

Green Recovery in Scotland: Low Carbon Energy Project Capital Funding

Applications for Funding

QMPF

What is the Low Carbon Infrastructure Transition Programme (“LCITP”)?

- The LCITP is a Scottish Government led initiative, aimed at assisting private, public and community low-carbon projects across Scotland.
- The LCITP offers support through a range mechanisms including project development, expert advice and financial support.
- The LCITP aims to stimulate commercial interest and investment and maximise Scotland’s potential in the low carbon sector, whilst contributing to Scottish government’s target of reducing greenhouse gas emissions.

The LCITP is offering financial support

- This new funding invitation is aimed at encouraging the **green** recovery from the economic challenges faced from COVID-19.
- Over £50m of capital support is available for projects that demonstrate **innovative low carbon heat solutions** for buildings, as well as proposals for **integrated energy systems**.
- This invitation has a focus on **demonstrating new approaches**, meaning that established technologies in Scotland are not eligible unless part of a wider innovative project combining technologies.

LCITP grant eligibility criteria

Projects must be able to:

- demonstrate a contribution to delivery of ambitions to decarbonise Scotland’s energy system, including the potential to deliver a reduction in greenhouse gas emissions and energy consumption.
- provide confirmation of other sources of funding / finance that make a minimum of 50% contribution towards the development costs.
- demonstrate that an investment case has been completed, highlighting a funding gap.
- show the potential of the project to have a positive and significant social and economic impact on Scotland and to contribute to green recovery.
- demonstrate additionality of, and requirement for LCITP support.
- demonstrate innovation of technology and / or business case.
- demonstrate replicability and rollout of the project.

More information can be found here:
<https://www.gov.scot/publications/green-recovery-low-carbon-energy-project-capital-funding-form-and-guidance-2/>

How much funding is available?

- Up to a maximum of £5m of support is available per project but applicants must provide a minimum of 50% of the funding towards eligible capital costs.
- Funding will be prioritised to low carbon heat and integrated energy projects.

How can QMPF help?

QMPF is an independent corporate financial adviser with a wide breadth of experience in the low carbon and renewables sector working with both public and private sector clients. We have supported business case development for over 10 LCITP eligible projects.

Our expertise includes:

- producing financial analysis and assisting in preparation of investment grade business cases;
- reviewing technical advisers’ assumptions;
- appraising renewable energy scheme options;
- financial modelling for different technologies and running sensitivities;
- advising on funding options available, soft market testing and raising finance;
- assisting with applying and securing grant funding; and
- project structuring, strategy and general commercial advice.

More information on QMPF can be obtained at the link below:
www.qmpf.co.uk

The closing date for applications is 13 November 2020

Online Information Webinars	Oct/Nov 2020
Deadline for receipt of Expression of Interest	13 Nov 2020
Notification of Outcome of Expression of Interest	w/c 30 Nov 2020
Deadline for receipt of Final Application	18 Jan 2021
Conclusion of Funding Offers	Apr 2021
Final completion of development work	30 April 2023

We would be delighted to speak to you further...



Clare Lacey, Partner
2nd Floor, Excel House,
30 Sempole Street, Edinburgh
EH3 8BL
Tel +44 131 222 2612
Mob +44 790 152 7215

Clare.Lacey@qmpf.co.uk



Andrew Dougans, Associate Director
2nd Floor, Excel House,
30 Sempole Street, Edinburgh
EH3 8BL
Tel +44 131 222 2601
Mob +44 778 011 6987

andrew.dougans@qmpf.co.uk

This presentation was prepared by QMPF LLP (“QMPF”), exclusively for the internal use of the recipient. Neither QMPF nor any of its Partners, agents or employees makes (or is authorised to make) any representation or warranty (expressed or implied) or shall have any responsibility or liability in respect of the information supplied or for the accuracy or completeness or for any other matter and no representation is made or is to be implied that the information will remain unchanged. Certain information contained herein is based on or derived from information provided by independent third party sources. QMPF believes that such information is accurate and that the sources from which it has been obtained are reliable, but neither QMPF nor its affiliates have independently verified any of the information contained herein. QMPF cannot guarantee the accuracy of such information, however, and has not independently verified the assumptions on which such information is based. This document is proprietary to QMPF and may not be disclosed to any third party or used for any other purpose without the prior written consent of QMPF. The information in this document is based upon public information and that provided by our client. QMPF is authorised and regulated in the United Kingdom by The Financial Conduct Authority, registration no. 596081.

Green Recovery in England: Public Sector Decarbonisation Scheme

Applications for Funding

QMPF

What is the Public Sector Decarbonisation Scheme ("PSDS")?

- The PSDS is a grant scheme launched by the Department for Business, Energy and Industrial Strategy ("BEIS") to fund energy efficiency and heat decarbonisation projects in England. The PSDS seeks to deliver stimulus to the energy efficiency and low carbon heat sectors and deliver significant carbon savings in the public sector.
- PSDS is also supported by the Public Sector Low Carbon Skills Fund ("LCSF"). The LCSF offers grant funding to support public bodies in appointing advisors to assist in developing applications for the PSDS or in the development and delivery of projects.

The PSDS is offering financial support

- This new funding invitation is aimed at encouraging **green** investment, aligning with the Government's Net Zero and clean growth goals.
- Up to **£1bn of grant funding** is available to **finance up to 100% of the capital costs** for eligible projects.
- The support is for technologies that **directly contribute to the heat decarbonisation** of buildings, **reduce overall energy demand, enable future heat decarbonisation projects or replace coal or oil-fuelled systems.**
- The PSDS is separate to the £320m Heat Network Infrastructure Project, which offers funding to support the development and construction of heat networks.

PSDS grant eligibility criteria

The scheme is available for:

- public sector bodies in England, including further and higher education institutions, NHS Trusts and local authorities;
- projects installing energy efficiency and low carbon heat technologies, including heat pumps and connections to low carbon heat networks;
- projects taking place in buildings for which applicants pay the energy bills and will benefit from any savings;
- projects where the cost to save a tonne of carbon over the lifetime of the project is £500 or less. (Technologies that do not reduce carbon, such as metering, are exempt from this criterion);
- capital works, though external consultancy and management fees may be included (additional enabling costs may be covered by the LCSF); and
- projects that demonstrate an additionality of and requirement for PSDS support.

The eligibility criteria for the LCSF replicates the PSDS and allocation will be based on need.

More information can be found here:
<https://www.salixfinance.co.uk/PSDS>

How much funding is available?

- There is no minimum or maximum grant value that can be applied for an individual project and there is no requirement for applicants to provide their own funding. Applications will be reviewed on a case-by-case basis.
- The total scheme is capped at £1bn and applications will be reviewed on a rolling weekly basis with priority given to projects with early completion dates.
- There is no minimum or maximum amount of LCSF that can be applied for.

How can QMPF help?

QMPF is an independent corporate financial adviser with a wide breadth of experience in the energy and renewables sector working with both public and private sector clients.

Our expertise includes:

- producing financial analysis and assisting in preparation of investment business cases;
- assisting with applying and securing grant funding;
- reviewing technical advisers' assumptions;
- appraising renewable energy scheme options;
- financial modelling for different technologies and running sensitivities;
- advising on funding options available, soft market testing and raising finance; and
- project structuring, strategy and general commercial advice.

The closing date for PSDS applications is 11 January 2021

LCSF Deadline*	4 Dec 2020
PSDS Deadline for applications*	11 Jan 2021
Notification of Outcome	29 Jan 2021
Final completion of development work	30 Sep 2021

*Deadline for government departments are considerably earlier

More information on QMPF can be obtained at the link below:
www.qmpf.co.uk

We would be delighted to speak to you further...



Clare Lacey, Partner
2nd Floor, Excel House,
30 Sempole Street, Edinburgh
EH3 8BL
Tel +44 131 222 2612
Mob +44 790 152 7215

Clare.Lacey@qmpf.co.uk



Andrew Dougans, Associate Director
2nd Floor, Excel House,
30 Sempole Street, Edinburgh
EH3 8BL
Tel +44 131 222 2601
Mob +44 778 011 6987

andrew.dougans@qmpf.co.uk

This presentation was prepared by QMPF LLP ("QMPF"), exclusively for the internal use of the recipient. Neither QMPF nor any of its Partners, agents or employees makes (or is authorised to make) any representation or warranty (expressed or implied) or shall have any responsibility or liability in respect of the information supplied or for the accuracy or completeness or for any other matter and no representation is made or is to be implied that the information will remain unchanged. Certain information contained herein is based on or derived from information provided by independent third party sources. QMPF believes that such information is accurate and that the sources from which it has been obtained are reliable, but neither QMPF nor its affiliates have independently verified any of the information contained herein. QMPF cannot guarantee the accuracy of such information, however, and has not independently verified the assumptions on which such information is based. QMPF does not have any association with the funding body, nor with any party charged with delivering the funding scheme. This document is proprietary to QMPF and may not be disclosed to any third party or used for any other purpose without the prior written consent of QMPF. The information in this document is based upon public information and that provided by our client. QMPF is authorised and regulated in the United Kingdom by The Financial Conduct Authority, registration no. 596081.