

POTEnT 2.0

THE PROBLEM

The EU has set ambitious targets for reducing carbon emissions through energy transition. However, the market-driven model of the last 20 years has not delivered the expected benefits, and local leaders (eg municipalities) are increasingly seen as the key actors. But they face practical problems in acting effectively for example: organisational structures, fiscal controls, capacity, governance. They need the tools to do the job.

THE PROPOSAL

Led by Lorient Municipality, *POTEnT* will find and apply best practice models from different European regions. The project partners will each develop a municipal utility company involved in energy transition, in cooperation with local citizens. The project will have the following features

- * A small consortium of municipal or provincial authorities with a strong commitment to energy transition, and with the same specific objective as Lorient Municipality Energy Agencies may also be suitable partners. Possibility of an expert partner in addition.
- * It will focus on a small number of pre-agreed themes that are quite specific, and focussed on the development of a *POTEnT* solution in each partner area.
- * It will follow a “logical-steps” workplan, addressing the themes collectively and intensely at each step, drawing conclusions and developing plans for the next step. The very-high intensity joint-working will include: in-depth peer reviews, survey of best practices, master classes, study visits, joint development of joint tools, training programmes.
- * Each project-partner will have a very strong “stakeholders group”, effectively a consortium of all the relevant organisations that will implement the policy improvement
- * The output will be an ambitious energy transition solution in each partner-area, to be implemented by the appropriate public authority. This will probably take the form of an action plan to establish an appropriate body or consortium to deliver the energy transition

OVERALL OBJECTIVE

Achieve progress towards carbon reduction that is [x%] greater than what is expected or planned in each partner region by 2023 through the provision of energy services by public authorities.

SUB – OBJECTIVES

[Will be developed at a later moment, to reflect the objectives of the bid-partners]

STRUCTURE

Months	Actions
4-10	Four “Thematic Events” (=1 for each Vertical Theme, held every 6 weeks): <ul style="list-style-type: none"> * attended by all partners + relevant stakeholders and experts. * focussed on a specific theme. * part peer review and good practice identification
11-19	Each project-partner undertakes 2 in-depth Study Visits: <ul style="list-style-type: none"> * format to be what they want * in principle one-to-one * emphasis on stakeholder involvement
20-26	Capacity building actions <ul style="list-style-type: none"> * training programmes in key topics
27-36	Project-partners prepare their Regional Action Plans <ul style="list-style-type: none"> * working with Regional Stakeholders * possibility for each project-partner to host an Import Workshop; and/or thematic workshops, and/or a single all-partner and all-theme event
37-48	Impact monitoring (defined by Programme)

CONSORTIUM

Lorient Municipality	FR	W	Confirmed
Milton Keynes	UK	W	Invited
Tartu Energy Agency	EE	N	Confirmed
Ettlingen	DE	N	Eol received
South-East Energy Agency	SE	N	Confirmed
Parma	IT	S	Confirmed
Pamplona	ES	S	Confirmed
Ostrava	CZ	E	Invited
Gdansk	PL	E	Invited

NOTA: the consortium is not yet closed: we aim for 2 bid-partners per IE “zone” (West, North...). We are also considering the benefits of recruiting an Advisory Partner.

THEMES

Horizontal Themes ¹	Elements
1. Acquiring local skills	<ul style="list-style-type: none"> * Defining a competency framework * Elaborating skills acquisition strategies
2. Funding and developing local projects	<ul style="list-style-type: none"> * Setting up a local RoI² benchmark * Maximising local RoI * Defining a business model framework
3. Cooperating with local stakeholders	<ul style="list-style-type: none"> * Co-producing with local citizens * Strengthening local professionals
4. Scaling-up local energy	<ul style="list-style-type: none"> * Establishing business partnerships * Sharing experience with peers
Vertical Themes	Elements
A. Member State regulation	<ul style="list-style-type: none"> * Constraints and opportunities * Transferability
B. Does size matter?	<ul style="list-style-type: none"> * Provide energy services? * Influence commercial providers?

More description of the Horizontal Themes in the annex.

MANAGEMENT

(1) Leadership Team will comprise:

- * the Lead Partner
 - * partner responsible for Communication and Dissemination
 - * partner leading on interregional learning (to be confirmed)
- They will be supported by an external Project Secretariat

(2) Each PP to have a designated roles, but clearly coordinated by the Leadership Team

BUDGET

Years 1-3: aim for 36 person-months per PP; staff-costs c60% of total.

Year 4: budget is auto-calculated by the Programme.

¹ Based on *Local energy ownership in Europe, an exploratory study of local public initiatives in France, Germany and the United Kingdom*, Energy Cities, June 2017.

² Return on Investment

BID PREPARATION TIMETABLE

Week starting		
07-May	7-May Issue Part B template to bid-partners 11-May close design, draft Part D	
14-May	14-May Issue Part E template to bid-partners 16-May deadline for Part B #1 from bid-partners: respond	
21-May	21-May deadline for Part E #1 from bid-partners: respond 23-May deadline for Part B #2: close 25-May draft Part C 25-May close consortium	
28-May	28-May deadline for Part E #2: close 31-May close Part C 31-May close Part D	
04-Jun	[slippage]	
11-Jun	13-Jun submit	
18-Jun	22-Jun Call closes	

Application Form:

- A: Summary
- B: Partnership
- C: Project description
- D: Work Plan
- E: Budget

ANNEX: POTEnT Project Horizontal Themes³

Summary

THEME	ELEMENT
1 Acquiring local skills	* Defining a competency framework * Elaborating skills acquisition strategies
2 Funding and developing local projects	* Setting up a local RoI benchmark * Maximising local RoI * Defining a business model framework
3 Cooperating with local stakeholders	* Co-producing with local citizens * Strengthening local professionals
4– Scaling-up local energy	* Establishing business partnerships * Sharing experience with peers

THEME 1 – ACQUIRING LOCAL SKILLS

Element 1.1 – Defining a competency framework

- **What:** Defining the set of practices needed for effective organisation performance by collecting and combining competency information, in order to create a standardized approach to organisation performance that is clear and accessible to everyone.
- **How:** This framework will cover at least the following competency fields.
 - Legal affairs (public and private company law, general contracting, etc.)
 - Finance (investment, risk mitigation, due diligence, acquisition, etc.)
 - Operations and maintenance (according to the energy system considered: solar thermal plant, low temperature district heating network, etc.)
 - Marketing and communication (consumer engagement, public relations, etc.)

Element 1.2 – Elaborating skills acquisition strategies

- **What:** Developing skills can be achieved either internally or through external partners (neighbouring municipal companies, consultancies, networks and federations).
- **How:** Use cases and best practices will be provided.

THEME 2 – FUNDING AND DEVELOPING LOCAL PROJECTS

Element 2.1 – Setting up a local RoI benchmark

- **What:** Following the SUN methodology⁴, compare existing local energy projects in order to emphasise successes and failures in local return on investment.
- **How:** Data will be provided by existing energy projects in order to parameterise the model accordingly (local authorities will request local university help if necessary).

Element 2.2 – Maximising local RoI

- **What:** Establishing criteria aimed at maximising local added value, such as awarding contracts to local companies to maintain and create jobs and attract new businesses.
- **How:** Use cases and best practices will be provided.

Element 2.3 – Defining a business model framework

- **What:** Defining the set of practices needed for effective business performance by collecting and combining business model information, in order to create a standardized approach to business performance that is clear and accessible to everyone.

³ Thanks to David Bourguignon

⁴ See <http://www.territoires-energie-positive.fr/ita/accompagnement/quelle-creation-de-valeur-locale-pour-les-projets-d-energie-renouvelable-portes-par-les-acteurs-du-territoire> (article in French, original study report in German, automatic translation available through DeepL.com).

- **How:** This framework will cover at least the following business models.
 - Integrated operator
 - Public investment instrument
 - Local public energy supplier
 - Distribution network operator
 - Facilitator in third-party projects
 - Joint public operator between local companies

THEME 3 – COOPERATING WITH LOCAL STAKEHOLDERS

Element 3.1 – Co-producing with local citizens

- **What:** Reinforcing the relationship between citizens and local authorities through local energy co-production, eg. by fostering investment in energy projects or public companies by individual citizens and community cooperatives.
- **How:** Use cases and best practices will be provided.

Element 3.2 – Strengthening local professionals

- **What:** Setting up and developing strong interprofessional communities, key to successful local energy projects, eg. through shared training experiences and other collaboration opportunities.
- **How:** Use cases and best practices will be provided.

THEME 4 – SCALING-UP LOCAL ENERGY

Element 4.1 – Establishing business partnerships

- **What:** Developing resource pooling and other business cooperation strategies to counterbalance inefficiencies and poor economies of scale often associated with decentralised energy production.
- **How:** Use cases and best practices will be provided.

Element 4.2 – Sharing experience with peers

- **What:** Sharing experience with peers to compensate for the lack of in-house resources and skills, to develop new activities, or to overcome barriers to market entry, as illustrated by the setting up of geographical clusters of local companies in Germany, or the cases of Trianel and Alterna in France.
- **How:** Use cases and best practices will be provided.