



Efficiency as a Service
Plugging a new energy model

What is Efficiency as a Service?

Efficiency as a Service (EaaS) is a servitisation game-changing business model that makes efficient and high-tech systems competitive with cheaper, less efficient systems through a pay-per-use or pay-per result model.

With EaaS, end customers pay for the service they receive, rather than the physical product, therefore avoiding the upfront costs of expensive modern efficient systems. The technology provider installs and maintains the equipment, recovering the costs through periodic payments made by the customer. This fee includes maintenance, repairs, and running costs – such as electricity and water.



How does EaaS work?

1 Assess client's needs: You assess the needs of the client and make an offer for the provision of the equipment's service using state-of-the-art technology. You request a financial assessment of the client and if applicable the issuance of a payment guarantee.

2 Sign EaaS contract and install equipment: You sign a contract with the client that establishes the duration, services, price (indexed by inflation and cost of energy) and install an energy-efficient equipment to minimise your operational expenses during the contract period.

3 Offer full EaaS service: You operate, maintain and repair the equipment, and pay for electricity/water costs. The equipment stays yours.

4 You receive monthly payments: Your client pays a monthly fee based on the units of energy consumed by the equipment. This payment covers the financing of the efficient system as well as your servicing and operating costs, and your margin. The price also includes, when applicable, the premium for the payment guarantee to reduce the risk of payment default.

5 Recapitalisation via Sale-leaseback option: At the start of the contract or after a few months of operation, you can sell an individual or a bundle of equipments to a bank (or SPV created for this purpose), and lease them back from the buyer. The EaaS contracts with your clients serve as an additional collateral for the bank. The payment guarantees, when available, are endorsed to the buyer of the equipment(s). At the end of the leasing contract, the equipment returns to you.

What are my benefits?



The most competitive with the most efficient technologies.



Increase demand for energy efficient solutions.



You will benefit from a **predictable, continuous and long-term sustainable revenue stream.**



Access to **new potential clients** who are interested in the service, but not willing to make the upfront investments for high quality efficiency equipment.



Bring additional value by **selling the outcome instead of selling the equipment and parts**, contributing to a circular economy.



The project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 892499.