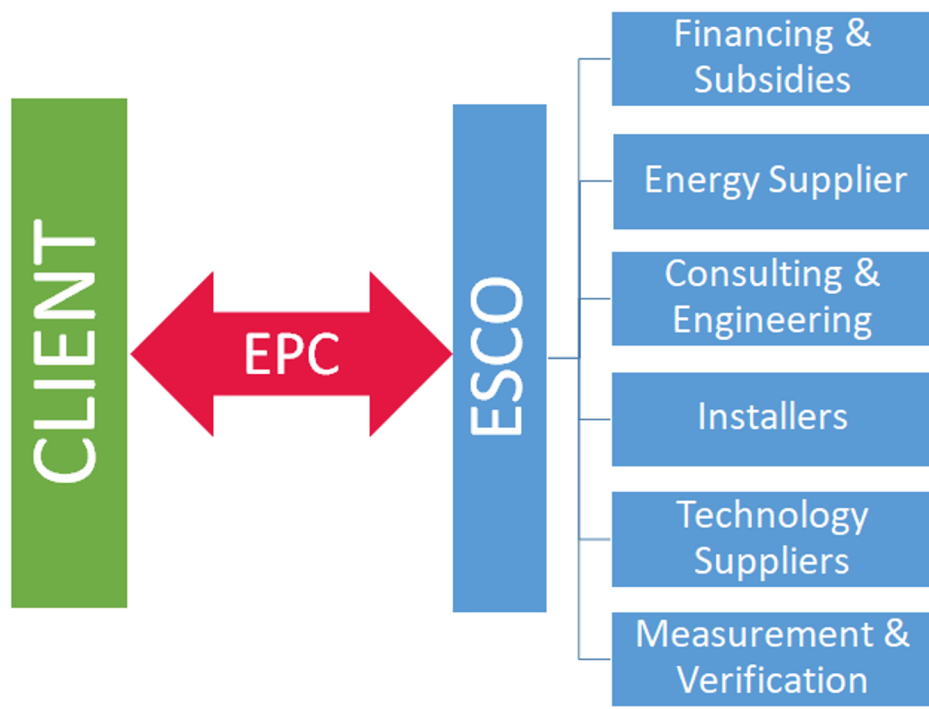




# TRADITIONAL EPC VERSUS ENHANCED EPC MODEL

## TRADITIONAL ENERGY PERFORMANCE CONTRACTING MODEL

- Client does not require upfront capital
- Finance for the project is provided by the ESCO or a third party finance provider
- Energy savings are guaranteed by the ESCO, removing the operational risk for the client
- The loan is repaid from the savings on energy bills
- Single contract between the client and ESCO covers all energy efficiency measures
- Deeper renovations can be achieved through taking a whole building approach



## DUAL ENERGY EFFICIENCY AND DEMAND RESPONSE MODEL

- NOVICE project is looking at an Enhanced EPC business model for ESCOs.
- It considers demand response as well as energy efficiency measures
- This creates a dual revenue stream - one from energy efficiency and one from demand response
- The ESCO remains the single point of contact for all measures but uses the services of a demand response aggregator to provide services to the grid
- A Memorandum of understanding (MoU) governs the relationship between ESCO and Aggregator

