EVENT DESCRIPTION
Project Partner: Energy Centre České Budějovice

Title of the event: Round table Solar contracting "Financing possibilities for the equipment using solar energy in industrial processes"

Date & location: 22.6.2010, South Bohemian Chamber of Commerce, České Budějovice
Organiser(s): Energy Centre České Budějovice in cooperation with South Bohemian Chamber of Commerce
Number of Participants: 22

Summary

The round table Solar contracting "Financing possibilities for the equipment using solar energy in industrial processes" took place in the South Bohemian Chamber of Commerce on 22.6.2010.

The aim of the round table was to start discussion with market players on solar contracting and give ideas how the solar contracting could be brought to life and how the barriers of this financing method could be overcome. That is why it was necessary to get together the representatives of relevant target groups that could be interested in finding a way to finance a solar thermal utilization project in industry.

After sending the invitation to all relevant target groups (energy service companies - ESCOs, industrial and solar thermal companies, producers of solar thermal collectors from CZ, energy consultancy centres, public bodies from South Bohemia) and putting the invitation on internet servers whose websites are visited by one or more possible target groups and by distributing invitations via three associations of companies, about 20 persons registered and participated in the round table.

The programme included a presentation on So-Pro project, where the objectives and so far implemented and planned activities were introduced. Further it was spoken about the possibilities of the solar energy utilization in the industrial processes and about providing of energy services and the development of EPC method in the Czech Republic. In the end two energy service companies presented some projects carried out with Energy Performance Contracting method (EPC). During all the above mentioned contributions various questions were asked by the participants and afterwards answered and discussed on.

Objective & main programme point

The aim of the round table was to get together the main stakeholder groups so that they could discuss on the possible use of EPC method for financing solar process heat projects in industry, its pros and cons.

After a short introduction of the So-Pro project by Mgr. Ivana Klobušníková, the director of ECCB, Ing. Zdeněk Krejčí, the ECCB-technician presented results of energy screenings that were implemented in 15 industrial companies in South Bohemia. He also outlined a possible technical solution of the integration of solar thermal system in a few chosen industrial companies. A lecture on providing energy services and development of EPC method in CZ by Ing. Vladimír Sochor followed. At the end of the round table two energy service companies – ENESA and SIEMENS introduced a few projects financed by the EPC method. Questions were asked and answered all the time.

Conclusions & lessons learnt (based on stakeholder input)

The aim to get together the most important stakeholder groups and support discussion on solar contacting was fulfilled in South Bohemia.

Approximately a month and a half before the planned date of the round table we started contacting ESCOs. There are only 8 ESCOs in the Czech Republic (none of them is from South Bohemia – all of them are active in the region of Prague, its neighbourhood or in Moravia) and we wanted to find out by this way if the planned date (22.6.) would be suitable for them and if they would be interested in participation in the round table. The reaction of the most ESCOs was positive: the date was suitable for them and they made their participation dependent on the programme of the round table and on the composition of participants. At the same time we addressed a specialist on the EPC method Ing. Vladimír Sochor from SEVEn, The Energy Efficiency Center, who promised to give a lecture for us at the round table.

After the invitation had been finished it was sent per e-mail to approx. 500 industrial companies, more than 70 solar thermal companies/specialised planners, 8 ESCOs, 41 energy consultancy centres from the whole Czech Republic, 5 producers of solar thermal collectors and also 4 public bodies from South Bohemian region. The invitation was also placed on the websites of 5 servers that mostly orientate themselves on renewable energy sources or environmental protection (www.tzb-info.cz, www.enviweb.cz, www.biom.cz, www.ckait.cz, www.jhk.cz) and also on the homepage of ECCB. Moreover three associations of companies (South Bohemian Chamber of Commerce, Union of Czech and Moravian Producer Cooperatives and Association of Small and Medium-Sized Enterprises of the Czech Republic) distributed the invitation to their members.

The representatives of 2 ESCOs, 7 solar thermal companies, 2 industrial companies, 3 consultancy companies and other interested people participated at the round table in the end.

Concerning the industrial companies there was again the lack of the interest from their side. No industrial company reacted to the invitation that we sent to nearly 500 e-mail addresses in South Bohemia. Two industrial companies that participated in the round table learnt about this event through the distribution of invitation via the associations of companies (Pleas Inc., ČSAD JIHOTRANS Inc.). The reaction from the solar thermal companies was bigger than when we organised the 1st So-Pro round table in March this year. Five of the 7 participating solar companies were from South Bohemia (SOLARENVI Ltd., Sviták Ltd., Abwatt Ltd., Sun Pi Ltd., Šťastný-ET), 1 from Prague (Regulus, Inc.) and 1 from Bohdalice - South Moravian region (Strojírny Bohdalice Inc.). The two last mentioned companies are producers of solar thermal collectors. Other three companies can be ranked among consultancy companies (VialEste CZ Ltd., ENVISAN-GEM, Inc. and Technoexport Inc. – 2 from České Budějovice, 1 from Prague).

Ing. Vladimír Sochor mentioned in his lecture the difference between energy performance contracting (EPC) and energy contracting (EC), which most of the participants did not know before. Approx. one third of all participants had not heard about these methods at all before. The basic principle of the EPC is paying-off the implemented project from provably reached savings on energy costs. The earnings and thus the profit of an ESCO is directly dependent on the reduction of energy costs at the customer´s. Whereas the repayment of the project when the EC method is used is happening only in the form of payments for energy supply. The earnings and thus the profit of an ESCO is directly dependent on reducing the costs necessary for energy supply, i.e. on reducing of operating costs. The ESCO does not provide any guarantee for the consumption or the final costs of the energy consumer, it guarantees only the specific costs connected with the supply of contractually agreed form of energy.
He also mentioned that the acceptable payback period of an investment for companies was between 4-5 years. This condition is not possible to be achieved with solar process heat installations in industry in CZ.

Ing. Sochor´s opinion on solar contracting in CZ was that it would be feasible only if it was the energy contracting. It means e.g. that the contractor (an ESCO or a solar thermal company) would rent a boiler room from an industrial company and decide to install solar thermal collectors as well. The contractor would afterwards sell the heat to the industrial company where the modernisation of the equipment/boiler room was made.

Ing. Miroslav Marada, a representative of an ESCO added, that the best solution for integrating the solar thermal system in a company and using the solar contracting would be the forced reconstruction. The industrial company would need the reconstruction of the technological process or of the building anyway. When carrying out other necessary measures (e.g. technological), the costs for solar thermal system and the payback period would not be so high/long in comparison when only the solar thermal system would be installed. This positive aspect is called the synergy effect.
It is also good when the investor is persuaded about the utility of the planned changes e.g. if he sees the improvement of the company´s image in it. (As an example he mentioned the project of the National Theatre where all the technological changes that aimed to reduce costs especially for heating, water heating, ventilation and air conditioning both in

the historical building of National Theater and also in the New Scene of the National Theatre were implemented via the EPC method. In this case the investor (the National Theatre) addressed the energy service company (ENESA) itself, was persuaded about the utility of the project and wanted the help of the ESCO with the project implementation.

Another idea from Mr Kučeravý was that we should focus on addressing mainly the foreign-owned companies, because these companies care about the green image more than the Czech ones. This idea seems to be true but needn´t be. From the experience of ECCB when addressing companies and offering them the free energy analysis a few months ago, we can say, no difference was found out between the Czech and foreign-owned companies. Both groups had rather dismissive attitude even though we emphasized also “the green image aspect”.

Other questions that were asked during the round table were e.g. how the ESCOs find the investors/suitable projects for the EPC method. The ESCOs address most possible investors on their own, only few investors address an ESCO first (e.g. the National Theatre). Mrs Boráňová asked if the cooperation between an ESCO and Strojírny Bohdalice (producer of solar thermal collectors) was possible / how the ESCOs look for the sub-suppliers. The representatives of the ESCOs agreed on that only the minority of sub-suppliers address the ESCOs (about 15%). Normally it is on contrary – the ESCO look for a suitable/reliable sub-supplier.

What is the conclusion of the whole discussion? Mr Sochor summed up that although the solar contracting is not feasible in Czech conditions at the moment because there are much more cons (too long payback period, the investment of an ESCO in an industrial company is not as safe as e.g. with projects in public sector – an industrial company can go bankrupt...) than pros (green image of a company), the situation can be different in a few years. Eight to ten years ago there were only EPC projects concerning heat, now there are to be find also projects concerning the efficient lightning even in public sector. As was outlined before, a possible solution would be the energy contracting, the forced reconstruction in a company plus carrying out more measures so that the investment would be paid back earlier. We think that the round table was inspiring for all its participants. The possible method of solar process heat utilization projects was discussed on. A question still remains: what else can we do to make industrial companies more interested in So-Pro project? The interest from other stakeholders seems to be bigger than from the side of industrial companies – the most important stakeholder group in the So-Pro project because pilot projects shall be implemented there.

Attached:

- programme
- printed invitation folder
- all ppts
- pictures
- attendance list

Programme

12:45 Registration of participants

13:00 Opening, introduction of the So-Pro project
(Solar process heat)
Mgr. Ivana Klobušníková, director of ECCB

Possibilities of the solar energy utilization for the production of technological heat in the industry
Ing. Zdeněk Krejčí, technician of ECCB

Providing energy services and development of EPC Metod in CZ
Ing. Vladimír Sochor, SEVEn, The Energy Efficieny Center

Presentation of energy service companies (ESCOs) dealing with the EPC method

Presentation of solar thermal companies

Brainstorming – main obstacles and possibilities of projects carried out via the EPC Metod

Possibilities of cooperation and corporate projects

16:30 Discussion, answering the questions, end of the round table

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Pozvánka

na KULATÝ STŮL

SOLÁRNÍ CONTRACTING

Možnosti financování zařízení na využívání solární energie v průmyslových procesech

Organizátor: Energy Centre České Budějovice ve spolupráci s Jihočeskou hospodářskou komorou

Termín konání: 22. června 2010, 13:00 – 16:30 hod.

Místo konání: zasedací místnost, Jihočeská hospodářská komora, Husova 9, Č. Budějovice

Cílová skupina: průmyslové podniky, projektanti a energetičtí poradci, firmy zabývající se metodou EPC a solární firmy

Program:

12:45 hod. Registrace účastníků

13:00 hod. Zahájení a úvod

Představení projektu Solar Process Heat (Solární technologické teplo)
Mgr. Ivana Klobušníková, Energy Centre České Budějovice

Možnosti využívání solární energie pro výrobu technologického tepla v průmyslu
Ing. Zdeněk Krejčí, Energy Centre České Budějovice

Poskytování energetických služeb a vývoj metody EPC v ČR
Ing. Vladimír Sochor, SEVEn, Středisko pro efektivní využívání energie, o.p.s.

Prezentace firem energetických služeb zabývajících se metodou EPC

Prezentace solárních firem

Brainstorming – hlavní překážky a možnosti projektů řešených metodou EPC

Možnosti spolupráce a společných projektů

Diskuze a zodpovězení dotazů

16:30 hod. Závěr

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PŘIHLÁŠKA

Tímto se závazně přihlašuji na kulatý stůl Solární contracting, který se uskuteční dne 22. června 2010 v Českých Budějovicích.

Organizátor: Energy Centre České Budějovice ve spolupráci s Jihočeskou hospodářskou komorou

Titul, jméno a příjmení:
Název organizace:
Adresa:
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Vyplněnou přihlášku zašlete prosím poštou, emailem či faxem na adresu: hana@eccb.cz, fax: 387 312 581, Energy Centre České Budějovice, Nám. Př. Otakara II. 87/25, 370 01 České Budějovice **nejpozději do 15. 6. 2010**. Děkujeme.

Pictures