



Schweizerische Eidgenossenschaft
Confédération suisse
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Bundesamt für Energie BFE
Office fédéral de l'énergie OFEN
Ufficio federale dell'energia UFE
Swiss Federal Office of Energy SFOE



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PROKILOWATT: SWISS TENDERS FOR ENERGY EFFICIENCY



BACKGROUND

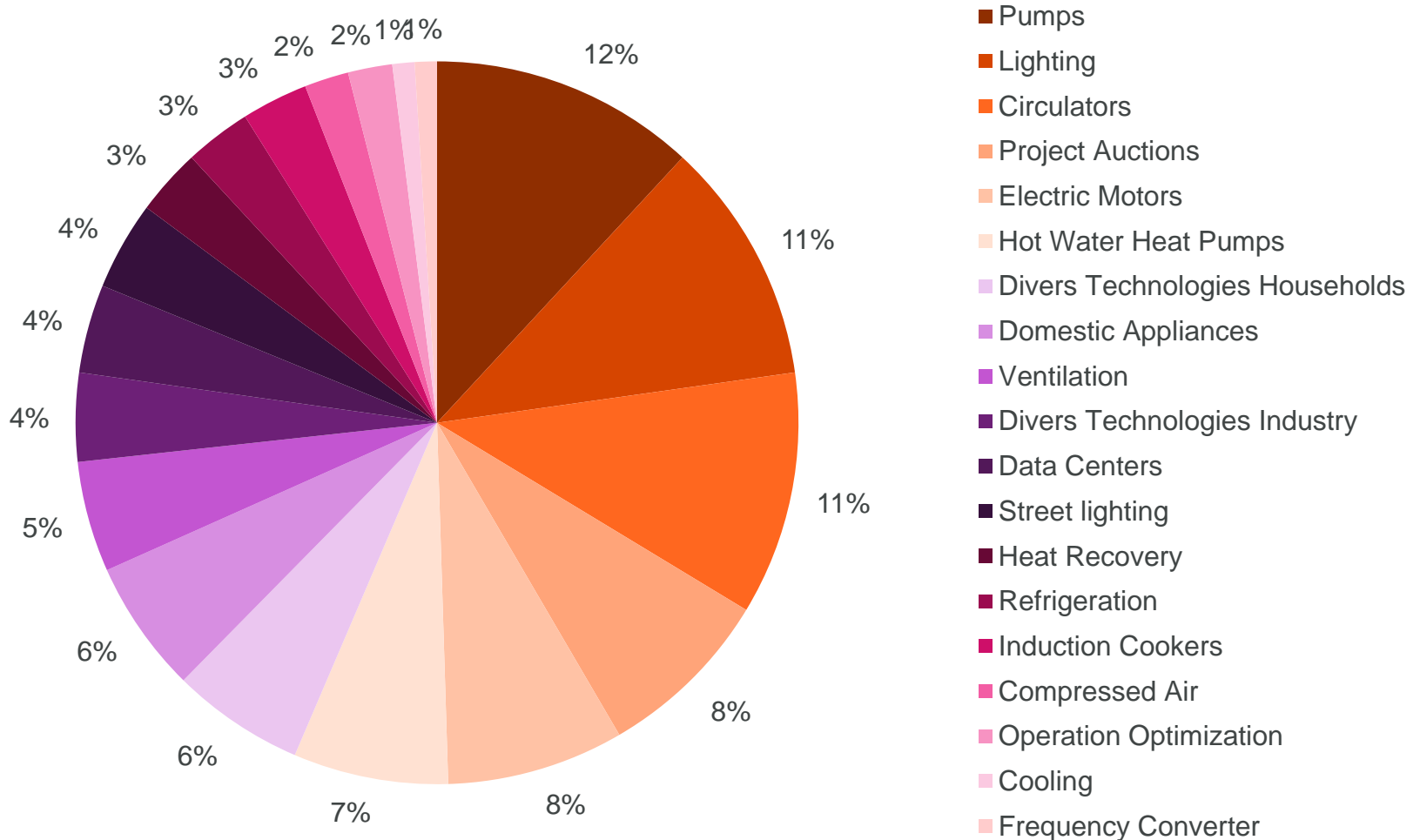
- The measures supported should have the **least costs** per kWh saved (**discriminatory auction**)
- Only projects and programmes are eligible which would not be implemented without financial support (**principle of additionally**)
- Private or public entitled to apply for funding
- 1st round launched in 2010
- Voluntary instrument
- Funding stemming from levy on the electricity transmission grid (up to **0.1cts./kWh**)
- No specific quantitative target

Supported measures:

- ▶ **Projects** are measures at one client (max. 2 MCHF)
- ▶ **Programmes** are coordinated action (intermediary) for similar measures with different clients (max. 3 MCHF)

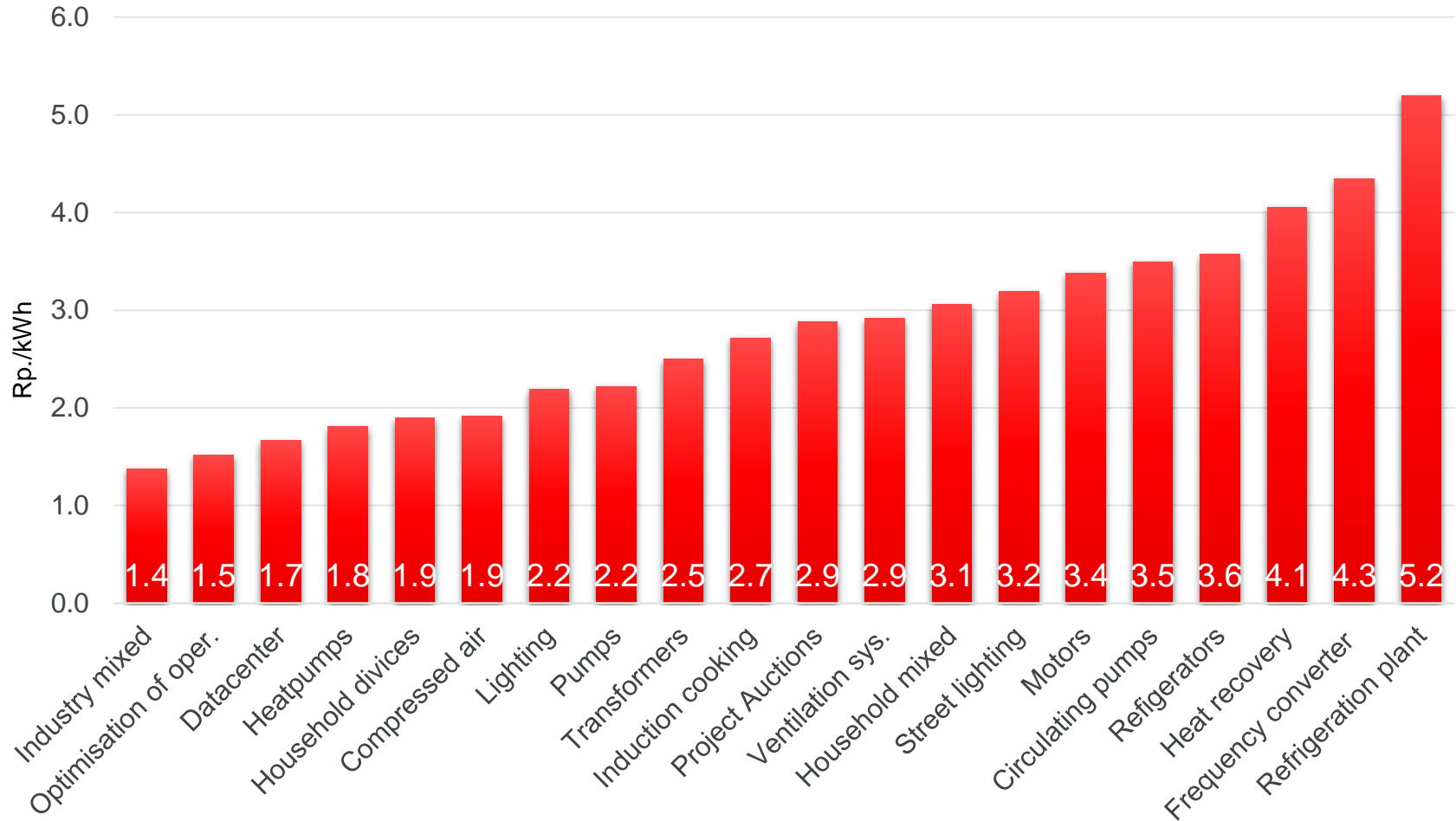


DISTRIBUTION OF PROGRAMMS FUNDING BY TECHNOLOGY



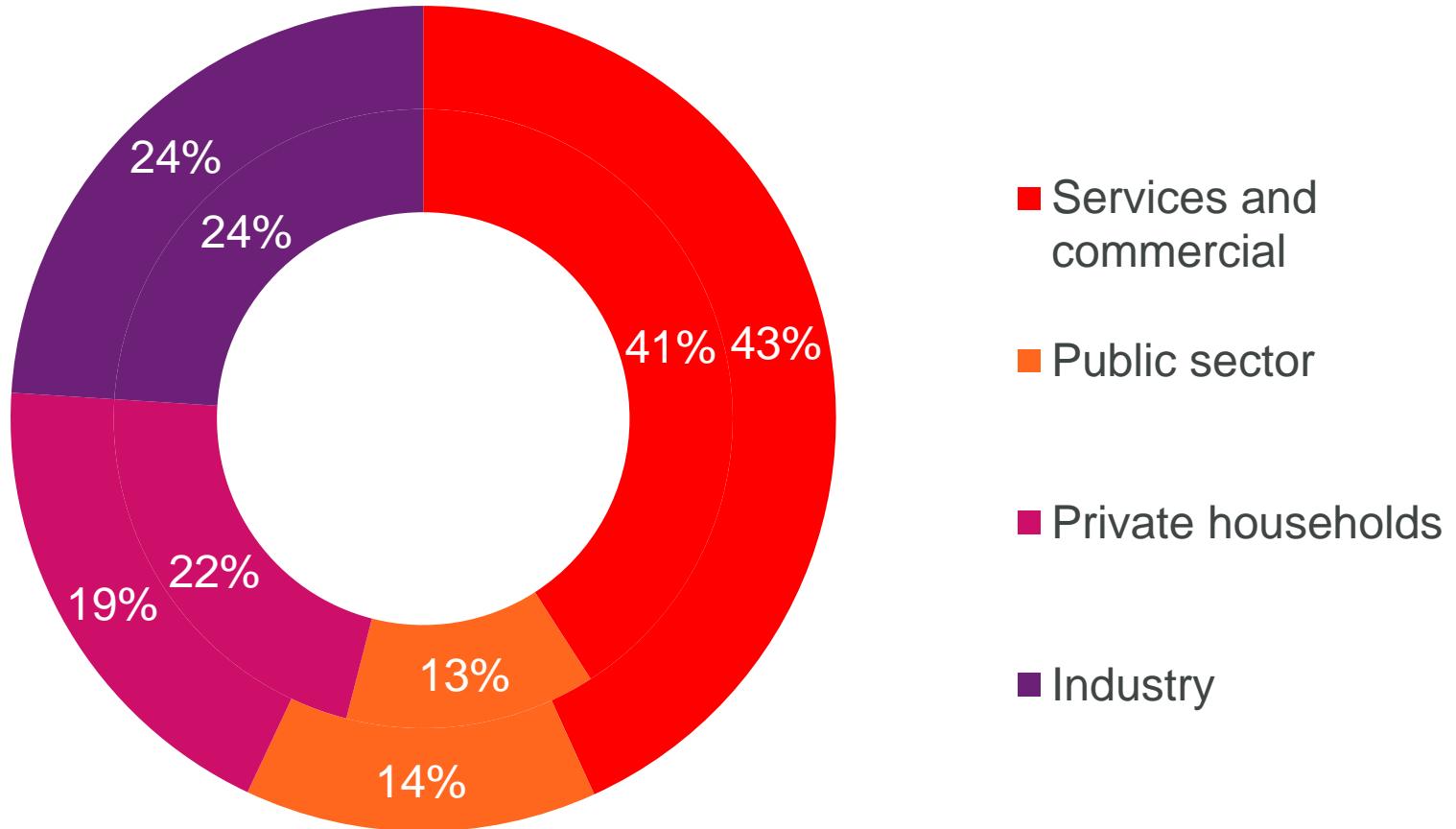


COST CURVE





SUBSIDIES / SAVINGS BY SECTOR



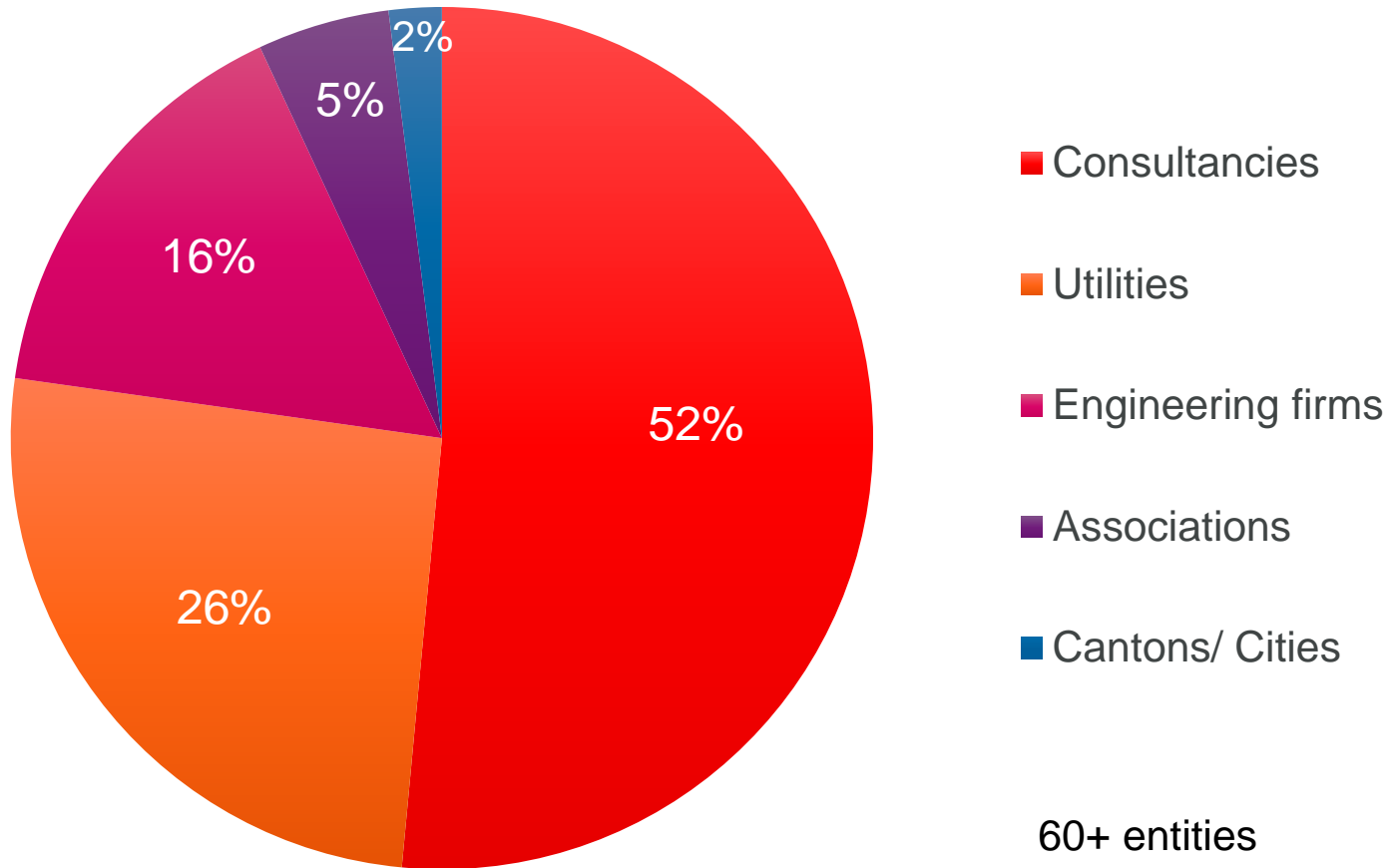


PROGRAMMS VS. PROJECTS

	Strengths	Weaknesses
Projects	<ul style="list-style-type: none">• Custom-tailored by a company and fits its particular situation• Low risk that planned project and realisation differ• Auctioneer can assess planned technical measures in advance and in detail	<ul style="list-style-type: none">• Relatively high entry costs for bidders (risk of dropping out of the auction)• High assessment costs for small projects for the auctioneer
Programms	<ul style="list-style-type: none">• Enables realisation of small-scale technical measures (i.a. in households and small companies)• Almost no entry costs for end-consumers as they can participate in a program that already passed the auction• Existing customer-basis or members of an intermediaries can be reached	<ul style="list-style-type: none">• Overhead costs on behalf of intermediaries incur• Significant risk that targets are not achieved (planned and realised measures in numbers differ)• Significant efforts for auctioneer to verify achievements

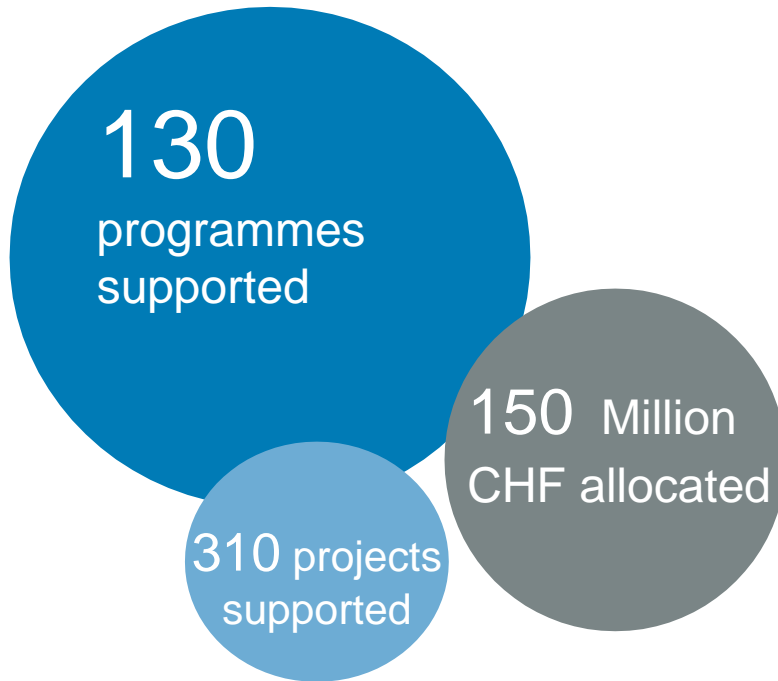


INTERMEDIARIES





TRENDS



2010 - 2016

→ 80% of funds are allocated to programmes...not projects!

Why? Scaling up...! Need for supportive measures!

- Communication
- Assessment, identification of potential, analysis at the client (on site) for free
- Accompany through implementation
- Monitoring
- Schooling/ formation

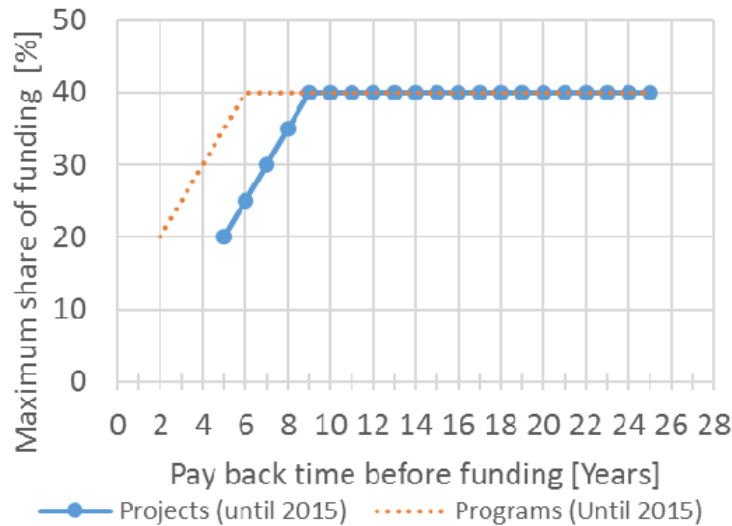
→ max. 10% Management Cost

→ max. 20% Auxiliary support measures

→ *NO art. 38 GBER in Switzerland (General Block Exemption Regulation)*

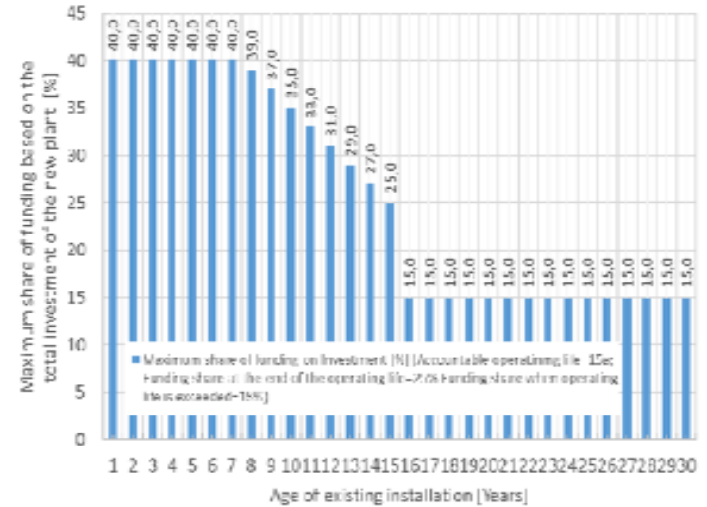


ADDITIONALITY: ECONOMIC ATTRACTIVENESS VS. AGE



2010 - 2015

- Payback > 4 years
- Not yet implemented



2016 →



LESSONS TO DATE

- 7 years of operation has proven that competitive tenders are valuable in triggering electricity saving measures
- Need to balance application process
 - Rigorous enough to ensure good projects
 - Simple enough to encourage applications
- To keep the funding conditions for applicant attractive enough to trigger actions



THANK YOU...!



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