

NATIONAL ENERGY CONSERVATION AWARDS - 2016

(MSMEs/ Organizations registered under Societies Act)

Innovative and Sustainable Business Models for Energy Efficiency projects

OBJECTIVE

To honor the efforts and contribution of those ESCOs and other entities who have taken extra efforts to implement the energy efficiency projects in MSMEs/ Organizations registered under Societies Act through innovative and sustainable business models.

THE AWARDS

The National Energy Conservation Awards are presented to industry and other establishments every year by the Ministry of Power with the objective of promoting energy conservation among all sectors of economy.

The annual energy conservation awards recognize innovation and achievements in energy conservation by the industries, buildings, zonal railways, state designated agencies; manufacturers of BEE star labeled appliances, electricity distribution companies, municipalities and raise awareness that energy conservation plays a big part in India's response to reducing global warming through energy savings. The awards are also recognition of their demonstrated commitment to energy conservation and efficiency. The scheme has motivated industry and other establishment to adopt energy efficiency measures.

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 will be given with appropriate citation on awards.
- In addition to prizes, Certificates of Merit shall also be given.
- 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 other entities who have implemented energy efficiency projects in MSMEs/ Organizations registered under Societies Act (in India).
2. Only projects in which payback has been achieved will be eligible. Documents related to repayment or completion certificate and energy audit reports also need to be submitted.
3. The business models of the energy efficiency projects shall be considered wherein the projects may have received finance from:
 - Any bank
 - Non-Banking Financial Company
 - Public Financial Institutions
 - Bilateral/multilateral lending agencies
4. Both borrower and implementing organization are eligible to apply for this award. However, the applicant, if not the borrowing party, will have to obtain a 'No Objection Certificate' from the borrower.
5. Performance in FY 15-16 shall be considered, however, those projects will be considered who have completed operations on or before 31st March, 2016, with the following conditions:
 - (i) Projects that have been implemented before FY 15-16 but they are still operational and savings have been accrued to ESCO/industry. Although, implementation should not be older than FY 11-12.
6. Also, it will be highlighted that for each project separate questionnaire needs to be filled and submitted.
7. **Those business models who have already received first prize under this category shall not be eligible to submit their application under this category.**

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.
- 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'

- a) The data required for the questionnaire pertains to the accounting years 2015-16. If calendar year is the accounting year, then data should pertain to the year 2015.
- b) 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.beeindia.gov.in.
- c) The questionnaire should be project-specific, in case of multiple projects separate questionnaires need to be filled and submitted by the applicant.
- d) 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.
- e) The information sought under any head should be highlighted under the same and no separate annexure should be attached.
- f) 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.
- g) 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:

The filled in questionnaires should reach the office of:

The Secretary
Bureau of Energy Efficiency
4th Floor, SewaBhawan
R. K. Puram, New Delhi-110 066
Tel. No.: 011-2617 9699 (5 lines)
Fax No.: 011- 2617 8328, 2617 8352

Latest by **28th October, 2016**

Note:

1. You may download the Questionnaire from www.beeindia.gov.in and www.knowledgeplatform.in
2. The filled in application can also be e-mailed at ecaward2013@gmail.com; ecaward2014@gmail.com followed by submission of duly signed hard copy by post at BEE office address.

NATIONAL ENERGY CONSERVATION AWARDS - 2016

(MSMEs/ Organizations registered under Societies Act- Energy Efficiency Business Model Category)

| | | |
|---|---|--|
| 1 | Name of the Organization/ Establishment | |
| 2 | The Sector to which this nomination should be considered | |
| 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 Shared Savings model, Guaranteed savings model, etc.) | |
| 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> | |
| 9 | Source of Funding | |

| | | | | | | | |
|--|---|--|-------------------------|------------------------------------|--|---|--|
| 10 | 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 | | | | | | |
| Name of Project | Year of Installation {including 10(b)} | Annual energy savings in 2015-16 | | | Investment incurred on the project {including 10(b)}Rs. Lakhs including 10(b)} | Capital Cost of the project {including 10(b)} | Project Cost per average MW*equivalent of energy saved {including 10(b)} |
| | | Electricity (MU) | Fuel* (mtoe) | 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 Annexure A. | | | | | | | |
| *Annual fuel savings (other than electricity) | | | | | | | |
| Name of Project | Coal (Metric tonnes) | FO/LSHS/H SD/RFO (kilo liter) | Gas (lakh metric cube) | Others (specify unit) | Total (mtoe) | Total savings (Rs. Lakhs) | |
| | | | | | | | |
| | | | | | | | |
| 11 | 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 | | | | | | |
| Internal Rate of Return (IRR) | Net Present Value (NPV) | Return on capital employed (ROCE) | Payback Period (months) | Debt Service Coverage Ratio (DSCR) | Debt-Equity Ratio | | |
| | | | | | | | |
| 12 | 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 | | | | | | |
| 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? | | |
| | | | | | | | |

| | |
|----|---|
| 13 | Please provide the details of the technology being used in the project: |
| 14 | Information regarding appliances being used (indigenous production/ imported)- please attach few photos: |
| 15 | Energy saving potential of project (as per DPR/ Energy Audit Report) in % of energy consumption: |
| 16 | Whether this energy savings Business Model can be adopted in other projects (Yes/No) – If yes, please specify projects details in brief: |

SUMMARY SHEET

| Sl. No. | Parameter | Information |
|---------|--|-------------|
| 1. | Capital investment in the project (in Rs. Crore) | |
| 2. | Project Cost per MW (average MW equivalent) of annual energy savings (in Rs. Crore) | |
| 3. | Internal Rate of Return of the project (%) | |
| 4. | Debt Service Coverage Ratio of the project | |
| 5. | Payback Period of the project (months) | |
| 6. | Debt Equity Ratio of the project | |
| 7. | Return on Capital Employed of the project (%) | |
| 8. | Timely implementation/ operationalization of Project as compared to DPR – Please specify whether it is within due date or after due date (in months) | |
| 9. | Cost overrun of the Project (Yes/ No) - If yes, specify the % | |
| 10. | Timely Payment of debt service to Lenders (Yes/No) – If No, please specify the reasons | |
| 11. | Payment Security Mechanism for debt service to Lenders (Please specify whether it is TRA, ESCROW, etc.) | |
| 12. | Energy Savings Performance Contracting Model opted by ESCO (details of the ESPC business model) | |
| 13. | Innovation in Technology (details of technology) | |
| 14. | Energy saving potential of project (as per DPR/Energy Audit Report) in % of energy consumption | |
| 15. | Whether this energy saving Business Model can be adopted in other projects (Yes/No) – If yes, please give brief details of the projects | |

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 & 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 2014-15, however, for FY 2015-16 CA certified figures could be submitted).
2. Energy audit reports containing measurement and verification for FY 15-16 and a copy of DPR submitted to lending agency for this project.
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 MSMEs/ Organizations registered under Societies Act-
Energy Efficiency Business Model Category**

A. EVALUATION CRITERIA and WEIGHTAGES

| S.No. | ITEM | Max score | Score |
|------------|--|-----------------|-------|
| 1 | CAPITAL INVESTMENT IN THE PROJECT | 10 MARKS | |
| <i>I</i> | INVESTMENT IN THE PROJECT | 5 MARKS | |
| <i>II</i> | PROJECT COST PER MW (Average MW equivalent) OF ANNUAL ENERGY SAVING | 5 MARKS | |
| 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 | |
| | | | |
| 2 | FINANCIAL INDICATORS OF THE PROJECT | 25 MARKS | |
| <i>I</i> | INTERNAL RATE OF RETURN OF THE PROJECT | 5 MARKS | |
| A | UPTO 12% | 2 | |
| B | MORE THAN 12% BUT LESS THAN 15% | 3 | |
| C | MORE THAN 15% | 5 | |
| <i>II</i> | DEBT SERVICE COVERAGE RATIO OF THE PROJECT | 5 MARKS | |
| A | UPTO 1.2 | 2 | |
| B | MORE THAN 1.2 BUT LESS THAN 1.5 | 3 | |
| C | MORE THAN 1.5 | 5 | |
| <i>III</i> | PAY BACK PERIOD OF THE PROJECT | 5 MARKS | |
| A | UPTO 4 YEARS | 5 | |
| B | MORE THAN 4 BUT LESS THAN 6 YEARS | 3 | |
| C | MORE THAN 6 | 2 | |
| <i>IV</i> | DEBT EQUITY RATIO OF THE PROJECT | 5 MARKS | |
| A | UPTO 1.5 | 5 | |
| B | MORE THAN 1.5 BUT LESS THAN 2.4 | 3 | |
| C | MORE THAN 2.4 | 2 | |
| <i>V</i> | RETURN ON CAPITAL EMPLOYED OF THE PROJECT | 5 MARKS | |
| A | UPTO 15% | 2 | |
| B | MORE THAN 15% BUT LESS THAN 18% | 3 | |
| C | MORE THAN 18% | 5 | |
| | | | |
| 3 | TIMELY IMPLEMENTATION/ OPERATIONALIZATION OF PROJECT (AS COMPARED TO DPR) | 5 MARKS | |
| A | WITHIN TIME LIMIT | 5 | |
| B | DELAY BY 3 MONTHS AS PER TIME LIMIT | 3 | |
| C | DELAY BY MORE THAN 3 MONTHS BUT LESS THAN 6 MONTHS | 2 | |
| D | DELAY BY MORE THAN 6 MONTHS | 0 | |
| | | | |
| 4 | COST OVERRUN OF THE PROJECT | 5 MARKS | |
| A | WITHIN PROJECT COST AS PER DPR | 5 | |
| B | COST OVERRUN NOT MORE THAN 5% | 3 | |
| C | COST OVERRUN MORE THAN 5% | 0 | |
| | | | |
| 5 | TIMELY PAYMENT OF DEBT SERVICE TO LENDERS | 5 MARKS | |
| A | WITHIN DUE DATE AS PER AGREEMENT | 5 | |

| | | | |
|-----------|---|------------------|--|
| B | IF ANY LAPSES ARE THERE THEN HOW MANY TIMES (ONLY ONCE) | 3 | |
| C | IF ANY LAPSES ARE THERE THEN HOW MANY TIMES (MORE THAN ONCE) | 0 | |
| | | | |
| 6 | PAYMENT SECURITY MECHANISM FOR DEBT SERVICE TO LENDERS | 10 MARKS | |
| A | TRUST AND RETENTION ACCOUNT | 10 | |
| B | THROUGH ESCROW ACCOUNT/REVOLVING LETTER OF CREDIT (LC) | 5 | |
| C | ANY OTHER | 3 | |
| | | | |
| 7 | ENERGY SAVINGS PERFORMANCE CONTRACTING MODEL OPTED BY ESCO | 15 MARKS | |
| A | IF ANY NEW ESPC MODEL IS OPTED {Besides 7 (B)/(C)/(D)} | 15 | |
| B | IF SHARED/ GUARANTEED SAVINGS MODEL IS OPTED | 10 | |
| C | IF DEEMED SAVINGS MODEL IS OPTED | 5 | |
| D | IF OUTSOURCED ENERGY MODEL IS OPTED | 3 | |
| | | | |
| 8 | INNOVATION IN TECHNOLOGY | 10 MARKS | |
| A | NEW TECHNOLOGY – INDIGENOUS PRODUCTION (INDIA) | 10 | |
| B | NEW TECHNOLOGY – IMPORTED PRODUCTS | 8 | |
| C | PROVEN TECHNOLOGY – INDIGENOUS PRODUCTION (INDIA) | 7 | |
| D | PROVEN TECHNOLOGY– IMPORTED PRODUCTS | 5 | |
| | | | |
| 9 | ENERGY SAVING POTENTIAL OF PROJECT (AS PER DPR/ENERGY AUDIT REPORT) | 10 MARKS | |
| A | UP TO 20% | 5 | |
| B | 21%-40% | 7 | |
| C | MORE THAN 40% | 10 | |
| | | | |
| 10 | WHETHER THIS ENERGY SAVING BUSINESS MODEL CAN BE ADOPTED IN OTHER PROJECTS | 5 MARKS | |
| A | YES | 5 | |
| B | NO | 0 | |
| | TOTAL MARKS | 100 MARKS | |

Note:The above evaluation and weightage criterion is common for all the entities. However, in case of any peculiarity found in the application of above evaluation criteria, the Awards Committee reserves the right to modify the criteria, which shall be uniformly applied to all the entities, and this Committee may also consider a separate category for small establishments.