

**FROnT Project - 'Fair RHC Options and Trade'.**

**Background:**

FROnT, a European project funded through Intelligent Energy Europe (IEE), is designed to improve the understanding of how Renewable Heating and Cooling (RHC) technologies can be accelerated into the market. The programme is co-ordinated by the European Solar Thermal Industry Federation (ESTIF) and involves twelve member organisations comprised of Energy Agencies, European Industry Associations, Consultancies, Research Institutes and Environmental Associations – covering six EU member states<sup>1</sup>. The project will undertake market research to understand the potential for deployment of RHC technologies in three sectors: domestic, non-domestic/commercial and large-scale industry.

**Objectives of FROnT:**

The aim of the FROnT programme is to improve the competitive position of the RHC sector both at a National and European level, promoting the implementation of the UK's National Renewable Energy Action Plan and wider EU 20-20-20 targets. Specific objectives include:

- To demonstrate how the take-up and deployment of RHC technologies can be accelerated by establishing key policy priorities
- To improve both transparency in heating and cooling markets with a greater understanding of levelised costs and value of the RHC market
- To improve end user engagement (both domestic and commercial) by gaining a better understanding of their decision making processes
- To enable the development of better support mechanisms for the RHC industry by identifying key success factors.

**The purpose of the National Consultation Platform (NCP)**

In order to promote understanding between project partners, National Consultation Platforms (NCP) are being established by each of the Energy Agencies involved in the programme<sup>2</sup>. The Energy Saving Trust (EST) is establishing the UK NCP which will also act as an advisory group for the delivery of the project. Similar in structure to NCPs in five other participant countries, the UK NCP will advise EST on project objectives, focusing specifically on identification of solutions for the three target sectors (domestic,; non-domestic/commercial; and large-scale industry). The NCP will meet

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<sup>1</sup> A full list of member organisations is listed in Annex 2

<sup>2</sup> These include; The Institute for Energy Diversification and Saving (IDEA), Portuguese Energy Agency (ADENE), Energy Saving Trust (EST), Austrian Institute of Technology (AIT), The Polish Energy Conservation Agency (KAPE) and Netherlands Enterprise Agency (RVO.nl)

three times during the course of the project. The main focus of each meeting will be aligned to the project delivery, as outlined in Table 1.

Meeting	Proposed date	Objectives
NCP	Jan 15th 2015	<p>Consultation on defining methodology to calculate levelised costs of RHC technologies</p> <p>Discussion on relevant funding options for the FROnT programme<sup>3</sup></p>
NCP	June 2015	Consultation and validation of agreed criteria considered necessary to implement successful RHC support schemes
NCP	December 2015	<p>Consultation on developing guidelines and recommendations for use of RHC energy cost model<sup>4</sup></p> <p>Revise &amp; validate consumer tools aimed at providing transparent information to end users on RHC technologies</p> <p>Revise and validate recommendations on promoting transparency of RHC energy costs</p> <p>Consultation on market based solutions designed to increase investor confidence in RHC technologies</p>

**Table 1:** Schedule of NCP consultation activities

Advisory group input on the topics outlined above is expected to:

- Provide an improved understanding of investment decisions facing each of the three market sectors
- Identify what criteria are required to create successful support schemes for RHC technology
- Identify, revise, and validate tools currently used to promote uptake of RHC technologies for the three market sectors
- Revise and validate recommendations to promote transparency in energy costs

<sup>3</sup> Please refer to Annex 1 for initial details

<sup>4</sup> One objective of the FROnT project is to identify and agree on a model used to define the levelised costs of energy, taking into account the specificities of different RHC technologies

In order to ensure input from a broad spectrum of the UK RHC industry, EST will draw on relevant expertise from national trade associations representing the RHC sector; entities managing national support schemes; regulatory bodies; the building sector; and economists. Additional experts/stakeholders will be invited to the meetings where they can add value to the topics for discussion.

**Benefits to NCP members and wider RHC industry:**

Participation in the NCP advisory groups will facilitate dialogue and share lessons learned from the project amongst a representative cross section of the RHC industry, both in the UK and across the EU through the links with NCPs in other countries. Benefits to UK industry include:

- A platform for knowledge exchange and cooperation within the RHC sector, leading to improved collaboration amongst wider stakeholders at an EU level
- Improved knowledge and understanding for successful market deployment of RHC technologies, with specific insight provided for the three sectors identified above
- Support for the RHC industry to engage more effectively with prospective clients
- Improved industry understanding of support schemes across the EU to aid the identification and exploitation of markets
- Insight to support the development of Strategic Policy Priorities for the RHC sector to inform the design or revision of effective support mechanisms
- Opportunity to participate in FROnT capacity building events.

**Meeting Structure:**

- The NCP will aim to meet three times during 2014/15. Between meetings, updates will be provided electronically by EST. Additional meetings may be held if deemed beneficial by the NCP members
- Invitations to meetings will be sent with maximum notice and meeting's agenda and papers will be provided in advance electronically
- Meetings will normally be held in central London and are expected to last no longer than 2 to 3 hours
- Minutes of meetings will be sent to the members electronically within two weeks of each meeting.<sup>5</sup>

**Annex 1 - Match funding:**

The Intelligent Energy Europe funding programme provides FROnT project partners with 75% of eligible project costs. In order to successfully deliver our objectives as part of the project, the Energy Saving Trust must obtain match funding for the remaining 25% of its project costs. EST will present proposals and seek guidance from NCP members on the most appropriate approach for

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<sup>5</sup> Travel costs for all meetings will be covered by the Energy Saving Trust (according to set guidelines)

sourcing this match funding from the UK RHC industry and stakeholders.

**Annex 2 – List of Project Partners**

1. European Solar Thermal Industry Federation (ESTIF)
2. European Geothermal Energy Council (EGEC)
3. European Biomass Association (AEBIOM)
4. Portuguese Energy Agency (ADENE)
5. Institute for Energy Diversification and Saving (IDAE)
6. The Polish Energy Conservation Agency (KAPE)
7. Netherlands Enterprise Agency (RVO.nl)
8. ECLAREON (ECLAREON)
9. AIT Austrian Institute of Technology (AIT)
10. Quercus – National Association for Nature Conservation (Quercus)
11. European Heat Pump Association (EHPA)
12. The Energy Saving Trust (EST)