

Climate Alliance International Annual Conference
and General Assembly

**Mobilising local energy investments
(ELENA tool and Barcelona province)**

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Diputació  Barcelona
xarxa de municipis

Barcelona Provincial Council (DIBA)
is a **2nd level Local Government**
whose mission is to promote the
progress and welfare of citizens,
acting in the territory and in
cooperation (technically and
economically) with municipalities.

**311 municipalities, with a population of more than 5.4
million inhabitants. Extension: 7,719 Km²
Budget 2010 near 700 M€**



It's an innovative initiative of the European Union to achieve the GHG reduction targets and improve efficiency by 2020 (20/20/20) with the involvement of local governments. The fight against climate change reinforces the processes of LA 21

**On May 2011 (www.eumayors.eu)
2,494 local authorities
136 Covenant Coordinators and Supporters**



Process Milestones

DATE	EVENT
February 2008	Interview with Commissioner Piebalgs
July 2008	First province municipalities signs the CoM
October 2008	EIB study of the province potentiality in EE and RES
November 2008	DIBA designed first Covenant Coordinator or Supporter
June 2009	EIB loan approved
April 2010	Agreement signature with local banks
May 2010	ELENA grant approved

COVENANT COORDINATOR

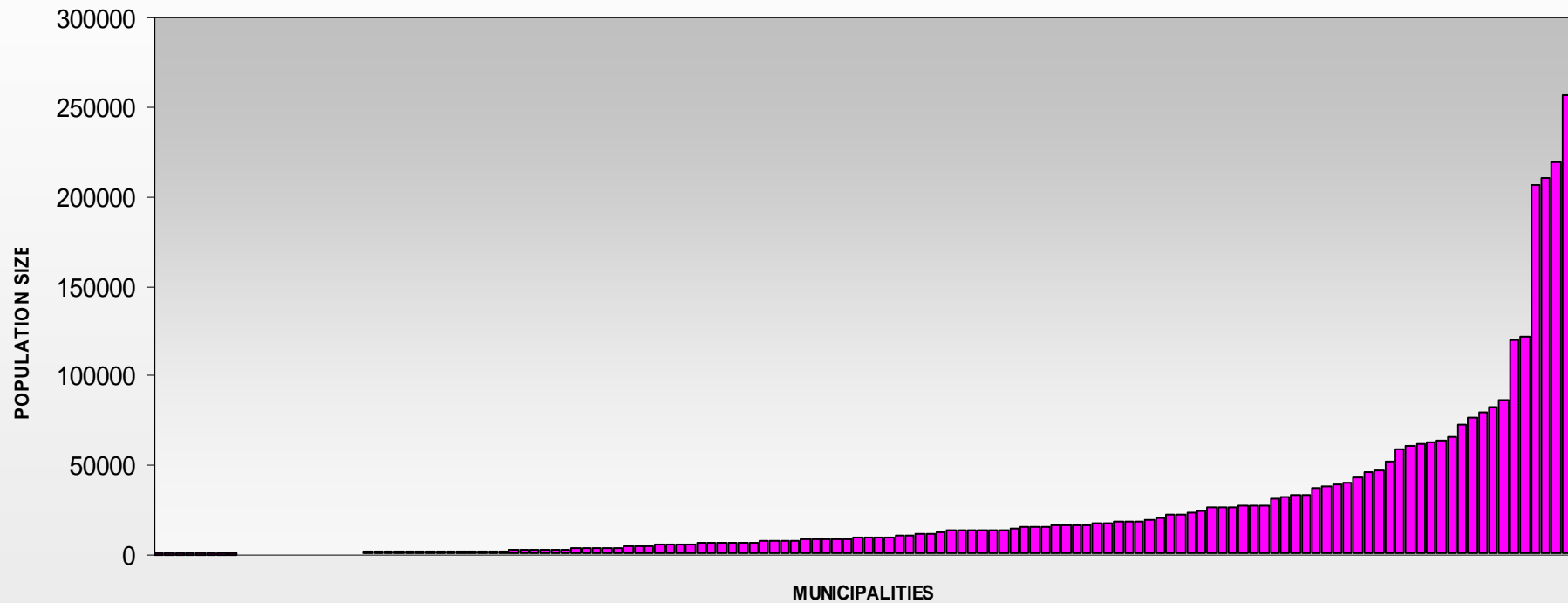
DIBA was the first Covenant Coordinator or Supporter (November 2008) to provide strategic guidance, financial and technical support to municipalities that signed up to the Covenant of Mayors

- Promoting municipalities to join the Covenant: no cost for the municipalities to develop SEAP. DiBA finances 100% SEAP drafting.
- Providing financial, technical and legal assistance to municipalities
- Finding financial instruments for investment



RESULTS

MUNICIPALITIES JOINING THE COVENANT OF MAYORS



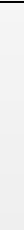
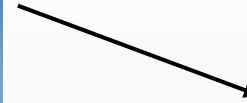
**150 signing municipalities, 120 SEAPs delivered to CoMO
(May 2011) 2.5 M€ expended**

SAMPLE OF 120 MUNICIPALITIES WITH FINISHED SEAP

Total emissions (tCO₂eq)	18,446,914
SEAP emissions (tCO₂eq*)	11,969,601
Potential reduction year 2020 (tCO₂eq) according to the CoM	2,393,920
Emissions of the City Council (tCO₂eq)	318,470
Number of actions to achieve goals	5,548
Percentage of actions of municipal ownership (%)	57
Total emissions per capita (tCO₂eq/inh)	7.42
Emissions SEAP per capita (tCO₂eq/inh)	4.50
Emissions City Council per capita (tCO₂eq/inh)	0.16
Percentage emissions of the City Council (% on total emissions)	2.4

* INDUSTRY AND PRIMARY SECTOR NOT INCLUDED

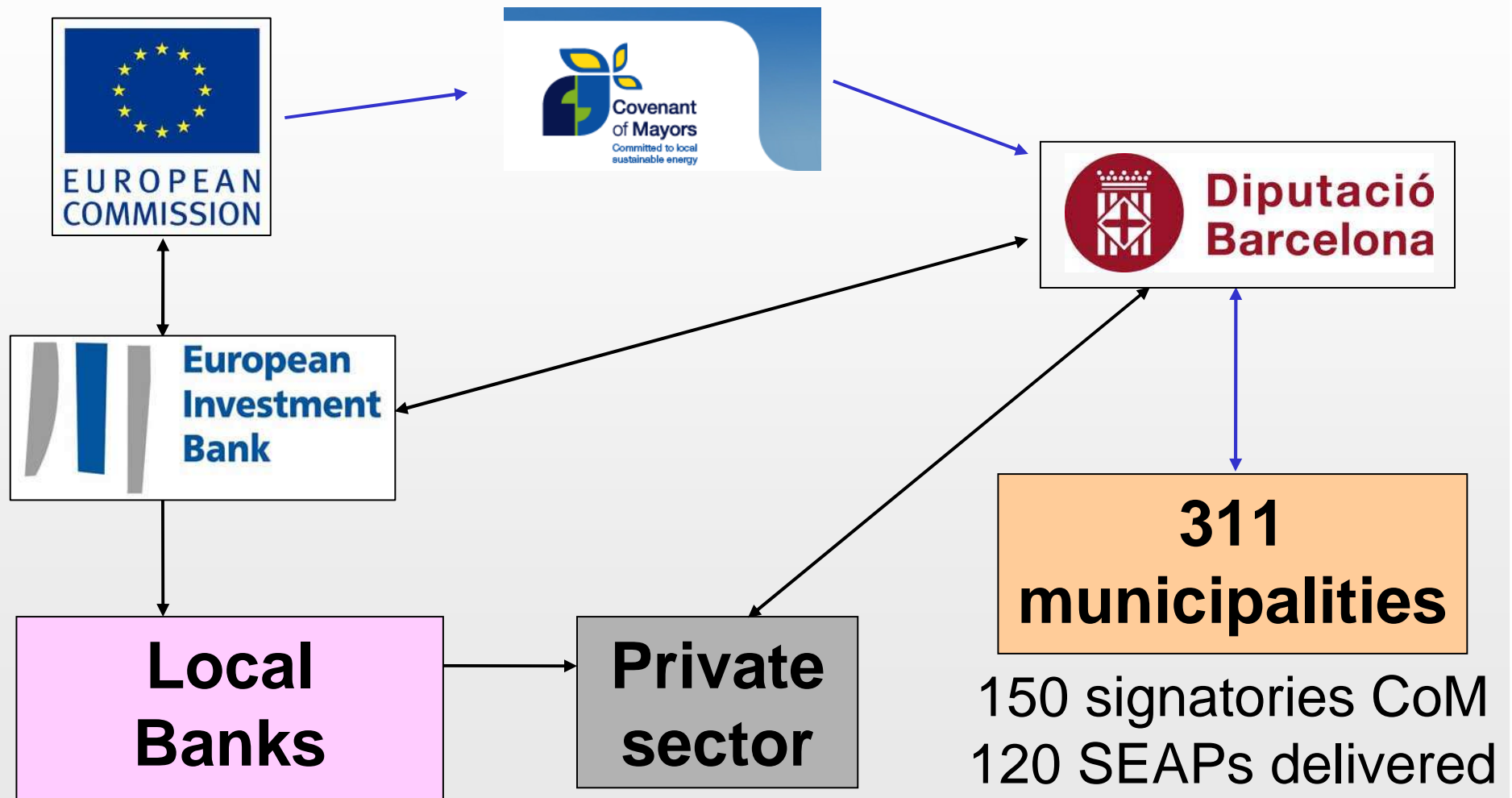
Covenant Coordinator Diputació de Barcelona



311
municipalities

150 signatories CoM
120 SEAPs delivered

Energy Efficiency & Renewables Barcelona



EXPECTED RESULTS

Energy Efficiency & Renewables Barcelona (EIB financing)

Environmental targets	To reduce GHG emissions by 200,000 tn CO2/year
	<ul style="list-style-type: none"> - Photovoltaic (PV): 87.5 MW in 1,500,000 m2 roof - Energy efficiency (EE): 200 MW
Economic targets	Financing of projects by 500 M€
	<ul style="list-style-type: none"> - PV: 350 M€ - EE: 150 M€
Social targets	Creation of permanent jobs
	<ul style="list-style-type: none"> - PV: 3,000 jobs in installation and maintenance - EE: 2,000 jobs

DIBA Implantation Resources Guide for municipalities implementing SEAPs



FINANCIAL SUPPORT



LEGAL AND CONTRACTUAL SUPPORT



TECHNICAL ASSISTANCE

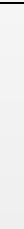
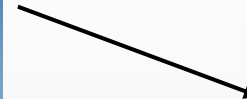


DISSEMINATION AND AWARENESS

FINANCIAL SUPPORT

1. Access to EIB financing (and other financial institutions) to ensure the required liquidity to make investments without entailing increased municipal debt
2. Facilitate access to grants from other governments
3. Adapting the grants from DIBA to the objectives of the SEAP
4. ELENA

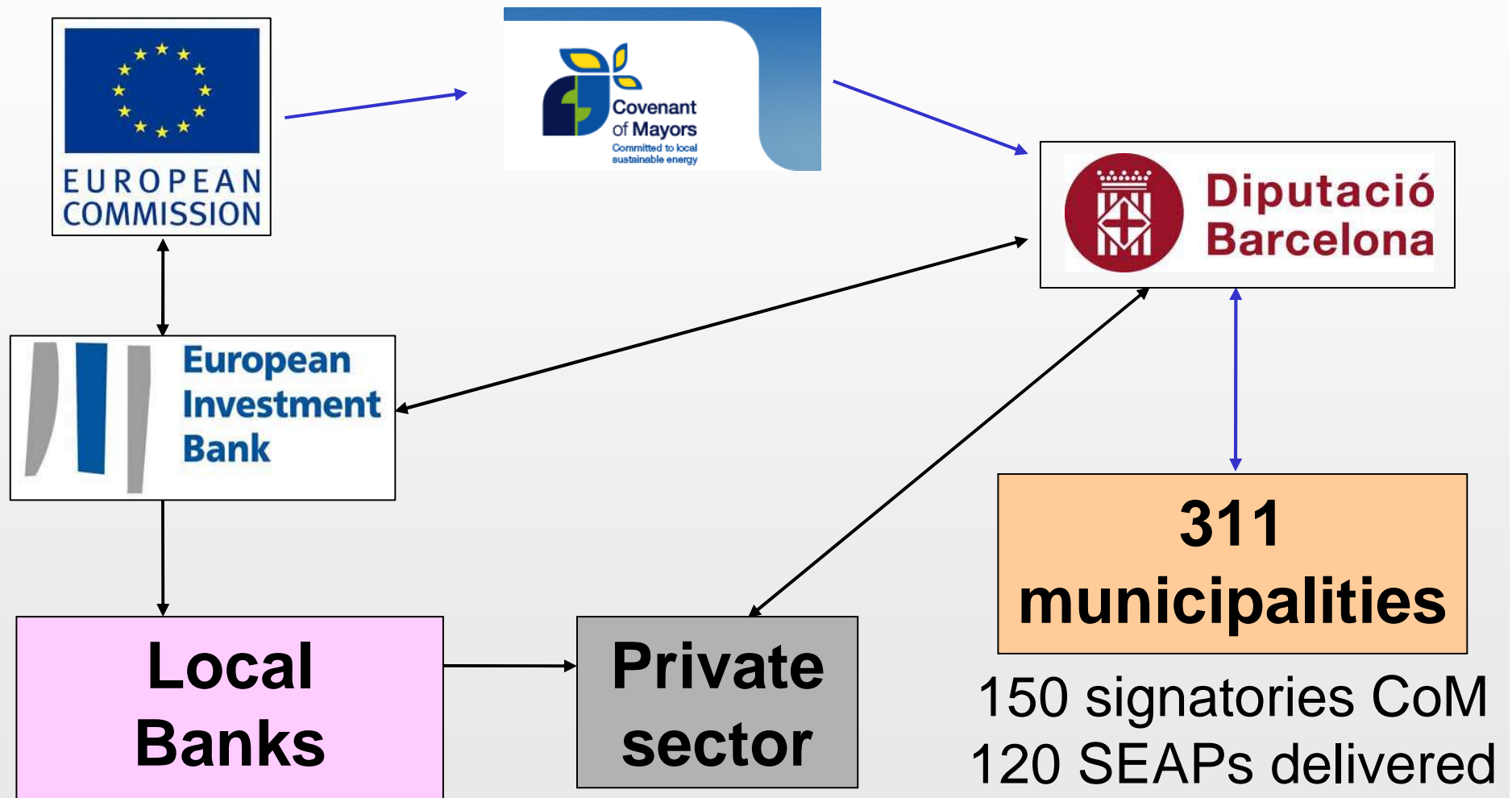
Covenant coordinator Diputació de Barcelona



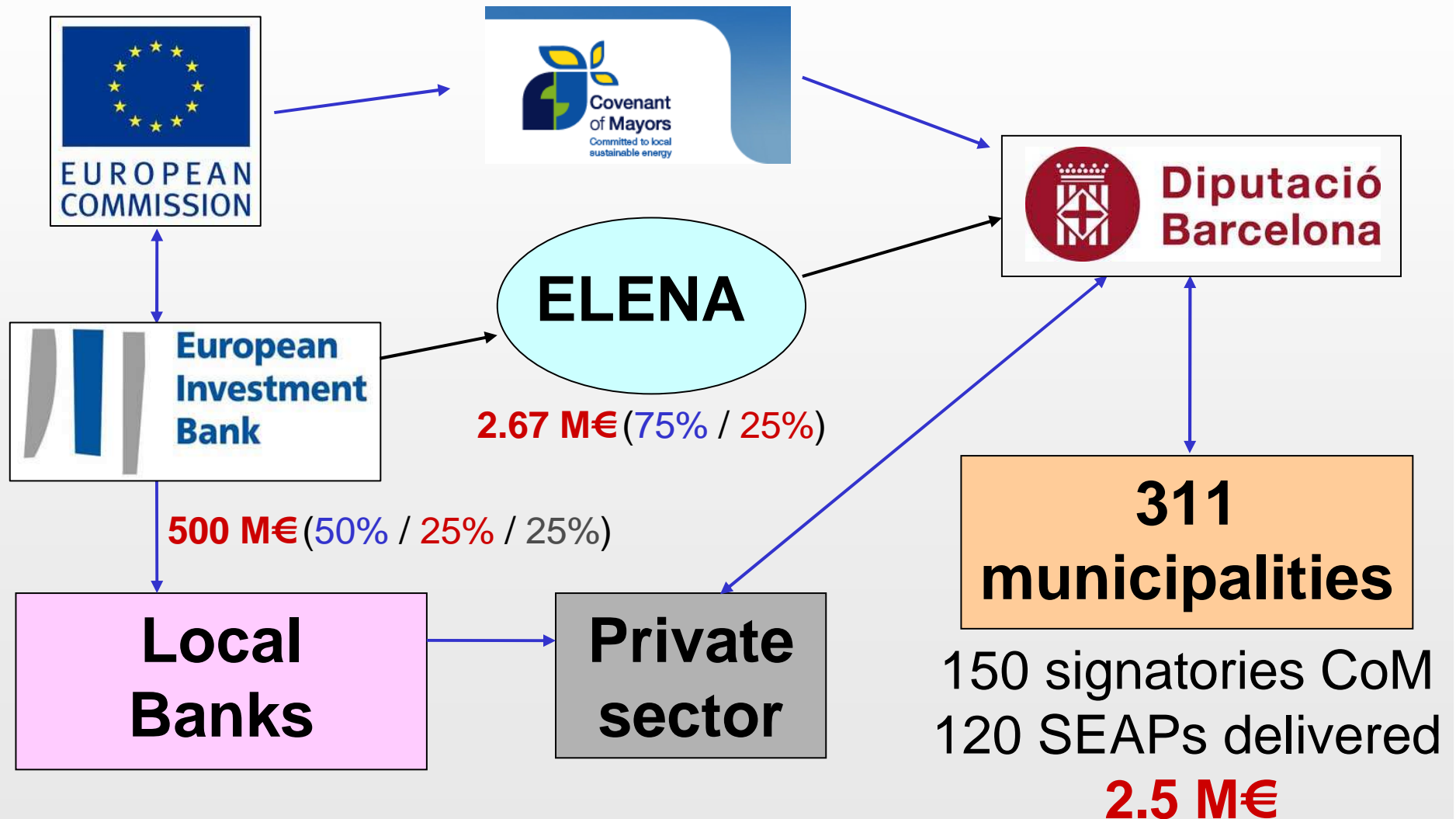
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Energy Efficiency & Renewables Barcelona



ELENA – ER Diputació de Barcelona (ERDIBA)





LEGAL AND CONTRACTUAL SUPPORT

1. Advice on existing contractual models availability
2. Advice for the process of public domain renting
3. Advice for concluding “rentings” (PV and EE)
4. Aggregation process design for the award in a better position (PV and EE)
5. Advice for ESCOs hiring
6. Advice for sustainable energy procurement
7. Technical support for administrative contracting

TECHNICAL ASSISTANCE - WHY

- "Maturity" degree of the local projects is highly variable
- Technical support is needed to enable the transition from potential to real investment projects
- This will accelerate the development of planned investment foreseen on SEAPs
- The procedures can be replicated between local governments
- The ELENA program is an innovative tool of the EIB (financed by the EU) to achieve these objectives



TECHNICAL SUPPORT

1. Census of potential locations for the deployment of renewable energy production units
2. Support for the drafting of basic projects
3. Census of public buildings and equipments that have the capacity to take those investments
4. Development of a catalog of products of interest
5. Pilot testing

FIRST RESULTS (May 2011)

The following table shows the distribution of our contracts by typology:

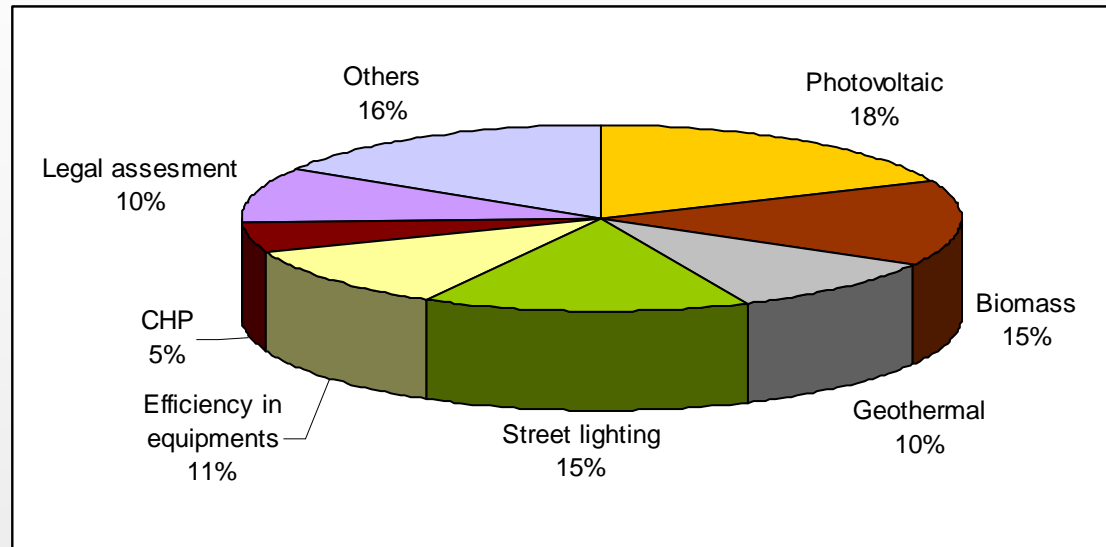


Photo-voltaic	Bio-mass	Geo-thermal	Street lighting	Efficiency in equip-ments	CHP	Legal assess-ment	Others	<u>TOTAL</u>
15	12	8	12	9	4	8	13	81

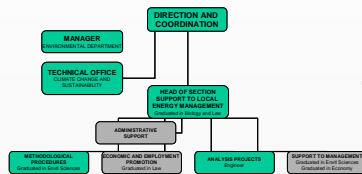


FIRST RESULTS (May 2011, according to the 2nd Interim Report)

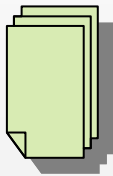
Spending on technical assistance	0.88 M€
Number of contracts	81
Short-term investment generated	10.25 M€
Medium-term investment generated	+20.50 M€

NEW JOBS CREATION ESTIMATION

ELENA DIRECTLY



4 NEW JOBS PROJECT IMPLEMENTATION UNIT DIBA



150-250 EXTERNAL EXPERTS CONTRACTS

RELATED TO GENERATED INVESTMENTS

- **PHOTOVOLTAIC**: 33 NEW JOBS IN INSTALLATION FOR EVERY MW_p (PLUS 10 IN PRODUCTION, 1-2 RESEARCH, 3-4 INDIRECT SUPPLY)

WITH GREENPEACE 2008 ANNUAL REPORT

EPIA

- **ENERGY EFFICIENCY**: 10 TO 20 NEW JOBS FOR EVERY M € INVESTED

ACE(UK) SAVE PROJECT 2000

- **BIOMASS**: 10 NEW JOBS (1+9) AND 9 PLUS INDUCTED FOR MW

GRUPO ENCE

• ...

MAIN BARRIERS IDENTIFICATION (IN SPAIN)

1. Renewable energy payment scenario is changing and uncertain
2. Very limited indebtedness capacity in 2011 by local governments
3. Low previous experience of the energy services market for the public sector and lack of clear legal models to promote ESCOs
4. Limited understanding of business from local financial institutions and low willingness for risk, so excessive guarantees are requested
5. Resistance to change and excessive focus on issues of municipal ownership
6. Low interaction with superior administrations



5 FINAL RECOMMENDATIONS

- **Do not apply just because it is almost free.** Do not generate a project because there is a grant. Previously you must have a project. And since you have a project, you can study if applying to ELENA
- **Follow the advices of the people in charge of ELENA** program in the EIB. They are realistic (they must be). But at the same time they always have an optimistic view, they truly believe in EE. Do not hesitate to share with them the weaknesses of your project. They have a lot of information, a lot of experience, a lot of contacts, that can improve your project
- If it is possible, **do not ask for the maximum % of the grant.** ELENA program gives up to 90%, but we only asked for 75%. That shows you have a strong project and strong commitment
- **Do not hesitate to copy** from others. There is nothing new under the sun. Copy and adopt, copy and improve. In our project we are trying basically to adapt what the private sector is already doing in EE
- And when working in your own project, after applying successfully for ELENA, **do not be afraid to change** almost everything you planned before



**Diputació
Barcelona**

Thank you for your attention!

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