

ZEZ community energy projects



**Green
Energy
Cooperative**

ZEZ community energy projects

Technological Park, Križevci (2018)

- 30 kW solar power plant
- 30.000 EUR
- 53 small investors (citizens)

City Library, Križevci (2019)

- 30 kW
- 25.000 EUR
- 40 small investors (citizens)

Business model

- ZEZ received micro-loans from citizens to fund the project (4% interest rate / 10 years) -> not cooperative members, but „external investors”
- ZEZ signed a 10-year lease contract for the PV plant with the end user (Technological Park and City Library)
- PV plant is working as a self-consumption power plant, 90% is self-consumed at the facility



Challenges

- Leasing is a regulated activity. Leasing contract is not ideal for scaling the model due to complex and expensive financial regulation and compliance.
- Alternative: ESCO / Energy Performance Contract could be used, but it's more complex (50+ pages of contract) for both end user and service provider (ZEZ) to manage.
- Public procurement for leasing
 - Local authorities does not have the expertise to prepare a public procurement process for PV plant leasing, especially with „community engagement” as a awarding criteria.
 - ZEZ can provide the expertise but then runs into potential conflict of interest -> being awarded a contract for which it provided consultations to the local authority.