ENERGATE
ENERGY EFFICIENCY MARKETPLACE

Energy efficiency in buildings, from financing to implementation

A COMPREHENSIVE LOOK AT THE ENERGATE WORKSHOP THROUGH SURVEY INSIGHTS

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INTRODUCTION

The 1st ENERGATE Regional Training Workshop “Energy efficiency in Buildings, from financing to implementation” was held on the 28th September 2023 in Madrid. It was co-organised by ENERGATE Spanish partners COMMUTY and the Urban Land Institute Spain.

The event was divided into 2 sessions. The 1st session presented the development and outcomes so far of the ENERGATE project, as well as focused on detail on the ENERGATE Energy Efficiency Marketplace functionalities based on the initial use cases and the platform mock-ups. During the 2nd session invited speakers presented their views and shared experience on different topics related to energy efficiency in buildings also exchanging knowledge on the financing and investment part. See more here.

The event has successfully brought together stakeholders from the energy and financial sectors, offering an opportunity to explore and discuss the multifaceted world of energy efficiency (EE) projects in buildings. With a thoughtful blend of perspectives from various organisations, such as project developers and energy consultants, but also representatives from the financing community, such as investors, the survey has peeled back the layers on the considerations, preferences, and expectations of participants regarding the ENERGATE marketplace, providing a rich tapestry of insights to navigate through.

Diverse Representation in the Energy and Financing Sector

The workshop saw varied representation from different types of organisations, including energy consultants, ESCOs, project developers, engineering companies, banks, private financing bodies, fund managers, investment consultants, and others. This diversity underscores the multifaceted interest and involvement across different sectors in EE projects.

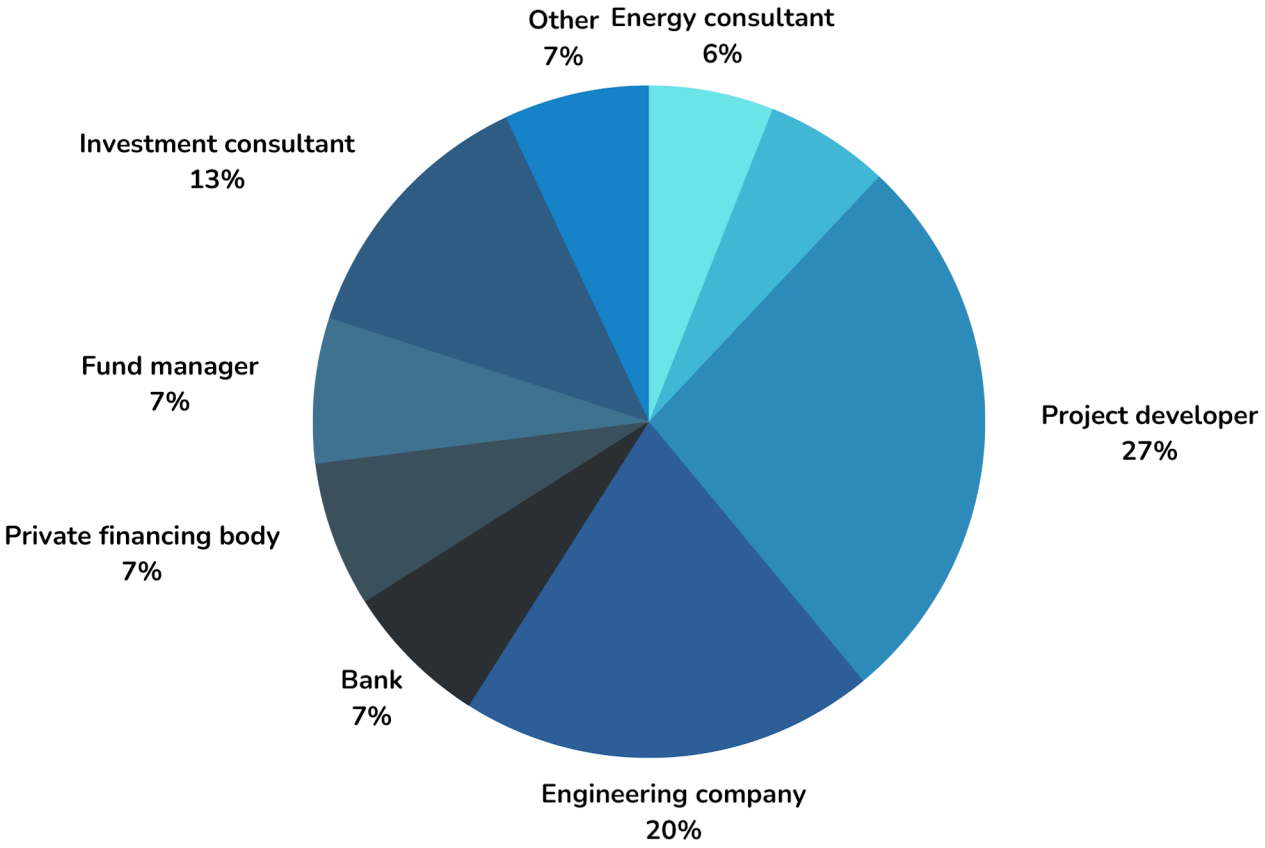


Figure 1. Type of organisation of the stakeholders participated in the ENERGATE survey

Key Factors in Evaluating EE Projects in Buildings

Participants illuminated several key factors as pivotal when evaluating an EE project in buildings. These encompassed aspects from environmental impact and occupants' comfort to financial considerations like Capital Expenditure (CAPEX) and Internal Rate of Return (IRR). A noteworthy mention was also given to the importance of considering future climate scenarios and adaptations. It is also important to note that different stakeholder groups consider different factors as more significant. For instance, some might focus on the positive implications of the project for the environment (e. g. through the ESG factor), while others are likely to emphasise financial aspects, such as the Return on Investment (ROI). This proves the usefulness of the ENERGATE platform, which aims to combine all the different requirements and satisfy the needs of the heterogenous market actors in an optimal and standardised manner.

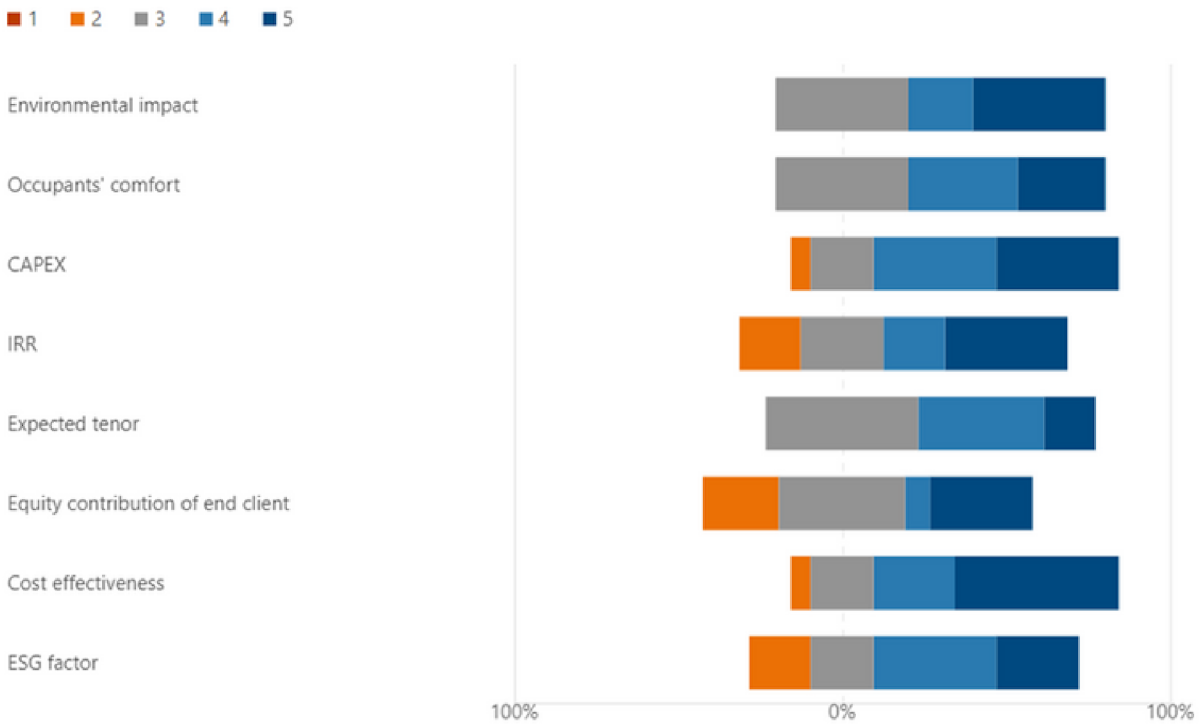


Figure 2. Key Factors in Evaluating EE Projects in Buildings (1-> not useful at all, 5-> extremely useful).

The Significance of Aggregating EE Projects

The concept of financing aggregated projects, especially those originating from the same implementor, was met with significant approval, being rated notably high by 80% of the participants. Aggregating EE projects, particularly those executed by different implementors, demands a meticulous selection of projects that share certain characteristics, ensuring a coherent and feasible approach to implementation and financing. Most respondents, particularly those belonging in the energy sector, highlighted the importance of similar location, building typology and EE measures. Financial stakeholders, on the other hand, consider several additional factors, also pointing out the necessity of similar financial features between aggregated EE projects.

The Potential of a Unified Platform

Participants were invited to rate the usefulness of a platform that could seamlessly match buildings with implementors, aggregate projects, match projects with financiers, and rank projects based on financiers' preferences. This exploration aimed to gauge the potential impact and necessity of a unified platform that offers standardised procedures, like the ENERGATE marketplace, in streamlining and optimising EE project implementation and financing. All the above mentioned potential ENERGATE platform services received fairly high ratings, particularly when it comes to matching buildings with technical teams and projects with financiers, while the respondents belonging in the financial sector appeared interested in the ranking of EE projects.

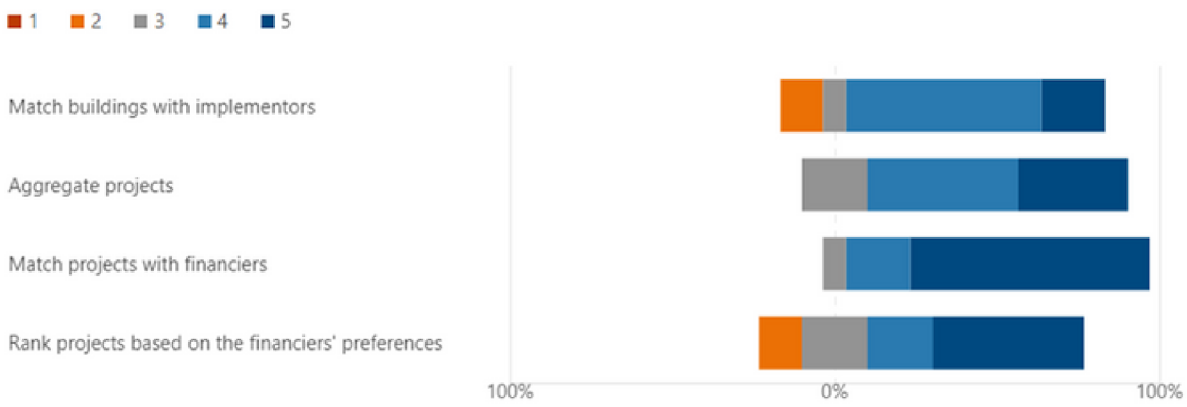


Figure 3. Usefulness of different features of the platform in (1-> not useful at all, 5-> extremely useful).

Evaluating the ENERGATE Platform

The ENERGATE use cases and workflow were generally well-received, scoring a favourable average rating in reflecting the needs of the participants. Financial stakeholders, being the focus of the ENERGATE project, rated the current platform workflow at 4 out of 5 on average, which is positive considering that we are still early on the journey of realising the ENERGATE marketplace. The survey also opened a channel for feedback, inviting suggestions for additional features that could enhance the functionality and relevance of the ENERGATE platform. Through the feedback useful and interesting suggestions were received, such as the addition of a new use case when a Financier is seeking an Implementor. Additional features were also proposed such as the cost estimation prior to project, and the possibility of the ENERGATE platform generating matches among buildings, or among partners.

Participants also shared insights into essential elements that should be included in a project's issued offer, ensuring a comprehensive and detailed approach to project proposals and implementations. These elements are related to how the involved parties will be repaid and pay the interests, the retrofit aim (EPC improvement) and the alignment with the Carbon Risk Real Estate Monitor.

CONCLUSION

The ENERGATE survey has provided a window into the perspectives, considerations, and expectations of various stakeholders in the realm of EE projects. These insights pave the way for refining strategies, approaches, and platforms like ENERGATE to better cater to the evolving needs and preferences of those involved in advancing energy efficiency financing in buildings.

Stay tuned for more results and highlights of the 1st ENERGATE Regional Training Workshop in Madrid.