



DECC Electricity Demand Reduction Pilot

What is the EDR pilot?

- £20m is being made available to support projects that deliver lasting reductions in electricity demand, e.g. through the installation of a more efficient lighting system or pump.
- This pilot will test whether EDR could participate in GB's capacity market⁽¹⁾.

How will it work in practice?

- Projects will bid into an auction and commit to delivering a kW saving.
- Successful bids secure funding, that can then be used to support the installation of more efficient electrical equipment.
- Projects will need to qualify. This will include submitting a project plan with estimated savings and a plan for measuring and verifying these (a manual will be provided to help with this).
- There will be a minimum bid size of 100kW in the auction. This may be achieved by a single project or through several projects, aggregated into a single application.

To register your interest in taking part in the pilot, or if you have questions, contact edr-project@decc.gsi.gov.uk.

1. For more information see www.gov.uk/decc.

This factsheet is up-to-date at 28 February 2014 and our expectation is that information in it will be final, but remains subject to change as the pilot develops. Further information will be published in spring 2014.



"We're looking for brilliant organisations with bright ideas about how to lower our electricity use, help cut energy bills and bring down our emissions"

Edward Davey, Secretary of State for Energy and Climate Change



"Businesses have a real opportunity here to bid for a slice of a £20 million pound pot and see their project come to life."

Greg Barker, Minister of State

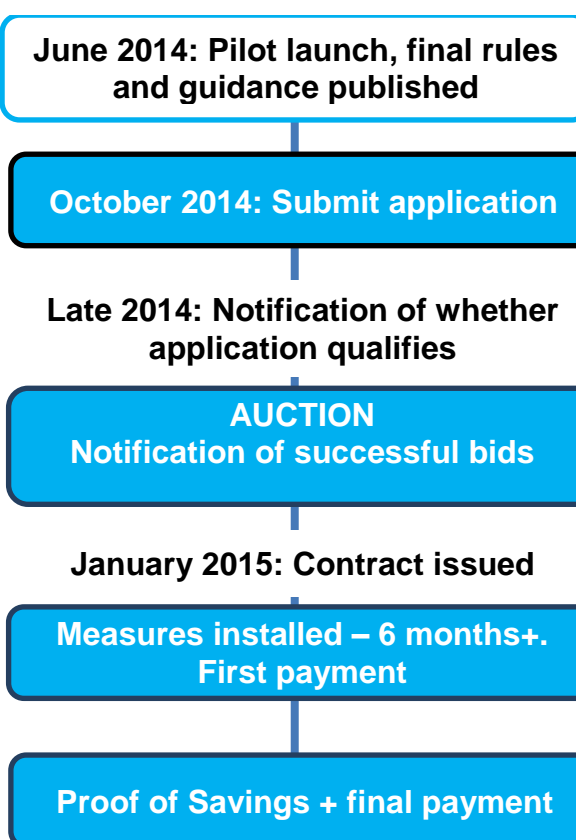
Who and what will be eligible?

- Projects will need to be based in Great Britain and deliver efficiency savings at least during times of winter peak electricity demand (3-7pm on weekdays, November-February).
- Projects which would **not** be eligible include:
 - Those that shift electricity demand to other times of the day
 - Measures benefitting from specified forms of Government incentive (such as Climate Change Agreements, Salix loans)
 - Savings made by switching to other energy sources (e.g. onsite generation)

How will the pilot benefit you?

- A payment from Government for delivering efficiency savings spread across a payment at installation and on delivery of savings.
- This will support your investment case. You will also benefit from all the electricity cost savings.
- Your organisation will also benefit from savings outside winter peak time.

When will it start?



June 2014: Pilot launch, final rules and guidance published

October 2014: Submit application

Late 2014: Notification of whether application qualifies

**AUCTION
Notification of successful bids**

January 2015: Contract issued

**Measures installed – 6 months+.
First payment**

Proof of Savings + final payment