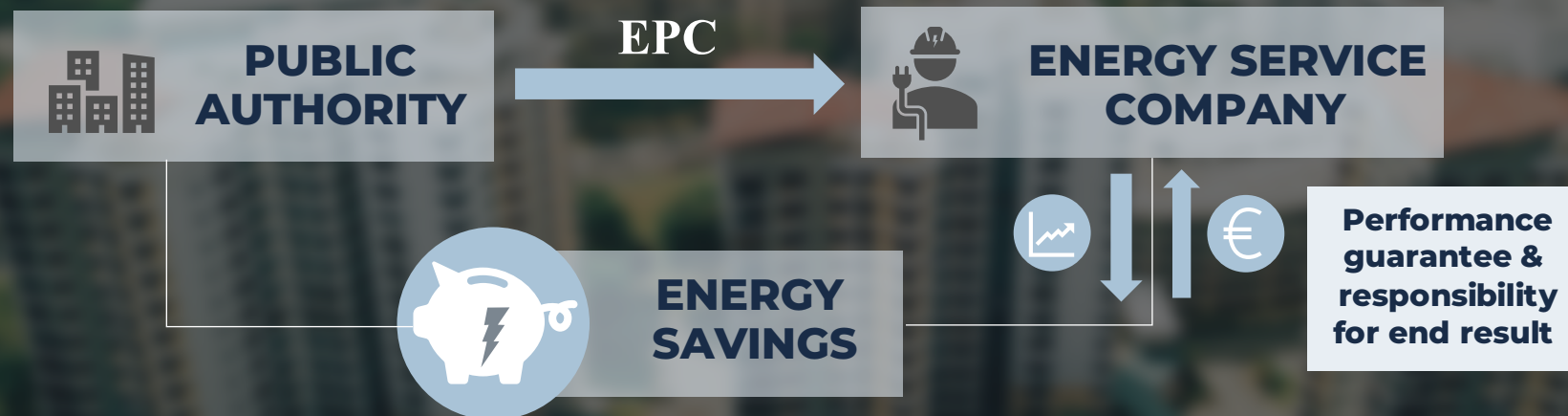


What is EPC?

Energy Performance Contracting is an innovative financing scheme for the implementation of sustainable energy projects, in which an Energy Service Company (ESCO) executes all steps of the project while delivering a performance guarantee on energy savings.

In EPC, the ESCO finances energy efficiency improvements based on the guaranteed energy savings that will be generated in the future. In principle, the ESCO will only receive service fees and get return on the investment, once the project delivers energy savings.

How does EPC work?



What are the advantages?

1. Investment risks are transferred to the ESCO
2. Guaranteed energy performance
3. Usually does not require any investment / up-front capital from the client
4. May also include other non-energy solutions

Targeted Sectors



Characteristics

- Usually long-term contracts (8-15 years), but short-term contracts are also possible for lower investments
- ESCO is responsible for operation and maintenance of measures

Examples

[Upper Austria's Energy Contracting Programme](#)

Managed by the regional energy agency ESV the programme has facilitated the refurbishment of street lighting in more than 70 municipalities combining public funding by the regional government and a comprehensive facilitation service by ESV.

[Maribor, Slovenia](#)

With 24 refurbished public buildings the biggest energy renovation project in the region in 2019. Funding was realized through a public-private-partnership by the ESCO and the municipality and co-financed by the Cohesion fund. Support was provided by the energy and climate agency Energap.



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