

# ARIZONA ESC

## Special Interest Articles:

- Letter from the Co-Chairman (p.2)
- Case Study Luke Air Force Base, Phoenix, AZ (p.2)

## Individual Highlights:

Meeting Overview 3

Meet the Board 3

Next Meeting 4

October 3<sup>rd</sup>, 2007

10AM – 2PM

Scottsdale Granite Reef

Senior Center

**Energy Performance Contract** (n) To enable a building owner to use future energy savings to pay for up-front costs of an energy project, eliminating the need to dip into capital budgets.

## Arizona Launches ESC Chapter

Recently, Arizona formed a Chapter of the Energy Services Coalition (ESC) with a kickoff meeting in March at the Arizona Department of Environmental Quality. More than 20 individuals attended the inaugural meeting to launch a collaborative process between building operators and energy service companies. Those in attendance recognized the value of the public and private sectors working together to promote performance contracting and to overcome barriers to using performance contracting.

The goal of the Arizona

ESC Chapter is to provide its members with the necessary resources to facilitate performance contracting projects, energy efficiency improvements, and building upgrades throughout the state.

Upcoming meetings are planned for various locations across the State in an effort to provide a forum to address performance contracting issues and to develop business relationships. These meetings will also facilitate exchanges of “best practices” in marketing and implementing performance contracting projects.

The new Arizona ESC Chapter is open to anyone who wants to help get more energy efficiency and building upgrades delivered through energy savings performance contracting. Interested parties can play an active role in the ESC and make a big difference. Chapters throughout the country are comprised of representatives of finance companies, building owners, engineering firms, government organizations, contractors, product companies, and others.

## How to become a member

### Interested in joining?

Annual dues are only \$240 for business employees and \$120 for government employees and employees of nonprofit organizations. ESC is an individual membership.

ESC Member annual dues cover the period July 1 through June 30. On or about July 1. Membership can be pro-rata, dues are \$20/month (business), \$10/month (govt, non-profit), are calculated for duration through June 30.

Visit the ESC website at [www.energyservicescoalition.org](http://www.energyservicescoalition.org) for more details or contact Arizona membership chairman Jim Westberg at 602- 771-1145 or [jimw@azcommerce.com](mailto:jimw@azcommerce.com).

**The AZ ESC currently has 10 members.**

## Letter from the Co-Chairman

Michael Trovato, *Johnson Controls*

Governor Napolitano issued her first energy-related Executive Order, 2004-28, Implementation of a Statewide 5% Water Use Reduction Plan, in 2004 and since then she has released several other specific energy Executive Orders aimed at **GREENING** the State of Arizona. I am a staunch supporter of the Governor's vision in this extremely important area. Her vision touches all Arizonians and will only succeed through the support and leadership of her entire team.

A major player in this area is the Arizona Department of Commerce Energy Office who I have had the privilege of working with over the past year. This is the organization

within the state that works to ensure that legislation, process, procedures and communications are in place to execute the Governor's energy vision. And there is no question that this group has gotten the message and is actively laying the groundwork for successful energy projects that will reduce the state's energy consumption.

One major milestone the state's Energy Office recently completed was the establishment of an Energy Services Coalition (ESC) chapter. The ESC is a national nonprofit organization composed of a network of experts from a wide range of organizations working together at the state and local level to increase

energy efficiency and building upgrades through energy savings performance contracting. And I am proud to have been selected as the private sector co-chair for this chapter.

It is extremely exciting to me to be a member of the Arizona ESC chapter and to be working hand in hand with the state's Energy Office to help shape energy conservation and efficiency in state agencies.

This certainly will be a rewarding experience that will benefit the citizens of Arizona for years to come and provide something of which we all can be very proud.



*A photovoltaic solar installation that will produce 375 kilowatts of electricity, that is integrated into a new, 144,000-sq-ft roof on the Base Exchange building.*



*The solar technology is part of a \$13.6-million energy conservation program with Honeywell designed to increase efficiency, reduce greenhouse gas emissions and improve troop comfort at the base — while also helping the base realize energy management goals set forth in the Energy Policy Act of 2005.”*

## Luke Air Force Base Case Study

20 miles NW of Phoenix, AZ

Home to the largest fighter pilot training base in the world.

### Program Highlights

**Project Value:** \$13,600,000  
**Energy Savings:** \$1.2M/Yr  
**Other Savings:** \$473K/Yr  
**Contract Term:** 20 years

**Facility Size:** 5,050,000 SF  
**Buildings Upgraded:** 900+  
**Contract Vehicle:** Air Force Region 5 ESPC IDIQ

### Technology Highlights

- Upgraded 874 military family housing units, installing new heating and air conditioning systems and replacing aging lighting with energy-efficient fixtures.

- Major lighting upgrades (including significant day-lighting of 200 of Luke's industrial and administrative buildings, including two aircraft engine maintenance facilities.

- Installation and expansion of Staefa energy management control system (EMCS) in 103 buildings and measures to improve lighting, water conservation, and day-lighting.

- Major upgrade of 2 building's heating, ventilation & air conditioning (HVAC) systems.

- Pilot project for the Air Force of T.E.A.M.™ Services.

### ESCO Contact information:

Toni Parisi  
 District Sales Manager  
 Honeywell  
 Desert Mountain District  
 602-313-4490

### ESPC

#### Technology Categories

- Chiller plant improvements
- Boiler plant improvements
- Building Automation Systems
- HVAC
- Lighting Improvements
- Building Envelope Modifications
- CHW, HW and Steam Distribution Systems
- Electric Motors and Drives
- Refrigeration
- Distributed Generation
- Renewable Energy Systems
- Electrical Peak Shaving/Load Shifting
- Energy Cost Reduction Through Rate Adjustments
- Energy Surveys

## Meeting Overview: Arizona ESC March 7, 2007, 11-2 pm at ADEQ Building

### Welcome & Introductions:

The meeting was held in the first State of Arizona facility to achieve the USGBC. This was the initial meeting of the Arizona Chapter of the Energy Services Coalition (ESC).

There were 20 meeting participants that included one call-in. The meeting attendee list will be provided to attendees upon request.

### Introduction to the ESC:

Eddie Riddle (National ESC) provided an overview of the ESC organization and explained the role of the State Chapters. The cost of membership was explained. The role of Chapter co-chairpersons was discussed and the following individuals agreed to be initial Chapter co-chairs: Bill Bailey, *Siemens*; Michael Travato, *Johnson Controls*; Tony Parisi, *Honeywell*; Jim Westberg, *AZ DOC Energy Office*; Jim Mulloy, *AZ DOC Energy Office*. These co-chairperson positions will be revisited at the next Chapter meeting. The co-chairs will meet in April to discuss the topics for the next meeting

and initial assignments for the Chapter Committees. These topics and assignments will be shared with the members to gain feedback and direction. The co-chairs will also determine the preliminary schedule for Chapter meetings and will develop a set of benchmarks to be reviewed with the membership to assess Chapter effectiveness.

Eddie Riddle explained the role of the ESC Chapter Committees. There are typically four standing committees and the AZ Chapter will follow this model initially. The following are the initial Chapter Committees: Membership; Outreach; Workshops; Documents.

There was some discussion regarding additional Committees that may be needed and this will be an agenda item for the next Chapter meeting. Procurement and Development Tools/Best Practices were the primary additional areas of interest.

### Green Performance Contracting: Paul Von

Paumgarten (Director of Energy and Environmental Affairs, Johnson Controls) gave a presentation on Green Performance Contracting. This is seen by many industry leaders as the next generation of performance contracting and incorporates sustainable building principles and green building operations into a performance contract. The benefits of this approach and the potential to develop more significant projects was discussed and Paul reviewed the savings streams from the traditional energy savings and these new savings opportunities.

Paul Von Paumgarten and Jim Mulloy provided a brief overview of the White Paper on Green Performance Contracting prepared by the Leonardo Academy. This White Paper is available for review and comment at this time; the following attendees offered to review the draft and provide comments back to Jim Mulloy: Bill Bailey, *Siemens*, Tony Parisi, *Honeywell*, Tina Cook, *Tucson School District*, Marc Johnson, *Camp Verde*

*School District*, Bob Georgeoff, *Consultant*, Gail Bliss, *AZ Dept. of Environmental Quality*. The review document was made available on April 1 and is being sent out on April 6, and will be reviewed at the next Chapter meeting.

### Discussion and Comments:

Jim Westberg (AZ Energy Office) discussed future meeting topics and received suggestions from the attendees. The following topics were noted for future discussion and analysis/review: Educational meeting for school districts; Inclusion of procurement personnel in the Chapter and discussions; Expansion of membership to fulfill "Green" requirements: Solar companies, Recycling firms, Green cleaning companies, LEED consultants, Utility Companies. The above topic will be assigned to the Membership Committee. There was also a recommendation to ensure the Chapter commits to the involvement of end-users as well as the private sector. Discussion on developing synergies with existing organizations (IFMA, AEE) was determined to be a topic to be addressed by the Outreach Committee.

## Meet the AZ ESC Chapter Executive Committee

**Michael Travato, Johnson Controls** – Michael is presently the Sr. Account Executive for the Western States Region and has worked in the State Government Market for years representing Fortune 500 companies such as IBM, Siemens, and Johnson Controls. Michael strongly supports the state's establishment of this chapter as well as for him to be a member of its executive committee. Michael resides in Sacramento, CA.

**Bill Bailey, Siemens** – Bill is the Senior Account Executive for the Southwest Region and has also held executive positions with several Higher Education institutions in Texas, New Mexico and California. Bill resides in Chandler, AZ.

**Tony Parisi, Honeywell** – Tony is the District Sales Manager for the Western states and has also held executive and management positions with building

automation control companies in the Northwest. Tony resides in Scottsdale, AZ.

**Jim Westberg, Energy Office** – Jim is a senior energy analyst working primarily in the State Government arena with state agencies. He has worked for the State of Arizona for 28 years. Jim lives in Scottsdale, AZ.

**Jim Mulloy, Energy Office** – Jim is a project coordinator for the K12 market and also works in the development of performance contracting for the State. Jim spent 30 years developing energy services projects in the private sector before coming to the State Energy Office in 2006. Jim resides in Scottsdale, AZ.

## Arizona ESC

**ENERGY STAR Change a Light Day** is October 3, 2007. The day marks the official start to the campaign and pledge drive year. Governmental leaders will mark the day with proclamations and events.



[Pledge to Save Energy with a Simple Step at Home](#)

If all the households in Arizona took the ENERGY STAR Change a Light Pledge at [energystar.gov/changealight](http://energystar.gov/changealight), Arizona could save up to 110 million kilowatt-hours of electricity per year. This is enough energy to light all the households in Phoenix, Arizona for over 40 days!

# Next Chapter Meeting: Arizona ESC October 3, 10-2 pm at Granite Reef Senior Center

*Topics for October 3<sup>rd</sup>*

*RSVP requested: [jimw@azcommerce.com](mailto:jimw@azcommerce.com)*

**Chapter Updates:  
What has the board  
been working on?**

**Arizona Case Studies:  
Hear success stories  
from firms that have  
successfully completed  
performance contracts**

**Project Finance &  
Procurement  
Practices: Industry  
experts describe how  
projects are financed.**

The City of Scottsdale will host the October 3<sup>rd</sup> ESC Arizona Chapter meeting in their Granite Reef Senior Center. The U.S. Green Building Council recognized the Granite Reef Senior Center, 1700 N. Granite Reef Road, with the coveted LEED (Leadership in Energy and Environmental Design) Gold certification. The LEED certification recognizes the Senior Center project for its sustainable, green building features. This is the first public building in Scottsdale to receive LEED Gold

certification under the city's green building policy.

The LEED Green Building Rating System™ is the nationally accepted benchmark for the design, construction, and operation of high performance green buildings. There are four progressively higher and more demanding levels of certification (from lowest to highest): Certified, Silver, Gold and Platinum.

"We're proud of this designation. We were the first city in the nation to take the step of adopting a policy that all government

buildings would be LEED Gold Certified," says Mayor Mary Manross. "We are a national leader in the field of green building and I am committed to maintaining that leadership," added the Mayor.

There will be no charge to attend the meeting, however RSVP is requested, [jimw@azcommerce.com](mailto:jimw@azcommerce.com).



**ARIZONA ESC**  
**C/O AZ DEPT OF COMMERCE**  
**ENERGY OFFICE**  
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