



EVENT DESCRIPTION

Project Partner: Energy Agency of Podravje (ENERGAP)

Title of the event: Working group meeting for Private Public Partnership Procedures and data collection

Date & location: 1.9.2015, Municipality of Radlje ob Dravi, Mayor's Office

Organiser(s): Municipality of Radlje ob Dravi

Number of Participants: 8

Summary

The working group was attended by experts (energy, legal and financial), the mayor of the municipality, the director of municipal public services and the director of the Energy Agency of Podravje (ENERGAP). Its aim was to discuss issues about EPC procedures.

Objectives & main programme points

The working group permitted to discuss and learn about EPC procedures and contractual content regarding technical and fiscal aspects (energy data, ownerships, payment regime and debts issues).

Conclusions & lessons learnt (based on stakeholder input)

The municipality of Radlje ob Dravi is located in the Upper Drava Valley, 43 km west of the City of Maribor. Due to the inefficient and environmentally inadequate state of the street lighting system, the municipality decided to perform a comprehensive refurbishment covering 80 % of the street lighting system. It was found that refurbishing the system to LED technology could offer a large energy savings potential. It has been decided to implement the project using an EPC model. The main criterion will be to reduce electricity consumption and maintenance costs without compromising the quality of the street lighting services. Special attention will be given to using RGB lights in the urban center since the municipality wanted to have the possibility of changing the color of the light on special occasions during the year.

The driver of the project will be the regional energy agency of Podravje as part of their support for the implementation of the local energy strategy.

The municipal administration has no legal or financial experts. They have not had any



similar projects in the past. They are aware of concession agreement, but these were done with public companies. Energap explained the whole procedure of EPC implementation. The draft EPC agreement was discussed. Very detailed explanations about the payment regime regarding the public budget lines were given. Regarding technical content, detailed specifications and controlling systems were presented and discussed. Energap presented detailed procedures and some Slovene examples.

The staff wanted to have day-by-day help in all steps. It was only possible to work in such a way because the cost of such help is part of the IEE-funded Streetlight-EPC project. The staff described that their high workload with other projects does not allow time to learn about EPC details. They asked for standardised procedures and papers approved by the ministry of finances or other national auditing bodies that they could follow. It would make the process easier, faster and avoid mistakes and doubts. They agreed that yearly technical and financial monitoring is needed and that Energap or similar experts could be the best intermediate body to perform it. They are willing to pay for such support. They will also take into account the EPC preparation costs and they will include them in the budget in the future.

Technical issues of the municipality's project were also discussed. They have no exact data about all lighting points or status of the infrastructure. There are also some parts of the infrastructure that are not owned by the municipality. They decided to start a harmonisation process of the ownerships of all street lighting infrastructure. Not all electricity costs for the street lighting are clearly presented in the budget. Some costs are transferred to some municipally owned institutions (like the sports club) as a lump sum with other costs. This will make calculating potential savings challenging. Energap will have to ask responsible persons to collect the invoices for the 3 past years to have a clear overview of the costs.

In conclusion we can say that there is a lack of knowledge and understanding of EPC within the municipality. There is a need for training and clear instructions for each step. The data about energy use and costs are spread between different users, making it difficult to have a clear overview of the entire costs of the street lighting system. Before starting EPC, gathering all data and clarifying ownership issues must take place.

