ST-ESCOs

Issue 2

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ST-ESCOs Project

ΚΑΠΕ
CRES

ST-ESCOs Project – General

The **objective** of the project is to promote the creation and development of Solar Thermal Energy Service Companies (ST-ESCOs) and, by this, to assist in accelerating the growth of the solar thermal market in Europe.

Project Progress

According to the timetable of the project the first work package was concluded at the end of June 2005. The work that has been carried out during this period was the preparation of the:

- **Short Report** with ST-ESCOs framework situation in each country. This report includes experience from existing ESCOs worldwide, relevant EU projects, TPF/ESCOs legislation, relevant institutional, contracting and financing procedures, legal conditions, subsidy schemes adopted, quality and monitoring certifications needed in each participating country, EC proposal for a Directive on Energy end-use Efficiency and Energy Services, software tools, etc.). Examples of best practice (mainly in Austria) and encountered problems were analysed.

- **Market Analysis Report.** Apart from the main sectors potential identification, the following were included: description of best–practice examples, identification of key-aspects with respect to contractual, technical and risk management issues. Market studies were carried out in order to estimate the potential for ST-ESCOs development in the residential, industry and services sector of the participating countries. Promising market segments were identified and appropriate actors and procedures for projects development has been analysed. Emphasis was given to the private sector final users (due to less ESCOs' implementation barriers) without, however, ignoring the public sector. In fact, the most appropriate public sub-sectors for ST-ESCOs agreements were identified and analysed (e.g. sport centres, entities belonging to the so called "wider" public sector that could have increased flexibility in ESCOs agreements implementation). Market prices of all activities related to ST-ESCOs creation were selected and economic analyses was carried out.

- **Info-Sheet** with representative successful cases of solar thermal energy contracting.

- Initialisation of **ST-ESCOs Website** http://www.cres.gr/st-escos

- Project presentation **Leaflet.**

During this period several presentations have been given both on national and European level.

Relevant issues

OPINIONS FOR THE PROPOSAL OF A DIRECTIVE ON ENERGY END-USE EFFICIENCY AND ENERGY SERVICES

The opinion of the Committee on Economic and Monetary Affairs, on the proposal of the directive of the Committee on Industry, Research and Energy that was discussed on the 2/5/2005 in the European Parliament and had as subject the energy end-use efficiency and energy services, suggests that improved energy efficiency will make it possible to exploit cost-effective savings potentials in an economic effective way and as a result to help Europe reduce the dependence on external energy supplies.
The opinion of the Committee on the environment, public health and food safety, reports that the

particular proposal has a very important contribution to the mitigation of climate change and to the increase of the much needed efficiency in the end-use energy consumption.
The committees proposed several amendments on the proposal.

On 28/6/2005 a political agreement on the common position of the Member-States for the particular proposal of directive took place.

For more info:
http://europa.eu.int/prelexdetail_dossier_real.cfm?CL=en&DosId=187530#371838

SOLAR THERMAL MARKET STATISTICS

On September 2004 the kW_{th} (kilowatt thermal) was established as a unit of measurement for solar thermal energy. Based on real test results, the nominal capacity derived from the area of installed collectors is 0.7 kW_{th}/m^2.
According to the White Paper published in 1997, 70.000 MW_{th} (100 million m^2) should have been produced by 2010. The produced energy in 2004 was 9525 MW_{th}.
In 2004 there was a rise of 12% of the solar thermal energy produced in Europe. The leading country was Germany, producing 3922 MW_{th}. Hellas followed with 1978 MW_{th}. Hellenic market presented a rise of 34% in 2004 compared to 2003. Austrian market is also important with a rise of 9% producing 1459 MW_{th}. In Italy, where 311 MW_{th} of solar thermal energy were produced, the increase was 16%. Particular reference should be made for Cyprus, where 90% of buildings have installed collectors.
Statistics show a strong unbalance among countries. If the whole EU was at the same level as Hellas and Austria today, the annual market would be over 10 millions m^2, with a capacity of more than 82.000 MW_{th} in operation.
Even though Europe is leading in technology it only holds a small fraction of the world market (9%). China dominates the world market with a share of 78%.

For more info:
http://www.estif.org/fileadmin/downloads/Solar_Thermal_Markets_in_Europe_2004.pdf

COMMON DECLARATION FOR A DIRECTIVE TO PROMOTE RENEWABLE HEATING AND COOLING

ESTIF, together with the European Renewable Energy Council (EREC), the European associations of the biomass industry (AEBIOM, EUBIA) and the geothermal industry (EGEC) have published a common declaration for a European Directive to promote renewable cooling and heating.
The declaration was signed by European institutions and organizations working in the fields of renewable energy, energy efficiency and environmental protection. The objective of the declaration is the extensive use of such technologies from the Member States, in contrast with the current situation. Reason stood the publication of White Paper in 1997 that forecasted that up to 2010 the 12% of the consummated energy would emanate from RES. Unfortunately, based on the current market trends, it seems probable that this target is not going to be achieved.
The use of renewables for cooling and heating has been neglected, even though it presents a substantial potential for the achievement of the objective set by the White Paper. This is a fact since 50% of the energy consumed in Europe today is used for heating purposes both on the building and the industrial sector.

For more info:
http://www.estif.org/fileadmin/downloads/EREC_RES-H_Directive.pdf

Next steps

The 2nd Meeting of the project will be held in Athens on Thursday 29th - Friday 30th September 2005.