Regulations concerning the allocation of funding through the efficiency auction by EBM and EBL

A. Subject
In 2016, EBM and EBL are conducting a funding auction for energy efficiency projects. This funding shall also apply to consultancy services for the development of energy efficiency projects. The target audience (participants) are SMEs and large consumers in both the EBM and EBL network areas.

B. Funding for consultancy services
Participants in the project auction with at least one successfully qualified project may obtain funding for various consultancy services. No prior registration is required for this funding. The funding contribution shall be paid out as soon as a project qualifies for the project auction and an invoice including performance description is received. The funding rates for consultancy services are set out in Annex 1.

C. Project qualification
A project must be audited and qualified by EBM/EBL at least one week before the auction day in order for it to be approved for auction. If it does not meet all the project requirements or if the registration is incomplete, the participant may revise the project definition and resubmit it for auditing. The project requirements are regulated in Annex 2.

D. Auction principle
The one-day auction shall take place in the fourth quarter of 2016, and is divided into four rounds of 60 minutes each. In each round, the specific funding contribution (CHF/MWh) shall increase. The participants must choose to enter one round and submit their qualified project accordingly. The greater the amount of energy saved during the operating life (Annex 2), the higher the amount of funding. The remaining funding available shall be communicated between each round. The auction shall end as soon as the overall funding amount is exhausted. The remaining rounds shall then be waived. Project sponsors who have been awarded the contract for their project shall have until the end of 2018 to implement their project.

The specific funding contributions are as follows: CHF 10/MWh in the first round, CHF 17/MWh in the second round, CHF 22/MWh in the third round and CHF 26/MWh in the fourth round. If a project is eligible to receive more than the maximum amount for an individual round, it may not be submitted for that round (Annex 2). Within each round, preference for funding shall be given to the projects that were entered earliest. If a participant refrains from entering a project in one of the auctions or refrains from implementing a project with the assistance of the funding, the right to the funding shall expire.

E. Conditions for disbursement
The project may only be implemented after successful participation in the auction in order to be eligible for funding. Disbursement shall only occur after the realisation of the project as well as the presence of confirmation from the executing authority and of proven monitoring (Annex 3) of the energy savings in accordance with the project definition. Various forms of monitoring are permitted. These options are described in the Annex.
E. Further procedure
Double-funding with programmes from third parties is not allowed. If funding contributions are disbursed by EBM/EBL due to incorrect or incomplete information provided by the applicant, the amount paid by EBM/EBL must be reimbursed.

F. Expiry of funding warranty
The project must be implemented and notification issued to EBM/EBL by 31 December 2018 at the latest. After this date, entitlement to the funding shall expire.

G. Legal aspects
The decision of EBM/EBL regarding permission to participate in the project auction is final. There shall be no possibility to appeal.

Following disbursement, EBM/EBL shall be entitled to visit the funded project in question and report on it as part of PR-related activities.

H. Final provision
The regulations shall enter into force on 1 January 2016.

ProKilowatt

Supported by the ProKilowatt funding programme under the supervision of the Swiss Federal Office of Energy.
Annex 1: Funding for consultancy services in connection with the efficiency auction

- 50% (max. CHF 2,000) of the EnAW/act member contribution in the first year plus the costs of project preparation and submission (qualification)

- 50% (max. CHF 2,000) of the costs of visiting the business premises in order to determine suitable measures that may be entered in the auction (no EnAW/act membership) plus the costs of project preparation and submission (qualification)
Annex 2: Project requirements, maximum individual funding, operating life list

General project requirements

- It is an energy efficiency project
- Project is implemented in the Swiss distribution network area of EBM/EBL
- Implementation is not a legal requirement
- Project is not part of a target agreement (EnAW, act, UZV, STV, EVA)
- Buildings do not already have energy optimisation measures in place
- Measure is more efficient than the technology in place
- If operating life <= 15 years, payback must be > 5 years
- If operating life > 15 years, payback must be > 9 years

Maximum individual funding

If payback = 5 years, maximum funding = 20% of the investment

If payback = 9 years, maximum funding = 40% of the investment

(linear calculation between five and nine years)

Operating life list

<table>
<thead>
<tr>
<th>Device class</th>
<th>Operating life [years]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting (office, hotel, warehouse, garages)</td>
<td>15</td>
</tr>
<tr>
<td>Lighting (operational buildings, trade)</td>
<td>10</td>
</tr>
<tr>
<td>Refrigeration systems</td>
<td>15</td>
</tr>
<tr>
<td>Compressed air systems</td>
<td>15</td>
</tr>
<tr>
<td>Air conditioning systems</td>
<td>15</td>
</tr>
<tr>
<td>Ventilation systems</td>
<td>15</td>
</tr>
<tr>
<td>Motors, pumps &gt; 10kW</td>
<td>15</td>
</tr>
<tr>
<td>Motors, pumps =&lt; 10kW</td>
<td>10</td>
</tr>
</tbody>
</table>
Annex 3: Monitoring options

Temporary before-and-after measurement

To be able to monitor energy savings, a temporary energy measurement device shall be installed in the area concerned. Measurement values shall be generated for at least one working week before and after the efficiency increase. This raw measurement data shall be used to calculate the effective energy savings. Different productivities or framework conditions shall be accounted for in the calculation.

Energy measurement device already installed

If a fixed energy measurement device is installed for the process concerned, the raw measurement data must be generated for at least one working week. This raw measurement data shall be used to calculate the effective energy savings. Different productivities or framework conditions shall be accounted for in the calculation.

Extrapolation without measurement (standard measure only, EnAW/act catalogue)

The energy consumption shall be calculated before and after the efficiency increase. All assumptions and calculation steps must be openly documented.

Funding for monitoring

If implementing the project independently, the project sponsor may receive funding for 100% of the monitoring costs. The budget for funding of monitoring is CHF 20,000. This offer shall apply for as long as the budget has not been exhausted.