

# NATIONAL ENERGY EFFICIENCY BUSINESS MODEL AWARDS - 2015

(Government & Commercial Buildings, Municipalities, Industries including state discoms and Private discoms, MSMEs, DSM Projects: Agriculture DSM, Street Lighting DSM and DSM based Efficient Lighting Programme (DELP))

## Celebrating Innovative and Sustainable Business Model for Energy Efficiency projects

### OBJECTIVE

To honor the efforts and contribution of those ESCOs and industries who have taken extra efforts to implement the energy efficiency projects through innovative and sustainable business models.

### THE AWARDS

BEE has constituted the Awards scheme for National Energy Efficiency Business Model Awards (NEEBMA) under Energy Efficiency Financing Platform to recognize the best practice followed in successful implementation of different innovative business models of energy efficiency projects. It is proposed to organize this Awards ceremony once in a year, which has also been approved under the 12th Five-Year Plan. The First 'National Energy Efficiency Business Model Awards' is proposed to be organized in FY 2015-16. The following are the possible sectors that can be covered under these Awards:

- **Agriculture DSM** — to replace existing inefficient agricultural pumps of farmers by leveraging energy saving that accrue due to efficiency gains resulting the reduction of state government subsidies.
- **Street Lighting DSM** — implementing of energy efficient street lights with central control & monitoring system.
- **DSM based Efficient lighting Programme (DELP)** — to promote use of LED by replacing Incandescent lamps in residential household.
- **Municipal Drinking Water Pumping** — implementation of energy efficient pumps with automatic timer switch, central control & monitoring system and overflow cut off switch for tank.
- EE projects in **MSME Sector**.
- EE projects in **All buildings** (Residential, Government & Commercial Buildings).
- EE projects in **Industry Sector** (large industries also including state and private DISCOMs).

The Award Committee would take a final decision on the number of awards depending on the number and quality of entries received in each category.

- First and second prizes in each sector/sub-sector will be given gold and silver plaques respectively, with appropriate citation on awards
- In addition to prizes, Certificates of Merit shall also be given under each sector/sub-sector
- The "performance" of the units would be judged through prescribed filled-in applications which will be evaluated by the Awards Committee
- The "decision of the Committee" will be final

### ELIGIBILITY

1. The scheme is open to all ESCOs and industries who have implemented the projects in sectors covering Government & Commercial Building/ Municipalities/ Industries (including state discoms and private discoms)/ MSMEs/ DSM projects: Agriculture DSM, Street Lighting DSM and DSM based Efficient Lighting Programme (DELP).
2. Only projects which have completed more than one year in operations will be eligible. Documents related to repayment status and energy audit reports also need to be submitted.
3. The business models of the energy efficiency projects shall be considered wherein the applicant may have received finance from:
  - Any bank
  - Non-Banking Financial Company
  - Public Financial Institutions
  - Bilateral/multilateral lending agencies
4. Performance in FY 14-15 shall be considered, however, those projects will be considered who have completed operations on or before 31st March, 2015, with the following conditions:
  - (i) Projects that have been implemented before FY 14-15 but they are still operational and savings

- have been accrued to ESCO/industry. Although, implementation should not be older than FY 10-11; or  
(ii) Projects implemented in FY 14-15 itself, the performance till September 2015 shall be considered.
5. Also, it will be highlighted that for each project separate questionnaire needs to be filled and submitted

### **Criteria for Judging Merit**

- a) The Award Committee will decide the recipient of the awards on the basis of Innovative and Sustainable Business Model, which will be based on the evaluation strategy attached at Annexure-B.
- b) The award committee will analyze the entries and the decision of the committee would be final and no appeal would be entertained.
- c) The members of the Award Committee or their nominees may invite participating institutions to Delhi for verification of data supplied, if felt necessary and it will be obligatory on the part of the participating units to provide necessary co-operation to the committee. The expenditure in this regard is to be borne by participating institutions only.

### **Instructions for Filling up the 'Award Questionnaire'**

- d) The data required for the questionnaire pertains to the accounting years 2014-15. If calendar year is the accounting year, then data should pertain to the year 2014
- e) **The enclosed questionnaire is only a format and thus information sought should be separately computer printed or neatly typed or to be downloaded from Website: [www.eeslindia.org](http://www.eeslindia.org).**
- f) **The questionnaire should be project-specific, in case of multiple projects separate questionnaires need to be filled and submitted by the applicant.**
- g) **The answers to the questions should be precise and specific and should be supplied in total compliance with the questionnaire format. The deviations may lead to improper evaluation or the rejection of the nomination.**
- h) The information sought under any head should be highlighted under the same and no separate annexure should be attached.
- i) Each and every query mentioned in the questionnaire needs to be answered. Even, if answer is 'NO' or 'NOT APPLICABLE' the same may be stated, instead of ignoring it.
- j) The questionnaire should be filled in by a competent and responsible person of the company. The duly filled-in questionnaire should be signed by the Chief Executive/CFO of the company / industrial unit.

### **Submission of nomination:**

Filled in questionnaire should reach the office of

**Energy Efficiency Services Limited**  
**A-13, IWAI Building, 4<sup>th</sup> and 5<sup>th</sup> Floor**  
**Sector-1, Noida - 201301**  
**Tel. No.: 0120-4908000**  
**Fax No.: 0120- 4908099**

Latest by **26<sup>th</sup> October, 2015**

### **Note:**

1. You may download the Questionnaire from [www.eeslindia.org](http://www.eeslindia.org).
2. The filled in application can also be e-mailed at [neebmaeesl@gmail.com](mailto:neebmaeesl@gmail.com) followed by submission of duly signed hard copy by post/courier at EESL office address.

(To be submitted by October 26, 2015)

**NATIONAL ENERGY EFFICIENCY BUSINESS MODEL AWARD**  
**GOVERNMENT & COMMERCIAL BUILDINGS, MUNICIPALITIES, INDUSTRIES**  
**INCLUDING STATE DISCOMS AND PRIVATE DISCOMS, MSMES AND DSM**  
**PROJECTS (AGRICULTURE DSM, STREET LIGHTING DSM AND DSM BASED**  
**EFFICIENT LIGHTING PROGRAMME (DELP))**

1	Name of the Entity	
2	The Sector to which unit's nomination should be considered (for example: municipality, Buildings, Domestic etc.)	
3	Complete address of Entity location (including Chief Executive's name & designation) with mobile, telephone, fax nos. & e-mail	
4	Name, designation, address, mobile, telephone, fax nos. & e-mail of responsible person who could be contacted in connection with the application for Award	
5	Business Model proposed for the award (Please include name of the business model - for example Standard Offer Program , Shared Savings model, Guaranteed savings model, On bill financing)	
6	<p>Please explain the business model in detail. The explanation should include the steps taken to reduce the transaction cost and in turn increase the attractiveness of the project. The scalability and replication potential of the model should also be explained.</p> <p>Please attach a flowchart of the model as Annexure.</p>	
7	Are the energy savings for the project guaranteed by the ESCO under this model? (Yes / No)	
8	<p>What is the payment security mechanism offered to ESCOs/ Lenders under this business model?</p> <p>Explain in detail the key clauses of the security mechanism</p>	

(To be submitted by October 26, 2015)

9	Source of Funding						
10	<b>Please provide details in the following format on major energy efficiency improvement projects/ measures carried utilizing the business model proposed for the award. For award consideration the aggregate value for all projects executed under the proposed business model will be considered</b>						
Name of the Project	Year of Installation	Achievement of Annual energy savings in 2014-15		Investment incurred on the project (Rs. Lakhs)			
		Electricity (Lakh kWh)	Total savings (Rs. Lakhs)				
(i) Please list the projects title name which was implemented during the year (ii) Please mention the achievement of energy saving against the project in the suitable column (iii) Please convert thermal savings into electrical savings as per formula mentioned in the PAT guidelines ( <a href="http://beeindia.in/schemes/documents/nmeee/pat/pat_proforma_excel_sheets.pdf">http://beeindia.in/schemes/documents/nmeee/pat/pat_proforma_excel_sheets.pdf</a> )							
11	<b>Please provide the financial details of the project as per the detailed project report prepared for the individual project. For award consideration the weighted average value (based on capital cost) for all projects executed under the proposed business model will be considered</b>						
Capital Cost of the project	Internal Rate of Return (IRR)	Net Present Value (NPV)	Return on capital employed (ROCE)	Payback	DSCR	Debt-Equity Ratio	Project Cost per MW of energy saved
12	<b>Please provide the details of the project execution as per actual completion certificates. For award consideration the aggregate value or weighted average value (based on capital cost) for all projects executed under the proposed business model will be considered</b>						
Was the project completed within the timeframe defined in the DPR? If not, how much was the project delayed?		Did the project face any cost overruns? If yes, what percentage?			Were timely payments of Debt service made to the ESCOs / Lenders		

(To be submitted by October 26, 2015)

I, ..... Solemnly declare that to the best of my knowledge the information given in the Award Questionnaire (Energy Efficiency Business Model Award) thereto is correct and complete. I would provide the supporting documents including DPRs, completion certificate, and relevant letter from ESCOs or FIs as and when requested by the Awards Committee.

(Signature of the Chief Executive/CFO)

Name &amp; designation of the Chief Executive/CFO .....

Mobile No. ....

Organisation Seal .....

Date:

Place:

**DOCUMENTS ATTACHED:**

1. Audited Annual accounts of previous 3 years of the entity (audited annual accounts till FY 2013-14, however, for FY 2014-15 CA certified figures could be submitted).
2. Energy audit reports containing measurement and verification for FY 14-15. If projects are completed/ implemented by March 2015 only the performance till September 2015 shall be considered.
3. Financial Parameters mentioned in questionnaire should be certified by the Statutory Auditor of the entity or in case statutory audit is not applicable, certified by practicing Chartered Accountant.
4. Certificate from the Statutory Auditor/ Chartered Accountant to the effect that the company is honouring its debt obligations (Repayment of principal amount + Interest amount) in time be furnished. The details of loan taken, tenure of the loan, Moratorium period, interest payment dates, principal repayment dates etc. may also be attached with the certificate.

**Evaluation Strategy for NATIONAL ENERGY EFFICIENCY BUSINESS MODEL AWARD****A. EVALUATION CRITERIA and WEIGHTAGES**

<b>NATIONAL ENERGY EFFICIENCY BUSINESS MODEL AWARD</b>			
Government & Commercial Buildings, Municipalities, Industries including state discoms and Private discoms, MSMEs, DSM Projects: Agriculture DSM, Street Lighting DSM and DSM based Efficient Lighting Programme (DELP)			
<b>S. No.</b>	<b>ITEM</b>	<b>Max score</b>	<b>Score</b>
<b>1</b>	<b>CAPITAL INVESTMENT IN THE PROJECT</b>	<b>10 MARKS</b>	
<b>I</b>	<b>INVESTMENT IN THE PROJECT</b>	<b>5 MARKS</b>	
A	UP TO RS. 5 CRORES	1	
B	MORE THAN RS. 5 CRORES BUT LESS THAN RS. 10 CRORES	2	
C	MORE THAN RS. 10 CRORES BUT LESS THAN RS. 25 CRORES	3	
D	MORE THAN 25 CRORES	5	
<b>II</b>	<b>PROJECT COST PER MW OF ANNUAL ENERGY SAVING</b>	<b>5 MARKS</b>	
A	UPTO RS. 2 CRORES	5	
B	MORE THAN RS. 2 CRORES BUT LESS THAN RS. 2.5 CRORES	3	
C	MORE THAN RS. 2.5 CRORES BUT LESS THAN RS. 3 CRORES	1	
D	MORE THAN 3 CRORES	0	
<b>2</b>	<b>FINANCIAL INDICATOR OF THE PROJECT</b>	<b>40 MARKS</b>	
<b>I</b>	<b>INTERNAL RATE OF RETURN OF THE PROJECT</b>	<b>10 MARKS</b>	
A	UPTO 12%	3	
B	MORE THAN 12% BUT LESS THAN 15%	6	
C	MORE THAN 15%	10	
<b>II</b>	<b>DEBT SERVICE COVERAGE RATIO OF THE PROJECT</b>	<b>10 MARKS</b>	
A	UPTO 1.2	3	
B	MORE THAN 1.2 BUT LESS THAN 1.5	6	
C	MORE THAN 1.5	10	
<b>III</b>	<b>PAY BACK PERIOD OF THE PROJECT</b>	<b>10 MARKS</b>	
A	UPTO 4 YEARS	10	
B	MORE THAN 4 BUT LESS THAN 6 YEARS	6	
C	MORE THAN 6	3	
<b>IV</b>	<b>DEBT EQUITY RATIO OF THE PROJECT</b>	<b>10 MARKS</b>	
A	UPTO 1.5	3	
B	MORE THAN 1.5 BUT LESS THAN 2.4	6	
C	MORE THAN 2.4	10	
<b>3</b>	<b>TIMELY COMPLETION/COST OVERRUN OF THE PROJECT</b>	<b>10 MARKS</b>	
<b>I</b>	<b>TIMELY COMPLETION OF THE PROJECT</b>	<b>5 MARKS</b>	
A	WITH IN TIME LIMIT AS PER DPR	5	
B	DELAY BY 3 MONTHS AS PER TIME LIMIT IN DPR	3	
C	DELAY MORE THAN 3 MONTHS BUT LESS THAN 6 MONTHS	1	
D	DELAY MORE THAN 6 MONTHS	0	
<b>II</b>	<b>COST OVERRUN OF THE PROJECT</b>	<b>5 MARKS</b>	
A	WITH IN PROJECT COST AS PER DPR	5	
B	COST OVERRUN NOT MORE THAN 5%	3	

C	COST OVERRUN MORE THAN 5%	0	
<b>4</b>	<b>TIMELY PAYMENT OF DEBT SERVICE TO ESCOs/LENDERS</b>	<b>10 MARKS</b>	
A	WITH IN DUE DATE AS PER AGREEMENT	10	
B	PAYMENT MADE AFTER DUE DATE BUT WITH IN 1 MONTH	5	
C	PAYMENT MADE AFTER 1 MONTH OF DUE DATE	0	
<b>5</b>	<b>PAYMENT SECURITY MECHANISM FOR DEBT SERVICE TO ESCOs/LENDERS</b>	<b>5 MARKS</b>	
A	THROUGH ESCROW ACCOUNT/REVOLVING LC	5	
B	ANY OTHER	3	
<b>6</b>	<b>PERFORMANCE GUARANTEED SAVING GIVEN BY THE ESCO</b>	<b>5 MARKS</b>	
A	IF GUARANTEE IS GIVEN	5	
B	DEEMED SAVING	3	
<b>7</b>	<b>INNOVATION IN BUSINESS MODEL</b>	<b>20 MARKS</b>	
A	REDUCED TRANSACTION COST TO INCREASE ATTRACTIVENESS	10	
B	SCALABILITY AND REPLICABILITY (>2 - 100% and <2 - 50%)	10	
	<b>TOTAL MARKS</b>	<b>100 MARKS</b>	

Note:

1. The above evaluation and weightage criterion is common for all the entities. If due to some peculiar characteristics of the participating entity, the application of the above criteria may not be feasible. Therefore, Award Committee reserves the right to modify the criteria, which shall be uniformly applied to all the entities.
2. The above tentative evaluation strategy is subject to approval of the Expert Group members.