



## D4.8 Country Report on Uptake of the European Code of Conduct for the Energy Performance Contracting

LITHUANIA



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# 1 Code National Uptake Strategy and Process

## 1.1 Uptake strategy

In the Lithuania special strategy are being prepared and employed to generate awareness and to get signatories for the Code of Conduct.

1. Direct contacts with Energy Services Companies, which want to start EPC business in Lithuania.

As an initial strategy LEI organized national workshops, seminars, trainings, direct consultations for existing in country energy services companies, which want to start EPC business. Communication strategy, CoC matters discussed in National Steering Committee meetings. Opinion, remarks and proposals from participants were collected.

2. Direct contact with clients, project initiators, facilitators.

As an initial strategy LEI have contacted potential EPC clients, projects facilitators, national Authorities. Training for selected groups by LEI were organized, Code of Conduct presented and discussed. Opinion about prepared Code of Conduct from participant collected. These allow an opportunity to provide feedback on the uptake of the Code, to share best practice strategies and collect recommendations for improvements to the Code.

3. Dissemination.

**National Steering Committee meetings** – for potential signatures of the Code of Conduct are encouraged to include slides on Transparensense project.

**Workshops, seminars, trainings** – for potential EPC providers, Clients, projects facilitators. These explain the ideas, main principles of the Code and how they can be implemented.

**Press Release** – promotion of Code of Conduct, examples of CoC implementation in other Transparensense partner countries, presentation of the best practices on signature CoC.

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### 1.2 Uptake barriers

Table 1. Summary of uptake barriers

| Barrier   | Description   |
|---|---|
| 1. EPC activities not started in Lithuania yet. | Potential EPC providers are waiting new Public Procurement Tender documentations.                                       |
| 2. Not legally binding.                         | A number of potential EPC providers looking new governmental initiatives starting EPC in Lithuania.                     |
| Certain risks.                                  | Some potential signatories have certain risks (the signature of the CoC is new activity in their established practice). |

### 1.3 Implementation process reflecting the uptake barriers

Table 2. Overview of actions to overcome the barriers

| Action                      | Action associated with barrier no (see Table above) | What should be done and how   | Who should act  | When should actions be taken | Comments |
|-----------------------------|---|---|---|------------------------------|----------|
| 1 Dissemination of Code.... | 2   | To continue promotion of Code, organizing seminars, trainings, consultations, presentation of Code in national journals, newsletters. | Lithuanian Energy Institute as Transparensense partner. | July-September 2015.         |          |
| 2                           | 1   | Prepared Public Procurement documentation must be signed by Ministry of Energy.   | Ministry of Energy.                                     | Up September 2015.           |          |
| 3                           | 3   | Promotion and explanation of the main principles of CoC, explanation why CoC can be useful for ESCOs.                                 | Lithuanian Energy Institute as Transparensense partner. | July-September 2015.         |          |

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### **1.4 Uptake strategy sustainability**

The Lithuanian Energy Institute will be National Administrator of the Code of Conduct from 1-st of July 2015 up October 2016. The Ministry of Energy will continue role of National Administrator of the Code of Conduct from October 2016. Lithuanian Energy Institute, as National Administrator will maintain a list of CoC Signatures, will manage the application process and will liaise with EU Administrators. Promotion, discussions on the Code of Conduct will form part of their regular activities promoting and stimulating Energy Performance Contracting in Lithuania. One of the main aim of these activities will be to include the CoC in procurement and contractual templates.

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## 2 Uptake status quo at the end of the project

### 2.1 National administrator

The National Administrator for the European Code of Conduct for Energy Performance Contracting is the Lithuanian Energy Institute. This is into force from 1-st July 2015.

### 2.2 Procedures established

The major procedure established is the continuing promotion of the CoC. The main organizer of events and measures for promotion CoC is Lithuanian Energy Institute, as partner of the Transparensense project. Lithuanian Energy Institute is recommending to include Code of Conduct in future procurement procedures and contacts.

### 2.3 Code implementation in practice

At present time Code of Conduct is tested implementing the first pilot project “Renovation of Police Commissariat Building in city Kaisiadorys, Kaunas Region”. The CoC in Tender dossiers and Energy Performance Contract is not included. Lithuanian Energy Institute is promoting and recommending to include Code of Conduct in future procurement procedures and Energy Performance Contracts. The tentative agreement from the Ministry of Energy received.

### 2.4 List of Code signatories

EPC Facilitators:

- Lithuanian Energy Institute.
- UAB Ekotermija.
- UAB Reneks.
- UAB Aletra.
- UAB Mano bustas.

ESCO Associations:

(No ESCO Association in Lithuania).

EPC Providers<sup>1</sup>:

(EPC in Lithuania not started yet).

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<sup>1</sup> EPC Provider, according with Transparensense definition - ESCO, who signed at least one EPC.

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### 3 Uptake strategy recommendations

- Promote the Code of Conduct in most effectively form (these forms for different countries can be different).
- Educate potential EPC clients on the Code of Conduct.
- More use national Press Release for promoting, disseminating the Code of Conduct, the best examples for the other countries, focussing on the benefits to generating a solid EPC partnership.

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## References

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### Definitions and Glossary

| Term   | Definition  |
|--|---|
| <b>Association of EPC Providers</b>              | associates EPC providers in European or national organisations  |
| <b>Client</b>                                    | means any natural or legal person to whom an EPC provider delivers energy service in the form of EPC  |
| <b>Energy Efficiency Directive (EED)</b>         | means Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency  |
| <b>energy efficiency improvement*</b>            | means increase in energy efficiency as a result of technological, behavioural and/or economic changes   |
| <b>energy efficiency*</b>                        | means the ratio of output of performance, service, goods or energy, to input of energy  |
| <b>energy management system*</b>                 | means a set of interrelated or interacting elements of a plan which sets an energy efficiency objective and a strategy to achieve that objective  |
| <b>EPC market facilitator (EPC Facilitator)</b>  | means a natural or legal person who acts as independent EPC market intermediary playing a role in stimulating market development on the demand and supply sides   |
| <b>energy performance contracting* (EPC)</b>     | means a contractual arrangement between the beneficiary and the provider of an energy efficiency improvement measure, verified and monitored during the whole term of the contract, where investments (work, supply or service) in that measure are paid for in relation to a contractually agreed level of energy efficiency improvement or other agreed energy performance criterion, such as financial savings |
| <b>EPC project facilitator (EPC Facilitator)</b> | means a natural or legal person who acts as independent intermediary between EPC Provider and Client, mostly consulting on behalf of the Client throughout EPC project development, procurement, service delivery and operation phase, enabling Client to outsource energy efficiency improvement service   |

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|   |  |
|---|--|
| <b>energy savings*</b>  | means an amount of saved energy determined by measuring and/or estimating consumption before and after implementation of an energy efficiency improvement measure, whilst ensuring normalisation for external conditions that affect energy consumption  |
| <b>energy service*</b>  | the physical benefit, utility or good derived from a combination of energy with energy-efficient technology or with action, which may include the operations, maintenance and control necessary to deliver the service, which is delivered on the basis of a contract and in normal circumstances has proven to result in verifiable and measurable or estimable energy efficiency improvement or primary energy savings |
| <b>energy service provider*</b>   | means a natural or legal person who delivers energy services or other energy efficiency improvement measures in a final customer's facility or premises  |
| <b>energy*</b>  | means all forms of energy products, combustible fuels, heat, renewable energy, electricity, or any other form of energy, as defined in Article 2(d) of Regulation (EC) No 1099/2008 of the European Parliament and of the Council of 22 October 2008 on energy statistics  |
| <b>EPC provider</b>   | means an energy service provider who delivers energy services in the form of Energy Performance Contracting  |
| <b>European Code of Conduct for Energy Performance Contracting (EPC Code)</b> | defines the basic values and principles that are considered fundamental for the successful preparation and implementation of EPC projects in European countries  |
| <b>European EPC Code Administrator</b>  | manages the European List of EPC Code Signatories and appoints the National EPC Code Administrators  |
| <b>European List of EPC Code Signatories</b>                                  | lists Associations of EPC Providers operating in more than one country that have successfully submitted the signing form to the European EPC Code Administrator  |
| <b>List of National EPC Code Administrators</b>                               | lists National EPC Code Administrators   |
| <b>National EPC Code Administrator</b>  | manages the process of becoming the signatory of the EPC Code and the National Lists of EPC Code Signatories   |
| <b>National List of the EPC Code Signatories</b>                              | lists EPC Providers, Associations of EPC Providers or EPC Facilitators and other signatories who successfully submitted the signing form to the National EPC Code Administrator relevant to the country where the EPC Code signatories operate   |

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|  |   |
|--|---|
| <b>Other Signatory</b>   | means a natural or legal person who implements EPC project (Client) or supports EPC projects or market development  |
| <b>savings</b>   | means energy savings and/or related financial savings; the financial savings include the costs of energy provision and can also include other operational costs, such as the costs of maintenance and workforce |
| <b>signing form</b>  | serves as an application for becoming a signatory of the EPC Code   |
| <b>The International Performance Measurement and Verification Protocol (IPMVP)</b> | is the widely referenced framework for "measuring" energy or water savings and is available at <a href="http://www.evo-world.org">www.evo-world.org</a>   |

### Notes:

\*Definitions according to the Energy Efficiency Directive