

Case Studies



Case 4:

Electricity utilities

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Use of Solar Energy is promoted by taking advantage of existing contact between households and the electricity utilities. Whether this contact is "good" enough to sell or rent solar heating systems - the project will show - depending on whether the electricity utilities in general have a good reputation. In some countries (e.g. Denmark) it is doubtful whether the population "likes" the utility company much.

Advantage:

- Electricity utilities are, in a way, "forced" to show the way ahead, and therefore selling solar systems could be a good opportunity for them.
- If the electricity utility can convince customers who have electricity for space heating to save energy by using solar energy, conversion from electricity to e.g. oil will not be necessary.
- They have contact to all houses.

Lessons learned:

- The electricity utilities (in, for instance, Denmark) are very busy preparing for deregulation and thus they do not have the time and energy to promote solar heating systems.

CASE STUDY 4

Solar SDHW Systems sold by a local Danish Electricity Company

Title: Solar SDHW systems promoted and sold by a local electricity company.

Location: Denmark

Time period: Starting date: Spring 1998

End date: The campaign is to continue in the future.

1 Short description of the project:

In the rural areas in Denmark most people use individual oil burners or electricity for hot water and space heating. One of the local electricity companies has started a campaign for SDHW systems. The Electricity Company is in contact with all households in the area through a quarterly newsletter, and by their annual electricity specifications. Adverts for solar energy are sent to all households included in the newsletter and with the annual electricity bill.

The Company offers technical advising, contact to installer, guidance for choosing the right size and kind of system and help for applying for subsidies from the State. The company is promoting one standard package, but the system is often altered to take care of individual wishes about size, including of space heating etc.

Participants:		Role:
Elselskabet VOH	Local Electricity Company	Main actor and initiator
Molander & Co.	Advertising company	Creators of a sales brochure
Informationssekretariat for vedvarende energi	Information Secretariat for renewable energy	Supplier of information material
Energistyrelsen	The Danish Energy Agency	Supplier of information material

Time Schedule:	
Spring 1998	Sales material has been made and the campaign starts.
Sep. 1998	15 systems have been installed. Offers have been made to about 40-50 house owners.
Future	Adverts and information about solar energy is sent to all households in the area quarterly by the newsletter and annually by the electricity bill.

2 Project goals

General objectives:

- To procure the use of solar energy by taking advantage of an already established contact to all households in the area.

Specific objectives:

- To save oil or electricity by using solar energy in the summer period, when the traditional energy supply can be switched off. Auxiliary energy supplied by electricity.

Targets:

- To arrange the sale of app. 30 solar energy systems in 1998.
- To arrange the sale of app. 50 solar energy systems annually.

3 Design characteristics

No special system design is made in connection with this campaign, and the manufacturers and installers normal offers were used. The Company is promoting one standard package in their sales material, but the house owners can choose freely among all approved components and systems available.

The standard system is often altered in cooperation with the house owners to take care of individual wishes about size, including of space heating (e.g. floor heating) and others.

4 Financial characteristics

The Electricity Company has an arrangement with a local installer about a fixed price for the installation of the system. Normal prices for components are used. A financial arrangement for payment over a 10-year period can be made. It is also possible to rent the system from the Company and getting a service agreement.

5 Sales promotion



The Electricity Company has about 17.000 customers at the moment, but is soon expanding their area to around 23.000 households. They are in contact with their customers through a quarterly newsletter "Elnyt" and by their annual electricity specifications. An advert or some information about solar energy is to be included in every edition of the newsletter, and all households should receive information and a slip to return included with the annual specification.

If house owners return the slip, additional information about solar energy, system design and possibilities for getting state subsidies is

send out. The Company offers technical advising, contact to installer, guidance for choosing the right size and kind of system and help or applying for subsidies from the State.

6 Ownership and responsibilities

The house owners buy the system from the Electricity Company, who offers financial arrangements for payment over a 10-year period. It is also possible to rent the system from the Company and getting a service agreement.

The manufacturers end installers are obliged to offer a 5-year guarantee on the components and the installation.

7 Results

The campaign has just started and no final results have been achieved by now. The campaign will be evaluated next year. So far the results are:

- 15 systems installed and running
- 40-50 households in the process of taking decision about a solar energy system

The Company hopes to sell a total of 30 systems in 1998 and then app. 50 systems a year. They are also in negotiations with other electricity companies about starting similar campaigns.

May 1999