



Federal Energy Service Company (FESCO)

*The Russian Market of Energy Services.  
Characteristics of the Current Situation.*

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## Peculiarities of development of the Services Market in the Sphere of Energy Saving and Energy Efficiency. Characteristics of the Current Situation.



- ❖ START UP of energy service market;
- ❖ Cost an resource based economy. On the part of energy suppliers there is lack of business interest in implementation of energy saving projects;
- ❖ Tight schedule for realization of large-scale actions;
- ❖ Low level of competence;
- ❖ Administrative barriers;
- ❖ Weak level of interdepartmental coordination, absence of consolidation center;
- ❖ Geographical distribution of objects all over the country.



## Barriers on the Way of ESCOs Rapid Development in the Initial Phase of Market Development

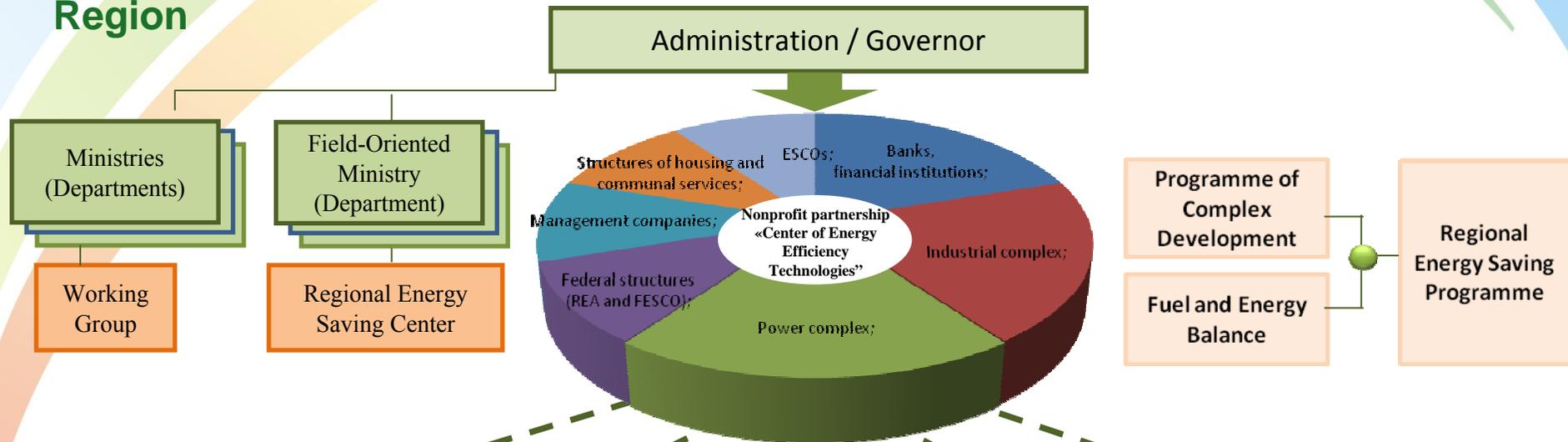
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- ❖ Imperfection of legal, regulatory and procedural framework;
- ❖ Necessity for raising borrowed funds;
- ❖ High risks, existence of uncertainties even over the medium-term;
- ❖ Weak trust to energy service companies;
- ❖ Poor quality of projects preparation, ailing economy. High cost of project development. Excess of level of costs and correspondingly payback periods within energy service project almost 2 times in comparison with usual investment project;
- ❖ Long terms of projects implementation;
- ❖ Lack of personnel and competence.



Basic Solution – Creation of **Super ESCO**

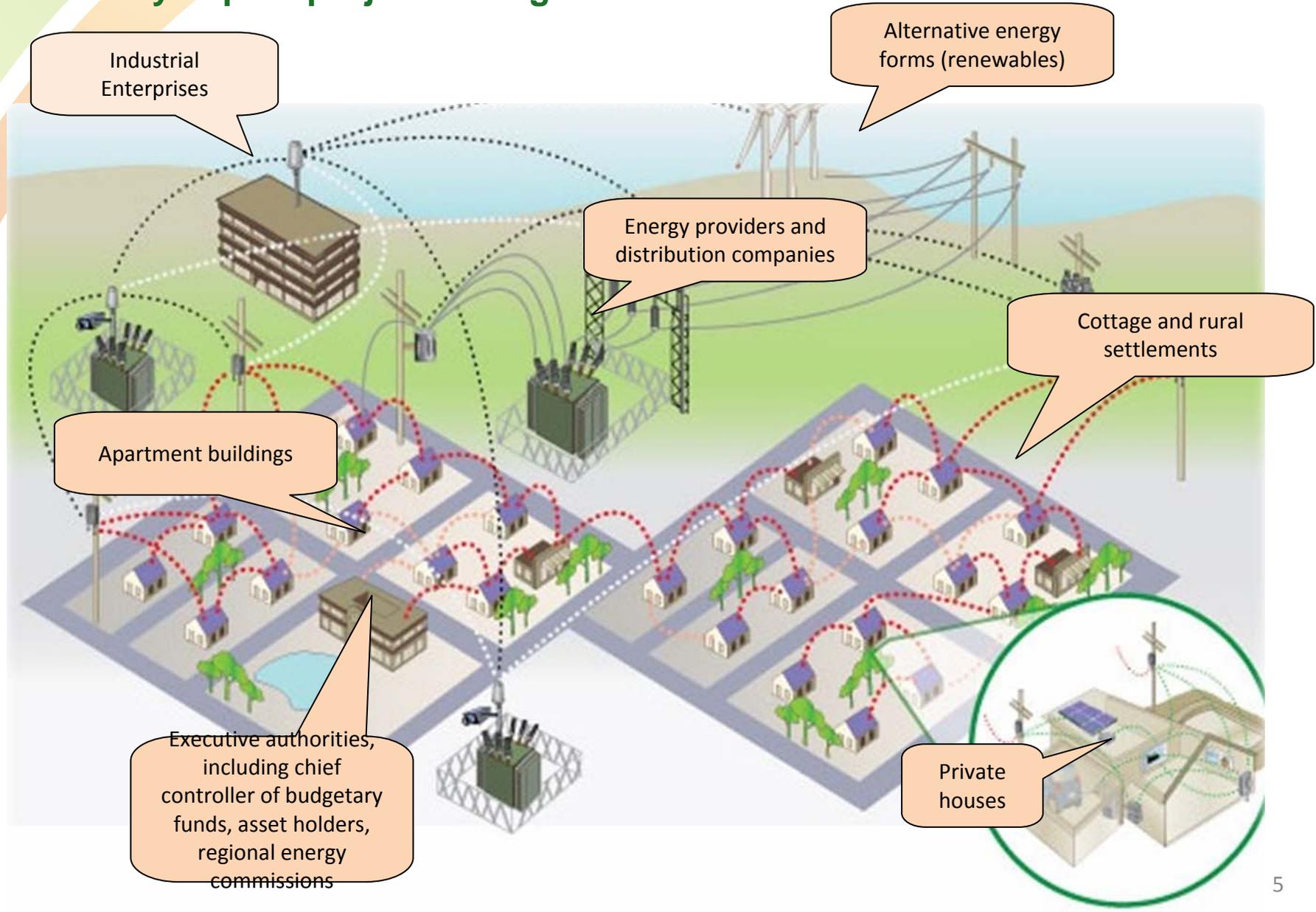
# Model of Complex Approach to Solution of Problems of Energy Saving in the Region



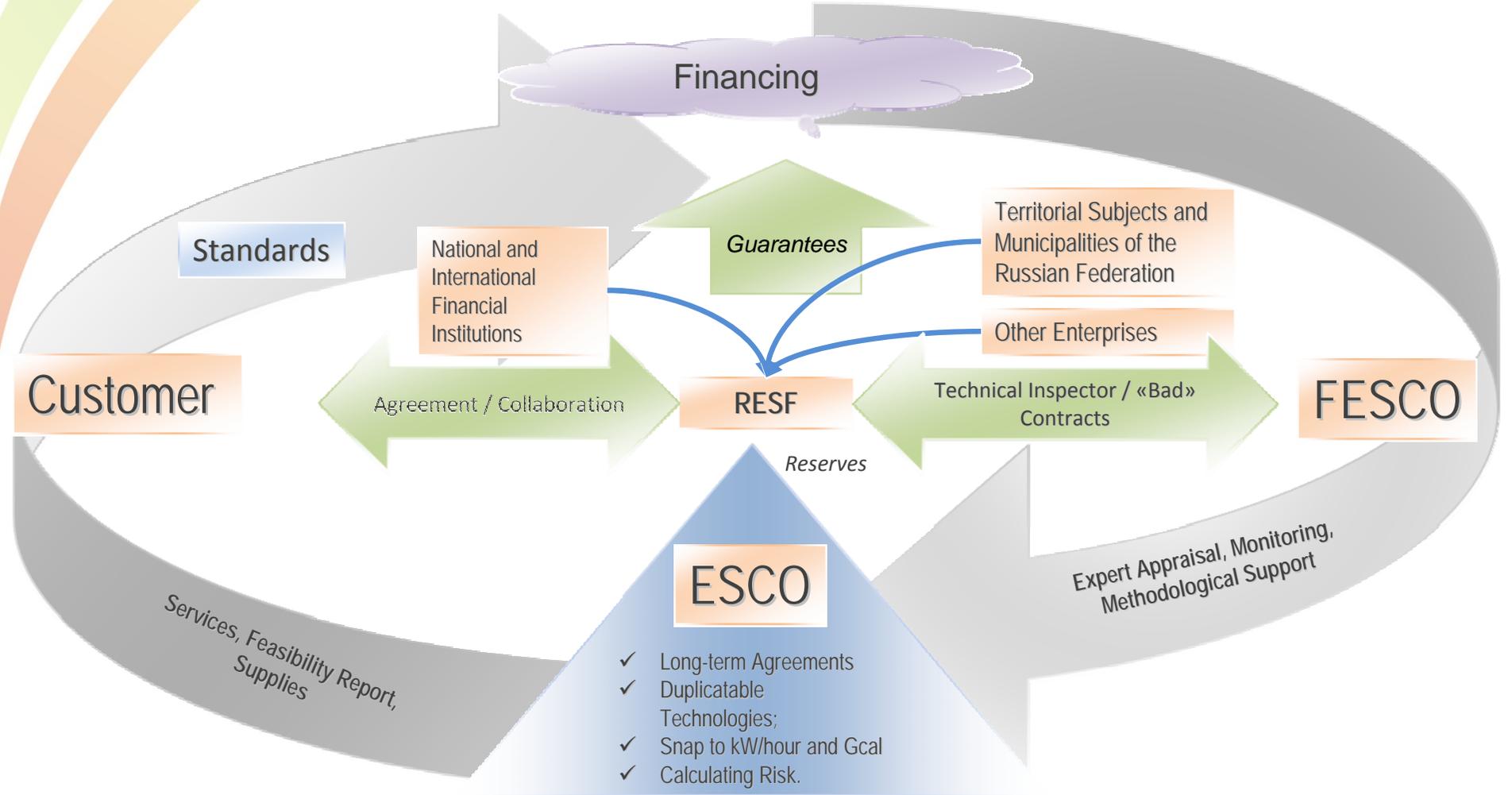
## Participation of FESCO in structuring the regional market

Regional Legislative	Regulatory and Methodological Support. Standards	Financial Modeling	Implementation of Pilot Projects	Information Base
Bringing to conformity with the federal legislation	ISO 50001 «Energy Management Systems» ISO 9001 «Quality Management Systems»	Non-budgetary sources (up to 85 %): Financial institutions (credits, loans and other tools), Energy Financial Agency, Regional funds	Investment energy audit Project development Maintaining	Library of engineering solutions State Information System «Energy Efficiency»
Adoption of the relevant legislative regulations providing possibility of implementation of energy performance contracts in public sector	Methodological recommendations on carrying out energy audit (energy performance certificate) International protocol (IPMVP) for realization of energy service mechanism	Budget financing (15 %): federal and regional subsidies, target budgetary programs and funds	Implementation Compilation of experience. Recommendations on duplicating	Data bases personnel, manufacturers and suppliers, ESCOs etc.

# Complex Solution of Problems of Energy Saving and Increase in Energy Efficiency at pilot projects in regions



# Regional Energy Saving Fund (RESF). Covering of Risk of Inability to Receive Savings. Technical Expertise (Participation in Procedure of Financial Support of the Market)



Contract of Energy Services Execution

# Information Support (within the State Information System “Energy Efficiency”)



## State Information System “Energy Efficiency” Personnel Data Bases

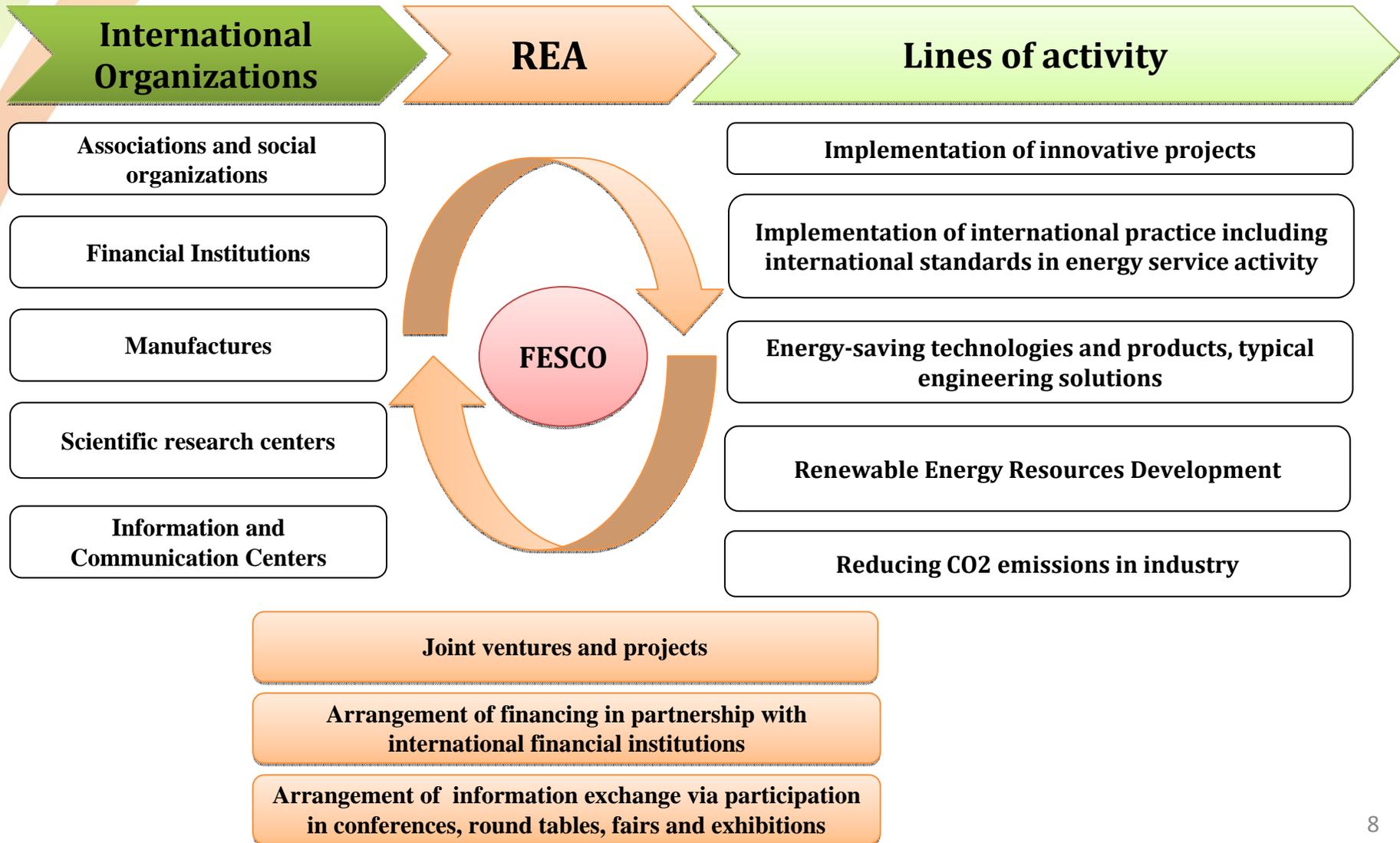
### Data Bases

- Libraries of engineering solutions;
- Suppliers, including foreign ones;
- Producers, including foreign ones;
- Compilation of domestic implementation experience



# Arrangement of International Cooperation in Scientific and Methodical, Informational and Technological Spheres

FESCO develops rapidly international cooperation in the field of energy saving and energy efficiency.



## Directions for Development

- ❖ Creation of infrastructure for ensuring successful development of the energy service market and sustainable communication relationship in commercialization of innovative engineering solutions, as well as in the sphere of renewables;
- ❖ Creation of efficient environment of business services
- ❖ Providing access of market players in the field of energy services to financing;
- ❖ Creation of the system of professional communities and efficient communications, as well as in scientific environment;
- ❖ Providing maximum extent of integration into the international innovative ecosystem and support of domestic producers;
- ❖ Building capacity and creating its transfer channels, ensuring reproducibility, replicability of projects, reliability of technical and design solutions in the sphere of energy service;
- ❖ Problems solution of rationalization of resources consumption model in regions, harmonization of tariff policy on the basis of complex approach and consistency of approaches to solving problems in energy saving.



Thanks for  
attention!

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