

Panel 5. Business models and financing: established practice and innovative approaches

The challenge of energy efficiency: Promoting innovative business models for SMEs

Paula Fonseca, Carlos Patrão¹, Aristotelis Botzios-Valaskakis², Stefan Amann³, Erik van Agtmaal⁴

1 ISR-University of Coimbra

2 Centre for Renewable Energy Sources and Energy Saving, Athens - Greece

3 e7 Energie Markt Analyse GmbH, Vienna – Austria

4 Factor4, Duffel – Belgium

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The importance of energy efficiency in the consumer investment criteria and in the economic and environmental objectives established by the European Union is not new. What might be new, however, are innovative mechanisms being developed to meet these goals. Notwithstanding the efforts to raise awareness of one of the most appealing mechanisms that enables the adoption of energy efficiency measures in all activity sectors, Energy Performance Contracts have not been widely adopted in Europe. Besides being scarce, EPCs are usually established by a single company. Taking into account that energy efficiency improvements can comprise a wide range of measures it is understandable that larger companies with more complementary resources (technical, legal and financial) are preferred. Therefore, it is not unusual that EPC market is dominated by larger and well-known companies. How to change this paradigm? The H2020 EPC+ project tries to address this matter by bringing different SMEs to work together in collaborative networks towards a common objective of increasing their business by offering jointly tailored EPC services to market, which they could not provide as stand-alone company. The cooperation of SMEs is described as a SME Partnerships for Innovative Energy Services (SPINs).

Considering the main barriers for the implementation of EPCs are contract complexity, high transaction costs, small projects, difficulty in obtaining financing and high costs for guarantees, measurement and verification procedures, the EPC+ project tries to foster cooperation between supply side SMEs to offer novel, high quality energy services to the market through standardization of technical and contractual issues. The project is working on the creation of SPINs and on its capacity building, particularly regarding administrative, technical, legal, financial organizational, communication and business issues. The overall goal is to develop highly simplified and standardized energy service packages which can be easily implemented by SPINs.