

**International Energy Agency
Solar Heating & Cooling Programme**

TASK 24 SOLAR PROCUREMENT

EXPERTS MEETING

**Utrecht, The Netherlands
4-5 May 1999**

MINUTES OF MEETING

**Hans Westling
Promandat AB
Operating Agent**

International Energy Agency
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TASK 24 SOLAR PROCUREMENT

Minutes of Experts Meeting 4-5 May 1999, Utrecht, The Netherlands

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Hans Westling
30 May 1999

MINUTES OF TASK 24 "SOLAR PROCUREMENT" EXPERTS MEETING IN UTRECHT, THE NETHERLANDS, 4-5 MAY 1999

1. INTRODUCTION AND PRESENTATION

1.1 Introduction

The Operating Agent Hans Westling welcomed the participants to the Task 24 Experts Meetings. The new participants from Denmark and Switzerland were especially welcomed. The meeting was held in the Citycastle Oudaen, a very old and prestigious building from the 13th century, including also a functioning brewery in the cellar, see [Appendix 1](#).

1.2 Presentation of persons present

The participants are listed below. For further details and addresses please see the Task 24 Address List, [Appendix 2](#).

Gerald Van Decker, National Resources Canada, Canada
Klaus Ellehauge, Danish Technological Institute, Denmark
Torben Esbensen, Esbensen Consultants A/S, Denmark
Maaïke Fernhout, Ecofys, The Netherlands
Lotte Gramkow, Esbensen Consultants A/S, Denmark
Peter Out, Ecofys, The Netherlands (5 May)
Iben Østergaard, Danish Technological Institute, Denmark
Bengt Ridell, Sydkraft-Sycon AB, Sweden (5 May)
Christian Völlmin, SSES, Switzerland
Heimo Zinko, ZW Energiteknik AB, Sweden
Hans Westling, Operating Agent, Promandat AB, Sweden

Teun Bokhoven, ASTIG, The Netherlands (part of 5 May)
André van der Vater, Novem, The Netherlands (part of 4 May)

2. APPROVAL OF AGENDA

A Preliminary Agenda dated 30 April, [Appendix 3](#), was distributed to the participants. The order of the handling of the different items on the Agenda had to be changed due to the fact that Peter Out could not participate the first

day of the meeting due to an eye infection.

3. MINUTES OF EXPERTS MEETING IN UTRECHT 10-11 SEPTEMBER 1998

The Minutes were approved. Special thanks were expressed by many of the participants for the quality of the Minutes and the editing of the enclosed documentation.

4. PARTICIPATION PLANS

Switzerland had announced its intention of joining the Task 24 “Solar Procurement” and of taking part in the Subtasks. The Operating Agent welcomed Switzerland and expressed that the contribution of experiences from Switzerland will be of great importance.

Each country is asked to draw up a short Participation Plan. On request, an example can be sent over from the Operating Agent to the Swiss representatives. The Participation Plan should include name and organisation of the National Coordinator and Experts in the two Subtasks, and the degree of involvement.

The update of the List of Events and further participation will be further discussed later.

5. SUBTASK B - CREATION OF TOOLS

5.1 Presentation of work so far and general guidance for future work

Klaus Ellehauge introduced the first draft which is included in a binder, with possibilities to change the different chapters as they will be updated during the preparations. The title page and table of contents are included in Appendix 4. Different ways of storing the material and naming of different versions were discussed. It was agreed to always have the date of the latest revision on every page in order to facilitate the work. It will later be decided on a date for receiving comments. The possibility of having the Book of Tools in the format of a CD and an e-mail version in Acrobat file was also discussed. *A cover page for each chapter* will facilitate reading. For Chapter 2, more cases are welcome. Switzerland is welcome to submit cases.

During the work, some more detailed material may be put in *appendices*. This is certainly the case with more promotional material from industry. The most suitable ways of distribution should also be thought over, and in the introduction some *reading instructions* could be of interest. For some of the chapters, it is of interest to stress “*Lessons Learned*” and Recommendations and to give the *arguments for participating* in international procurement and promotion activities, such as the “Green Image”, “Make Money”, “Deregulation”, etc.

It is important to point out the *value added* and also to include some steps of the procurement process, an analysis of the current situation and arguments for the decision to join a buyer group and to continue to participate. The learning process for buyers should be stressed. The deregulation of the energy sector will *open new possibilities* to go outside the old borders, but will also lead to the challenge to keep the old customers. How to sell the contribution to value added, energy and comfort? What can we learn from procurement and promotion projects in other areas? There could be a few words about other than solar projects in the Book of Tools. The arguments for joining - how to get contacts with buyers and how to convince buyers should also be included.

Important is also to mention the *different stake holders*. Sometimes it will also be considered whether to fill the borders between the chapters in the next version. Different countries give short presentations of their contributions for the Book of Tools.

5.2 Sweden

Heimo Zinko presented rough draft *specifications* for small and large projects. According to the objectives of this Task 24, we have to go forward with both small and large projects and not exclude any of them. It may be easier to start with some of the larger ones, as it seems now. Heimo Zinko’s presentation had partly been included in the documentation, at least the small projects. For the large projects, we will ask for versions both in English and German. The specification in english is included in Appendix 5.

5.3 Canada

Gerald Van Decker expressed in his presentation, see Appendix 6, that in Canada it is for many buyers very important not to exceed a *payback time* of five years. It is important to show *strong business cases* to the donors. Then consumers are willing to go for solar systems. This means that in Canada you have to calculate with a 12% internal rate of return. Gerald Van Decker also showed work with the goal of coming down to a price of 1,600 Canadian dollars for solar hot-water systems as a long-term goal. Work is going on within the TEAM (Technology Early Action Measures) in order to have, in the

year 2000, a turnkey pilot and in year 2001 turnkey dealers. The Canadian government has secured the funding required.

Different financial systems were discussed, also leasing arrangements, to come down to *half the price* and to stress the *LCC costs*. Canada is of the opinion that the need for information material is too much emphasised in the project. They want to start and get going - it may be better to work more intimately with a limited number of buyers.

5.4 Switzerland

Christian Völlmin informed about the situation in Switzerland. There are many small house owners which gives another situation. Utilities will however be included. There was earlier a competition for small houses. 16 entries were received, 12 of which met all the requirements and are now sold with subsidies. Experiences from this project would be of great value for Task 24.

In Switzerland, there is an interest in international tenders. They want to stress the high quality, with good integration. A permission-free situation has now been created in 50% of the Swiss cantons. A lot of people in Switzerland want to show a solar-water collector on the roof as it gives *prestige*, a “*green*” *image* and stresses the LCC. “For solar you pay more at first and then very little. For electricity you pay every year.”

Switzerland has also procured some brochures, “Warmwasser mit Quicksol”, [Appendix 7](#), and “Flachkollektor Soltop Cobra”, [Appendix 8](#), and also a CD, “SPF-Info - thermische Sonnenenergie”, see [Appendix 9](#).

5.5 Website

It should be investigated if a "secure website" with a password could be established for future *exchange of comments* both about Subtask B and other activities. This will be investigated by Canada.

6. GENERAL INFORMATION ACTIVITIES FOR TASK 24

The possibilities for further participation were discussed. The importance of trying to include *Germany and Austria* was stressed. Hans Westling referred to a number of letters, written in German, which had been sent to German and Austrian organisations. The *United Kingdom* and the *United States* have expressed some interest, and so has *France*.

Gerald Van Decker showed an update of what Canada had done about the

website, see [Appendix 10](#). A link is now functioning to the Solar Heating & Cooling Programme web.

It was also agreed that Maaïke Fernhout will update *the calendar for various solar events*. She will send out a question and would like to have suggestions for events.

Hans Westling informed about the different parts in the first Information Plan and also about a memo on the principle guidelines that he had worked out after contacts with the new CADDET administrator. A draft was included in the documentation for this meeting.

A Newsletter had been discussed in the Information Plan. This Newsletter, which would consist of two - maximum four - pages, should be sent out *to attract interest* among buyers, certainly for the next Round, and *to keep the interest* as procurement and promotion activities normally take a long time and this Task will be working for a number of years. This has proven essential in other areas. The Experts agreed that it is important to further analyse the possibilities for a Newsletter, both electronically and on paper.

Further investigations should be made about the new possibilities with the EU 5th Framework Programme for ALTENER and other activities and the time periods for application for money. A letter should be sent to see whether joint efforts for information could be found.

The participating countries will look into the possibilities of setting aside some money for further information activities. Denmark has already set aside some money for the printing of the first version of the Book of Tools. Canada has funded the updating of the website, and Sweden will also see to it that a set of illustrations about Task 24 will be further worked on, to an amount of SEK 50-70,000.

Hans Westling will update the Information Plan. A possible "News Card" will be worked out and distributed. It was also decided to try to have an article presented at the EuroSun. This will be coordinated between Torben Esbensen and Gerald Van Decker by e-mail (using Power Point).

7. SUBTASK A - PROCUREMENT AND MARKETING

Peter Out gave a presentation of the work within the Subtask.

7.1 The Netherlands

Peter Out and Maaïke Fernhout made a presentation of the Dutch contribution to the project, see [Appendix 11](#). The preparations include housing associations, utilities, project developers, and both new houses and renovation projects especially in combination with other work already needed. Feasibility studies are used and opportunities for leasing of systems are investigated. In the Twente region, a tender is already going on, looking both for innovation and for synergy effects. There is very much a question of organisation and financing with a turnkey situation, and it includes work with both large and small systems.

7.2 Canada

Gerald Van Decker expressed that Canada wanted to reduce the cost of solar energy and also stressed that it is possible for domestic hot water to get a fairly strong contribution from solar, except in November/December. Utilities in particular have very good positions, and Canada intends to work with some interested large organisations. Copies of transparencies from a presentation to Toronto Hydro are attached as [Appendix 12](#).

Canada stressed the importance of working out *a business plan* and intends to create a small group of two or three buyers, *a lead group*, and then add additional buyers only if they are qualified for that. The Toronto Hydro is interested in acting as a lead organisation. The idea is to first procure a small amount of systems and then go on.

The Canadian *market study* has been delayed but will soon be started. Canada will present the market study in a format which can be offered to other countries that want to work in a similar way. We have to focus more on the groups we have already identified.

7.3 Sweden

Similar presentations were made for Sweden by Heimo Zinko, see [Appendix 13](#).

Letters have been sent to 10 utilities/housing companies. There is already a special ongoing FUD Group (FUD = Research, Development and Demonstration) organised by the largest utility "Vattenfall", and there have been two buyer group meetings. A number of interested people will come to the Buyer Meeting in The Netherlands. "BO 01" in Malmö (a housing exhibition in 2001) is one important event. There are certain obvious hindrances that have to be removed, such as compulsory building permits - a substantial cost,

including also a lot of paper work. The electricity deregulation is already well under way, which means that the costs of electricity in some areas have gone down to half. Maybe buyers can be found among large organisations. Subsidies do not exist, but could be of essential importance. Sweden also struggles with the work how to present and raise interest and convince buyers to take part. It would be of importance to offer, at low or no cost, a first introductory feasibility study to potential buyers. It is also important to show some opportunities for profit for everybody involved, and to work on actions for synergy.

7.4 Denmark

In Denmark, work is going on i.a. with a brochure, letters and phone calls. The focus will now be more on large companies. It is essential to go from interest to dedication. It is necessary to have funding for advising about how to focus. A brochure has been worked out by the Esbensen Consultants Group, [Appendix 14](#), and there have also been articles in some papers. Examples were shown by Lotte Gramkow, see [Appendices 15 and 16](#). Copies of transparencies shown at the meeting are attached as [Appendix 17](#).

8. PREPARATION OF THE WORKSHOP 6-7 MAY 1999

A programme was presented by Maaïke Fernhout and is enclosed, as is also the List of Participants, [Appendices 18 and 19](#). The focus must be on creating an image and looking into the new systems, instead of going into technical details. After a presentation of the principles for the whole project and the interest among the buyers, we may look into the similarities in principles for the specification and discuss some similarities in requirements.

Addendum: Some presentation material and brochures from the Workshop are enclosed as [Appendices 20:1-6](#).

9. PRESENTATION OF ASTIG (Active Solar Thermal Industry Group)

The chairman of ASTIG, Teun Bokhoven, made a presentation. The Group consists of 12 companies, specially aiming at delivering quality products. They aim for the end of this year to be at least 20 major suppliers. ASTIG has made preparatory work for a quality label, and Teun Bokhoven showed the conditions for this. They are establishing contacts with test institutes. It is of importance to stress the *performance* of the systems, the *safety* and *durability*. The Group thinks it is important to work with good quality, to promote a more mature market, and in this way stimulate a further industrialisation of the work, both in factories and for installations.

A brochure about ASTIG was handed out during the presentation and is included here as Appendix 21.

10. PLANS FOR THE MEETING WITH SUPPLIERS

There will be a meeting with suppliers in the afternoon of *26 May 1999*. A preliminary Agenda is enclosed as Appendix 22. Invitations will be sent out by Ecofys to the Chairman of the different organisations - ASTIG and ESIF, see Appendices 23 and 24. The National Coordinators will inform suitable suppliers in their countries about the possibility of taking part in this first Supplier Meeting in Amsterdam. With the suppliers, it is of interest to discuss the quality level, minimum requirements, test certifications and documentation.

A principle presentation about the suppliers' influence has been made by Ecofys, see Appendix 25. It means that industry can have an influence on the principles of the requirements and the criteria in principle, as well as on the quality. Not, however, on what is chosen for the specific tenders and their requirements and realisation.

11. TIME SCHEDULE, DRAFT TASK STATUS REPORT AND SUMMARY OF ACTIONS

The time schedule and milestones that had been enclosed in the draft Task Status Report were gone through and updated. It was decided to include the full list of buyers as it had been distributed from the Operating Agent to the Experts for revisions. The Task Status Report will be open for minor suggestions and changes before it will be distributed by e-mail 5-6 May.

A Summary of Actions about decisions, time for fulfilment and responsible person is included in the Minutes, Appendix 26.

A meeting with the Operating Agent and the Subtask Leaders is planned for the end of August to solve upcoming problems, if any.

A Tendering Package will be worked out.

At the next Experts Meeting it is of interest to see to it that we have buyer groups and that concrete procurements can start. It must also be decided on some similarities of the invitations - it can be a logo or something. An "*IEA Solar Heating & Cooling Award of Excellence*" is something to think about.

12. SCHEDULE FOR FUTURE TASK 24 MEETINGS - SUGGESTED DATES

It was decided to have the next Experts Meetings

- *30 September - 1 October 1999 in Denmark*

- *3-5 April 2000 in Canada*

At the meeting in Canada, the intention is to use 3 days: in addition to the Experts Meeting, half a day for a Meeting with Buyers, and half a day for a Meeting with Suppliers.

13. CONCLUSIONS AND THANKS

Hans Westling thanked The Netherlands, Novem and Ecofys, for the excellent preparations for the Experts Meeting as well as for all the arrangements for the Buyer Meeting including presentations of projects. The Experts Meeting was then adjourned.

APPENDICES

1. History of Citycastle Oudaen in Utrecht.
2. Task 24 Address List, updated 30 May 1999.
3. Preliminary Agenda for the meeting, draft 30 April 1999.
4. "Book of Tools", draft version May 1999 - title page and table of contents.
5. "Solar Procurement - Specification of collector systems for large solar heating applications", Heimo Zinko, Sweden, 25 April 1999.
6. "Canadian Status - Presentation to Task Participants, May 3 & 4, 1999", copies of presentation, Gerald Van Decker, Canada.
7. "Warmwasser mit QUICKSOL", brochure in German from SOLTOP, Switzerland.
8. "Flachkollektor SOLTOP COBRA", brochure in German from SOLTOP, Switzerland.

9. "SPF-Info thermische Sonnenenergie 1998", CD from SPF, Solartechnik, Prüfung, Forschung, Switzerland.
10. "Website Update", WEB Site Modifications List, May 1999, Gerald Van Decker, Canada.
11. "Solar procurement: Subtask A "Procurement and Marketing", presentation 5 May 1999 by Peter Out and Maaïke Fernhout, The Netherlands.
12. Copies of transparencies shown by Canada at a presentation of Task 24 to Toronto Hydro, Canada, April 1, 1999.
13. Copies of transparencies about ongoing work in Sweden presented by Heimo Zinko, Sweden.
14. "Et gratis soltilbud får man ikke hver dag: Fælles indkøb af solvarmeanlæg", brochure in Danish by Esbensen Rådgivende Ingeniører A/S, Denmark.
15. "Nyt IEA-projekt - Købere til solvarmeanlæg", article in the Danish magazine VVS/VVB 6, 1999, by Lotte Gramkow, Denmark.
16. "Storindkøb af solvarmeanlæg", article in the Danish magazine Energi & Planlægning nr. 2, April 1999, by Lotte Gramkow, Denmark.
17. Copies of transparencies about work on Subtask A presented by Denmark at the meeting.
18. Workshop May 6-7, 1999, Eindhoven, The Netherlands - Programme.
19. Workshop May 6-7, 199, Eindhoven, The Netherlands - List of Participants.
- 20:1 "IEA Task 24, May 6-7, 1999, Toronto Hydro, Toronto, Canada", copies of presentation material from the Workshop 6-7 May, 1999.
- 20:2 "Van lichtbad naar ligbad", brochure in Dutch from Solistor b.v., The Netherlands.
- 20:3 "Nuttig aangenaam", brochure in Dutch about NV Nutsbedrijf Regio Eindhoven, The Netherlands.
- 20:4 "Welcome", copies of transparencies presented by NV Nutsbedrijf Regio Eindhoven, The Netherlands.

- 20:5 “ENERCOM, Coöperatieve Energie Combinatie u.a.”, presentation sheet with the different locations of ENERCOM in The Netherlands.
- 20:6 “ENERCOM company profile”, presentation of ENERCOM, The Netherlands.
21. “ASTIG, Active Solar Thermal Industry Group, The solid basis for solar thermal expansion in Europe”, brochure from ASTIG, Belgium.
22. Suppliers Meeting 26 May 1999, Amsterdam, The Netherlands - Preliminary Agenda, draft 25 May 1999, Peter Out, The Netherlands.
23. Invitation letter, May 10, 1999, to the Suppliers Meeting 26 May 1999, Amsterdam, The Netherlands, Maaïke Fernhout, The Netherlands.
24. Fax to Mr. Rainer Berkman, ESIF, Germany (with copy to Mr. Chris Nikitakis, ESIF, Greece), 20 May 1999, Hans Westling, Sweden.
25. “Suppliers influence”, copy of presentation by Peter Out.
26. List of Actions, drawn up at the meeting.

DISTRIBUTION

These Minutes are distributed to all Experts on the Task 24 Address List, Appendix 2.