

## Leeds City Council Leeds PIPES

**Case Study** 

Project Dates: 2018 - Present

**Ener-Vate Product: CONNECT** 

Client Type: Local Authority

**Case Study Type:** 

**Business Development / Stakeholder Engagement / Commercial Advisor** 

## **The Project**

Leeds City Council (LCC) has developed, in partnership with Vital Energi, a flagship low-carbon city-scale heat network (Leeds PIPES) that utilises heat created as a by-product from burning Leeds' non-recyclable waste to keep connected homes, businesses, and public buildings warm at an affordable price.

The Council has invested, with several funding support mechanisms c. £62m into connecting c. 2,000 residential properties, numerous commercial developments, 26.5km pipework, two energy centres, creating 430 jobs and saving 3,975 tonnes of CO2 per year.

Ener-Vate has supported the Leeds PIPES team since 2018, and continue to be a key member of supporting the development and expansion of the network. In June 2022, Leeds PIPES won the prestigious Heat and Efficiency: Operational award at the ADE's Decentralised Energy Awards, in recognition of the successful construction and operation of one of the largest heat networks in the UK.

## **Our Role**

Our primary role is to facilitate and progress any new enquiries from developers in and around the city centre and be the primary point of contact for developers between LCC, Vital Energi and Leeds PIPES.

We are able to provide a wide range of support to the Council and Vital Energi in the commercial strategy of the network, and are able to effectively communicate the technical, commercial and legal elements of the project in a language and format relevant to the customer.



Ener-Vate established and defined key roles and responsibilities within the PIPES team, working closely with Leeds City Council and Vital Energi to understand local Planning policies and the timescales of each milestone of the sales process.

Initially, Ener-Vate supported the Council and Vital Energi in developing the commercial strategy and sales process, drafting several 'collateral' documents required to facilitate new enquiries in the most time efficient and effective manner.

This included a project specific Request for Information (RFI) document, introductory presentation, counterfactual/benchmark tool, connection proposal, and Heads of Terms for Connection and Supply Agreements. In order to track the progress of each potential customer, Ener-Vate developed an in-house CRM tool internally referenced as the 'Stakeholder Tracker' to enable efficient project delivery and management of team resources.



Ener-Vate hosts a weekly, monthly and quarterly review of the Stakeholder Tracker to monitor, progress and discuss the upcoming actions of each member of the PIPES team for each connection, and continuously inform stakeholders of any updates of their connection enquiry in a timely manner.

After initial data gathering exercises are completed by a potential customer, Ener-Vate hosts several sessions with prospective developers to understand their requirements, drivers, and constraints and to field any queries/reservations which they may hold.

As part of the process, we work with developers to understand their counterfactual technology and build a comparator model which attempts to predict any potential commercial and carbon savings as a result of a connection into the network. This is an open-book, transparent process which allows the developer to understand the benefits of connecting into the Leeds PIPES network clearly and numerically. The comparator then forms part of the connection proposal, which we draft to include the connection fee proposal from Vital Energi as well as any commercial terms agreed.

Following acceptance of the connection proposal, we support Leeds City Council in the drafting and negotiation of the Heads of Terms, Heat Sale Agreement and Connection Agreements.

## **End Result**

As of 2024, we have supported in connecting several businesses and developments across Leeds City Centre including Quarry House, Leeds Beckett University, and Leeds Combined Courts as well as numerous public buildings and student accommodation developments. We are currently in progressed discussions with 46 separate developments across the city and expect to connect c. 10 developments in 2024. We anticipate our relationship and partnership between Leeds City Council and Vital Energi to prosper further in 2024 and years following, as we continue our success in the development and expansion of the Leeds PIPES network.

"Leeds PIPES have worked with Ener-Vate for several years and their expertise and tenacity has been instrumental in engaging customers and helping them to understand the business benefit of connecting to our network. This supports the partnership between Leeds City Council and Vital Energi and has helped to grow our network significantly, with further major connections anticipated in the near future."

