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# Energy Efficiency Business Models and Financing

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## Speakers:

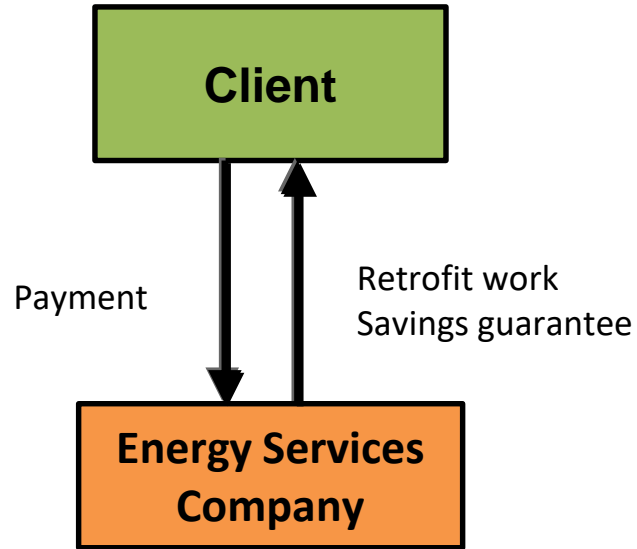
- **Dr Haris Doukas**, Research Collaboration Specialist, EU GCC Clean Energy Technology Network
- **Charles Blaschke**, CEO/ Co-Founder, Taka Solutions
- **Pradeep Kumar Singh**, Manager – Business Development & Technical, Etihad Energy Services
- **Aref Abouzahr**, CEO – ARK & Associates | Specialized Energy Efficiency Advisory

## Energy Service Company (ESCO)

- Company improving existing buildings to make them more energy efficient
- Provides turn-key responsibility including: site audits, detailed design and engineering, installation, commissioning, and measurement & verification (M&V) of savings – and more importantly guaranteeing the results
- An Energy Services Company is a specialized company generally called ESCO

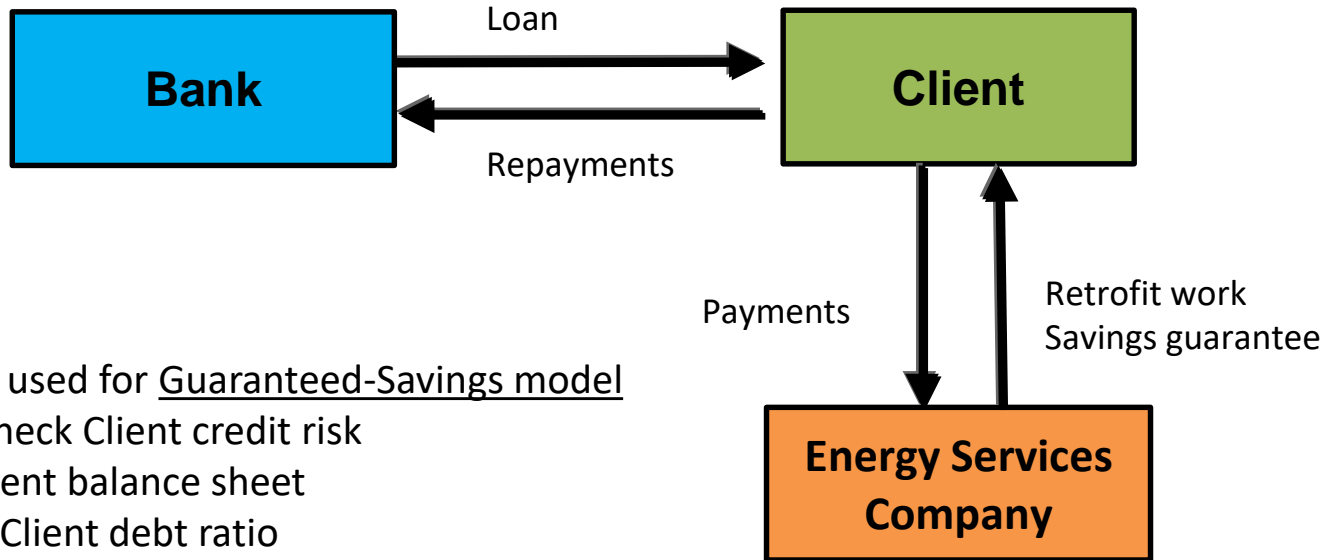
- A project to save energy has been identified in a Client facility
- Client is looking at ways to finance that project to minimize usage of budget
- Several options are available, for example:
  - Budget payment (if budget available)
  - Bank financing to Client
  - Bank financing to ESCO
  - Project Financing

# BUDGET PAYMENT



- Simplest model (only 2 parties)
- Cheapest model (no financial costs)
- Requires budget availability from Client
- Could include some payment facilities from ESCO to Client

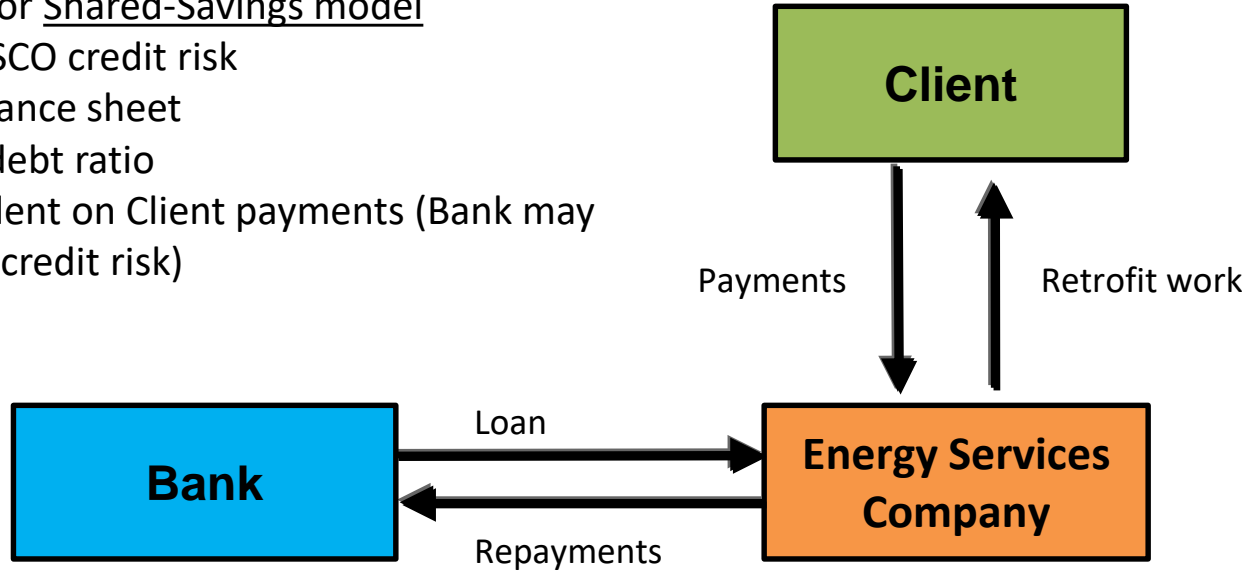
# BANK FINANCING (LOAN) TO CLIENT

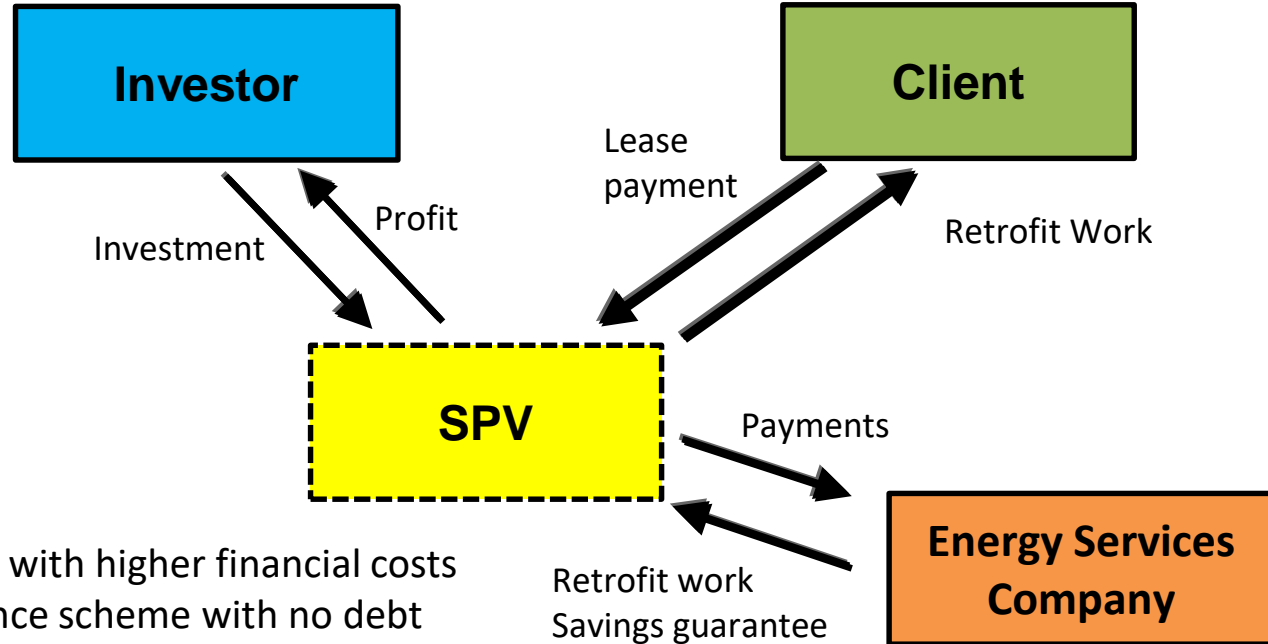


- Commonly used for Guaranteed-Savings model
- Bank will check Client credit risk
- Loan on Client balance sheet
- Limited by Client debt ratio
- Payment security thanks to cash-flow generated by energy savings

# BANK FINANCING (LOAN) TO ESCO

- Commonly used for Shared-Savings model
- Bank will check ESCO credit risk
- Loan on ESCO balance sheet
- Limited by ESCO debt ratio
- Payments dependent on Client payments (Bank may also assess Client credit risk)





- Complex scheme with higher financial costs
- Possibly off-balance scheme with no debt for Client or Energy Services Company
- More adapted for large projects or pooling



# SPEAKERS

- “Unlocking the energy efficiency investments: European Initiatives and programmes”  
**Dr Haris Doukas**, Research Collaboration Specialist, EU GCC Clean Energy Technology Network
- “Finance-as-a-Service: We pay for your project so you can deliver it”  
**Charles Blaschke**, CEO/ Co-Founder, Taka Solutions
- “Etihad ESCO – An Easy and Reliable Financial Model for Retrofit”  
**Pradeep Kumar Singh**, Manager – Business Development & Technical, Etihad Energy Services
- “Bridging the knowledge Gap to facilitate Energy Efficiency Project Development”  
**Aref Abouzahr**, CEO – ARK & Associates | Specialized Energy Efficiency Advisory