**Selection Criteria for Partner Cities**

**to receive technical assistance for municipal stakeholders to implement reforms aimed at optimizing and developing the heat supply infrastructure**

USAID ESP will select partner cities using a range of criteria based on the Project’s goal and on requirements and conditions to ensure the Project’s success in achieving its objectives. USAID ESP staff and partners involved in the selection process will make every effort to ensure that the process is as transparent as possible and that the selection results are unbiased.

| **No.** | **Criterion/Description** | **Scores**  |
| --- | --- | --- |
| **A** | **Eligibility Criteria (mandatory)**  |  |
| A.1 | Connected heat load of the city >1**00 Gcal/year** |  |
| A.2 | One DH entity is responsible for the operation of DH network(s) with a connected heat load at >**50%** of the total connected heat load of the city |  |
| A.3 | Approved long-term or mid-term energy plan/program (Municipal Energy Plan, Sustainable Energy Action Plan (PDSER), Sustainable Energy and Climate Action Plan (PDSERK) or similar approved document) |  |
| **B** | **Evaluation Criteria** |  |
| **B.1** | **Preparedness to invest in the development of the DH systems, including from the following sources:** | **10** |
|  | *Public funds (local and state budgets)* | *3* |
|  | *Grants from donor organizations* | *1* |
|  | *Private sources (PPP schemes, ESCO and other mechanisms)* | *2* |
|  | *Commercial loan from a bank* | *1* |
|  | *Long-term loans from international financial organizations* | *3* |
| **B.2** | **Energy management introduced, including:** | **10** |
|  | *A functioning unit/department/division within the city administration* | *5* |
|  | *Energy management introduced at the utility enterprise* | *3* |
|  | *Energy management with a functioning automated monitoring system introduced at the utility enterprise* | *5* |
| **B.3** | **Previous experience of DH network modernization** | **10** |
|  | *Using public funds (local and state budgets)* | *5* |
|  | *Using funds from international financial organizations and public funds* | 10 |
| **B.4** | **Energy audits of the city DH systems (in the last <3 years)** | **10** |
|  | *Energy screening reports* | *5* |
|  | *Due diligence (comprehensive) energy audit* | *10* |
| **B.5** | **Long-term city development plan or similar document developed and formally approved** | **10** |
| **B.6** | **Long-term energy efficiency program for public facilities and residential buildings developed and formally approved** | **10** |
| **B.7** | **DH scheme developed and formally approved** | **10** |
|  | *No scheme* | 10 |
|  | *Available, developed before 2017* | 5 |
|  | *Available, developed after 2017* | 0 |
| **B.8** | **Average thermal energy consumption per km2 (ranged)** | **10** |
| **B.9** | **Share of consumers connected to the DH system** | **10** |
|  | *0-50%* | 0 |
|  | *51-70%* | 5 |
|  | *71-100%* | 10 |
| **B.10** | **Prospects for DH development** | **10** |
|  | *Switching to individual solutions* | 0 |
|  | *Hybrid system* | 5 |
|  | *DH system to be kept*  | 10 |
| **B.11** | **Current and projected structure of the DH system based on the city energy plan or a similar document (ranged)** | **10** |
|  | *Cogeneration share* | *3* |
|  | *Alternative and renewable sources share* | *4* |
|  | *Gas boiler houses share* | *0* |
|  | *Other* | *3* |
| **Maximum score (total)** | **110** |