

User Guidance for the Central Energy Efficiency Fund

Contents

1. Introduction
2. What's new?
3. What can CEEF be used for?
4. What can't CEEF be used for?
5. Monitoring by Scottish Government
6. Smart Metering

1. Introduction

This guide is aimed at energy managers from Scottish local authorities, Scottish Water and the NHS Health Boards who use the Scottish Government's Central Energy Efficiency Fund.

It is a revision of the original guidance issued in 2004 and should be used in conjunction with the Fund's terms & conditions.

2. What's new?

Based on questions and feedback we've received from energy managers since CEEF launched, we have made the following changes to existing guidance:

A. Renewables

Small scale renewable energy projects will now be eligible for CEEF funding on buildings where all possible energy efficiency measures have been installed. Any CEEF money invested in these projects will have to be paid back to the fund in no more than 7 ½ years.

For support and guidance on school renewables projects, please contact the Schools Renewables Development Officers:

Brid McKibben	Ruth Evans
Community Energy Scotland 2b Fodderty Way Dingwall IV15 9XB	Energy Saving Trust 3rd Floor Ocean Point 94 Ocean Drive Edinburgh EH6 6JH
01349 860130	0131 555 7870
07768508517	
brid.mckibben@communityenergyscotland.org.uk	Ruth.Evans@est.org.uk

For renewables projects outwith school buildings, please contact the Carbon Trust.

B. Part funding

It is possible to part fund projects (including renewable projects) with CEEF money however, any CEEF investment must contribute to carbon savings and meet the required payback.

C. Financial reporting

Rather than receiving monthly expenditure updates, we'll now be collecting financial data on an annual basis. The most up to date information on expenditure, projects implemented and savings will be collated into a report and published on an annual basis on the CEEF and Scottish Government websites.

3. What can CEEF be used for?

Money from CEEF can only be spent on:

- Measures which reduce energy consumption and carbon emissions;
- Projects on the local authority's / Scottish Water's / Health Board's property;
- Projects which have a simple payback of 5 years for energy efficiency or 7 ½ years for renewables.

Up to 10% of the Fund's value at the start of each year can be spent on running costs which are directly related to the running of the fund. These include:

- Training;
- Promotional activities;
- Wage costs of new posts created to support the Fund;
- Improving energy management information.

Other projects may be eligible and will be considered on a case by case basis. Please approach us before investing CEEF money under these circumstances.

4. What can't CEEF be used for?

Money from CEEF cannot be spent on:

- Projects which don't meet the criteria set out in Section 3 above;
- Feasibility studies;
- Transport measures or housing (unless the energy bills for the housing are paid for by the local authority e.g. in some types of sheltered housing);
- Any measure required to meet existing building standards;
- The costs of installing heating and lighting related measures in new build and refurbishment projects that are essential for the building's basic functioning;
- projects where the costs were incurred prior to the date of the Grant Award Letter, or the expenditure has already been approved to be met from other sources.

5. Monitoring by the Scottish Government

We will primarily use the website to monitor projects, expenditure and carbon savings. We will use the information on carbon and financial savings to report annually on the success of the scheme and for independent evaluations.

We are also interested in the type of technologies used, the kind of buildings they are installed in e.g. schools and any unusual or particularly successful projects we could use as case studies. It is therefore extremely important that the website is kept up to date with as much information on the projects as possible.

It is particularly important that, once a project gets underway, its application form status is changed to 'submitted' otherwise the data cannot be included in any reporting or evaluation. We may also approach you directly for information on an ad hoc basis, or have any projects audited either by us or our representatives.

6. Smart meters

From August 2009 when the National Contract is in place, CEEF can be used for the installation of smart meters. Each Local Authority is responsible for ensuring best value prior to installation. In determining the source of implementation the following factors should be taken into consideration:

- The installation should not restrict any potential change of utility supplier
- The installation should be capable of providing data that can be used in supplier billing systems
- The impact on current meter charges should be clearly identified i.e. the unbundling and removal of current meter reading charges

There are several sources for obtaining quotations for installation:

- The National Electricity contract
- Current Suppliers
- OGCbs framework (due to be in place August 2009)