

ESC State Chapter Meeting Notes Tuesday, January 13th, 9-11

Thank you to Jim Knutson, Chevron Texaco, for hosting this meeting!

Attendees:

Jim Crossman	FEMI	jcrossman@financialenergy@com	303-781-8455
Don Croy	CURRENT-C	dcroy@currentc.com	720-977-9333
Bob Sorok	CURRENT-C	bobsorok@currentc.com	303-888-1778
Vincent Perez	CURRENT-C	viperez@currentc.com	720-977-9333
Kevin Cross	HONEYWELL	kevin.cross@honeywell.com	970-484-5955
Sandie Busby	CURRENT-C	sandie@currentc.com	720-810-3807
Paul Ira	CONSULTANT	alpinepauli@aol.com	303-681-2629
Gary Bernard	JCI	gary.bernard@jci.com	303-932-3714
Matthew Dickey	JCI	matthew.dickey@jci.com	303-932-3773
Carl Hurst	SIEMENS	carl.hurst@siemens.com	303-568-7138
John McAllister	EMC ENGINEERS	jmcallister@emcengineers.com	303-974-1218
Jim Kobbe	AMERESCO	jkobbe@ameresco.com	303-927-7360
Paul Zoby	AEA	paul.zoby@americanenergyassets.com	720-200-4902
Charles Klapperich		cklapperic@aol.com	303-638-9666
Leonard Rozek		lprozek@comfortsystemsusa.com	303-588-9831
Jim Knutson	CHEVRON	jknutson@chevrontexaco.com	303-596-7256
Linda Smith	OEMC	Linda.Smith2@state.co.us	303-894-2383

ESC - national organization update

The ESC is now partnering with NASEO (National Association of State Energy Officials) and NAESCO (National Association of Energy Service Companies) and is looking forward to ambitious future of promoting performance contracting through customer awareness education. Linda Smith is the Vice President of the Board of Directors for the Public Sector and will be principally involved in helping other states develop chapters, so the Colorado chapter is of great interest.

Website: for more info see www.escperform.org

Join now or renew your membership! (25% of your \$200/yr membership dues come back to the Colorado chapter)

ESC - state chapter

Overview of Accomplishments:

- Joint marketing with OEMC
- Workshop with audience of energy engineers and utilities (Feb 2002)
- Panel presentations at AFE (Nov 2003; Nov 2002), DOE/OEMC High Performance Design workshop (Oct 2003); CASBO/CASDEM (Apr 2002; Sept 2001); CASE (Jan 2002); CEFPI (Oct 2001); NAHRO (Aug 2001); AEE Gas Purchasing Seminar; AEE Distributed Generation Seminar (May 2001); Wirth Chair – National forum for universities and colleges (Jan 2002); Fall Pollution Prevention Forum, “Business Opportunities in Energy Technologies”; Tri-State and Delta-Montrose seminar, “Brightening Your Bottom Line With Savings” (Oct 2001); Northwest Council of Governments (Sep 2001)
- RFP revisions & improvements by committee
- Rebuild Colorado strategy support

Future Plans:

Outreach Committees:

- Outreach Strategy & Needs Assessment for an Assistant: Committee to develop an overall outreach strategy, identify an event(s) to be held within 6 months, and determine needs for an administrative assistant to serve the chapter. Strategies could include partnering with other organizations; piggy-backing on another organization's conference; holding a conference call workshop after e-mailing Power Point; holding a stand-alone workshop; (key events were identified and subcommittees below will reconvene into this overall committee)
 - Seminar for Architects: Committee to develop a seminar for architects (Carl Hurst - Chair, Gary Berggard, John McAllister, and Joan Gregerson representing Rebuild Colorado).
 - Seminar for Engineers: Committee to develop a seminar for engineers (Sandie Busby - Chair, Don Croy; Linda Smith)
 - Event for Customers: Committee to develop an event for customers (Jim Knutson - Chair; Jim Kobbe; Bob Sorok)
 - Other items:
 - Give Linda any project overviews or a list of projects that you've done as Rebuild Colorado is writing success stories (and in-progress successes) and posting on its web site and distributing at events.
- Administrative Assistant Search: identify and select an administrative assistant based on needs assessment from above committee (Sandie Busby - Chair; Linda Smith; with help from AEE)
- DSM/Utility Research: Research DSM, other utility activities/rebates, and associated legislation; and to prepare for possible education for utilities (Kevin Cross, Paul Zoby, Jim Crossman; with OEMC input from Jay Brizie)
- Organization Partnering: Work with AEE as a key partner (Sandie Busby will be liaison with AEE); Develop calendar of events of other organizations and identify other speaking opportunities at organization seminars/conferences (Linda).
- State Gov't Processes Development: A discussion after the meeting identified another committee to identify/streamline barriers in state government procedures, helping Linda to overcome barriers (Linda Smith - Chair; Jim Knutson; Carl Hurst; Jim Kobbe; Chris Youngs; Karen Keeler; and others who begin to work on state gov't projects and experience difficulties)
- Chapter Development: Chapter bylaws, meeting rules, fairness issues for participation in events, membership development, connection with other state chapters, etc. (Gary Berggard - Chair, Linda Smith, _____, _____ need other volunteers) Note: Gary brought this up at the meeting but there was little discussion; Linda took the liberty of including this after the fact.

Schedule

- 3 months from now (April): Committees report on event strategies; decision to proceed on an event(s)
- 6 months from now (July): Hold first event for customers
- 9 months from now (Oct): Plan and hold second event

Leadership

- Structure: An executive committee will be established to expand the leadership in the chapter to meet anticipated needs. Continue with 2 Co-Chairs (public – Linda; private – to be nominated/elected); add Treasurer and Secretary. These will be elected positions. Other leadership will be within committees through volunteers).

- Nominations/Election: Linda will handle an e-mail nomination process and follow-up voting (or voting will be handled by ESC webmaster)
- Thank You to Jim Knutson for doing a great job as Co-Chair!

Funding

- Current funds: \$1,000 is now in the budget (updated from the \$500 that Linda reported).
- Immediate additional funds: All members of the chapter need to join to the national organization as 25% of the dues received from Colorado members for the state chapter. OEMC could potentially contribute some kick-start funds (Linda will confirm later).

Future Meeting

- Meetings will be held quarterly.
- Next meeting tentatively scheduled for April 6, 9-11, hosted by Johnson Controls.

Rebuild Colorado Update & Discussion

Governor's Executive Order

- State buildings essentially required to issue RFP for pc by Feb 2005;
- Higher ed encouraged;
- All state facilities need to assess pc prior to requesting capital funds; Rebuild CO conducting feasibility studies.

Partnership with State Buildings

- High level support from State Buildings & OEMC for pc
- Linda is Team Leader for all performance contracting projects in state facilities to oversee projects, develop policies and refine RFP/contract documents
- State Buildings will oversee construction/codes/etc, track project status/resultsreport to legislature, oversee use of capital funds, etc.
- We hope this will be a smooth operation from the customer & ESCO perspective

Growing Markets; Expanded Approaches

- State departments and higher education institutions (Econergy)
- Schools (Trident)
- Cities, counties, recreation districts, public hospitals, other special districts (Nexant)
- Public housing authorities (Nexant)
- High performance design & LEED (Gregerson)
- Retro-commissioning (Nexant)
- Supplemental grants for schools (Trident)
- Energy management in rural schools (PCD Engineering)
- State utility resource development (Cowing)
- State energy management programs at departments & colleges (Cowing)
- Energy education in public schools (Colorado Energy Science Center)
- Increased marketing (Gregerson)

Rebuild Colorado Strategies for Success (a package of recommendations)

- Competitive ESCO selection
- Use OEMC's RFP, audit contract & performance contract
- Meet legislative requirements (maximum term; full-term guarantee with customer option to terminate after 3 years; annual guarantee; cost itemization; etc.)
- Minimum m&v requirements
- Maximum escalation rates
- Open book pricing
- Contingency use
- Strive for LEED certification where applicable (learn about LEED-EB)
- Energy Star benchmarking & label application
- 3rd party engineering & performance contracting expertise (Rebuild Colorado services)
- Other policies – incorporate cost competition; etc.

Working with NAESCO, FEMP and expert consultants to establish these;

We want your input and support for strategies we recommend to customers

Tips for ESCOs

Audit

- For audit review meetings, the lead contact and the audit engineer both need to be present to answer a full range of questions and to make commitments together.
- Make sure the audit corresponds to terms of the audit contract (maximum markups, cost itemization, annual guarantee; full-term guarantee built-in to cost; m&v plan; etc.)
- Make sure your auditing engineer follows the audit contract (and has a copy)
- Follow-through on your promises from the interview (customers will tape these)
- Use at least minimum m&v strategies (per IPMVP)
- Justify or reduce commissioning/design costs on some ECMs rather than across the board percentage markup

RFP

- Bring key personnel to the interview – not everyone, and not just the sales person, and recognize that CEOs or other out-of-state staff may not impress.
- Keep the reviewer in mind and be concise (appendix info may not be reviewed)
- Preview your RFP and be careful of “search & replace” (don’t call a city a school district)

Contract

- Ensure m&v plan and final requests for audit changes are completed before asking the customer to sign the contract.

General

- Contact Linda (not the consultants) if you have questions/concerns/suggestions about Rebuild Colorado’s policies/strategies/approach, legislation, Exec Order, etc.
- Share “Rebuild Colorado Strategies for Success” with your customers.