

EP²CONNECT

 ESC²-in-a-box[®]

Support for local businesses on energy costs and net zero

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We are EP Group



consultancy, research and development



project design, planning and development



asset management






ep group brings global experience to businesses, investors and governments to deliver net zero and regenerative infrastructure



ESCO-in-a-box in a nutshell

ESCO-in-a-box[®]

-  A new operating system for delivering de-risked, impactful energy-saving projects for businesses
-  ESCO Partners establish a local one-stop-shop and recruit local contractors to deliver projects
-  Fee-earning services allow the ESCO to reach break-even in 2-3 years



ESCO-in-a-box has been developed with the support of the **Department for Business, Energy and Industrial Strategy**, as part of the BASEE (Boosting Access for SMEs to Energy Efficiency) programme.



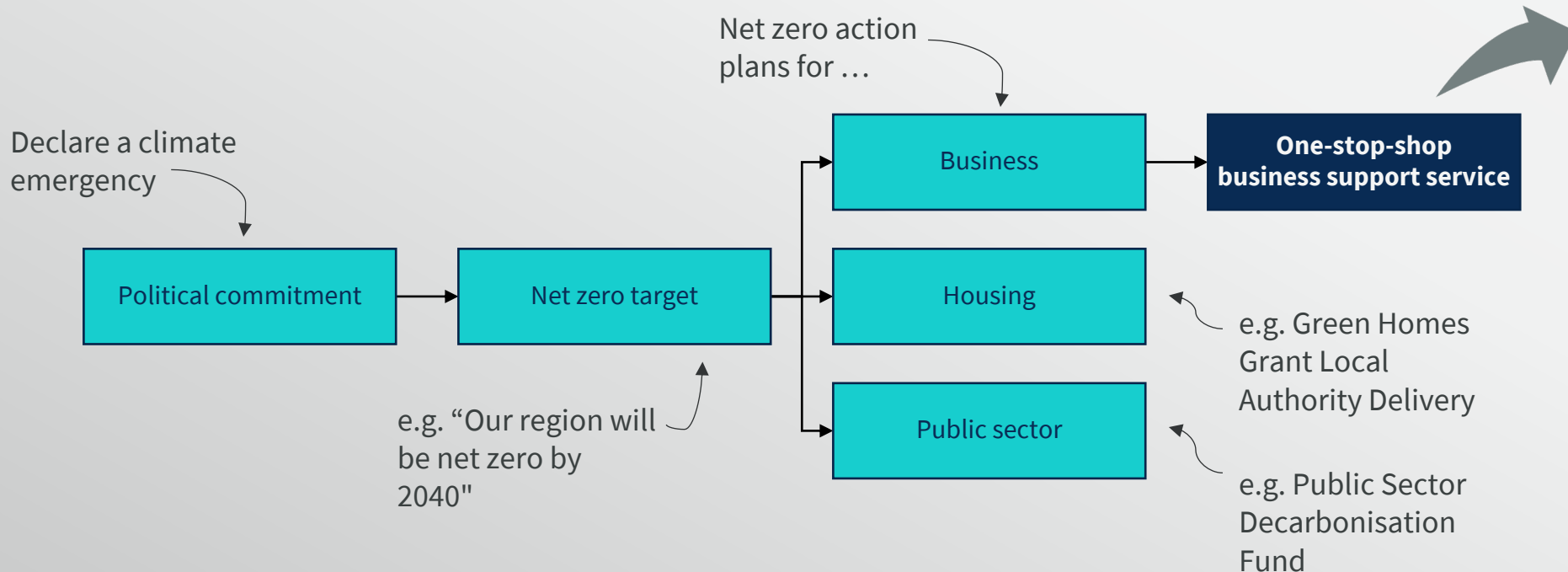
Department for
Business, Energy
& Industrial Strategy



Our solution

Cities and regions need to reduce emissions while growing the economy, and cannot rely on grant funding

ESCO-in-a-box provides ‘one-stop-shop’ net zero support to businesses. It delivers projects that reduce emissions, increase profitability and increase resilience.




- Deliver efficiency and clean energy projects:
 - Emissions reductions
 - Cost savings => improve profitability
- Employ local contractors:
 - Create a local low-carbon pipeline
 - Sustain and create local jobs
- Engage businesses for the long term:
 - Help them play their part
 - Support them all the way to net zero



Energy efficiency makes good business sense

So why don't more companies implement it?

- | | | |
|---|---|--|
| 1. They are concentrating on running their business |  | Make energy efficiency easy to implement |
| 2. They need low-risk solutions but don't have time to research technologies or contractors |  | Vet technologies and contractors, quality-assure projects |
| 3. They need the capital for other things |  | Provide access to capital |
| 4. The sales approach is all wrong |  | Change the approach to reflect businesses' decision-making |

The conventional approach

- An energy audit, relying on the business itself to take the next steps
- A consultant emphasises...
 - Cost savings
 - Payback periods
 - Access to subsidy
- Provides technical advice and payback assessments
- Plays down environmental benefits

Research by Sam Hampton, Environmental Change Institute, University of Oxford, 2019

Based on Schwartz's Theory of Basic Human Values



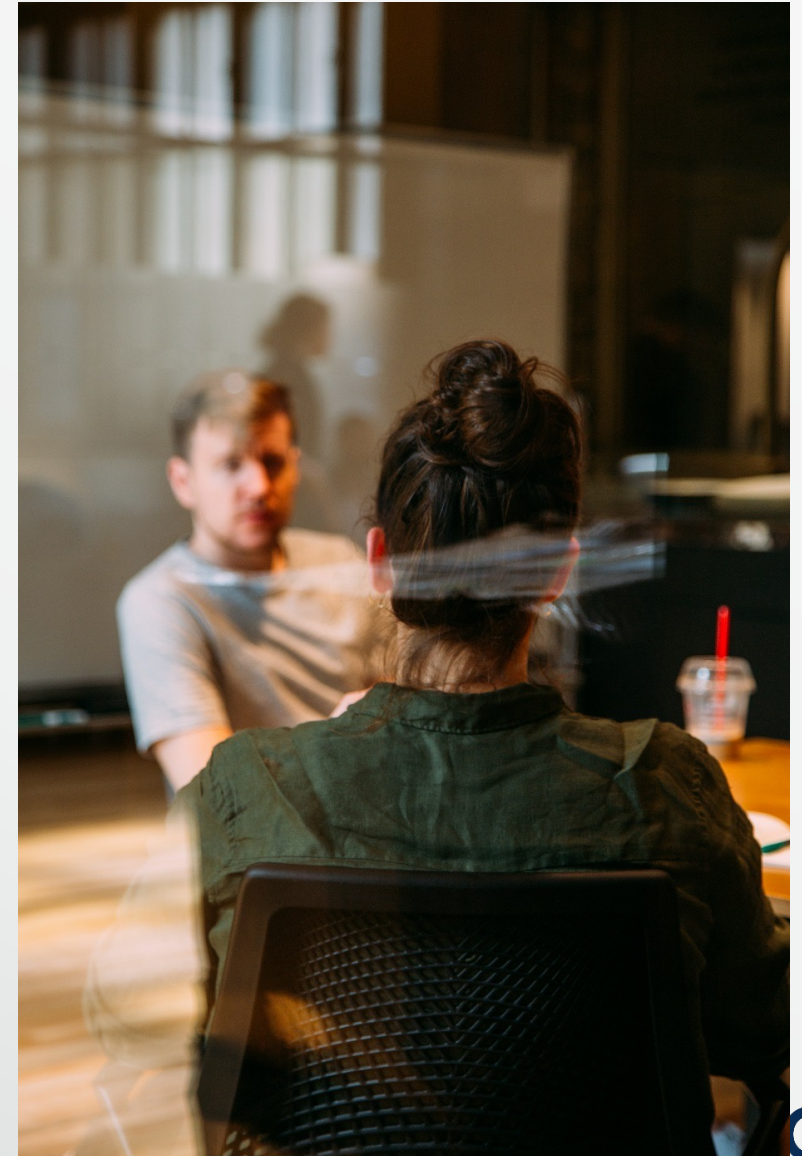


“It’s the soft stuff that’s hard”

- The client might also be a committed environmentalist
- But how can you translate your commitment to them?
- Business people bring different personal values to their environmental engagement
- Find an approach that resonates ...

Research by Sam Hampton, Environmental Change Institute, University of Oxford, 2019

Based on Schwartz’s Theory of Basic Human Values



VALUES IN BUSINESS

“My father was a true country man [...] it meant a lot to him that he wouldn't be damaging the world, the countryside in particular ...”

Owner-manager of a family business

A landscape photograph showing a grassy field in the foreground, several trees in the middle ground, and a sunset sky with soft, golden light. The word "TRADITION" is overlaid in white, bold, uppercase letters at the bottom right of the image.

TRADITION

“Climate change? I don’t really believe that we’re contributing to that.

Anyway what’s the point in us doing anything when China and India are so much bigger. Overpopulation is what people don’t talk about.

....But the plastic in the oceans is awful.”

Owner-manager of a
printing business

POWER & ACHIEVEMENT



“We decided we would invest in renewable technology because if nobody ever did it then there would be no research, no economic drive to develop that technology. So it was a loss leader. No actually, not a loss leader. It was a loss”

MD of a drinks manufacturer

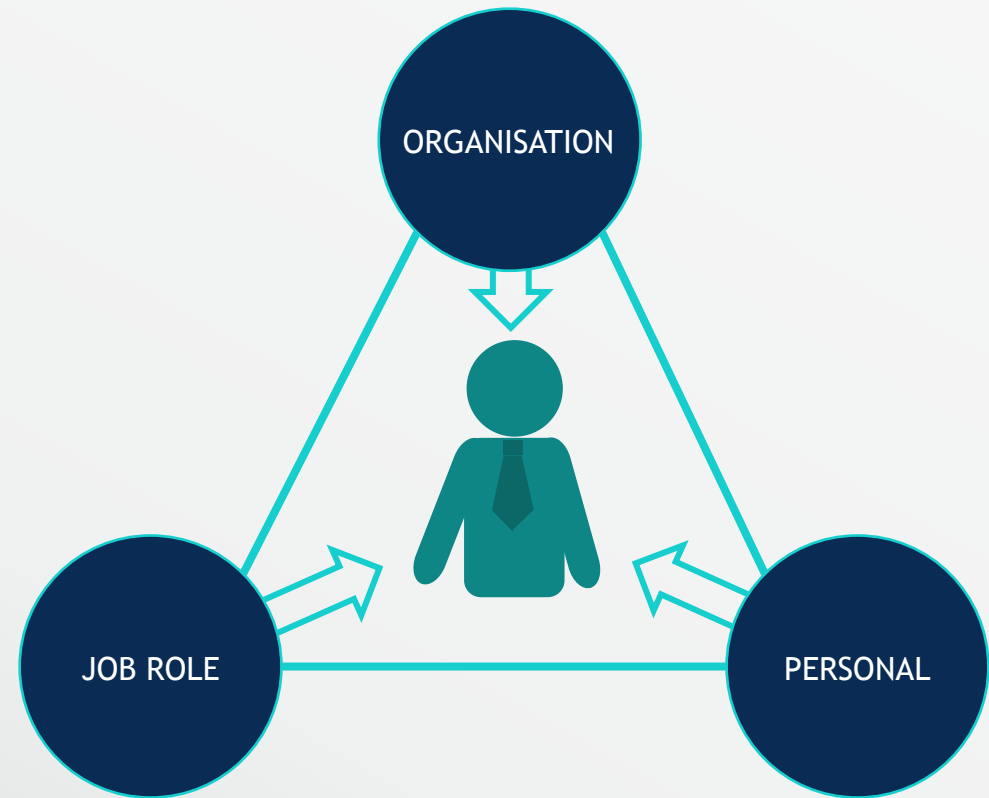
BENEVOLENCE





A local approach

- Most businesses have
 - Local owners
 - Local customers
 - Local staff
- Their environment matters to them
- Their local reputation matters to them
- Use an approach that fits



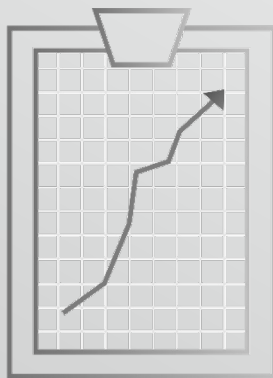
- Understand the person as well as the organisation
- Find common ground
- Be patient
- Be 'kind'
- Earn their trust

A regional ‘one-stop-shop’...

... that manages the whole project from start to finish, assessing, planning, and delivering an energy transformation for any premises

... entirely delivered by a local team with a ‘values-led’ approach

... with projects delivered by approved local contractors.



Free report



Feasibility



Implementation 

A growing network

EPCONNECT (Licensor)

- Insurance
- Finance
- Strategic technology partners

ESCO-in-a-box[®]

- Start-up package
- Marketing package
- Standardised contracts
- Partner support
- Operations package

ENERGY SOLUTIONS OXFORDSHIRE



EENOVATORS



Greater Birmingham & Solihull Local Enterprise Partnership



NUWORLD ENERGY





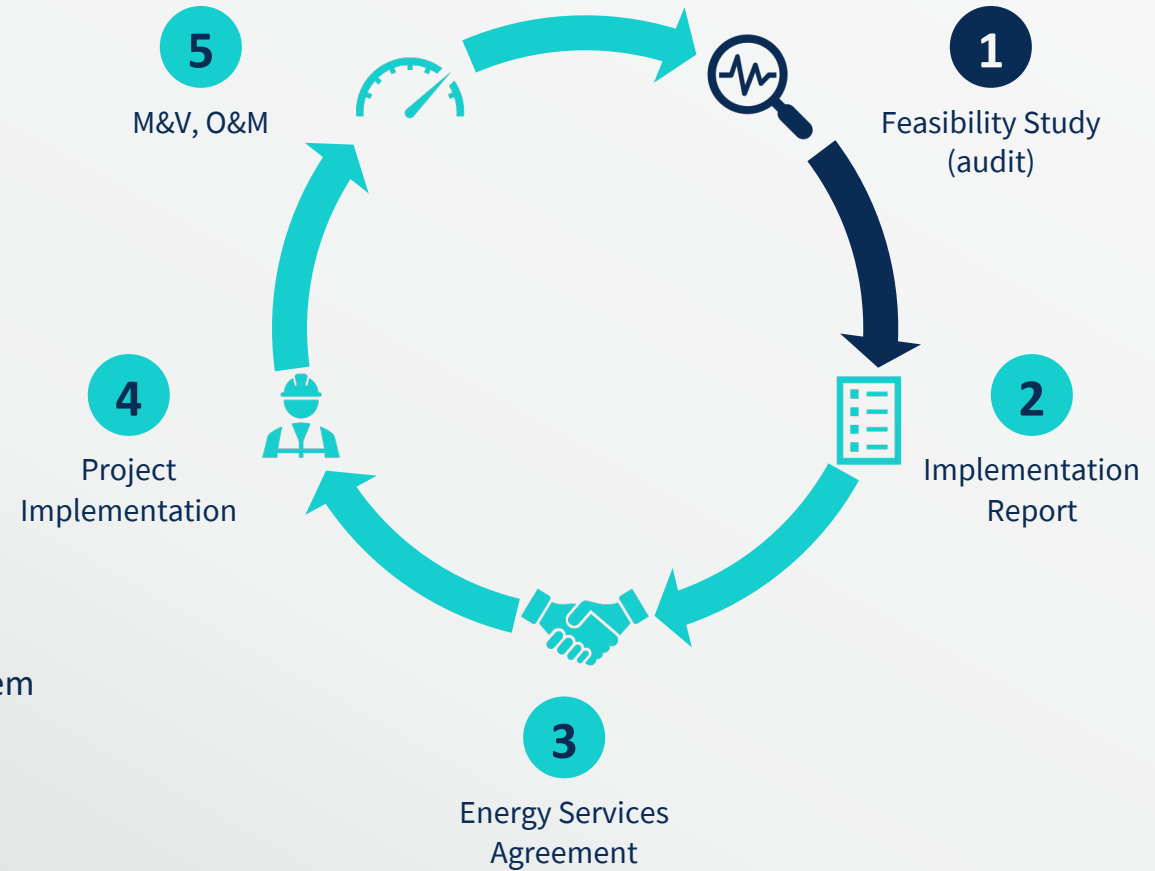
How it works in theory



- Local market research and comms channels
- Simple messaging, related to local priorities
- Tailored value proposition

- Trusted, dedicated, patient
- Local client base and contractor framework, retain economic value
- Pay-from-savings proposition

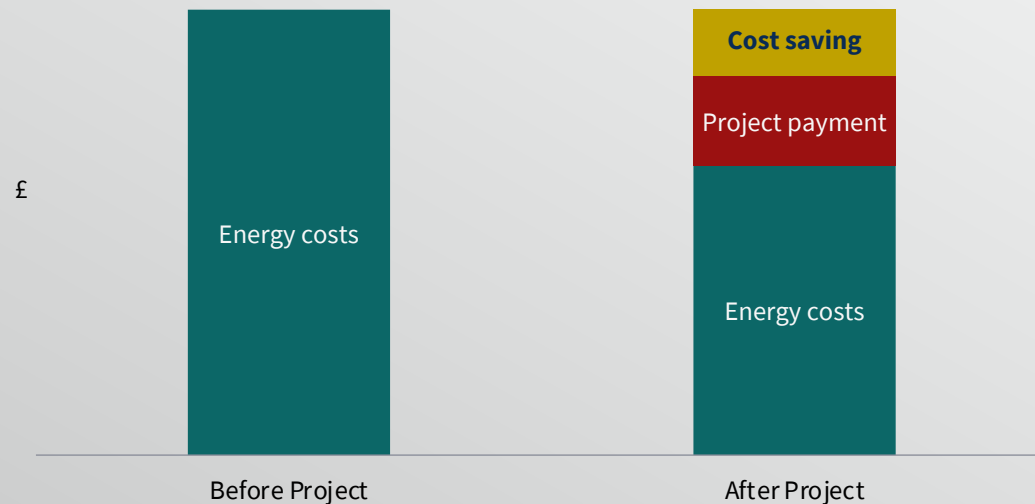
- Standardised workflow and contracts
- Quality assurance system
- Access to finance from Partner Lenders



Finance for energy efficiency

In principle it's pretty simple

- Energy efficiency project reduces energy bills
- Cost savings are used to pay back the project costs over time
- Result: a cash-neutral or cash-generative project that's also good for the planet





Case study: a business EE project

Energy-saving technologies installed to create cost savings

Business client saves money on their energy bills and experiences many other benefits

Local ESCO delivers the projects in their region using ESCO-in-a-box platform

EPConnect supports ESCOs, keeps resources up-to-date and provides access to finance



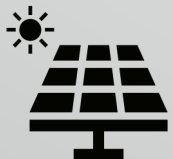
LED lighting



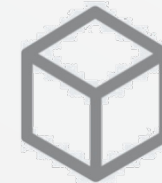
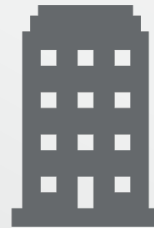
Air source heat pump



Building controls



Solar PV



Total project cost >=£50k
Energy cost savings allow investment to be repaid

- ✓ Carbon savings
- ✓ Increased employee safety, wellbeing and productivity
- ✓ Verified green marketing: Energy Pioneer Award

Delivers project
Charges a small fee, paid from savings

- ✓ Hosts technical experts
- ✓ Manages local network of c. 25 contractors
- ✓ Administers access to revolving fund (repayable grant) and grant funds
- ✓ Delivers against regional Net Zero target

ESCOs in network: 8 and counting



Case study: pay-from-savings loan

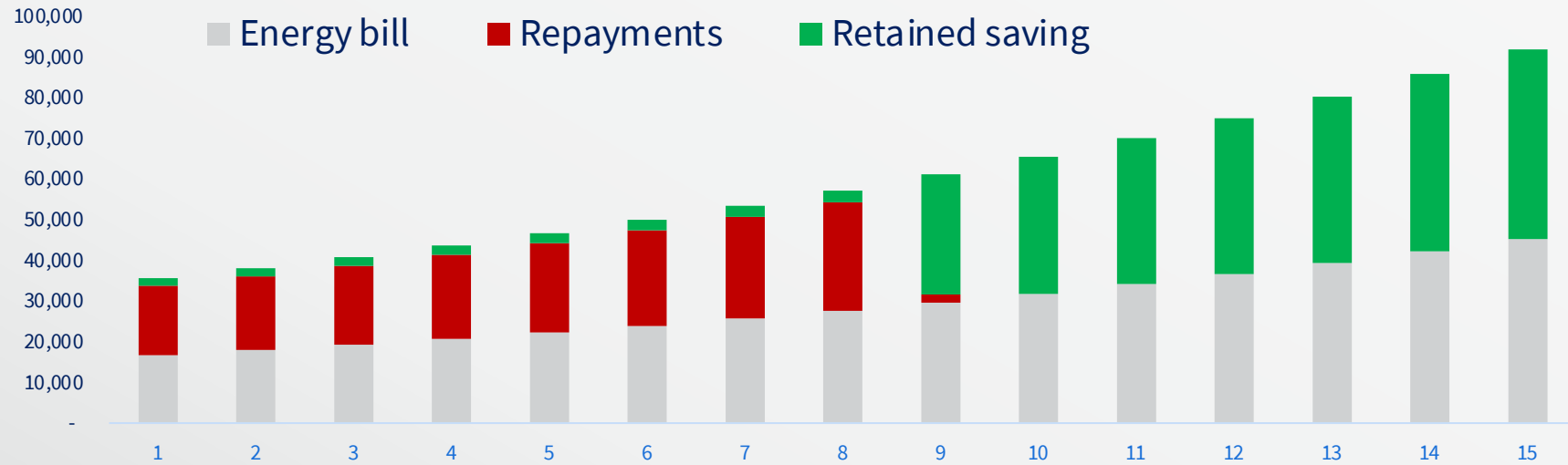
Develop the project

- Arrange finance
- Approved Contractors
- Assured saving



Manage delivery

A pay-from-savings project



● Completion testing and sign off

● 1-year savings verification

● Operations and maintenance support until repayments end

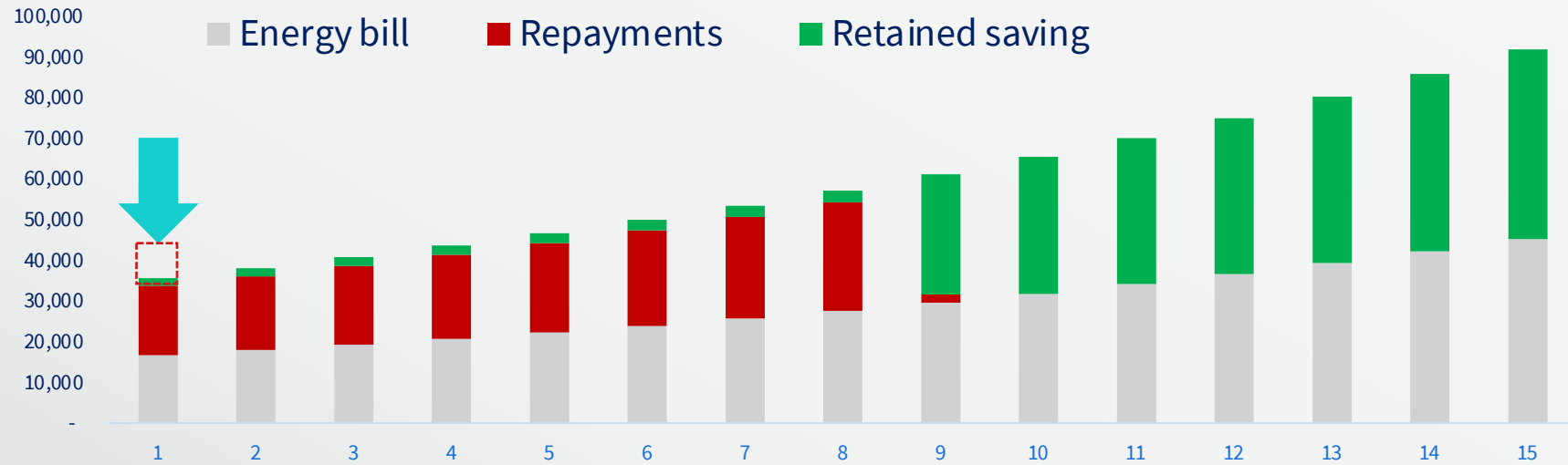
● Equipment warranty



Case study with a non-repayable grant

- For small projects, it can be difficult to meet the ‘golden rule’
- (i.e. monthly savings exceed repayments)
- A grant contribution will help ensure a cash-positive project
- A project grant could also:

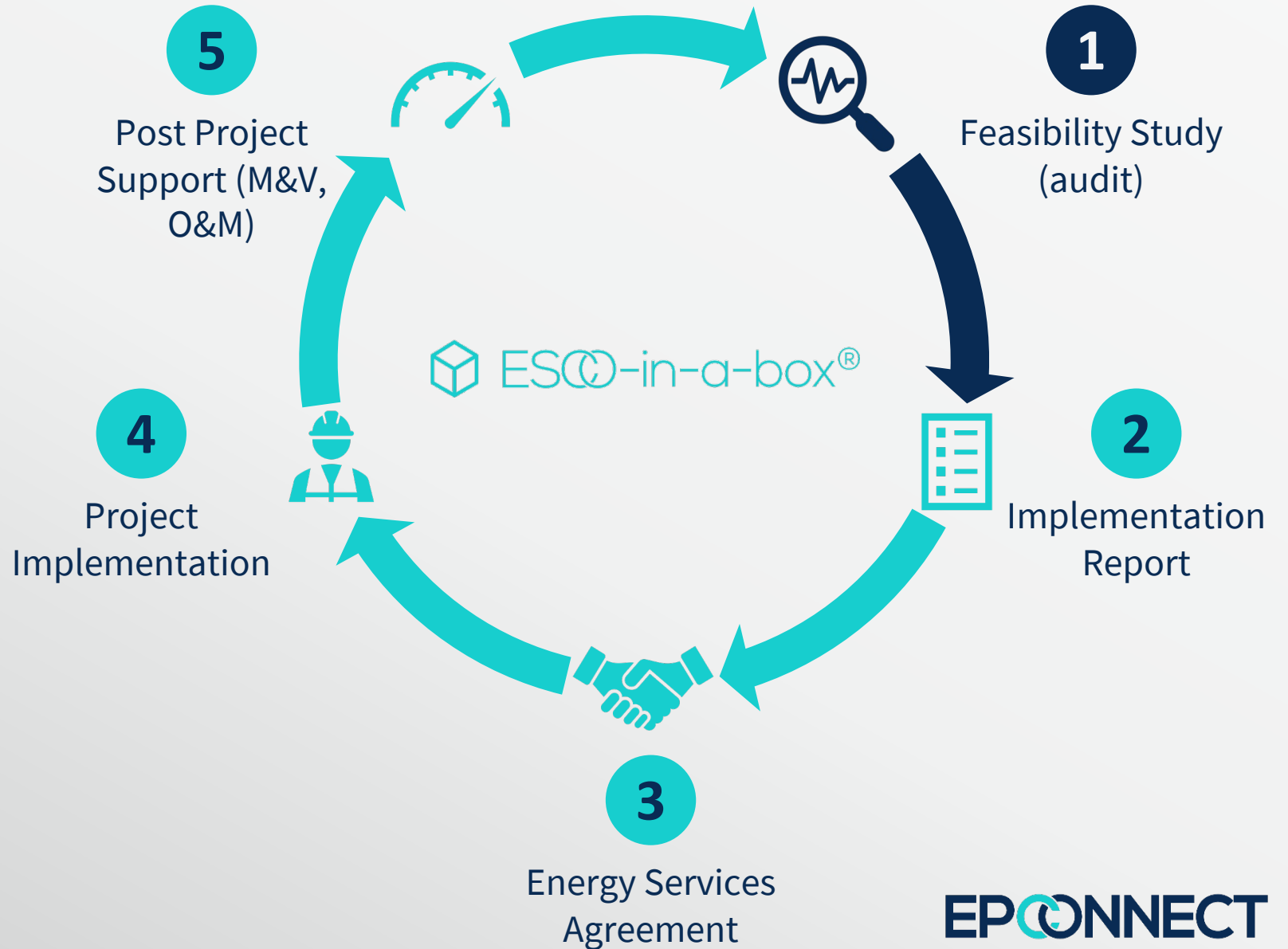
A pay-from-savings project



- **Encourage uptake of the service**
- **Reduce the finance required by already indebted companies**
- **Allow more innovative technologies to be included**
- **Do more in ‘one hit’**

Client journey

No charge to Client for Desktop Diagnosis or Feasibility Study



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'Take or pay' Implementation Study including finance

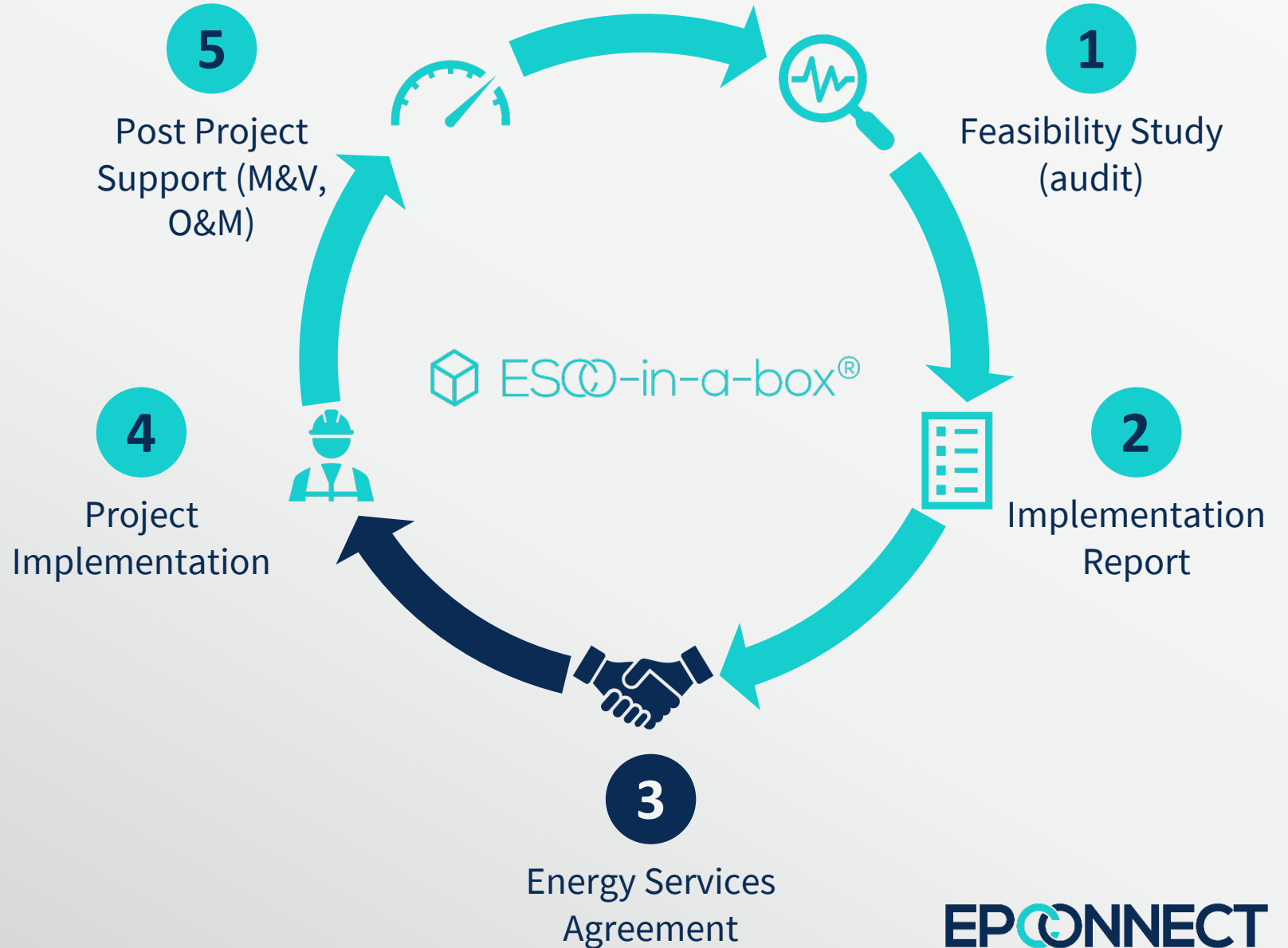


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Client outsources project development to ESCO



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ESCO provides post-project support ...



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... all the way to **net zero?**



Case study: Energy Solutions Oxfordshire



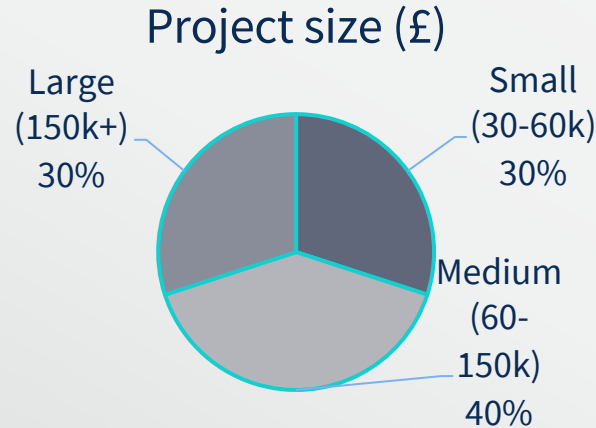
The first regional one-stop-shop based on ESCO-in-a-box

Energy projects for Oxfordshire businesses

- 2,000 businesses reached in first year
- 98 opportunities in pipeline
- 34 active projects

Key technologies:

- LED lighting (100% of projects)
- Air source heat pump (78%)
- Controls and building management systems (66%)
- Solar PV (56%)
- Wall insulation (44%)
- Loft insulation (33%)
- Double glazing (22%)

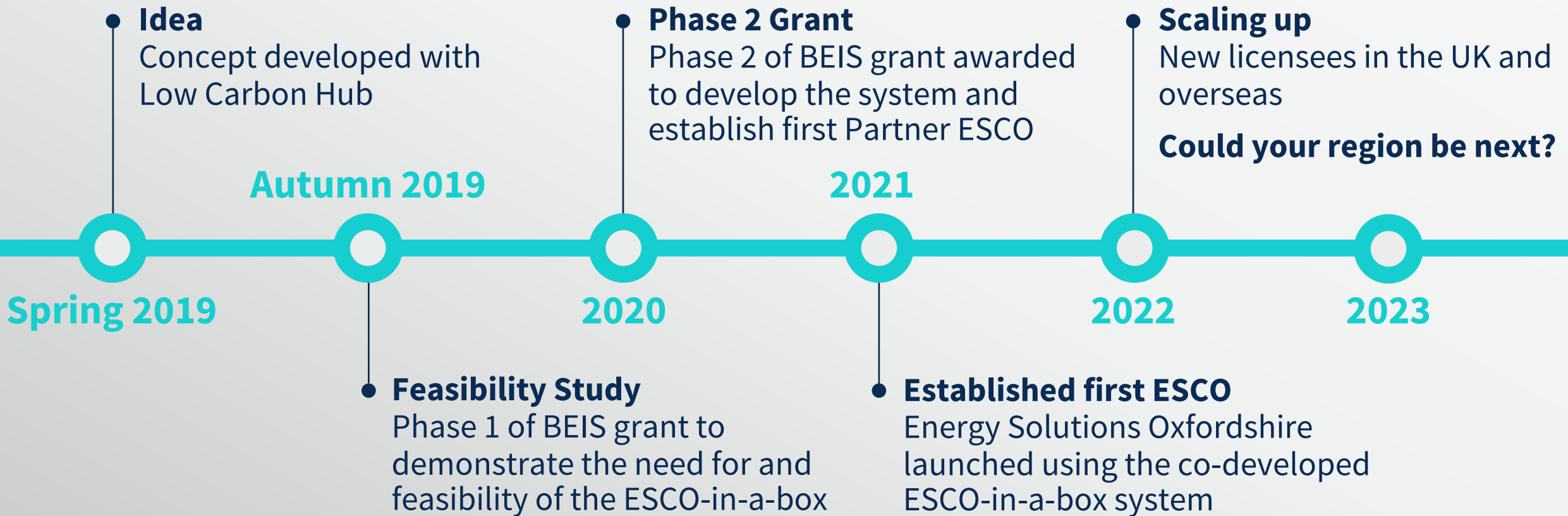


<http://www.energysolutionsoxfordshire.org/>



Where we are so far

We are looking for cities and regions ready to help local businesses save energy and reduce emissions.



EP CONNECT



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