



DECC Electricity Demand Reduction Pilot

15 May Factsheet

What is the EDR pilot?

- £20m is being made available to support projects that deliver lasting reductions in electricity demand, e.g. through the installation of a more efficient lighting system or pump.
- This pilot will test whether EDR could participate in GB's capacity market.
- Information already published on the pilot is in the [28 February Factsheet](#) and the [Update of 7 April](#). This 15 May Factsheet provides new information about the pilot.

Bidding rules

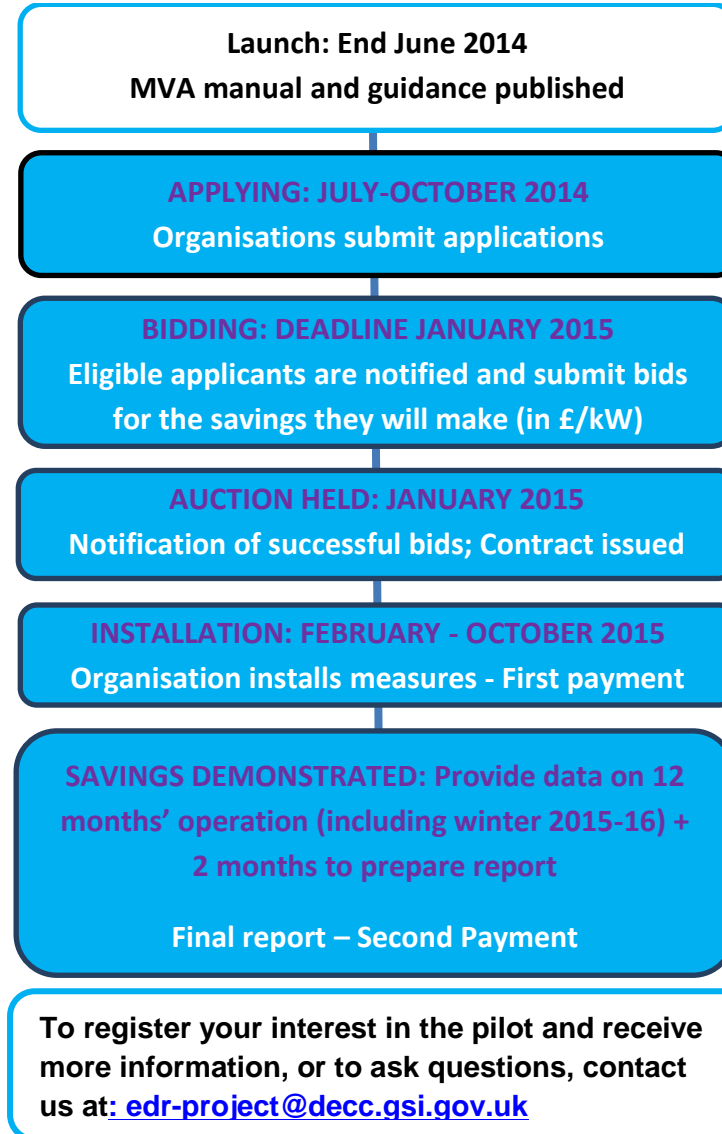
- There will be no limit on maximum bid size or on total subsidy awarded to any one participant (subject to the budget constraints of the funding available).
- Behavioural measures will not be eligible for the auction timetabled here (1).
- A maximum price (not published in advance) will be set for the auction, to ensure value for money.

Payments

- Contracts are for one year.
- Successful bidders will receive 50% of payment on confirmation of installation and a further payment of 50% on delivery of savings (i.e. after 12 months' operation, on receipt of evidence of the savings).
- Under-delivery will lead to payments being reduced.

(1) However, organisations that deliver behavioural EDR measures are encouraged to contact edr-project@decc.gsi.gov.uk with a view to discussing how these might contribute to EDR delivery in future.

Timetable



Measuring and verifying savings (M&V)

- A manual will be provided to participants on how to measure and report savings from their projects. This will build on the approach set out in international protocols (IPMVP) and include three broad approaches:
 - Deemed: savings are pre-calculated for a list of technologies;
 - Partial measurement: combination of metering and calculations or estimates of key variables;
 - Full measurement approaches: metering before and after.
- We will be undertaking market testing of the MVA manual and deemed savings calculators and invite organisations that would like to help with this to get in touch by e-mailing edr-project@decc.gsi.gov.uk by 21 May.
- Detailed information on M&V requirements will be published in the next Factsheet.