



Fundacja na rzecz Efektywnego Wykorzystania Energii

**Public Procurement of
Energy Saving Technologies
in Europe
(PROST)**

**Report on the Country Study for Poland:
Task 2a – Current Public Sector Purchasing, Building,
and Replacement Practices
Task 4b – PICO Feasibility Study**

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1 Executive Summary

1.1 Energy Efficiency in Current Public Sector Purchasing, Building, and Replacement Practices

Energy efficiency does not play at present any significant role in public procurement practices in Poland, unless the cost of energy is a prevailing factor in the new investment. Otherwise, the choice is usually determined by the purchase price of the equipment.

Where the equipment or a facility is already in place and the related costs of energy are significant, energy efficiency (or rather energy savings translated into money), becomes an issue. The existing or previous mechanism of supporting investments in efficient street lighting or heat savings have led to noticeable progress in reducing energy bills in many cities in Poland. Still the existing energy saving potential is very large and the existing subsidy resources are far too short to solve the problem countrywide.

The access to bank loans is limited by two factors (i) a 15% cap (of the budget) on debt and (ii) the size of typical energy efficiency investment, which is usually too small for banks to offer attractive, or acceptable terms. Although, Poland can be proud of having an efficient way of supporting selected energy efficiency investments by the National Environmental Protection Fund (NFOS) and the Environmental Protection Bank (BOS), more general mechanisms of making the bulk energy efficiency investments attractive for investors is needed.

A main practical obstacle for continuous improvement of energy efficiency, environmental and life cycle issues in public procurement is that purchasing units do not have sufficient, up-to-date and easily accessible knowledge of:

- National and international (EU) procurement legislation.
- Procurement procedures implementing assessment and evaluation of environmental qualities of products and services.
- Environmental properties of products, services, and building materials.
- Labels and ratings developed for “green” products.

Usual obstacles for the implementation of energy efficiency and green purchasing measures in public procurements are:

- Lack of funds
- Lack of information
- Lack of motivation
- Lack of personnel resources and time
- Lacking follow-up activities

Several solutions can be contemplated:

(a) Third Party or ESCo-type and PICO Financing. This is slowly making its way in Poland. However, the municipalities are still reluctant to enter such agreements because (i)

they substantially increase the investment costs, (ii) the understanding of TPF, PICO or ESCo mechanisms is still not common, (iii) the ESCo type contracts require specialised legal experience and knowledge the municipalities could rely on, which is not readily available in Poland yet.

(b) “Bundling” or “packaging” of small projects of a similar type to decrease the unit transaction costs and make them more attractive to commercial banks.

(c) establishing energy efficiency revolving funds (PICO). Two members of Polish Network “Energie Cites” have undertaken such an initiative in heat savings, and the results seem to be encouraging.

As far as inclusion of energy efficiency as an important parameter into the public procurement set of rules is concerned, availability of information and good practice examples are very important. Poland’s participation in the initiatives that are being developed in the European Union and in the United States can be greatly helpful in this respect. The issue has to be publicised to draw the attention of the decision-makers who, otherwise, are overwhelmed by a multitude of problems they are confronted with every day.

1.2 Public Internal Performance Contracting (PICO)

Public internal performance contracting (PICO) is as far as known here not very common in Poland and the experiences are hence very limited. It is important to observe that the funds available especially in smaller municipalities are very limited for PICO. Many municipalities also lack the personnel and skills to undertake a PICO. Public internal performance contracting may be possible in larger public entities. Two members of Polish Network “Energie Cites” have undertaken such an initiative in heat savings, and the results seem to be encouraging.

On the other hand, outsourcing of different services may become more topical in the future and there are several examples in which whole local utilities have been sold and the corresponding services outsourced.

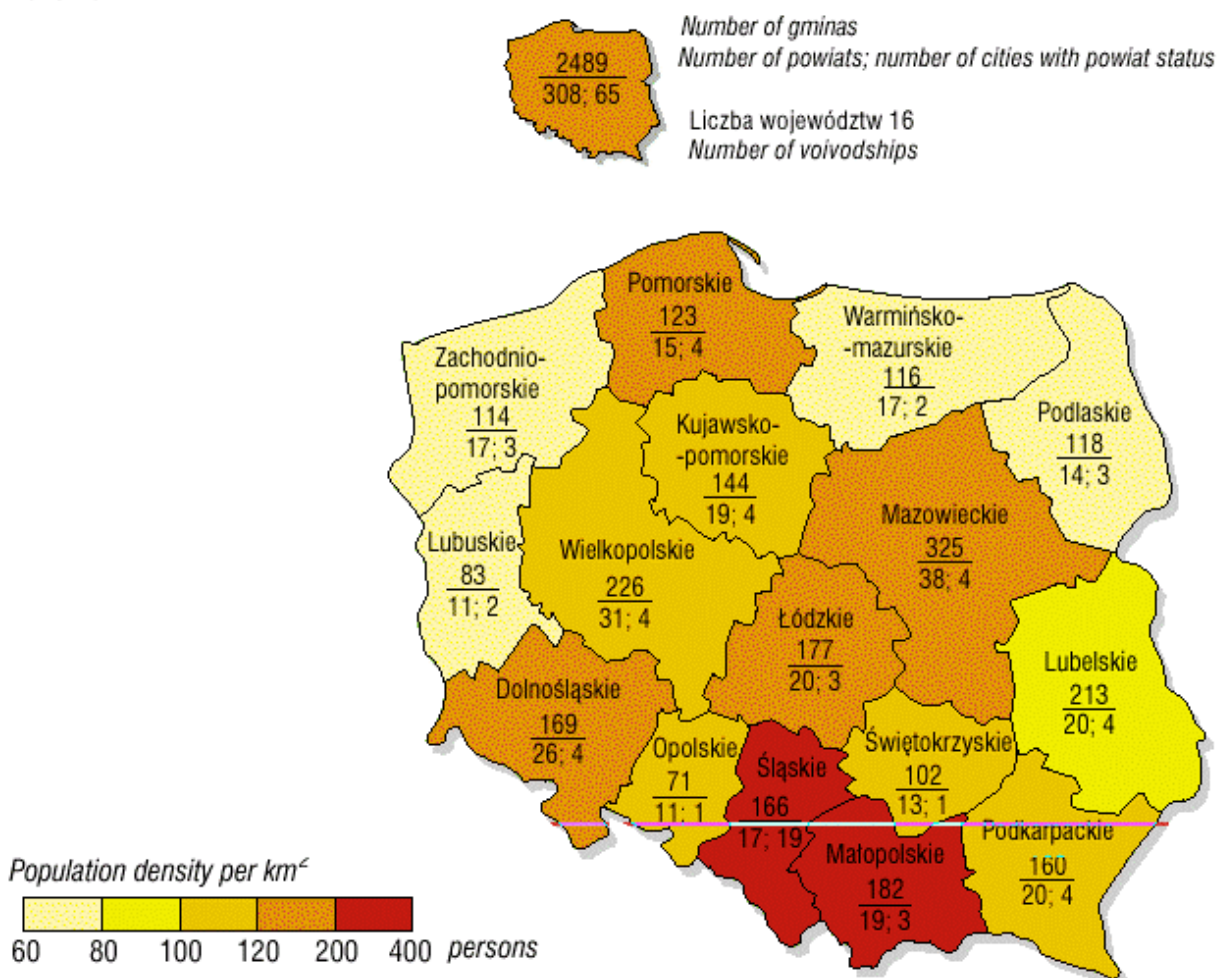
2 General Information on the Political, Legal, and Economic Framework for Energy-Efficient Public Purchasing

2.1 General Information on Public Administration System

On 01.01.1999 a new fundamental three-tier administrative division of the country was introduced, the entities of which are: gminas, powiats and voivodships. A total of 308 powiats and 65 cities with powiat status as well as 16 voivodships were created. This change did not effect gminas, of which there were 2489. On 01.01.2002, seven new powiats were created

The gmina is the basic unit of the country's territorial structure among others, village administrator's offices comprise auxiliary entities in gminas. As of 3.12.200, there were 39938 such offices.

THE ADMINISTRATIVE DIVISION OF POLAND IN 2000
 As of 31 XII



MINISTRIES, CENTRAL AGENCIES AND MAJOR INSTITUTIONS

The Chancellery of Sejm	Central Office of Measures
The Chancellery of Senate	Central Statistical Office
The Chancellery of the President	Institute of National Remembrance
The Chancellery of the Prime Minister	General Police Headquarters of Poland
Ministry of National Education	National Border Guard Headquarters
Ministry of Finance	National Fire Service Headquarters
Ministry of Foreign Affairs	Polish Securities and Exchange Commission
Ministry of Economy	Committee of Cinematography
Ministry of Culture	National Broadcasting Council
Ministry of Defence	Domestic Labour Office
Ministry for Environment	The Head Office of State Archives
Ministry of Labour and Social Policy	Supreme Administrative Court
Ministry of Agriculture and Rural Development	Supreme Auditing Chamber
Ministry of the Treasury	National Bank of Poland
Ministry of Justice	National Atomic Energy Agency
Ministry of Interior and Administration	Polish Agency for Foreign Investment
Ministry of Health	Polish Press Agency
State Committee for Scientific Research	Polish Academy of Sciences
State Committee for European Integration	Polish Committee for Standardisation
Government Centre for Legislation	Polish Centre for Testing and Certification
Government Centre for Strategic Studies	"Polish Radio and Television"
Agency for Restructuring and Modernisation of Agriculture	Civil Rights Intercessor
Agricultural Market Agency	Supreme Court
State Treasury Agricultural Property Agency	Constitutional Tribunal
The General Inspector for the Protection of Personal Data	Technical Supervision Authority
Main Customs Inspectorate	Office for War Veterans and Victims of Oppression
Main Pharmaceutical Inspectorate	Office of General Conservator of Historical Heritage
Main Railway Inspectorate	State Sports Administration
General Inspectorate of Civil Aviation	Housing and Urban Development Office
Plant Protection Inspection Service	Office for Competition and Consumer Protection
Main Sanitary Inspectorate	Office of State Protection Republic of Poland
Main Veterinary Inspectorate	The Patent Office of Republic of Poland
Customs Head Office	Civil Service Authority
Head Office of Land Surveying and Cartography	Public Procurement Office
State Inspectorate of Environmental Protection	State Mining Authority
	Social Security Service
	Institute of Atomic Energy

2.2 National Targets for Energy Efficiency and/or Climate Protection in the Public Sector

#In the following, we have copied the respective questions from the specs_to_natlteams (marked S1 etc.) or from the interview guide (marked I1 etc.) to the subchapters where they are supposed to be answered. The questions should be kept in the report#

Question(s) to be answered in this section:

- S1. Are there national targets for energy efficiency or CO₂ reduction in public institutions (maybe derived from other environmental targets)? Do such targets exist on other levels of government (regional, local)?

To date, national total emission reduction targets do not exist in Poland, but with the ongoing legal harmonisation process European emission standards for air pollutants will become obligatory for Polish emission reduction policy, when EU directives concerning air quality improvement have been included into Polish legislation and implemented.

Nowadays, there are no official government target figures for CO₂ reduction and energy efficiency in public institutions in Poland. There are no mandatory norms except for the building codes.

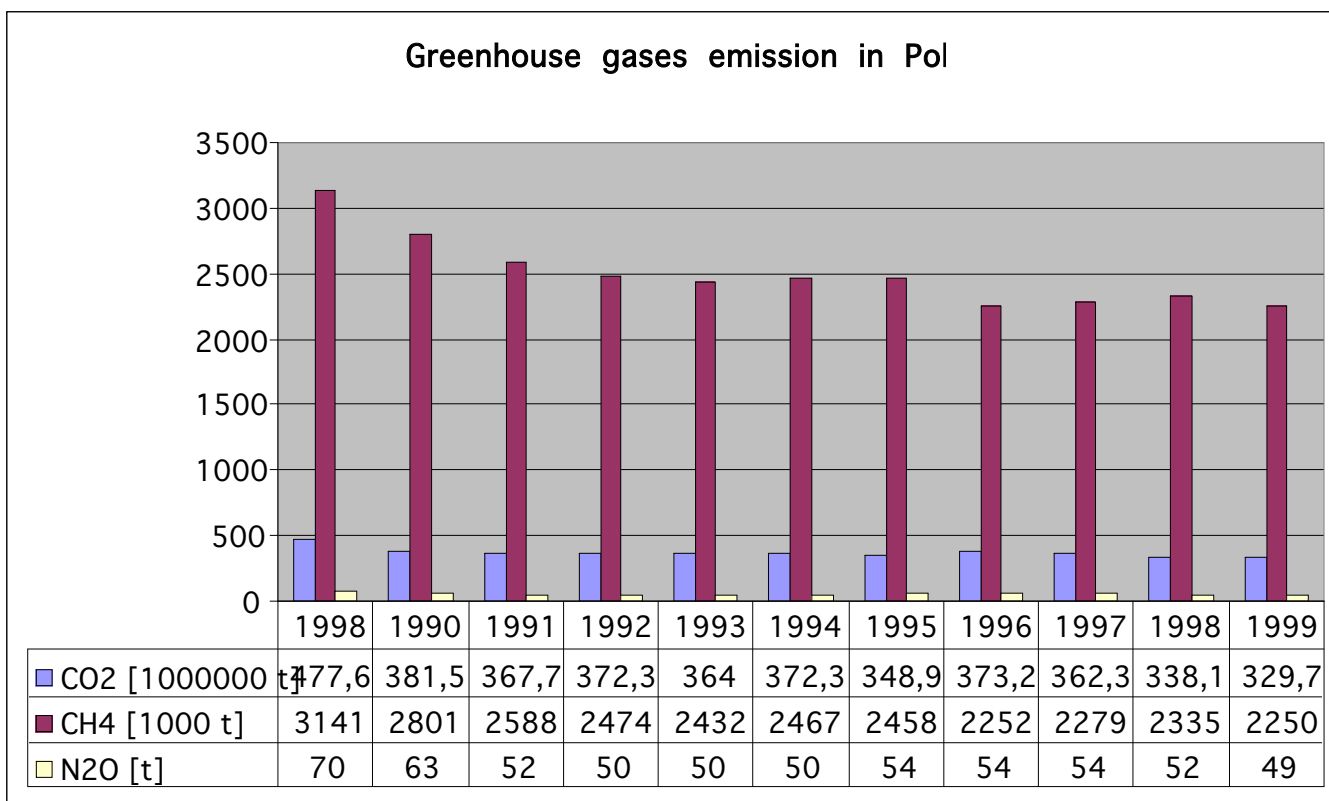
However, the Decree of 30.12.1997 on taxes for introduction of pollutants to the air and extraction trees and shrubs, and its amendments of 22.12.1998 introduced taxes and charges for greenhouse gases emission: CO₂, CH₄, and NO_x (calculated as nitrogen dioxide). For NO_x and SO₂, the fine (0.30 PLN/kg) is taken out of the profits, so that the enterprise cannot pass the costs to the consumers.

For CO₂ the tax is on motor fuels and other energy products. Charge is levied at Euro 0.035 per ton of CO₂, the revenues are used in the general budget. Revenues from all charges (covering 62 pollutants) were Euro 154 million in 1996. The tax is spent through Municipal, Provincial and National environmental protection funds.

Poland is the party to the United Nations Framework Convention on the Climate Change from July 1994; in December 1997 Poland adopted, and in July 1998 signed the Kyoto Protocol. Poland obliged itself to reduce the greenhouse gases emission by 6% comparing to 1998.

Table Greenhouse gas emission in Poland

	1998	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
CO₂ [10⁶ t]	477,6	381,5	367,7	372,3	364,0	372,3	348,9	373,2	362,3	338,1	329,7
CH₄ [10³ t]	3141	2801	2588	2474	2432	2467	2458	2252	2279	2335	2250
N₂O [t]	70	63	52	50	50	50	54	54	54	52	49



2.3 Policy Programmes on Energy Efficiency in Public Institutions

Question(s) to be answered in this section:

S2. Is there a national programme on energy efficiency in public institutions in your country? If yes, is it voluntary or compulsory? Is there such a programme on other levels of government (e.g. run by a regional govt., or a co-operation of local governments)?

S3. Is it on product procurement, or building energy management, or both?

S4. What does it contain?

Info?

Training?

Benchmarking

Product databases, best practice databases, etc

LCC analyses and evaluation?

Specifications, guidelines, target values

Laws, regulations, rules

Financial incentives (purchasing; investments; and institution building)

Credit, revolving funds, etc

Support for performance contracting (rule making, promotion, training)

Other

S5. Who co-ordinates the programme?

S6. If a specific programme, what are the resources (staff, funding/year) available for the programme and the co-ordinator? How is it organised: on the central government level only, or with regional branches?

S14 Trends, expected evolution?

There is no such a programme in Poland. However, The Polish Parliament established a Thermal Modernisation Fund (TMF) to promote energy savings in buildings in 1998. TMF support is granted if an energy audit shows that the investment can be paid back within 10 years using energy savings. The investor is required to contribute 20% of the total project cost, including the cost of the audit. After commissioning of the investment, 25% of the loan is forgiven. Projects in conversion to renewable fuels can also be considered by the TMF.

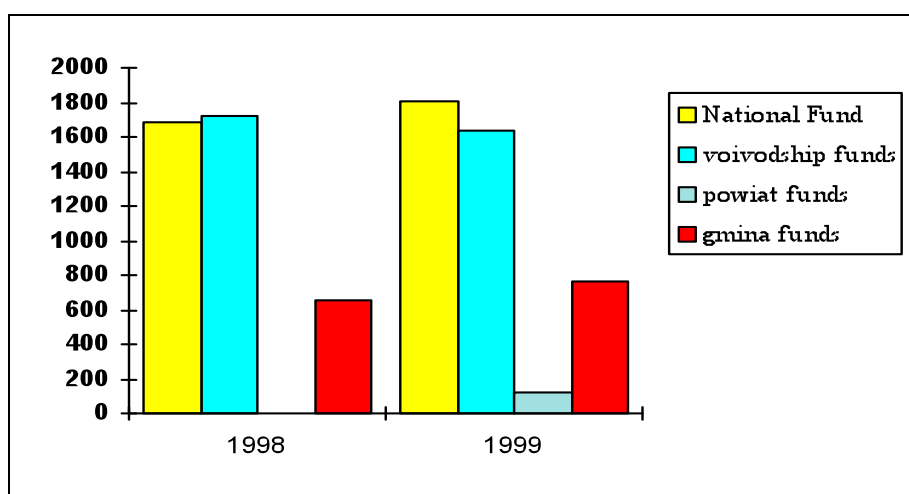
Additionally, Poland can be proud of having an efficient way of supporting selected energy efficiency investments by the National Fund for Environmental Protection and Water Management (NFOS) and the Environmental Protection Bank (BOS). Through subsidies and preferential loans the National Fund supports initiatives that serve the improvement of the state of our nature. Special attention is given to ecological activities adapting Poland to the European Union Standards and fuel conversion from coal to gas and biomass. The National Fund is the largest institution financing environmental protection projects in Poland. The mission of the Fund is to provide financial support for undertakings of a national or interregional scale.

The day to day operations of the National Fund are co-ordinated by the Management Board, which represents the Fund, decides on project financing priorities and manages co-operation with voivodship funds.

NFOS Financing

NFOS	In million PLN (1 € = 3.6 PLN)	
	1998	1999
1. Funds at the beginning of the year	591.7	1,149.3
2. Income	3,458.6	3,172.6
Of which:		
From the state	1,988.8	1,629.2
Own	1,469.8	1,543.4
3. Funds (1+2)	4,050.3	4,3221.9
4. Expenditure	2,899.3	3,488.6
Of which:		
Financial help for environmental protection	2,571.0	3,087.5
Financial help for mining and geology sectors	96.7	85.3
Running cost	78.4	73.9
others	154.2	241.9
5. Funds at the end of the year (3-4)	1,151.0	833.3

Available funds



2.4 Co-operative Purchasing by Public Institutions

Question(s) to be answered in this section:

S7. Is there a co-operative purchasing or a common buying-agency - among agencies at one level of government? across levels of government? (e.g., national agency provides buying services to local governments)?

S14 Trends, expected evolution?

Co-operative purchasing and a common buying-agency, as far as we know, don't exist in Poland. However, in few cases schools administrated by particular cities use co-operative product purchasing to reduce overall cost of purchasing.

2.5 Energy Management in Public Institutions

Question(s) to be answered in this section:

S8. Typically, which type of national/ regional/ municipal/ other institutions in your country have an energy management unit?

S14 Trends, expected evolution?

Energy management units do not exist in most of public institution in Poland. However, in few Polish cities exist energy advisory bodies at city councils or president, but without decision tools. They can only influence the authorities to consider and undertake the energy efficiency measures.

Some of the activities, such as energy monitoring and energy conservation measures, are undertaken by investment or organisational departments of the municipality (city, county) offices.

Due to free competition and open market, energy plays more and more important role in Polish institutions, so energy management units will be surely established in the nearest future.

2.6 Key Statistical Data

2.6.1 Energy Data

Question(s) to be answered in this section:

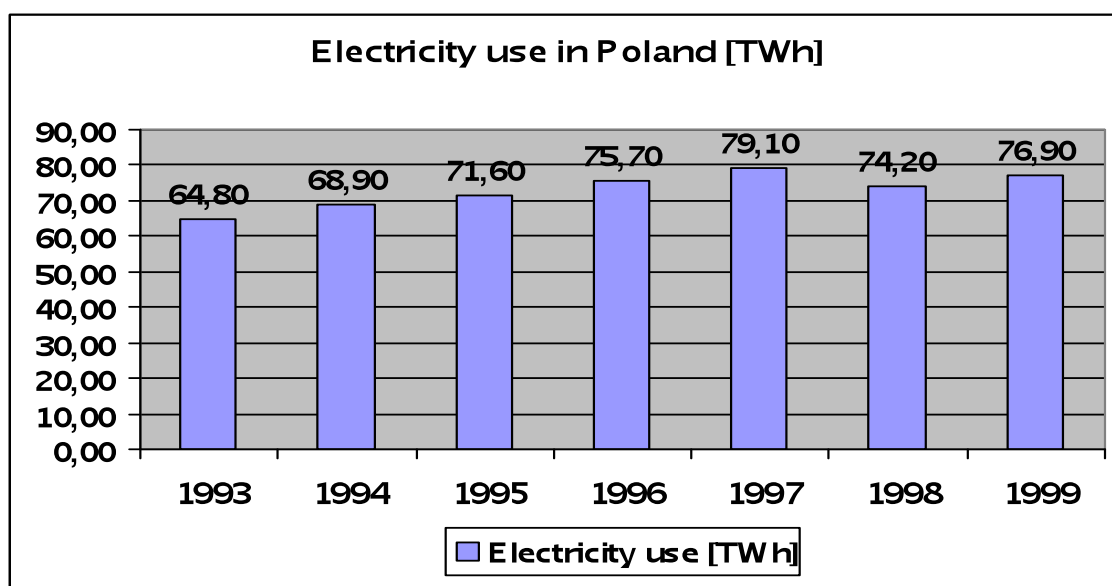
Energy data:

- How much energy of which type goes to public sector? How much (%) of natl. total?
- Energy costs as share of the jurisdiction's total budget (specific jurisdiction examples or typical)

S16. Do bottom-up studies of energy by end-use in public institutions exist?

Total primary energy consumption in Poland in 1998 amounted at 4069,6 PJ

The total value of fuel and energy in 1998, which went to the public sector amounted at 1006 million PLN (central level - 1004 million PLN, local level - 2 million PLN)



The goal mentioned in 2nd Polish National Environmental Policy is to reduce energy intensity [PJ/GDP] of 25% by 2010 and of 50% by 2025 comparing to year 2000.

Bottom-up studies of energy by end-use don't exist in public institutions.

2.6.2 Product Data

Question(s) to be answered in this section:

Product data

- annual appliance sales (to all, to public sector)
- annual energy use - for each year's purchase
- suggested efficiency norm for purchasing
- energy savings (for public sector only) if all were purchased at that norm (per 1 year of sales - Note: need to look at potential after several years of sales and turnover, especially for products with longer lifetimes and slower rates of turnover.)

- "public sector" includes: national, regional and municipal governments, universities, schools, public housing

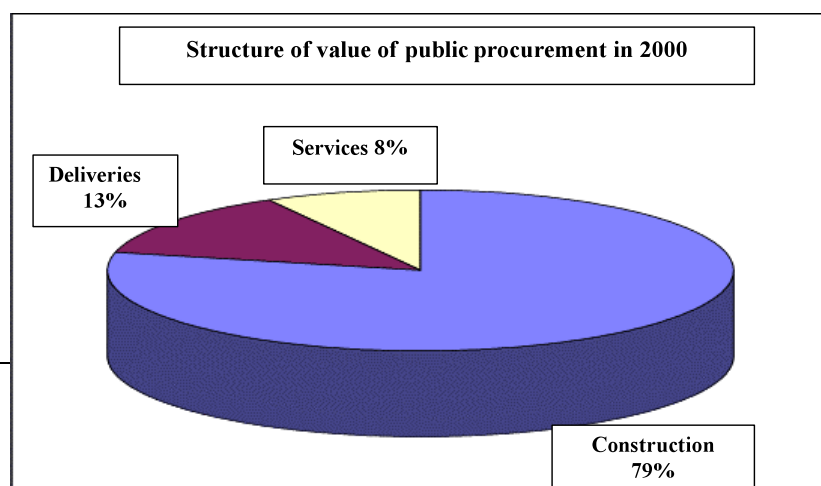
S14 Trends, expected evolution?

It is very difficult to estimate product data in public institution in Poland.

The total value of unlimited tenders over the 30,000 ECU threshold announced in the Bulletin of Public Procurement in 2000 is estimated at over 23 billion PLN (such estimate is based on average value of contract and total number of public procurement announcements). In comparison, in 1999 this figure came to 14.8 billion PLN. With regard to the subject matter of tender proceedings, 55% of unlimited tenders announced in the Bulletin were for construction (against 1999's figure of 59%), 25% were for deliveries (23% in 1999) and 20% for services (18% in 1999). As an analysis of the bid selection announcements published in 2000 shows, under the unlimited tendering procedure in tenders over 30,000 ECU, 79% of all funds were spent on construction (against 79% in 1998, 13% on deliveries (15% in 1999), and 8% on services (6% in 1999).

In the case of self-government institutions (48% of total public procurement), 73% of unlimited tenders announced in the Bulletin of Public Procurement were for construction, 8% were for deliveries and 19% for services. As an analysis of the bid selection announcements published in 2000 shows, under the unlimited tendering procedure in tenders over 30,000 ECU, 88% of all funds were spent on construction, 4% on deliveries, and 8% on services.

In the case of healthcare sector (15% of total public procurement) 10% of unlimited tenders announced in the Bulletin of Public Procurement were for construction, 73% were for deliveries and 17% for services. As an analysis of the bid selection announcements published in 2000 shows, under the unlimited tendering procedure in tenders over 30,000 ECU, 21% of all funds were spent on construction, 69% on deliveries, and 8% on services.



Source: Report on functioning of public procurement system in 2000r. Office of Public Procurement

2.6.3 General Data

Question(s) to be answered in this section:

General data:

- building floor area by type:

office/admin. (public sector as % of total)

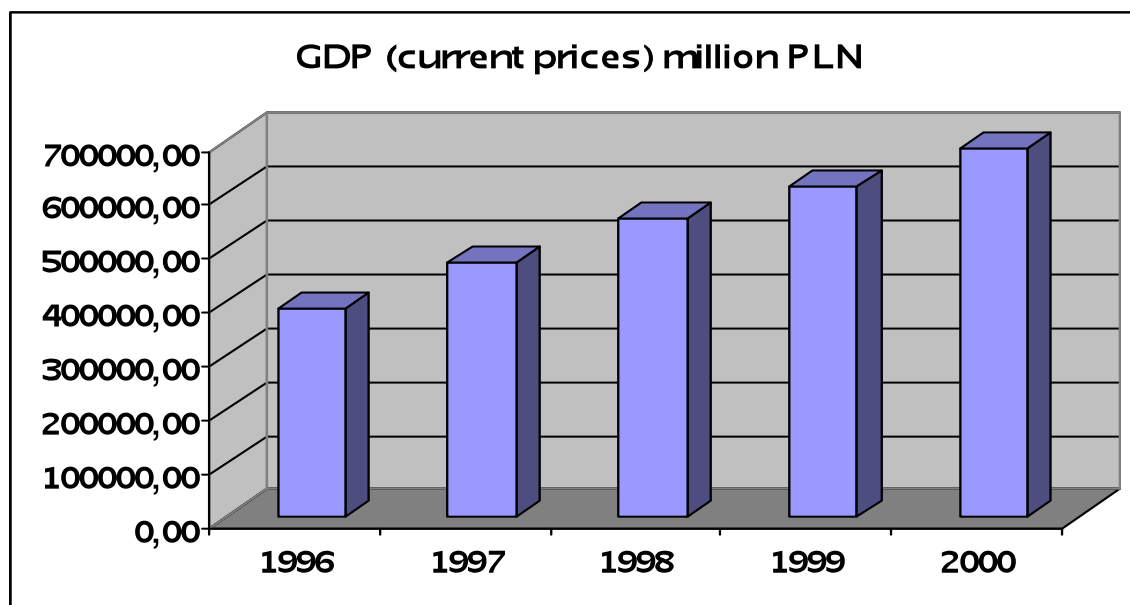
public housing (# units as well as floor area; public sector as % of total)

The population in Poland is 38.646 million persons. The number of economically active persons was 17.529 million (employment in total: 15.373 million). The public sector has 4.39 million employees (28.6%), private sector - 10.983 million.

Basic statistics of # units in different categories are in the following:

- 10 081,000 students in schools
- 1 584,800 students in universities
- 865 000 employees (schools, universities)
- 198 688 beds in hospitals
- 60 355 prisoners (1 January 2000)
- 189 341 soldiers (1 October 2000)
- GDP (1€ = 3.6 PLN):

Year	1996	1997	1998	1999	2000
GDP(current prices) million PLN	387 826.6	472 350.4	553 560.1	615 115.3	685 596.7



2.7 Laws and Regulations Governing Product Purchasing and Investments by Public Institutions

2.7.1 General Laws and Regulations

Question(s) to be answered in this section:

- S9. Which laws and regulations govern product purchasing and investments in general (including building codes, minimum efficiency standards, technical guidelines etc. that apply to all purchasers/investors)?
- buying products
 - replacing components (if different from above)
 - for buying energy
 - for making investments in buildings
 - for O & M in buildings (buying services or through internal staff)
- S14 Trends, expected evolution?

The Acts on public procurement

The Act of June 10, 1994 on Public Procurement

The Act of April 9, 1999 amending the Act on Public Procurement (Journal of Law, Dz. U. of 1999 No. 45, item 437)

The Act of September 9, 2000 amending the Act- Penal Code, the Act- Penal Procedure Code, the Act on Combating Unfair Competition, the Act on Public Procurement and the Act- Banking Code (Journal of Law Dz.U. 00.93.1027)

The Act of October 26, 2000 amending the Act on Public Procurement (Journal of Law, Dz.U.00.110.1167)

ACT of June 22, 2001 amending the Act on Public Procurement

The Act of July 26, 2001 amending the Act on public Procurement

Other regulations concerning public procurement

1. Ordinance of the Council of Ministers of August 20, 1996 on the detailed rules of conducting public procurement due to the protection of national security, protection of State secrets, natural disaster or another important interest of the State promulgated in:

OJL of 16 September 1996 No 109, item 524

OJL of 19 July 1997 No 81, item 515;

2. Ordinance of the Chairman of the Council of Ministers of December 27, 1997 regarding the conferring of the statute of the Office of Public Procurement promulgated in:

OJL of 8 December 1997 No 145, item 976,

OJL of 3 April 1998 No 43, item 257,

OJL of 17 December 1998 No 153, item 994;

3. Ordinance of the Chairman of the Council of Ministers of November 7, 1997 on the patterns of announcements concerning public procurement published in the Public Procurement Bulletin and additional information contained in such announcements promulgated in :

OJL of 15 November 1997 No 138, item 930

4. Ordinance of the Council of Ministers of December 28, 1994 on applying domestic preferences in awarding public procurement promulgated in:

OJL of 31 December 1994 No 140, item 776

5. Ordinance of the Chairman of the Office of Public Procurement of December 29, 1994 on the pattern of public contract procedure protocol and additional requirement which must be met by that protocol promulgated in:

MP of 13 January 1995 No 1, item 12

6. Ordinance of the Minister of Internal Affairs and Administration of February 26, 1999 on the methods and basis for preparing an investors cost estimates promulgated in:

OJL of 30 March 1999 No 26, item 239;

6a. Ordinance of the Minister of Internal Affairs and Administration of February 26, 1999 on the cost calculation, unit prices of works and prices of production factors promulgated in:

OJL of 30 March 1999 No 26, item 240;

7. Ordinance of the Minister of Physical Planning and Construction of December 30, 1994 on establishing the value threshold of construction works for which security for performance of the contract is necessary and the forms of this security promulgated in:

OJL of 31 December 1994 No 140, item 794;

8. Ordinance of the Council of Ministers of August 5, 1997 on the scope of creative design work and the procedure of carrying out competitions for creative design work and work in the field of creative activity in culture and arts promulgated in:

OJL of 26 August 1997 No 100, item 619;

9. Ordinance of the Chairman of the Council of Ministers of August 20, 1999 on the procedural rules and regulations regarding the consideration of appeals pertaining to the award of public contracts promulgated in:

OJL of 3 September 1999 No 73, item 815;

10. Ordinance of the Chairman of the Office of Public Procurement of January 2, 1995 regarding the conditions of entry into the list of arbiters and removal from the list of arbiters promulgated in:

MP of 13 January 1995 No 1, item 15;

11. Ordinance of the Chairman of the Council of Ministers of August 20, 1999 on the remuneration for carrying out tasks of arbiters promulgated in:

OJL of 3 September 1999 No 73, item 816;

12. Ordinance of the Council of Ministers of January 6, 1998 regarding the references which the contracting authority may request from the supplier or contractor mentioned in Article 22.2 of the Act on Public Procurement promulgated in:

OJL of 12 February 1998 No 19, item 87;

OJL of 8 October 1998 No 126, item 832;

13. Ordinance of the Minister of Internal Affairs and Administration of March 23, 1998 on the detailed scope and the procedure of despatch price information from the procedure for the award of public works contracts and the copy of the most advantageous tender promulgated in:

OJL of 3 April 1998 No 43, item 260;

14. Ordinance of the Council of Ministers of March 10, 1998 regarding the value and the detailed rule of payment of fees from appeals filed in the procedure for the award of public contracts promulgated in:

OJL of 19 March 1998 No 34, item 189;

2.7.1.1 The Act on Public Procurement.

The leading principle of the Act is open and fair competition. The Act requires fair and equal treatment of competitors, full and open competition and, clear, precise disclosure of information. Since its introduction the Act has been amended a couple of times mainly in the direction of clarification of rules and definitions, broadening of its scope, decentralisation and transparency.

Together with the Act, an independent (responsible directly to the Prime Minister) policy making and information co-ordinating central government agency has been created - the Office of Public Procurement (www.uzp.gov.pl). Both procuring entities and suppliers may obtain information concerning framework legal rules (including laws, ordinances, standard announcement and procedure documents) as well as specific data on procurements from the Office.

The Polish system of public procurement is based on a number of transparent principles:

- clear definition of procurement and its methods,
- requirements of tender publication,
- clear contract award criteria,
- requirements on information on awarded contracts,
- the right to review.

In the course of 2001 the Act was significantly amended with the aim of bringing it into line with European law on public contracts (European directives). Examples of particular harmonisation areas covered by the amendments are:

- general definitions,
- scope of application- entities covered by the Act including entities operating in water, electricity, transport and telecommunication sectors (utilities)
- exemptions from the Act,
- conditions for using particular procedures other than unlimited tendering,
- selection and award criteria,
- rules on publishing public procurement announcements and offer selection announcements

Procuring entities:

The following procuring entities are obliged to apply the provisions of the Act when awarding public contracts:

- public finance sector entities within the meaning of the Public Finance Act (organs of public authorities, organs of government administration, state review bodies, courts and tribunals, units of local self government, state budgetary units and support services created by the state budgetary units, funds established by state earmarks, public universities, public health care units),
- public radio and television broadcasting entities and their subsidiaries,
- co- operatives, foundations and associations to the extent they dispose public funds,
- subsidiaries, state organisational units and municipal organisational units,
- state agencies within the scope not regulated by separate provisions of the law,
- other entities if more than 50% of the value of their procurement is financed by public funds or directly by the entities mentioned above,
- entities not listed above if their procurement is directly related to one of the following types of activities carried out by such entities (art. 4a):
 - 1) exploration, prospecting and development of natural gas, oil and its natural derivatives, brown coal, pit coal and other solid fuels,
 - 2) management of airports, sea ports and inland harbours, and letting them for use to air, sea and inland carriers,
 - 3) establishment of permanent networks intended for the provision of public services related to production, transportation and distribution of drinking water, power, gas or heat, and supplying drinking water, power, gas or heat to or managing such networks,
 - 4) operation of networks which provide public transportation services by railway, tramways, trolley-buses or cable railway,
 - 5) operation of networks which provide public bus transportation services,
 - 6) letting for use or operation of public telecommunications networks or the provision of one or more telecommunications services through such network (art. 4a).

Entities covered by art. 4a will be obliged to follow the Act on Public Procurement only since January 1, 2003.

Threshold Values

According to the estimated value of the procurement (excluding VAT) procurements are divided into four groups:

- procurement valued less than 3,000 Euro - the provisions of the Act do not apply;

- procurement valued at least 3, 000 Euro but less than 30, 000 Euro - simplified proceedings are permitted, only basic activities have to be recorded;
- procurement valued more than 30, 000 Euro but less than 200, 000 Euro- formal procedures are required and use of a procedure other than unlimited tendering is determined by the procuring entity according to the conditions specified in the Act;
- procurement valued more than 200, 000 Euro - formal procedures are required and use of a procedure other than unlimited tendering requires approval of the Chairman of the Office of Public Procurement.

Bidding Principles

- transparency
- stability of rules
- equal treatment of all bidders
- the prohibition of dividing procurements
- strict rules on specifying the subject matter of procurement
- clear criteria for the rejection of a bidder
- clear requirements for the participation
- clear rules on annulment of public procurement proceeding

SIX BIDDING PROCEDURES

There are six different procedures of conducting public procurement:

Unlimited tendering is the primary procedure for conducting public procurement. Procedures other than unlimited tendering can be used only under the conditions specified in the Act. Above the threshold of 200, 000 EURO (20, 000 in the case of single source procurement) the choice of the procedure must be approved by the Chairman of the Office. Being administrative decision the approval or disapproval can be appealed against to the Supreme Administrative Court.

In unlimited tendering tenders may be submitted by all suppliers or contractors who want to participate.

Limited tendering is a procedure in which bids may be submitted only by those suppliers or contractors allowed to participate in the tendering and invited by the procuring entity to submit tenders.

The procuring entity may organise a limited tendering only when:

- the specialised character of the procurement limits the number of suppliers or contractors able to perform the procurement or
- the public procurement value does not exceed the equivalent of 30, 000 Euro.

Provisions common for both unlimited and limited tendering

Tendering is organised by the procuring entity to select the best offer for performing public procurement. According to the Act “the best offer” means the offer with the lowest price or the offer which provides the best balance of price and other criteria pertaining to the subject matter of procurement, in particular the cost of operation, technical parameters, functional values and completion date. Selecting the best offer the procuring entity can apply only the principles and criteria set forth in the invitation to participate in the procurement proceedings and in the specification of the essential provisions of the procurement.

A supplier or contractor submitting tenders is obliged to provide a tender security within the range of 0, 5- 3 % of the value of the subject matter of procurement in accordance with the value determined for the procurement.

Negotiations between an offeror and the procuring entity are prohibited.

Having chosen the best offer the procuring entity is obliged to give prompt notice of the results of the tender to the other offerors identifying the name and the site of the successful offeror and the price of its tender. An announcement with the information should be posted up promptly in a public place at the site of the procuring entity and should be sent to participants of the procurement proceeding. The procuring entity is obliged, immediately after signing a contract, to provide for publication in the Bulletin an announcement about the outcome of public procurement proceedings- this obligation concerns all public procurement procedures including single source procurement. If the announcement of public procurement was published in the Bulletin the announcement concerning the results of the proceeding should be also published in the Bulletin.

Two-stage tendering

Two stage tendering is allowed only if one of the following circumstances occurs:

- 1) in previous unlimited or limited tendering proceedings no offers were submitted or all offers were rejected, and the original terms of procurement have not been materially altered,
- 2) it is impossible to specify in advance the specific characteristics of services being procured in such a manner as to enable selection of the best offer,
- 3) the subject matter of public procurement consists of deliveries or construction work performed solely for research, experimental or developmental purposes and not in order to ensure profits or coverage of the research and development expenses incurred,
- 4) if in exceptional situations due to the nature of services or construction work, or the related risks, it is impossible to appraise them earlier.

Negotiations with retaining competition is a public procurement procedure in which the procuring entity negotiates the terms of a public procurement contract with a sufficient

number of suppliers or contractors to ensure selection of the best offer, competition and smooth proceedings, however, not less than three, unless due to a specialised nature of procurement there are only two suppliers or contractors able to perform the procurement.

The procuring entity may conduct negotiations with retaining competition only if:

- 1) previous unlimited or limited tendering proceedings were invalidated due to lack of the required number of offers and the original terms of public procurement have not been materially altered,
- 2) the contest referred to in Article 13a has been held, as a result of which at least two contractors have been qualified for the proceedings,
- 3) the subject matter of delivery is produced solely for research, experimental or developmental purposes, provided that it does not involve series production aimed to test market capabilities or to cover the cost of research and development,
- 4) given construction work is intended solely for research, experimental or developmental purposes and not to ensure profits or to cover the cost incurred for research and development,
- 5) there is an urgent need for public procurement, which could not have been foreseen earlier, which is not due to a fault of the procuring entity.

The contracting entity invites to participate in negotiations by sending an invitation to at least three bidders unless due to a specialised nature of procurement only two offerors are able to perform it. The negotiations can be preceded by an invitation to submit initial offers, issued to potential suppliers or contractors. The conducted negotiations are confidential- neither party may disclose, without the consent of the other party, technical or trade information that is revealed during the negotiations. When all the negotiations are completed the procuring entity requests all participants to submit their final offer including the price and selects the best offer.

Request for quotations- a procedure in which the procuring entity addresses a request for quotations for readily available goods or services to such a number of suppliers or contractors that ensures the selection of the best offer, competition and an efficient proceeding. However, the number of suppliers addressed to in this procedure cannot be less than four. The procedure can be used only for procuring deliveries of readily available goods or for services with established quality standards if the value of contract in question does not exceed the equivalent of 130, 000 Euro. Each of the addressed suppliers can propose only one price and cannot change it. There are no negotiations at all. The procuring entity awards the contract to the supplier offering the lowest price. In the case of equal quotations the procuring entity requires the relevant bidders to submit additional bids.

Single source procurement is a procedure in which the procuring entity signs a procurement contract after negotiating with only one supplier or contractor.

The procuring entity may issue an order for a procurement by a single-source procedure only when one of the following circumstances occurs:

- 1) it undertakes some additional orders, not exceeding 20% of the value of the previous procurement, and it is necessary to retain the same norms, parameters and standards,
- 2) it signs a contract for research, experiment, or preparation of a scientific opinion,
- 3) the specific type of deliveries, services or construction are available only from one particular supplier or contractor,
- 4) it conducts a public procurement for creative project works or for creative activity in the area of arts and culture,
- 5) only one supplier or contractor can be used because a legally permitted national preference is applied,
- 6) particular economic or social circumstances that could not have been foreseen by the procuring entity necessitates the immediate performance of the procurement,
- 7) the value of the procurement does not exceed the equivalent of 3000 Euro or the share of public funds in the financing of the procurement does not exceed the equivalent of 3000 Euro.

If the value of contract in question exceeds the equivalent of 20, 000 Euro the single source procedure may be applied subject to the approval of the Chairman of the Office.

Public procurement contracts are subject the provisions of Civil Code and Civil Procedure Code unless the Act state otherwise.

2.7.1.2 The Act of September 30, 1997 on Technical conditions for buildings and its location

This act includes all technical condition and energy standards for buildings.

2.7.1.3 Building codes.

2.7.2 Special Energy Efficiency Regulations for Public Buildings

Question(s) to be answered in this section:

S10. Do national guidelines and/or national target values for public buildings that exceed national building codes or minimum efficiency standards both in strictness of values and in scope (e.g., maximum kWh/m²a not only for heating, but also for ventilation, air conditioning, lighting, and in refurbishment of buildings) exist? Different for new construction vs. refurbished buildings?

S14 Trends, expected evolution?

Poland is already advanced in the implementation of the requirements of the SAVE Directive and the Directives on the labelling of the consumption of energy, and energy efficiency standards. With respect to the scope of the SAVE Directive, legislative activities

and programmes have been introduced in most of the areas listed in the Directive. The main area of concern, that may require further action, is the energy certification of new buildings.

With respect to both the labelling Directive and the Directive on energy efficiency standards for household appliances, Poland has recently implemented regulations that bring it close to fulfilling the respective EU requirements. The Polish regulations even impose the obligation, to label the consumption of energy and to achieve certain minimum standards of energy efficiency, to a broader set of appliances than required by the EC Directives. Of course, the labels applied are not yet EC Labels. Some adaptation of the Polish regulations may thus be required, which is, however, not expected to lead to insurmountable problems.

2.7.3 Special Energy Efficiency Regulations for Public Purchasing

Question(s) to be answered in this section:

S11. Are there (national, regional, local) requirements or guidelines for energy efficient purchasing and investments/ building management? Maybe as part of "green" purchasing? Please state if these are voluntary or compulsory activities.

S12. Do any other national specifications or criteria exist for products, installed equipment or systems?

S14 Trends, expected evolution?

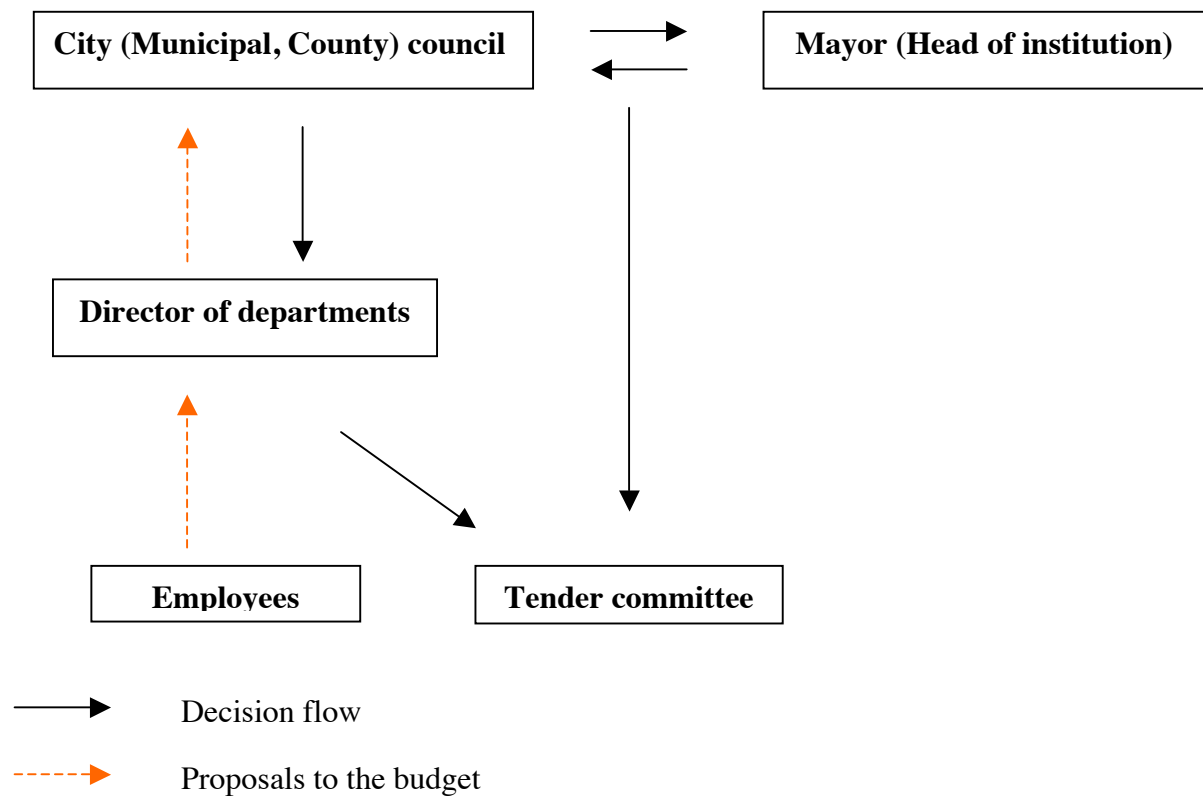
Such guidelines do not exist at present. During the forthcoming 2-3 years, due to EU accession process, the EC guidelines and requirements shall be adopted.

2.8 Organisation of and Decisions on Product Purchasing and Buildings Investments in Public Institutions

Question(s) to be answered in this section:

Based on your research and interviews, please draw simplified organisation and decision flow charts that are typical for your country (if needed, different for different levels of government) - which actors influence energy use, energy-related budgeting and purchase decisions, construction and renovation? How is the flow of decisions between these actors? (Please note that these are case studies and the organograms serve to illustrate processes and relations.)

S13. Trends, expected evolution?



3 Success Stories and Good Examples of Energy Efficiency in Public Institutions

Question(s) to be answered in this section:

S14. Do you have good examples, stories etc. from your country?

Although the need to save energy is often realised by the local administrations in Poland, it is seldom, if ever, reflected in their formal policy documents. No formal guidelines have been set up so far that would comprehensively incorporate energy efficiency into the public procurement standards and procedures. The major area where improvement of energy efficiency may bring significant effects is space heating. Investment in this area has been common in the past decade due to the availability of soft loans and grants to support such investments. The undertakings have been mainly driven by the perspective of financial savings. The environmental factors play some role too, as energy savings often lead to improvement of local air quality by decreasing pollution from the low emission sources, such as individual or small district heat units using coal (usually of low quality). Despite significant progress that has been achieved in the recent years in many Polish cities, there still exists a tremendous potential of heat energy savings, especially in the residential sector and public buildings, notably in schools.

The main barrier is lack of funds. Below we describe a project that presents an attempt to overcome this barrier.

The second project described below is the DSM Pilot of the Polish Efficient Lighting Project (PELP) of promotion of efficient indoor lighting. The DSM Pilot was implemented in three Polish cities. The results achieved have shown that financial benefits for the residents are matched by the benefits on the electric utility side. It was demonstrated that investment in electricity savings is more profitable than upgrading the transformers. The massive installation of Compact Fluorescent Lamps, CFLs, shaves the evening peak of the load curve, so that the utility may defer investments on the supply side.

The third paragraph describes revolving fund established in Bielsko-Biala.

3.1 Demonstration of Low Cost Measures of Saving Heat Energy, a USAID Project in Six Cities in Poland.

In September 1997, the Krakow centre of the Polish Foundation for Energy Efficiency (FEWE) received a grant from the United States Agency for International Development (USAID) for the amount of \$546 000. In April 2000 the grant was supplemented with 25 000 USD from the Small Grants Programme of the Global Environment Facility

Most of the cities in Poland lack financial means for energy saving investments. The aim of the project was to utilise American experience in saving heat energy, in situations where the available financial resources are limited.

The project proposal followed the successful realisation of an earlier USAID-funded project in one of the housing estates in Krakow. The project showed that simple, low-cost measures, such as window carpentry repairs and weather stripping or attic insulation, led to significant (more than ten percent) savings with a payback period below five years. The project proved that these measures were profitable and effective. However, several conditions should be fulfilled in order to make these measures effective and make savings at low investment costs. Such conditions comprise:

- professional definition of energy saving potential in relation to the cost of its fulfilment as well as prioritisation and the order of their execution;
- professional execution, which requires technicians' training in a given field and allowing them to acquire the necessary expertise;
- organisation of the project on a municipal or housing estate scale to decrease the unit transaction costs and unit costs of execution
- providing work crews with high quality professional equipment;
- professional selection of appropriate materials and their acquisition in the amount that allows to achieve low unit prices;
- professional supervision over the quality of work and monitoring results

Unfortunately, in Poland a dramatic and ubiquitous lack of financial means is often accompanied by disregard for existing possibilities of applying low-cost solutions which, if implemented, could effectively curb expenditures for energy and, thereby, generate revenue for further investments. There are several reasons to that:

- Representatives of local administration at different levels are not aware of effective ways of low cost heat energy saving measures, which produce significant results in a short payback period.
- There is a deeply rooted conviction that such simple measures as weather-stripping woodwork should be carried out by residents themselves. It is believed that such tasks do not correspond to local administration's level of decision-making.
- There is a firm belief that such measures are ineffective. This is mainly due to the fact that so far such works had been conducted using unprofessional do-it-yourself methods without appropriate materials and tools, which led to marginal improvements and reinforced this belief.
- There is a lack of examples that would show that professional execution yields desirable results at a relatively low cost.
- There is a lack of local professional labour potential, such as small businesses that could render such services.

Such observations formed a basis for the proposal forwarded to USAID by FEWE in spring 1997. The project aimed to demonstrate low cost measures of saving heat energy and was carried out in six towns: Krapkowice, Olsztynek, Nowy Sącz, Lubań, Trzcianka and Białystok.

The objectives of the Project comprised three aspects:

Social aspect:

- to improve living and working conditions in underheated rooms;
- to create new jobs in the field of low cost thermal-renovation works.

Economic aspect:

- to curtail users' expenditures for heat energy and fuel (coal, gas, oil);
- to avoid or reduce construction (development) costs of new heat energy sources;
- to create a new field for local business activities.

Environmental aspect:

- on a local scale - to reduce air pollution caused by low emission;
- on a national scale – to act along the lines of Poland's international commitments to reduce greenhouse gas emissions.

The project included the following activities **in each city**:

- conducting energy audits for five objects selected in co-operation with the local authorities;
- conducting low cost thermal-renovation works in compliance with the recommendations of the energy audit in two buildings selected in co-operation with the local authorities (one multifamily apartment building and one public building: a school, health care centre or kindergarten);
- training 8 – 14 local technicians, including unemployed members of the community, and representatives of local SMEs in an attempt to develop the scope of operations of already existing local businesses;
- conducting a study presenting the hierarchy of heat energy saving activities recommended to be conducted in a given town;
- measuring the energy savings and monitoring the results of conducted works.

The activities under discussion included:

- repairing and weather-stripping wooden window and door frames;
- liquidating redundant glazed surfaces, especially those with glass bricks;
- insulating external walls indicated by the audit.
- insulating the attic space over the uppermost storey;
- installing heat-reflective panels behind radiators;
- installing automatic valves, and weather automatic controls;
- a range of other low cost measures that may be defined on the basis of an inspection of a given building made by an experienced professional.

As a result of the project, demonstration works were conducted in twelve objects: five schools, a health care centre, a kindergarten, and five apartment buildings. Consequently, heat energy savings ranging between 15-30% were made at a low cost with payback times below 5 years. All in all, eighty-eight technicians have been trained most of them previously unemployed.

It should be stressed that the project had a multifaceted character, especially given the fact that measures aimed at improving the effective use of energy created new jobs and led to establishment of locally based SMEs which will contribute to the growth of local businesses.

The municipalities participating in the project were expected to contribute \$190,000 in total. However, their contribution reached nearly 250 000 USD. A special token of success was the acknowledgement of the work conducted in one of the buildings in Nowy Sącz for “Modernisation of the Year 1999” in the fourth competition organised by the Ministerial Office for Housing and Urban Development and the Association of Polish Architects.

Apart from the demonstration works, statistical study based on polls among residents and on the data provided by the municipality was made to estimate the city-wide potential of energy savings, the associated costs, the payback times and the labour requirements. The study for Białystok has shown that the low-cost repairs and weather proofing of windows, city-wide, would alone save 1,9 mln GJ of heat annually and reduce carbon dioxide emissions by 290 thousand tonnes per year, resulting reduction of consumers’ heat bills by a total of ca 11 mln USD each year. Only this measure would provide ca **1392 man-years** (!) of work for the local technicians in the city, otherwise troubled by unemployment. The corresponding numbers for insulation of ventilated attics only are: 68 thousand GJ/y, 384 thousand USD/y and 20 man-years and for installation of reflective radiator shields 26 thousand GJ/y, 147 thousand USD/y and 10 man-years, respectively.

Implementation of the Project in all cities critically depended on the involvement of the local administration. Their appointed representatives co-operated with Project staff in all stages of the project.

It is assumed that the works initiated by the project will be continued with the use of the cities’ own resources and using the people trained during the project. If this scenario develops as planned, it will provide a mechanism of purchasing energy efficiency at low price, which is a critical factor in Poland.

3.2 Polish Efficient Lighting Project - the DSM Pilot

The household share in the total energy consumption in Poland is very high in comparison with highly developed countries, and holds the potential for hitherto only partially exploited energy savings. Consideration of this fact has given rise to the idea of reducing domestic electricity consumption by replacing traditional filament-bulb lighting with the compact fluorescent lamps (CFL). Although the CFLs save energy, there is lack of consumer awareness that the replacement of an incandescent lamp by a CFL is a profitable investment.

As a result of a market study in 1993, an electricity conservation program: The Poland Efficient Lighting Project (PELP) was developed by the International Finance Corporation (IFC) and funded with 5 million USD from the Global Environment Facility (GEF). PELP was designed to greatly increase the sale of CFLs and was implemented in 1995-1998.

One of its main components was a demand-side management (DSM) pilot, which was designed to use CFLs to help introduce DSM to Polish electric utilities, in particular, to introduce the concept of using DSM to defer distribution and transmission investments and to demonstrate the potential benefits of a DSM program implemented in real field conditions. Specifically, the pilot aimed to reduce peak power loads in geographic areas where the existing electric power grid capacity was inadequate to meet existing electric loads or soon would be inadequate to meet future load growth.

Three cities, all members of the Association of Polish Municipalities: Polish Network “Energie Cities”, were selected to participate in the pilot: Chelmno (about 22,000 inhabitants) in north-central Poland, Elk (about 54,000) in north-east and Zywiec (about 35,000) in south-central Poland. The cities were selected because they had areas with grid capacity problems the DSM pilot was designed to address. While the entire areas of all three cities participated in the DSM pilot, several target areas within the cities were established for intensive CFL promotion and electric load analysis.

A prevailing factor in selection of the candidate cities was the involvement of the local governments. It was critical to the success of the project, since the utilities in Poland were (most of them still are) very conservative with regard to any energy saving initiatives. The success of the project must be largely attributed to the dedicated support of the city boards that helped offset the reluctance of the electric utilities.

Promotion

The backbone of the DSM pilot was a CFL subsidy coupon system, which was designed to persuade large numbers of people in the selected areas to purchase and install CFLs. The CFLs sold through the pilot were subsidised with \$100,000 of PELP project funds. The subsidies were directed at participating CFL manufacturers in exchange for their agreement to certain negotiated wholesale prices and delivery arrangements.

The subsidised lamps were made available to the residents of the three cities using discount coupons. There were three types of coupons, labelled A, B, and C. The A and B coupons, which offered the highest price discounts (ca 55, and 45 percent, respectively), were delivered only to those residents living in the target areas. The C coupons (ca. 35% discount) were delivered to all residents of the participating cities. The A and B coupons were valid only for the first two weeks of the pilot’s operation. This timeframe was established to encourage residents in the target areas to make their CFL purchases quickly so that it would be easier to measure the effect of a massive CFL installation on the electric grids in the target areas. The C coupons were valid for six weeks, after which the pilot CFL sales ceased.

A high level of CFL sales was achieved in the three cities: more than 33,000 CFLs were sold in six weeks. A large number of CFLs were sold per household, which is especially

notable given the low average incomes of the areas involved. Table 1 shows the number of CFLs sold per household in the three cities. It is remarkable that the sales of CFLs per day continued to grow strongly until the supply limitation was encountered.

CFL Sales per Household

Name of Area	No. of CFLs
Chelmno Target Area	5.36
All of Chelmno	1.82
Elk Target Area: 1	3.76
Elk Target Area: 2	1.78
All of Elk	1.10
Zywiec Target Area	9.66

Electric load reduction

The measurements were designed to determine the impact of the CFL installation on the distribution system, including the peak demand, load shape, and power quality impacts.

Table 2 compares estimates of demand savings on the peak for Chelmno. During the local peak hour of 20:00 on the peak day of the year (January 1). Two independent models were used to extrapolate the observed reduction of peak demand of the year: (i) a model based on grid data and (ii) model based on end-use data collected over 5 months in over 100 individual households. As can be seen in Table 2, both models give compatible results. The savings shown correspond to a 15% - 16% reduction in total electric peak demand.

Peak Demand Savings from Grid and End-Use Models (kW)

Hour	P4		P5		P6	
	Grid	End Use	Grid	End Use	Grid	End Use
0-17	2.7	2.6	0.66	0.32	0.31	0.37
18	22.2	22.0	3.83	3.18	3.32	3.43
19	24.5	22.1	3.60	3.19	3.28	3.45
20	20.8	(a) 24.1	3.8	(b) 3.51	3.10	(c) 3.78
21	14.8	22.8	3.35	3.18	2.98	3.43
22	13.5	18.1	2.80	2.61	2.38	2.82
23	14.3	11.9	2.68	1.69	2.00	1.84
24	9.8	6.2	1.53	0.86	1.35	0.95

(a), (b), (c) 15%, 16%, and 15% reduction in peak demand, respectively.

Follow-up of the project

The Polish Network “Energie Cites”, PNEC, has developed a project based on the methods and experiences of PELP/DSM. The idea was to copy the “target promotion of CFL” in which a significant saturation of household with CFLs will be ultimately achieved without external subsidies. The project was tailored as a low profile attempt to establish a revolving fund located at PNEC. The initial input was provided from GEF as a POST-PELP activity. Two cities Miedzna and Nowy Sacz took part in the initiative, led by PNEC with the corresponding city governments. The small project has ended with success: a revolving fund of 3200 USD has been established and may serve as an example of the feasibility of an approach, relying on municipal government involvement and support.

3.3 Thermorenovation of schools in Bielsko-Biala

In 1994 Bielsko-Biala, together with cities Besancon, Pireus and Sykies, in the framework of ECOS Programme prepared project entitled: “ Establishment of energy management system in municipal buildings”. it was the beginning of the financing system of building thermomodernisation in Bielsko-Biala named “ Financing of energy-saving investments” (OFPE). The main idea of the project is briefly described below:

- establishment of the Local Team of Expert – LTE, realisation of the project tasks and preparation of follow-up activities
- preparation of information and computer tools for energy management
- preparation of measures for collecting data of city buildings
- preparation of methodology and computer tools for energy management system and its components

During the project four sessions were organised in each partner city, where measures and works were discussed and detailed activity plan has been prepared. For Bielsko-Biala, besides task common for all partners, also modernisation of school buildings were planned (pilot area). The goal of these measures was to show that energy-saving measures can be implemented using own funds without external help.

After assessment of energy savings two schools with the best possible results were chosen. The first object was High school No 36. School consists of three buildings, including swimming pool and gymnasium. Buildings had bad insulation and only one heat exchanger. Insulation of the building could give good results, but it was too expensive solution for the city. Similar results could be achieved through modernisation of heating system by settings the heat programme according to the use of rooms. Second heat exchanger was also installed and heat installation was divided into these two sources. Cost of investment was 48 000 PLN and heat savings were amazing. During the first heating season amounted at 77 000 PLN, so investment was paid back during the first winter. Savings were similar in next seasons, in the second one – 78 550 PLN.

Second object of the pilot phase was Kindergarten No 50, building from the 70-ties with bad envelope and carpentry. Heat losses were unknown, because there were no energy

controls installed. Additionally, building was overheated. Thermorenovation measures were simple: installation and adjustment of the settings of equipment controls. Cost of measures were 13 500 PLN. the payback time was perceived at 3.5 years, but during the first winter 17 100 PLN were saved. Payback time was then only 0.79 year. In the next heating season savings reached 19 750 PLN.

Financing of energy savings investments (OFPE)

Pilot phase succeeded. It was proved that with low cost one can save energy. Experiences gathered during pilot phase were the baseline for OFPE system that started in 1999. This system is similar to PICO method developed in Germany.

The base for the system form separate bank account for thermorenovation measures with two sources of funds:

- donation from the municipal (city) budget
- savings from modernised buildings]

System is very simple:

- group of city buildings is chosen for modernisation (in Bielsko-Biala schools has been chosen)
- initial money are transferred from budget to the special account
- initial money are spent for energy audits and renovation of chosen buildings
- achieved savings are paid by owners of the buildings to this special account
- city transfer money to the account but each year donation are smaller, because achieved savings are bigger every year
- after modernisation of last building in chosen group, achieved savings are transferred to the city budget. Since then, owners of the buildings can keep the savings and pay the lower energy bills.

During functioning of OFPE system in Bielsko-Biala, some school buildings were thermorenovated. Savings amounted at 30%, although only low-cost measures were implemented.

Additionally, Bielsko-Biala has also established Energy Advisory Body at President of the City. Unfortunately, this unit has no decision tools and can only influence the President and City Council.

4 Detailed Results from the Interviews

This chapter serves to summarise the answers from the interviews plus any other sources for each question of the interview guide. It also tries to answer the following specific questions:

- % of total floorspace (or # of buildings) with energy audits? how often updated?
Examples.
- government-owned buildings vs. leased space
- Are there norms (or guidelines) about thermostat settings for heating and cooling?
- Outsourcing of maintenance/services for lighting and HVAC systems?

4.1 Interview Partners and Institutions

Public Administration (PA) Sector (indicative list, please use what is appropriate, or add if different from these sectors):

Local Councils
Regional Councils
Federal State Ministries/Departments
Central Government Ministries/Departments
Social Security
Health Care
Waste Collection/Treatment
Education
Universities and Research Institutes

List of interviews undertaken:

<i>PA Sector</i>	<i>Institution Interviewed</i>
Local Council	City Office in Elk, City Office in Cieszyn, City Office in Lubin, City Office in Tychy, City Office in Bielsko-Biala, Municipality Office in Jordanów, City Transportation Company in Radomsko, City Office in Kalwaria Zebrzydowska, City Office in Dzierzoniów
Regional councils	County Office in Elk
Education	Economic and Administration Board of Schools in Swierzawa, City Board of Education in Tychy, High School No. 4 in Krakow, University of Mining and Metallurgy
Health Care	Local clinic in Swierzawa

4.2 Administration Structure

4.2.1 General Information on Purchasing and Energy

Question(s) to be answered in the interviews:

I4 Who has the *budget/decision* responsibility for

- buying appliances/products < Note: differentiate according to different products if necessary – see Appendix, part A >
- buying energy
- making investments in buildings <see Appendix, part B>
- O & M in buildings (buying services or through internal staff)
- replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M)

#Please type/paste your results into the table. The same table is shown for each question below. The PA sectors should be chosen from the indicative list in chapter 4.1 or your additions there. If it is not useful or possible to distinguish between sectors, write "all". It is of course also possible to bundle some sectors if the results are identical or similar for them, but different for others.

For this question please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional council	For budget for buying appliances/products, O & M in buildings, replacing components, buying energy and investment responsible are city (regional) council. Project of the budget is prepared by the organisational department. Departments' directors can make proposals, subject to approval by city (regional) council.
Education	Budget for buying appliances/products, O & M in buildings, replacing components: directors of schools in the frame of received budget from the city or voivodship. Budget for buying energy and investment: City or voivodship councils. Decision Chain: 1. City (regional) Council 2. City (regional) Board of schools (department of education) 3. Directors of schools Universities: Quaestor (financial department) in the frame of received budget from the state
Local clinic	For buying energy and investment: City council or Regional Board of Healthcare Institutions (KASY CHORYCH).

	For buying appliances/products, O & M in buildings, replacing components: directors of institutions.
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I5 Are any cost-effectiveness criteria applied for investments and product purchases? If so, which (e.g. LCC-criteria, simple payback, NPV)? Which other criteria are applied?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	On each level the main criterion is least first cost Only in few cases are used such criteria as LCC, simple payback or NPV. Energy-efficient products are often perceived to be more expensive than the common choices. Life cycle cost assessments considering energy efficient purchases are not yet the common basis for decision-making, but are applied already by some public organisations and municipalities. The basic approach for public procurements is still to get as much as possible for as good as possible quality with the limited public funds available.

I6 Can you give us some figures about the volume of energy-related purchasing?

- for appliances/products (numbers of units per year and/or EURO/year) < Note: differentiate according to different appliances/products from Appendix, part A if necessary. E. >
- for investments in buildings (floor space in m2/year new built/refurbished and/or EURO/year)
- for O & M in buildings (buying services or through internal staff in EURO/year)
- for replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M) (numbers of units per year and/or EURO/year)

#please give useful info/examples additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Self-government	It is difficult to make such estimations. In the case of self-government institutions (48% of total public procurement), 73% of unlimited tenders announced in the Bulletin of Public Procurement were for construction, 8% were for deliveries and 19% for services. As an analysis of the bid selection announcements published in 2000 shows, under the unlimited tendering procedure in tenders over 30,000 ECU, 88% of all funds were spent on construction, 4% on deliveries, and 8% on services.

healthcare sector	In the case of healthcare sector (15% of total public procurement) 10% of unlimited tenders announced in the Bulletin of Public Procurement were for construction, 73% were for deliveries and 17% for services. Under the unlimited tendering procedure in tenders over 30,000 ECU, 21% of all funds were spent on construction, 69% on deliveries, and 8% on services.
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I7 How much energy does your organisation use (by energy source)? Which are the energy costs (by energy source)? How much is this in % compared to your total budget?

#please give useful info/examples additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional council	<ol style="list-style-type: none"> 1. 142 000 - 2% 2. electricity 19 000, heat 68 000 – 2% 3. electricity 51 859, heat 52 717 – 0.1% 4. electricity 39 238, heat 90 388 – 0.13% 5. electricity 34 650, heat 27 050- ?% 6. electricity 78 075 - 7. electricity 30 418 (1 017 400 kWh), heat 193 990 (456 15 GJ), gas 100 552 (140 780 m³) - 7.1%
healthcare	electricity 33 431, heat 6 193, gasoline 7 156 – 3.62%
education	<ol style="list-style-type: none"> 1. electricity 28 920, gasoline 81 780, heat 164 220 (coal 16 500, oil 147 770) – 6.5% 2. electricity 828 351, heat 3 424 777, gas 384 922 - 4,65% 3. electricity 103 680 kWh, heat 3 207.626 GJ, gas 11 311 m³ - 200 000 PLN - 57%

4.2.2 Accounting and Financing

Question(s) to be answered in the interviews:

I8 Are departments within your organisation charged for the energy they use?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	In bigger cities departments within organisation are charged for the energy they use(Cieszyn, Tychy, Elk), but not in small municipalities.

Healthcare	yes
Education	yes

I9 Are saved costs (or negative balances) transferable to the next budget year? Yes/No..... Please comment.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	no
Healthcare	no
Education	no

I10 What happens with the energy costs that are saved through energy efficiency?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	These cost cannot be saved. Savings are returned to the total budget of municipality and redistributed in the next budget year.

I11 Are budgets of departments split and fixed between investments and running costs by the central administration level, or are individual departments allowed to determine the split between investments and running costs from a global budget frame?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Yes, council split budget between investments and running costs
Healthcare	no
Education	budgets of departments are split and fixed between investments and running costs

I12 Are investments fixed within one year's budget, or can they be depreciated over a number of years (or over their lifetime) (i.e. can future savings help to finance an investment)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Healthcare, Education	Investments have not to be fixed within one year's budget. According to the Act on Public Procurement contract can be signed for maximum three years' period.

I13 Are internal or external credits available for major investments in energy efficiency? Is there a limit for investments even if they are profitable? Is there an annual budget available for investments in energy efficiency? Is this budget large enough?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Only external credits are available for investments.

	In Bielsko internal credits are available. There is no limit for investments, only financial one. There is no annual budget available for investment in energy efficiency.
Healthcare, Education	Only external credits are available for investments. There is no limit for investments.

4.2.3 Legal Framework and Motivation for Energy-Efficient Purchasing

Question(s) to be answered in the interviews:

I14 Do you perceive that the legal framework restricts you from doing energy-efficient procurement/investments? If yes, which legal requirements restrict you, and how exactly?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education	Most of institutions don't perceive legal framework as barrier for energy-efficient procurement/investment. The major perceived barrier is financial one. However, if institutions have stated that legal framework is the barrier (15%), then it was strongly emphasised. The procurement process itself is rather complicated, time-consuming and requests sufficient knowledge on national and (in short perspective) EU legislation. Currently, environmental criteria and energy efficiency issues in public procurement are not explicitly addressed in national procurement legislation, and there is a clear need for guidelines on how environmental considerations and energy efficiency issues can be practically applied in public procurement in the frame of valid legislation and international agreements.
Healthcare	Yes

I15 Do you perceive that the legal framework restricts you from doing “green procurement”, i.e. other things that are not specifically energy-related? If yes, which legal requirements restrict you, and how exactly?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education	Most of institutions don't perceive legal framework as barrier for green procurement. The major perceived barrier is financial one. However, if institutions have stated that legal framework is the barrier (15%), then it was strongly emphasised.

	Currently, environmental criteria and energy efficiency issues in public procurement are not explicitly addressed in either national or EU procurement legislation, and there is a clear need for guidelines on how environmental considerations and energy efficiency issues can be practically applied in public procurement in the frame of valid legislation and international agreements.
Healthcare	Yes, public procurement system is perceived as a barrier and generating corruption. Regional Board of Healthcare (Regionalne Kasy Chorych) management is perceived as barrier too.

I16 Are there any incentives for you and your department/organisation to do energy-efficient investments or to buy efficient products? If yes, which (e.g., financial, “green motivation”, other benefits etc)? <technical rules/guidelines will be asked later>

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Financial, green, ecological motivation (“ecological” loans in BOS), no - 10%. Cost saved through energy efficiency have to be returned to the budget of the city, so directors have no motivation to implement energy efficiency measures. Sometimes, if they generate savings, they are reproached that they didn't spent all achieved funds.
Healthcare	green, ecological motivation
Education	green, ecological motivation

I17 Specifically about "non-energy benefits", i.e. benefits other than saved energy/energy costs, such as improved heating comfort, lighting or air quality: do you think they accompany energy efficiency or conflict? (or both - it depends?) What do you need to know about non-energy benefits to make a decision on energy efficiency?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	All interviewed persons, besides one, said, that non-energy benefits (improved heating comfort, lighting or air quality) accompany energy efficiency. They were aware that in the case of lack of money energy efficiency is the only way for improving energy comfort and lower energy bills.

4.3 Energy Management in Public Buildings

4.3.1 Responsibilities, Targets, Barriers

Question(s) to be answered in the interviews:

I18 Who has the responsibility for managing the *purchasing/investment* for

- buying energy
- making investments in buildings/buying building products and installed equipment as parts of investments (see list in Appendix, part B)
- O & M of building shell and installed equipment in buildings (buying services or through internal staff)
- replacing components (e.g., lamps, single worn-out fixtures, pumps, fans, windows—if different from O&M)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	For buying energy, making investments in buildings/buying building products and installed equipment as parts of investments, O & M of building shell and installed equipment in buildings, and replacing components responsible are department of investment and/or organisational department in municipal or regional offices
Healthcare	For buying energy, making investments in buildings/buying building products and installed equipment as parts of investments responsible is city, county or voivodship offices For O & M, replacing components responsible are directors of healthcare institutions
Education	Schools: For buying energy, making investments in buildings/buying building products and installed equipment as parts of investments responsible is department of education in city (regional) office For O & M of building shell and installed equipment in buildings responsible is city board of education, for replacing components responsible are directors of schools

I19 Which is the relation between these people/units? And which is the relation between these people/units and those responsible for the budgets (cf. question #4)? How is the flow of decisions? An administration organogramme or flow chart would be helpful

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, education,	This units reports to municipal (city, county) council. They can make proposal for the budget, participate in city (regional) board and sessions of city (regional) council. The final decision regarding the budget is made by municipal council.
Healthcare	This units reports to municipal (city, county) council and Regional Board of Healthcare. They can make proposal for the budget, participate in city (regional) board and sessions of city (regional) council. The final decision regarding the budget is made by municipal council.

I20 Is energy efficiency a target for you/your organisation in new build/building management and refurbishment? If yes, is it a target of its own, or part of "green procurement"?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	Energy efficiency is a target for organisation in all new build/building management and refurbishment. Main aspect of energy efficiency is the financial one. Additionally, energy efficiency is a target understands in the context of protection of the environment.

I21 What do you think are the barriers concerning energy-efficient building management and investments: For you, for your department and for your organisation as a whole? E.g.,

- legal barriers,
- financial barriers,
- estimates of (decreasing) energy prices/costs,
- ,
- perceived extra costs of energy efficiency,
- lack of knowledge,
- split incentives/responsibilities between construction of buildings&systems/O&M of buildings&systems/energy purchasing,
- conflicts of interest between units/persons,
- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, education,	The main perceived barrier concerning energy-efficient building management and investments is the financial one, both for departments and organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases the perceived extra costs of energy efficiency and uncertainty about future energy costs were

	emphasised. Surprising is absence of “lack of knowledge” in the answers. It was state only in few questionnaires.
Healthcare	The main perceived barrier concerning energy-efficient building management and investments is the financial one, both for departments and organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases legal barriers, perceived extra costs of energy efficiency and “lack of knowledge” were emphasised.

4.3.2 Elements of Energy and Investment Management

Question(s) to be answered in the interviews:

I22 Does your institution have an energy management unit or similar function (or do you have access to one)? If yes, is the role of the unit defined by your own institution or by national, regional or district legislation/regulation? Is it an active role or purely formal?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	In interviewed institution organisational department has responsibility for energy management. In some cases exist the advisory body for energy management, but without decision tools (Bielsko-Biala).
Education, Healthcare	Interviewed institutions don't have a management units and access to such one.

I23 If yes, which services does the energy management unit realise for other units? E.g.,

- energy monitoring,
- benchmarking,
- training and information,
- creation of purchasing or operation guidelines,
- communication and marketing,
- energy audits,
- management of EE measures & investments,
- other

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Energy monitoring (heat - mostly in schools, street lighting - Bielsko-Biala), management of EE measures & investments
Education, Healthcare	No such services. In Tychy access to energy monitoring, benchmarking, training and

	information, energy audits, management of EE measures & investments,
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I24 Do you know of other, similar institutions who have an energy management unit (or who have access to one)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Most answers state “no”. Interviewed person from Cieszyn named Bielsko-Biala.
Education, Healthcare	No examples were given

I25 Are you aware of any national or regional programme or institution that provides support or financing for energy-efficient building management in the public sector? If so, are you entitled to such support?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils, Education, Healthcare	Mainly NFOS and voivodship Funds for Environmental Protection and Water Management were named. Institutions are entitled to their support. Some institution named FEWE. Additionally, Thermomodernisation Act was named by Person from Bielsko-Biala.

I26 Do you use the services of a co-operative purchasing or a common buying-agency for buying building/installed equipment? If yes, please describe.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Institutions do not use co-operative purchasing
Healthcare	Healthcare institution do not no co-operative purchasing
Education	Schools in some cities (communes) use co-operative purchasing

I27 How is maintenance scheduled in your buildings: regularly/preventive, or on failure? Is equipment usually replaced or repaired? What determines this decision:

- scheduled replacement,
- failure,
- availability of residual funds,
- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education,	Equipment is replaced or repaired in the case of

Healthcare	failure, sometimes it is scheduled replacement. It is determined by availability of residual, additional funds.
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I28 Does a register/database of your buildings exist?

If yes, what does it contain?

- Floor space,
- specific energy use,
- age,
- type of usage,
- ownership,
- other:

May we have a copy?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Register/database of buildings exist in this sector, but it is not common. Existing databases include floor space, age, type of usage, ownership and (Bielsko-Biala) specific energy use in schools.
Healthcare	Register/database of buildings exist in this sector. It includes floor space, age, and type of usage, ownership.
Education	In the most of the education institution the detailed database is currently under construction. Such a database exists in Tychy and Bielsko-Biala. It includes floor space, age, type of usage, ownership.

I29 How much of your building stock is owned by your organisation and how much is rented or leased? Does that correspond with the area for which your organisation makes its own investment decisions?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Building stock is owned by the municipalities (counties, voivodships) and it corresponds with the area for which organisation make its own investment decisions.
Healthcare	Building stock is owned by the municipalities (counties, voivodships) and it corresponds with the area for which organisation makes its own investment decisions
Education	100% of building stock is owned by the municipalities (counties, voivodships) and it corresponds with the area for which organisation makes its own investment decisions

I30 Does there exist an energy monitoring system with regular and frequent monitoring of the consumption data? If yes, what is being monitored? Accuracy, detail etc.? Can you give us some results?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Energy monitoring system based on invoices. In Cieszyn will be introduced energy monitoring regarding heat consumption in city (kWh/m ² a).
Healthcare	An energy monitoring system with regular and frequent monitoring of the consumption data doesn't exist
Education	under construction

I31 In which way is the energy consumption monitored (manually/automatically)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	According to energy bills, manually. In Lubin energy consumption is monitored automatically.

I32 Is there a benchmarking (e.g., kWh/m²/yr) regarding consumption? Within your institution and/or any external benchmark? Can you give us some results?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education	Comparing energy use among schools (benchmarking within institution, municipality).
Healthcare	There is no benchmarking regarding consumption

I33 Are EE optimisation measures in the daily operation based on the results from energy monitoring, e.g. the adjustment of the settings of equipment controls? (please give details)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	If energy monitoring exist, yes
Education, Healthcare	in some cases energy use is monitored (mostly after modernisation of the heating system)

I34 Does your organisation provides
 -- training on energy efficiency for building operators?
 – information campaigns for building occupants/users to use buildings in a more energy-efficient way? (please give details)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	There are no training or information campaigns about energy efficiency organised by public institutions for employers. In Bielsko-Biala such

	courses are rarely organised. Sometimes organisation delegate employee for courses organised by different foundations.
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I35 Are energy audits made in a systematic way? For which percent of floor area so far? Are there regular updates?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, healthcare	Due to lack of money audits are not made in systematic way. Usually audits are made only if organisation wants to receive grants, soft loans or credits from environmental funds. The percentage of audits oscillates around 20% of floor area (0-26%).

I36 Are the energy efficiency measures which are proposed in the energy audits systematically implemented?

-- non-/minor investment energy efficiency activities?

– investive energy efficiency measures?

If no, why not?

(Minor investments are loosely defined as those that can be paid from the annual budget and do not need to be approved through a complicated process. Investive measures are larger retrofits/ refurbishment/ new build projects that must be approved beforehand through an official/central process)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	If audits are made, then proposed measures are implemented, but usually only non-/minor investment energy efficiency activities. Investments measures are usually implemented if grants or credits are received from environmental funds

I37 Which non-/minor investment energy efficiency activities are/were performed or planned in your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Education, Healthcare, Local, regional councils	Switching off unnecessary lighting, buying energy efficient products, training (Bielsko-Biala)

I38 Which investive energy efficiency measures are/were realised or are planned in your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>

All	fuel conversion from coal to biomass, gas or oil, installation of the compact fluorescent lamps (CFL), thermomodernisation of heat installation, renovation of carpentry, building insulation, installation of thermostats, outsourcing of energy consumption services
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I39 Can the energy management unit (or similar function) influence the general building management? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	yes, this unit can influence building renovation and modernisation of lighting and heating system
Education, Healthcare	Directors of institutions can influence city council regarding the budget and possible investments

I40 Can the energy management unit (or similar function) influence the choice of fuel and electricity? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	The fuel supplier is chosen in tenders. The electricity supplier cannot be chosen.

I41 Is the energy management unit (or similar function) involved in construction (buildings and installation engineering)? If yes, how?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Yes, they are involved in works on the project of investments.

I42 Do guidelines and/or target values/internal standards (e.g., maximum kWh/m²a for heating, HVAC, lighting) exist that exceed national building codes or minimum efficiency standards? Different for new construction vs. refurbished buildings? (please give details)

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	There is no such guidelines

I43 Do any other specifications or criteria exist for installed equipment or systems (e.g., about energy efficiency when purchasing the equipment, or about thermostat settings for heating and cooling)? (please give details)

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	There is no such specifications or criteria
Healthcare	There is no such specifications or criteria
Education	Instruction regarding the maximum use of energy

I44 Have energy performance contracting/contract energy management been used in order to implement and finance energy-saving technologies in your institution, or is it planned? (please give details: no. of buildings, type of EE measures, investment total, etc.)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, education, Healthcare	Most of the institutions have not used energy performance contracting/contract energy management in order to implement and finance energy-saving technologies, but it is considered in few cases (Bielsko-Biala). Tychy has been used energy performance contracting/contract energy management in order to implement and finance energy-saving technologies.

4.3.3 Final Questions on Buildings

Question(s) to be answered in the interviews:

I52 Do you know of any other activity for energy efficiency in buildings within your institution? (please describe and give contact)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Healthcare	no
Education	Directors of schools are usually informed about activities for energy efficiency in buildings in other schools in city or county. They contact each other and share experiences.

I53 What (of the activities mentioned so far or other) would you need in order to improve building energy management and investment routines? What of this do you think is feasible to implement in the short term, in the medium term and in the long term?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
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Local, regional councils	Implement energy monitoring in institution (medium term),
Healthcare	Implement energy monitoring in institution, modernisation of the heating system (medium term), insulation of the building
Education	Implement energy monitoring in institution (medium term)

I54 Are there any specific barriers or problems in this respect that you feel must be removed before you can more actively improve building energy management and investment routines?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Healthcare	Again, the financial barrier was emphasised.
Education	Again, the financial barrier was emphasised. Also necessity of education of councillors in energy management was state.

I55 Who are/could be the “natural allies” for energy-efficient procurement on the supplier side?
(?)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils,	manufacturers, planners
Education, Healthcare	manufacturers, distributors, planners, installers

4.4 Public Purchasing of Energy Efficient Appliances and Products

I56 Who is/are responsible for buying appliances / products (except building products)? (See list in Appendix, part A)

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Responsible for buying appliances / products are directors of city (regional) departments in the frame of received budget
Healthcare	Local, regional councils, state
Education	Responsible for buying appliances / products are directors of schools in the frame of received budget

I57 What is the relation between these people/units and those responsible for the budgets (cf. question #4)? How is the flow of decisions? An administration organogramme or flow chart would be helpful

#please state: what is typical? useful info additional to chapter 2.7#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Directors responsible for buying appliances / products make the proposal for the budget, which is approved by the city council.

I58 Is energy efficiency a target for you/your organisation in procurement of appliances/products? If yes, is it a target of its own, or part of "green procurement"?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Energy efficiency is a target for institution in procurement of appliances/products, understand as part of green procurement

I59 What do you perceive as the barriers for purchasing energy-efficient appliances / products for your organisation/department? E.g.,

- legal barriers,
- financial barriers,
- estimates of (decreasing) energy prices/costs,
- uncertainty about future energy prices/costs,
- "energy is not important",
- perceived extra costs of energy efficiency,
- lack of knowledge,
- unclear responsibilities,
- conflicts of interest between units/persons,
- other?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare	The main perceived barrier concerning purchasing energy-efficient appliances / products is the financial one, both for departments and organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases legal barriers, perceived extra costs of energy efficiency and "lack of knowledge" were emphasised.
Local, regional councils, Education	The main perceived barrier concerning purchasing energy-efficient appliances / products is the financial one, both for departments and organisations as a whole. Lack of funds was state in all questionnaires. Additionally, in few cases the perceived extra costs of energy efficiency were emphasised. Legal barrier was strongly emphasised too.

I60 Do you use the services of a co-operative purchasing or a common buying-agency for buying appliances and products? If yes, please describe.

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare, Local, regional councils	These institutions don't use co-operative purchasing
Education	Schools in some cities (gminas) use co-operative purchasing

I61 Is there a training programme for staff

- a) to ensure energy efficiency in the case of decentralised purchasing
- b) to ensure that the appliances/products are used in an efficient way?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
All	There are no training or information campaigns about energy efficiency, organised by public institutions for employees. Sometimes organisation delegate employee for courses organised by different foundations. Only in Bielsko–Biała and Elk such training is organised from time to time.

I62 In case of central purchasing: can you influence the central purchasing function of your organisation?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils	yes, through proposals to the budget
Education, Healthcare	no

I63 Do purchasing guidelines and/or specifications exist for efficient appliances/products (e.g. that encourage or oblige you to buy according to labelling systems, lists or internal efficiency standards)? If they exist, do they also apply for leased appliances/products?

#please state: how many of your interview partners were aware of them/use them? and other useful info additional to chapter 2.6#

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Yes, such specification exist but it is not common (only one interviewed person). It doesn't apply for leased appliances/products
Education, Healthcare	There is no such guidelines

I64 Do you know of any other guidelines or programmes for purchasing energy efficient appliances/ products within your institution?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
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Local, regional councils, Education, Healthcare	no
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I65 What would you need in order to buy more energy efficient appliances/products? E.g.,

- product information
- decision tools
- case studies
- "authorisation" (to reduce risk-taking), etc.
- training and information outreach to individual purchasers and end-users
- other

What of this do you think is feasible to implement in the short term, in the medium term and in the long term?

How important is EE when you buy new products, compared to function, other "green values", disposability, good working environment etc?

Would EE be more important if the energy savings were translated to environmental gains, CO₂-reduction etc. ?

Would a guide that only included EE help you, or would you need other aspects (function etc) to be included in the same purchasing guide?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Product information, case studies "authorisation" (to reduce risk-taking), training and information outreach to individual purchasers and end-users are needed in order to buy more energy efficient appliances/products. EE importance can be compared to importance of function, other "green values", disposability and good working environment. EE would be more important if the energy savings were translated to environmental gains, CO ₂ -reduction and guidelines regarding EE should include other aspects, such as function etc.

I66 Are there any specific barriers or problems in this respect that you feel must be removed before you can more actively purchase more efficient appliances/products?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	Legal barrier was emphasised. High cost of energy savings technologies and products should be avoided. Additionally, information barrier was emphasised.

I67 Who are/could be the “natural allies” for energy-efficient procurement on the supplier side?
(?)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	manufacturers, distributors

4.5 General Questions

I68 Is communication and marketing of energy efficiency and successes implemented, e.g., by the energy management unit (or similar function)? Are there reports on successes that you could give to us?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, Education, Healthcare	No such activities

I69 Any other information; do you know of good practices in other, similar institutions?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils	modernisation of street lighting, conversion from coal to oil

5 Public Internal Performance Contracting (PICO)

5.1 Overall Conclusions on the Usefulness and Feasibility of PICO

Question(s) to be answered in this section:

S17. Would the (national) financial authorities supervising the budgets of local/regional administrations allow PICO to be used?

Local and regional authorities can make their own decisions concerning establishment of PICO. It would be possible and useful to use PICO for smaller investments that can be handled by the administration itself and are too small to be profitable for an external ESCO. All so far developed models can be possible. PICO method is currently implemented in Tychy and Bielsko-Biala and the results seems to be encouraging.

The following Actions would be needed to widely introduce PICO into public administrations in Poland:

- generation of information material in order to provide target groups with specific information on the instrument PICO
- assembly of all municipalities and districts in order to launch a PICO initiative (kick-off meeting), where newcomers should get access to relevant information and already existing experience of advanced municipalities;
- elaboration of a PICO seminar, which can be disseminated by (regional) energy agencies;
- introduction of PICO within the national state institutions in order to create pilot projects with high PR appeal
- use of new media for information exchange; this includes the creation of an internet platform and the establishment of networks through linked user groups
- Elimination of legal, administrative and financial barriers:
 - clarification of formal and legal aspects of PICO, e.g. with regard to public debt management;
 - generation of a common understanding of PICO among municipalities and supervising authorities, i.e. increasing the likelihood for a formal acceptance of PICO projects;
 - use of policy programmes to ensure the initial funding of PICO schemes;
 - support of municipal energy management systems as the nucleus of PICO activities.
- integration of PICO into the energy related curricula of the relevant institutions for professional training and further qualification;

- improving the availability and quality of energy data in municipalities and public institutions in order to gain better insights into the size and nature of energy costs;
- provision of information on options for municipal climate protection actions and energy efficiency measures

S20. Would someone in your country (e.g., the national government, local/regional governments, the financial supervisors of local/regional governments) be interested to participate in a European pilot project to disseminate and adapt the PICO method that was developed in Germany (including similar experiences from other places, if we find such) to other EU countries? I.e., that institution would test PICO itself and/or co-fund the country's participation in the pilot project.

Local and regional authorities are interested in participation in pilot project to disseminate and adapt the PICO method. They expected that it would allow to improve their energy management and to generate the funds for further investment. Ecological benefits are also anticipated.

5.2 Detailed Results from the Interviews

Question(s) to be answered in the interviews:

I45 Have internal instruments similar to energy performance contracting (e.g., public internal performance contracting, PICO/“intracting”) been used in order to implement and finance energy-saving technologies in your institution, or have they been planned? (please give details: no. of buildings, type of EE measures, investment total, etc.)

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	No. Only in one interviewed city Bielsko-Biala, PICO were used.
Education, Healthcare	no

I46 Does the technical and economic expertise for developing medium-sized investment/refurbishment projects exist inside your administration? If yes, where? Could it be created? If yes, where?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Healthcare	No.
Education	No.
Local, regional councils	Yes. It could be created in City Office, currently exists in the city offices in Elk and Bielsko-Biala. It is the Investment Department reporting to City Council

I47 Would it be possible (legally) to create a revolving funds, or a profit centre for PICO inside your administration?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	Yes, revolving funds can be created inside administration, it depends on decision of City (municipal, county council)
Healthcare	No
Education	Yes

I48 How could initial funds for PICO activities be provided (e.g., own seed funds; accumulating energy cost savings from previous EE projects; fresh money from loans; financial assistance programmes for municipalities)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils, healthcare	Accumulating energy cost savings from previous EE projects; fresh money from loans; financial assistance programmes for municipalities
Education	Accumulating energy cost savings from previous EE projects

I49 Could the responsibility for building energy management and energy efficiency be “outsourced” to a company owned by your administration (“fake privatisation”)?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local, regional councils	yes
Education, Healthcare	no

I50 Do the laws/rules/regulations of public budgets and debt financing allow
a) an agreement between one part A of the administration (PICO manager) and another part B (customer department) that A manages an EE investment project on behalf of B?
b) the investment of A on behalf of B?
c) the payback of the investment to A from B’s saved energy costs?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils, Education	Yes.
Healthcare	No, do not know

I51 Would you be interested to learn more about the PICO instrument, or to participate in a national or European pilot project?

<i>PA Sector</i>	<i>Summary of interview results by sector</i>
Local councils, Education, Healthcare	Yes. Main reason is that institutions expect benefits, financial and ecological, from participation in such programme.

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