

# Irish EPC critical success factors



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Rialtas na hÉireann  
Government of Ireland

**seai** SUSTAINABLE  
ENERGY AUTHORITY  
OF IRELAND

# EPCs currently

- EPCs
  - National form of contract and Technical Assistance supports (up to €37,500 at 75%)
  - Dublin City Council two EPC contracts, St John of Gods hospital, Mater Hospital (€13m)
  - Some hospitals partnered with Carbon Energy Fund in the UK
    - Created an EPC framework based on UK EPC experience  
<http://www.carbonandenergyfund.ie/contractors/>
- Brisk market in light ESCO services i.e. lighting as a service.
- Measurement and Verification practices well established and understood.
- ‘Gap to Target’ exercise – what projects arising from energy management programmes to achieve 2020 targets – 100s of millions needed to reach targets (includes asset refurb)
- Major capital investment in energy efficiency planned from 2023
- Dept Public Expenditure – Structural Reform Support Service hub study, interest in role EPC can play.
- What is the role EPC can play ? Concerns as to **Commitment** to EPC projects (projects 2-3 years to deliver), **Confidence** it’s the right solution, **Competency** to deliver

# Perceived Irish critical success factors (from EU experience and North American research)

- The EPC approach is **endorsed by treasury or finance**, and indeed **their use is encouraged**
- **Awareness, understanding and cultural acceptance of EPC**. Successful EPCs assure policy makers, decision makers, clients and ESCOs that the approach works. **Seen to be a cost effective mechanism to deliver savings**
- **Standard form of contract and procurement guidance**
- **Procurement frameworks of pre-qualified ESCOs.**
- Availability, and ideally **centralised, project management and expert EPC facilitators.**
- **Strong project pipeline of EPC** projects continually started and delivered
- Thinking - **Standard forms of contract + standard procurement approaches** and/or frameworks + expert facilitators + and strong EPC project pipeline **leads to** a robust well informed ESCO market + low transaction costs and resources burden + finance solutions = significant savings
- Or is it the other way around ????

# CSF – into the future – **Commitment, Confidence, Competency**

- Culture, trust, awareness, acceptance
  - Workshops and events – i.e. 28<sup>th</sup> March Energy Show – international experts
- Policy and legislation
  - **Dept Public Expenditure study – role EPC can play in NECPs, alleviate value for money concerns, where and when use EPC, role on/off government balance sheet will play = DPER endorsement, or not, for EPC**
  - All of government climate change plan – who will lead and by when.
  - **Project pipeline – where are the projects, who will deliver them and how will they be procured - individual projects or sectoral solutions?**
- Facilitation, project and contract management
  - Develop expertise – training planned
  - Once off or aggregate – projects, sectors etc ?
- Financing
  - **100s million needed. Timing, and what will be the financial instrument(s) ?**



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