

Joint development process between the Zlin region and the municipalities for purchasing bulk energy and providing energy efficiency services in the Czech Republic

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Paris
03/12/2015

REGIONAL SEAP

Joint Action Rationale

Joint development process between the Zlín Region and the municipalities for purchasing bulk energy is

- the demonstration joint action to support development and implementation of local SEAPs
- The action resulting from the of the main goal of the COOPENERGY project in the Zlín Region - **Revision of the Energy Action Plan of the Zlín Region**



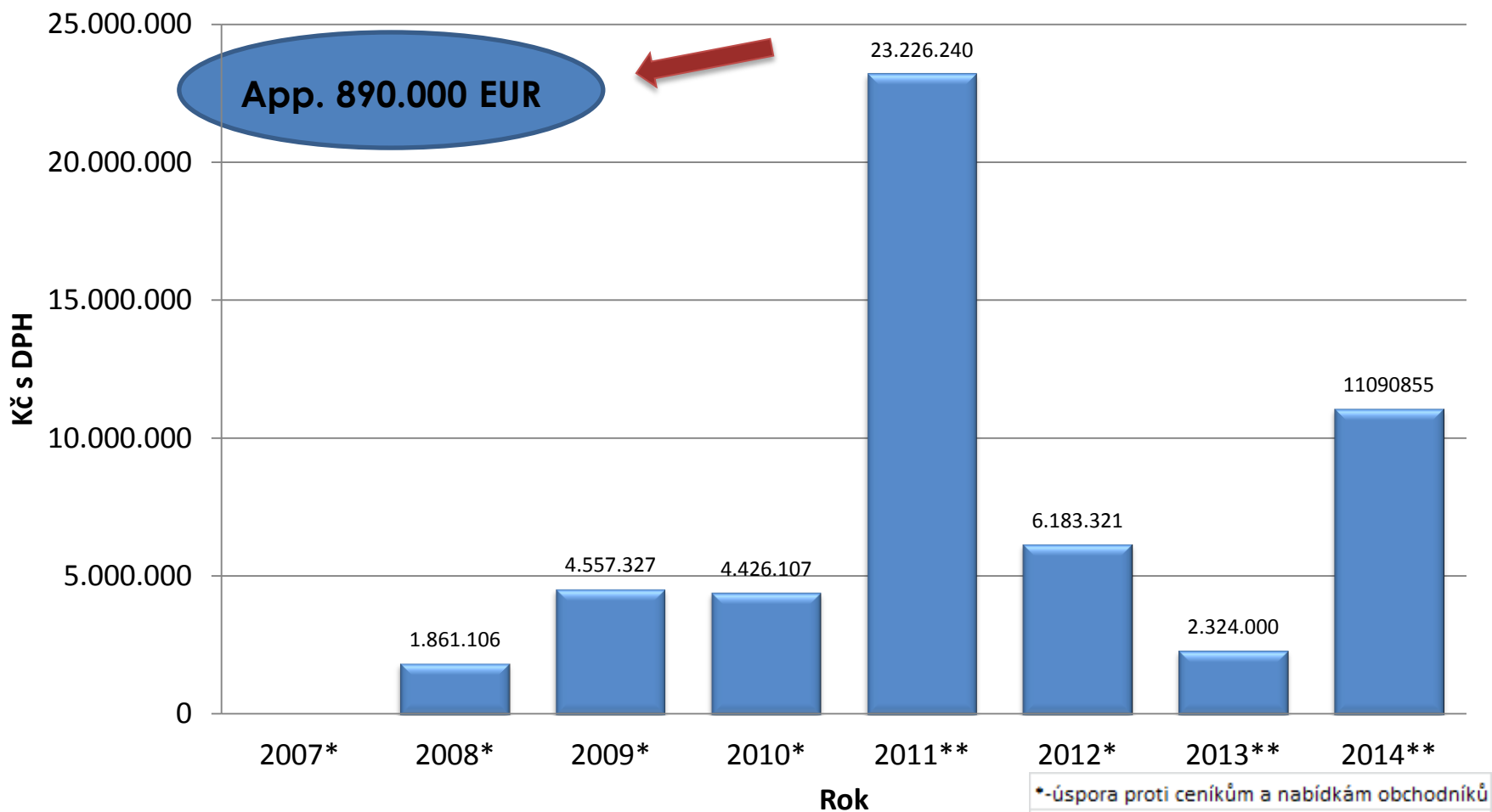
The scope of the regional SEAP revision

- Support to energy efficiency in the facilities of the Zlín Region and its organizations – schools, hospitals, social services etc
- Development of energy efficiency projects in the whole area of the Zlín region across all the sectors
- Development of RES utilizing projects in the whole area of the Zlín Region across all the sectors
- Increasing of safety and reliability of energy supply in the Zlín Region
- Horizontal measures including educational activities and advisory for different target groups in developing and financing concrete projects

- Energy Agency of the Zlín Region (EAZK) has been carrying out a procurement process for purchasing bulk energy for the organisations established by the Zlín Region since 2007.
- Due to the coordinated process considerable results have been achieved in saving financial sources incurred for energy bills of all organisations established by the Zlín Region. Following graphs show the savings achieved in CZK by years:

Purchasing electricity

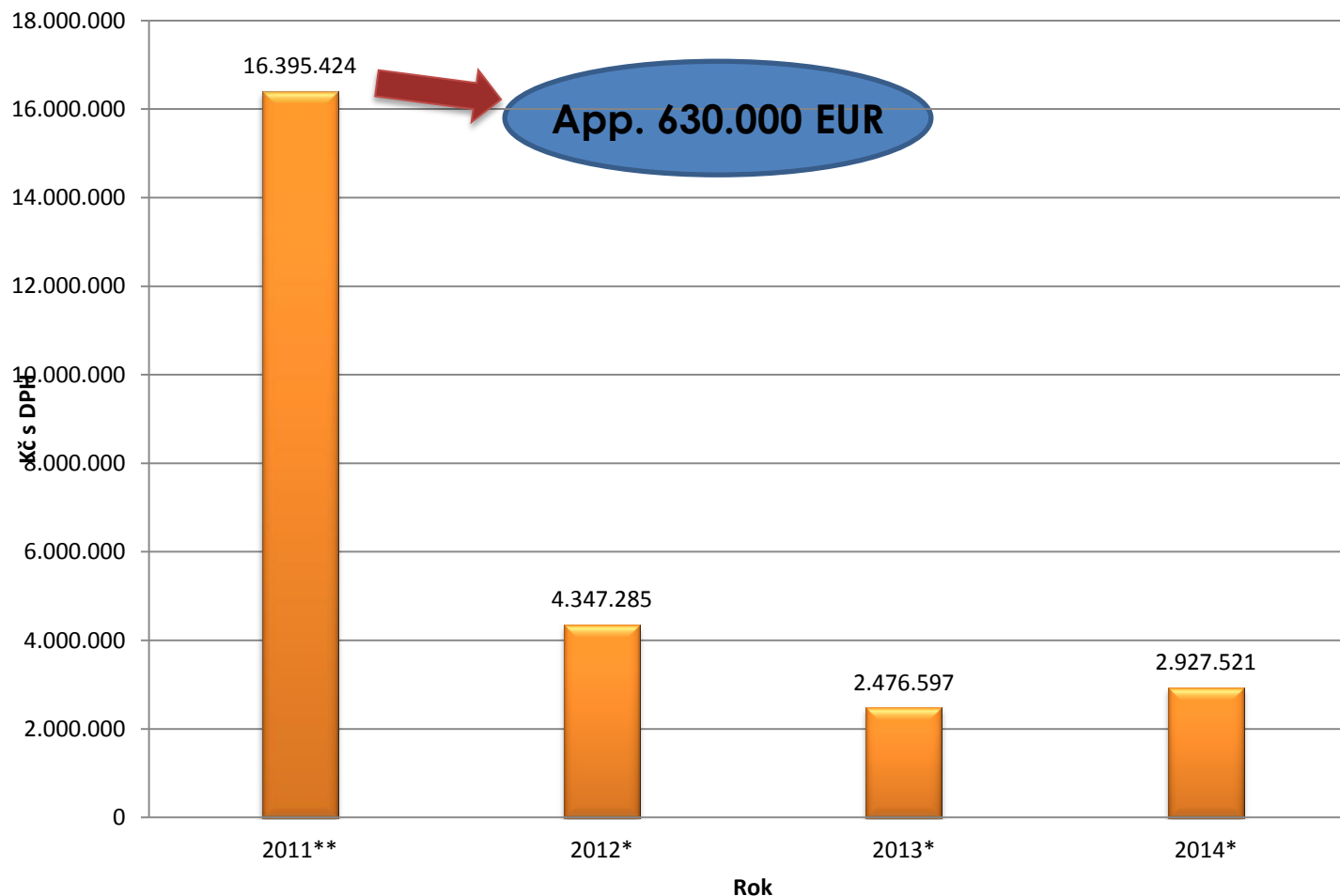
annual savings 2007 - 2014



*-úspora proti ceníkům a nabídkám obchodníků
**-úspora proti minulému roku

Purchasing natural gas

annual savings 2007 - 2014



Joint Action MLG implemented

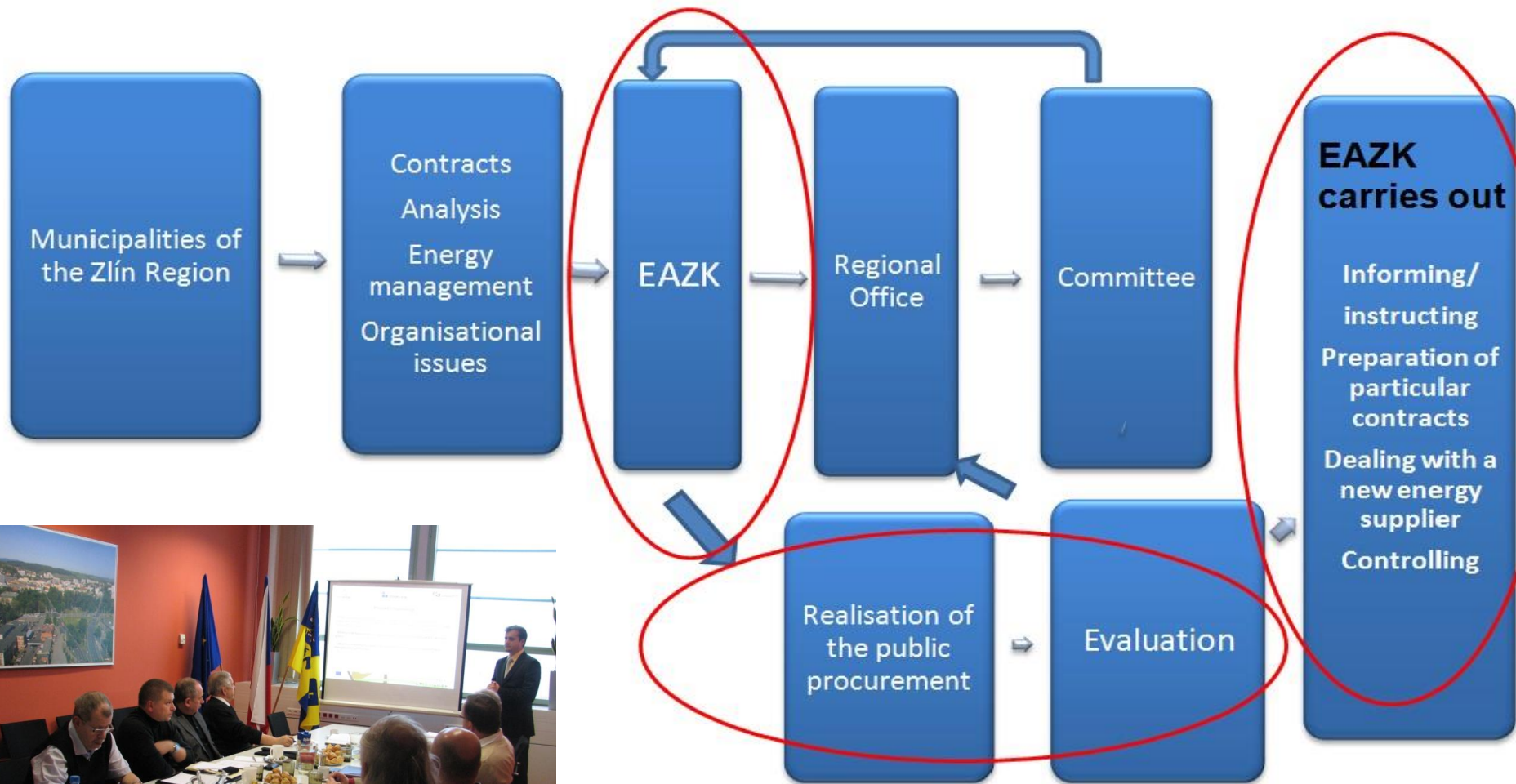
- The model of the joint procurement of purchasing bulk energy proved to be successful, generating considerable savings suitable for further investments to the energy efficiency or RES development.
- Since 2013, on account of the COOPENERGY project, there was an opportunity to extend this process on the municipalities of the Zlín Region which were enabled to utilise knowledge and know-how of the EAZK.
- From 2013 until 2015 already 25 municipalities of the Zlín Region joined the process

Joint Action MLG implemented

- EAZK, providing its **technical expertise, experience and know-how** leading to establishment of the energy management in municipalities of the Zlín Region, which, together with the process of common purchasing of bulk energy is bringing both energy and money savings for both levels.
- Until mid 2015 altogether **9 meetings** focused on joint procurement process took place in the Zlín Region with **22 municipalities** and stakeholders present, however, the technical part of **the process needs to approach each municipality separately**
- Eventually, **all 307 municipalities** of the Zlín Region were reached and informed through various channels, out of them 25 joined so far

Joint Action

Collaboration scheme



Barriers and proposed solutions

- Time consuming activity regarding the documentation preparation, updating the data about energy consumption through established energy management
- Terminating of current contracts with energy suppliers – various conditions need to be respected, warrants of attorney issues
- Frequent changes in taking-off point and distribution tariffs
 - **Continual communication, feedback evaluation and need of the proper explanation to all organisations concerned**
 - **The technical part of the process needs to approach each municipality separately**

Joint Action

Results, lessons learnt

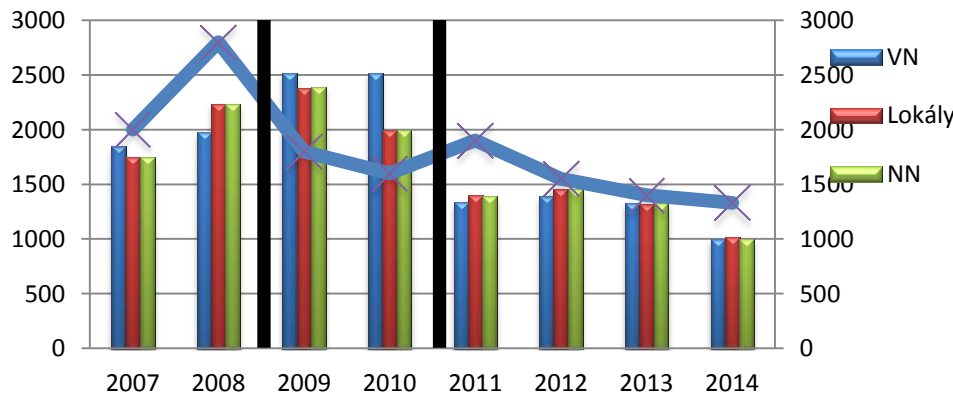
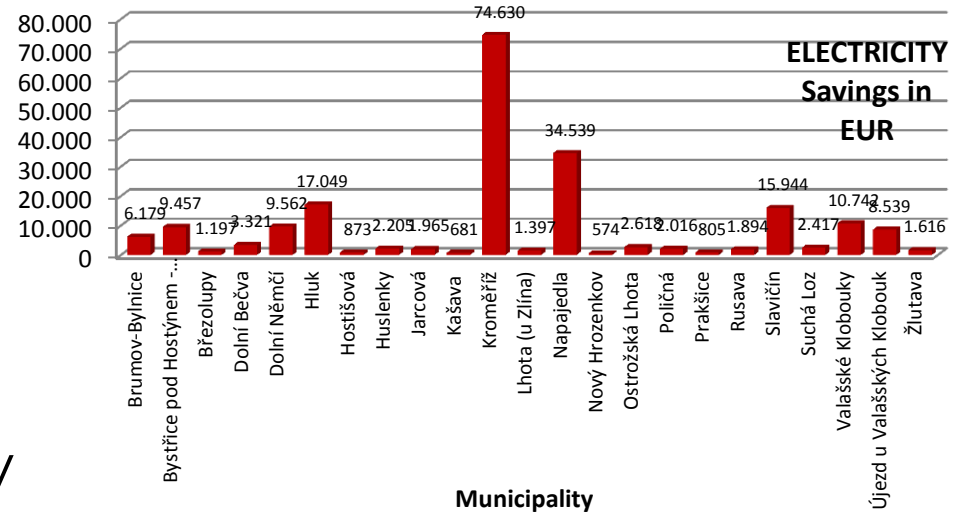
- 25 new municipalities involved
- 290.000 EUR saving on energy bills
- Process being launched and supposed to continue on a basis of win-win approach
- More municipalities are going to be involved and this process will continue beyond the duration of the COOPENERGY project.
- The technical part of the process which is still being settled down and fine tuned.



Joint Action

Results, lessons learnt

- Some results to be clearly visible in a short period of time
- To combine general promotion of the action with the specific approach to each municipality particularly



- Good timing – continuous monitoring of the average market price

MLG barriers and proposed solutions

Barriers

- Low willingness to plan far into the future
- Short election period compared to the SEAP planning period
- The pressure on results delivered in a short term period

Proposed solutions and success factors

- Some results to be clearly visible in a short period of time
- To combine outlined actions and projects with possible sources of financing available
- To adjust short term targets to long term strategic objectives



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