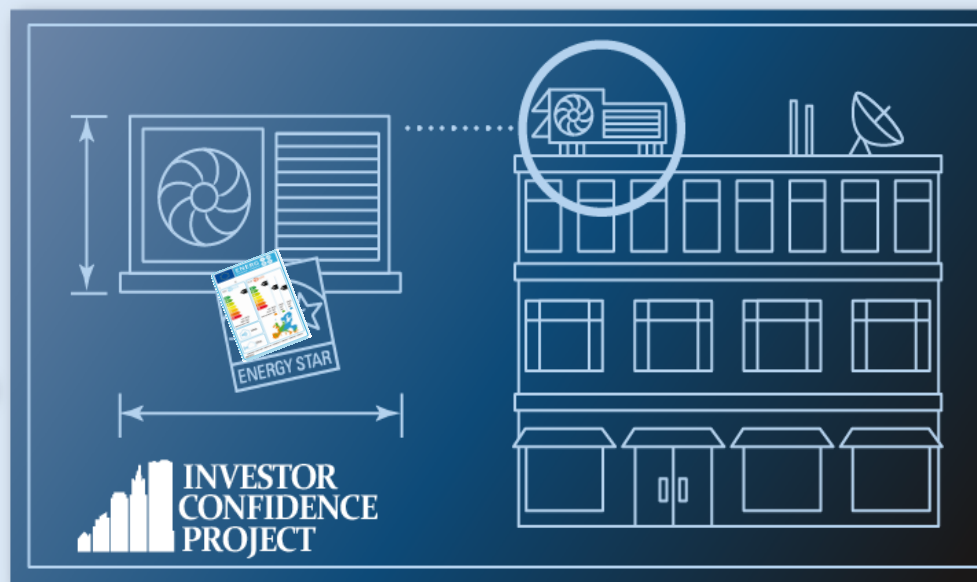


The process of IREE™ Certification



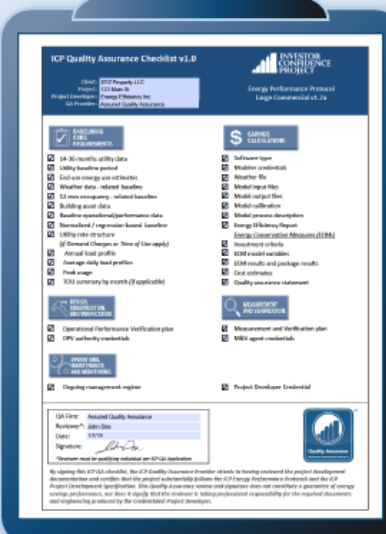
PROJECT DEVELOPMENT

Credentialed Project Developer develops and documents projects according to ICP Protocols.



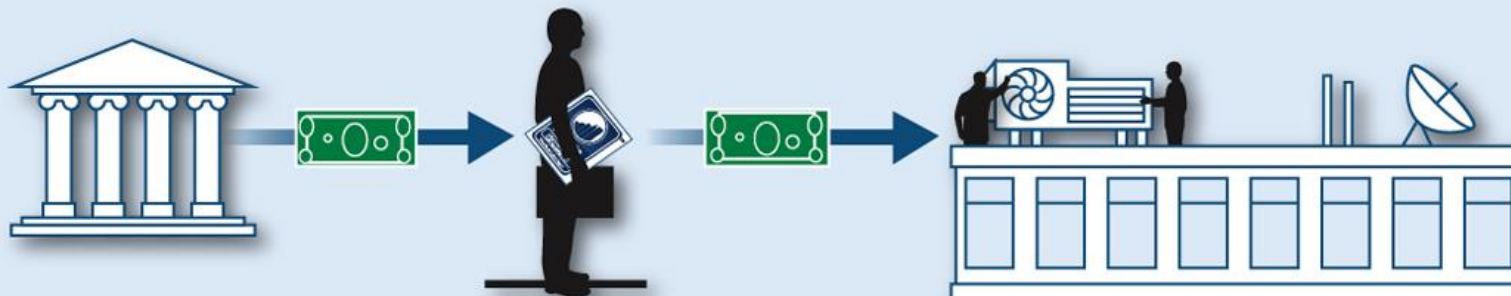
CERTIFICATION

Independent Credentialed
Quality Assurance Provider
reviews project for
ICP compliance and certifies
qualifying projects as
Investor Ready Energy Efficiency™.



The image shows a clipboard with a checklist titled "ICP Quality Assurance Checklist v1.0". The checklist is organized into several sections with checkboxes. The "EXECUTION" section includes items like "14-30 reports of utility data", "Utility baseline period", "End use energy use calculation", "Weather data - related baseline", "21 energy efficiency - related baseline", "Building waste data", "Baseline operational performance data", "Normalized / regression-based baseline", "Utility rate structure", "Demand Charge or Size of Use supply", "Annual load profile", "Average daily load profile", "Peak usage", and "30% currency by month (if applicable)". The "RESULTS" section includes "Operational Performance Verification plan", "ICP authority needed", and "Display management engine". The "SIGNATURE" section has fields for "QA Firm", "Assured Quality Assurance", "Reviewed by", "Date", and "Signature". The "NOTES" section is at the bottom. The clipboard also features the "INVESTOR CONFIDENCE PROJECT" logo and the text "Energy Performance Protocol Large Commercial v1.0a".

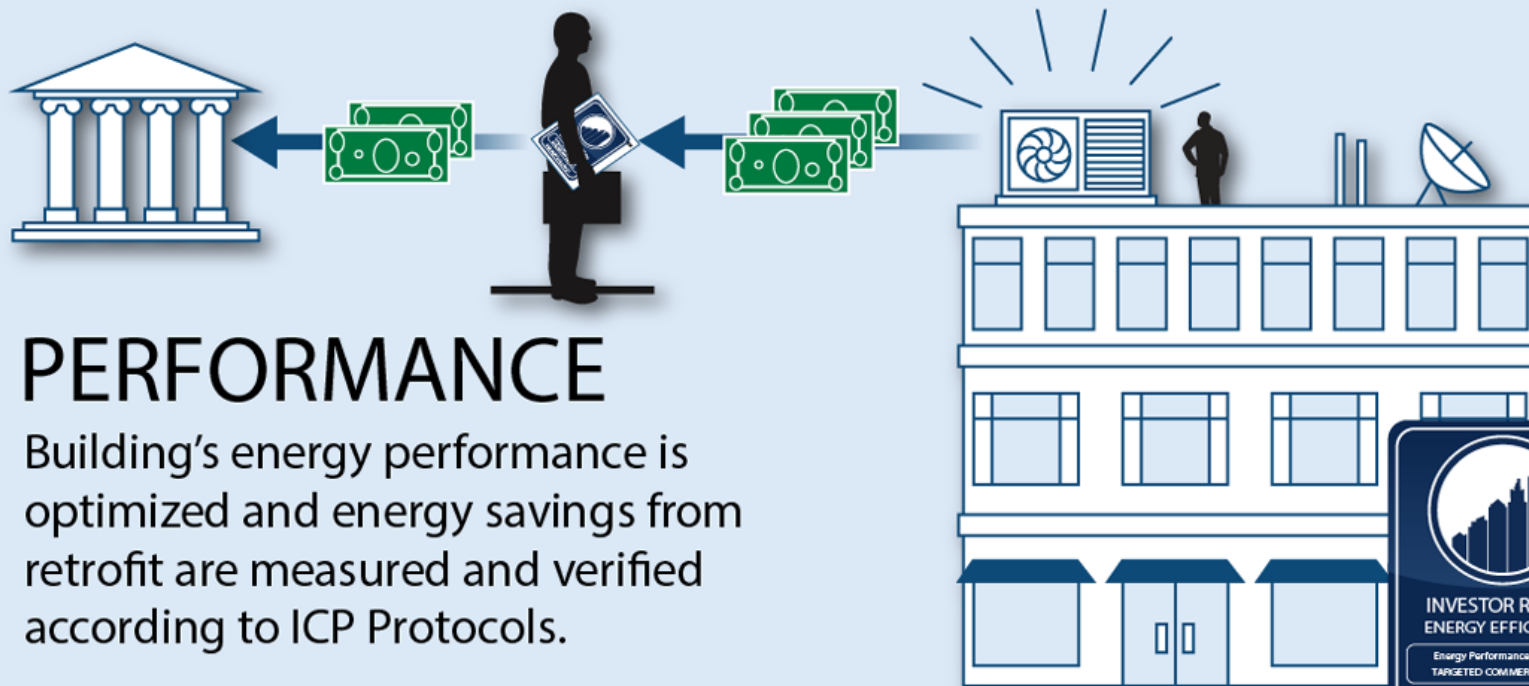




INVESTMENT

Building owners and investors can make investment decisions with increased confidence based on predicted savings.





PERFORMANCE

Building's energy performance is optimized and energy savings from retrofit are measured and verified according to ICP Protocols.

What project types is IREE™ designed for?



BUILDINGS



INDUSTRY



DISTRICT ENERGY SYSTEMS



STREET LIGHTING UPGRADES

Benefits: Project owners

IREE's **independent review and certification** of proposed projects:

- Gives owners **confidence in project development and savings achievement.**
- Enables the **comparison of projects** and access to more **project investment.**
- Can function as a “**Tender in a box**” and **underwriting criteria** for buildings and portfolios.



Benefits: Investors

- IREE **reduces due diligence costs** and **speeds underwriting**.
- opens **access to quality projects** through Credentialed Project Developers
- increases **confidence in project fundamentals and engineering**.
- Standard projects and document packs with third party allows for the **aggregation of projects** across borders and programmes.



Benefits: Project developers

- Offers a **repeatable project process**, aiding Quality Assurance
- Enables **more project approvals** due to industry standards and 3rd party review
- **Differentiates your company** and increases credibility with customers
- Increases ability to **connect with finance**, insurance, utility programmes, without additional transaction costs



Benefits: Government programmes

- Investor Ready Energy Efficiency™ is based on internationally recognized and off-the-shelf technical standards **ready to deploy.**
- Ready made provider **credentialing and training programme.**
- Allows for the ability to distribute Quality Assurance **costs to the market.**



ICP Europe Ally Members



ICP Investor Network

ICP Investor Network represents €1.5 billion in energy efficiency project capital. They are looking for quality projects built to IREE™ standards and some provide incentives for IREE projects.



INGENIOUS INFRASTRUCTURE

DARITY



Menhaden



ICP Credentialed providers: Project Developers



ICP Credentialed Project Developers (PDs) have been **trained** by ICP, their **qualifications and experience** have been vetted and are the only ones that can develop an **IREE™ project**.

PDs can be ESCOs, Engineering firms, facility managers, building owners, or others that develop project proposals.

ICP Credentialed providers: Quality Assurance Providers



ICP Credentialed Quality Assurance Providers offer **independent and documented verification** of project compliance for IREE™ designation. They have been **trained** by ICP, their **qualifications and experience** have been vetted and can be an individual, independent firms or programs.

First IREE™ certified project in Europe

National Health Service Liverpool Trusts



Project	NHS Trusts - Liverpool, England
Project Developer	Carbon and Energy Fund
Quality Assurance Provider	<u>Verco</u>
Investment	£ 13,000,000
Contract duration	15 years
Predicted annual savings	£ 1,850,000
Average annual energy savings	50%
Average annual carbon savings	33%



MACQUARIE



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