



## Energy Services Coalition

A Public-Private Partnership

## September 2015 Newsletter

### NEWS, HEADLINES AND UPDATES FROM OUR MEMBERS & ESC CHAPTERS

#### Conference Concludes in NC



The Energy Services Coalition held its 4th Annual Market Transformation Conference Aug. 31st through Sept. 2 in Charlotte, North Carolina. More than 180

private and public sector individuals attended.



ESC National Board Members attending the Charlotte Conference included (front row l to r) Bob Georgeoff, Jim Ploger, Karen Pelzer, Chris Halpin, Christine Keck and Len Hoey; (back row l to r) Ron Spangler, Bob Dixon, George West, Tom Walther, Doug Dahle and Peter Berger.

#### 2015 ESC Award Winners



ESC President Tom Walther presents Christine Keck with the organization's Champion Award.

#### 2015 ESC Champion Award

Christine Keck was presented with ESC Champion Award during the closing ceremonies at the ESC annual conference last week in Charlotte.

The Champion Award is given annually to the individual that has made significant contributions to helping the organization fulfill its mission of promoting the benefits of, providing education on, and serving as an



**North Carolina ESC Chapter Host Committee:**  
Front Row Left to Right: Kevin Overcash, Kathy Walter, Len Hoey; Back Row Left to Right: Robbie Williams, Tom Walther, Steve Quirk, Rich Penner.

For a list of attendees click [here](#). To view the presentations visit the [conference website](#) and click on the presentation on the agenda you wish to view.

Cooperative Agreement Update:

## **Facilitating Public Sector Energy Savings Performance Contracting through Statewide Public-Private Partnerships**

Through a new Cooperative Agreement with U.S. Department of Energy, the ESC launched several new programs this summer to provide education and promotion for guaranteed energy savings performance contracting.

Under the cooperative agreement the ESC is also offering technical assistance to help states implement or enhance their performance contracting programs to accelerate and deepen the retrofit process. As part of this effort, a milestone was reached on August 28 when the ESC Board of Directors approved an updated list of "Key Attributes for Program Readiness." The list represents the ESC's recommended preconditions upon which to build or

advocate for the widespread use of energy performance contracting in public and private facilities.

Christine is a current ESC Board Member representing an ESCO, and previously served from 2012 to 2014 as ESC President.

During her tenure as ESC President, Christine spearheaded the efforts that resulted in a Cooperative Agreement with U.S. Department of Energy in support of the ESC's outreach programs to states across the nation to help build capacity for performance contracting. She also oversaw the launch of a new ESC website and the implementation of a virtual tradeshow in support of the annual conference. Christine presided over the annual conference in 2013 and 2014, helping the event earn the reputation as a unique national gathering of energy industry experts and public sector thought-leaders.

## **2015 Race to the Top**



Alan Okimoto accepts the Race to the Top Award from ESC President Tom Walther during the closing ceremonies of the annual ESC Conference.

## **Hawaii Defends Title**

The Hawaii State Energy Office accepted the Race to the Top award for the fourth year in a row at the conclusion of last week's conference in Charlotte, North Carolina.

The award is given annually to the state with the highest per capita investment in performance contracting projects. Hawaii

expand a GESPC program at the state level.

This new list supplants the "Key Attributes for Programmatic Design" that was developed a decade ago.

The ESC's Key Attribute concept was developed in response to an LBNL study that proposed "the adoption of accelerated program design practices is essential to overcome barriers to implementing energy efficiency programs."

The updated Key Attributes take into account the evolution of statewide performance contracting programs over the past decade, and incorporate the lessons learned during that time.

While the adoption of the Key Attributes is no guarantee of success -- we believe states looking to modernize their programs could greatly benefit from these concepts. However, as in any program design, the true measure of success is in the achievement of meaningful results.

Click [here](#) to download a copy of the ESC's 10 Key Attributes to GESPC Program Readiness.

(Note: The updated Key Attributes were developed after numerous interviews with public and private sector ESC members across the country, and review by two ESC Committees before being presented to the Board for its approval.)

## Facility Retrofits for Energy Efficiency (*FREE*)

News and activities reported by our network of State Chapters and ESC members.

leads the nation with a Race to the Top high of \$276 of investment per person.

Ohio has more than \$1.2 billion in ESPC projects in the state, but ranks 3rd in the per capita metric.

Kentucky, with \$750,000,000 in ESPC projects, ranks second in the Race to the Top with an investment of \$173 per capita.

Several states are closing in on the half-billion dollar in total project investment. North Carolina and Colorado are both nearing this milestone, while Massachusetts and Pennsylvania could also top the half billion mark in the next year.

## In the Spotlight: North Carolina's Outreach and Marketing for Small ESPC Projects



"Our Goal - to make smaller projects more viable. A change was made in North Carolina legislation in 2013 to reduce the time for the process and improve the procedures. We refined the RFP, IGA, ESA template, and defined the qualified reviewer. We then held eight education workshops across the state." CC Mauer, Private Sector NC ESC Chapter.



**Delaware -- The State's ESC Chapter is holding its annual membership meeting on Friday, Sept. 18 from 9 am to 11**

**am. The meeting location is the Bloom Energy Manufacturing facility, 200 Christina Parkway, Newark, Delaware. Only members and invited guests will be admitted. The meeting agenda includes updates on SEU and Division of Energy and Climate activities, plus a preview of the agenda for the Second Annual Delaware Energy Conference -- to be held Wednesday, October 21 at the Chase Center in Wilmington.**

**Nevada: The state's ESC Chapter is holding its next meeting Wednesday, September 9 from 10:30 am to 1:30 pm at the Henderson Convention Center -- 200 S. Water Street.**



**North Carolina: The \$6.2 million in energy efficiency retrofits being made throughout most of the Hoke school system in Sandy Grove - are**

**being paid for by guarantees of \$8.1 million in energy savings over the next 15 years. At a ceremony at Sandy Grove Elementary, Hoke Superintendent Freddie Williamson said the performance contract method was the only way the low-wealth school system could finance needed work without increasing taxes or debt. He said it also allowed the school system to pursue its goals of having comfortable classrooms that are conducive to learning along with 21st century energy efficiency.**

**New Mexico: The New Mexico State University Board of Regents voted last year to approve NMSU's 13-year, \$15.7 million, energy**



**"Results of (statewide) workshops: We talked to 40 entities -- 28 are interested and 20 of those are moving forward." Kathy Walters, Public Sector NC ESC Chapter.**



**"We could not have participated in an ESPC without the State/DOE grant and 3rd party assistance. We are a small community college in a rural area . . . our infrastructure was aged and crumbling. The third party grant gave local stakeholders and the college president confidence to move forward." Michael A. Elam, Ed. D., Roanoke-Chowan Community College, North Carolina end-user.**

**In the Spotlight:  
Nevada's  
Performance Contract Audit  
Assistance Program**

performance contract that allows energy improvements to 48 buildings, totaling nearly 3 million gross square feet. Today, just 10 months into an energy performance contract, NMSU is seeing big savings in its utility bills. The campus has seen a 17 percent savings in its electrical use, and 25 percent in heating, ventilation and air conditioning. Contract work is still being conducted, but the university has \$1.32 million in savings to date. NMSU is enjoying benefits beyond money savings -- out of four work crews that were hired to perform contract work, three crews were based in Las Cruces. The project has also "changed how the faculty, staff and students at NMSU understand energy use."



Pursuant to NRS 332, Nevada government entities that choose to enter into a Performance Contract for operating cost savings measures are required to pay for a financial-grade operational audit to identify energy efficiency measures prior to executing a Performance Contract. Eligible government entities may request financial assistance for the costs associated with the audit from the Nevada Performance Contract Audit Assistance Program (PCAAP), administered by the Governor's Office of Energy. The PCAAP accepts applications for audits that result in a performance contracting project.



**Michigan: Grand Traverse County has issued a Request for Qualifications for Energy Performance Based Contracting**

services. The deadline for submittal of questions is 5 PM Wednesday, September 9, 2015. For more information contact John Sych, Planning Director.

**Virginia: The Southampton County School Board has approved an Energy Performance Contract for**



various lighting, mechanical and building automation upgrades in numerous buildings owned by the school system. The capital cost of the upgrades, pending final legal review by the school board's counsel, is \$7,157,138. The total sum of the lease payments over 15 years is \$9,175,875, while the projected and guaranteed energy savings over that time period is slightly more than \$9.3 million..

## In the Spotlight: Virginia's Executive Order 31



Governor Terry McAuliffe's  
Executive Order 31

"All state agencies should proactively pursue energy efficiency measures, especially Energy Performance Contracting (EPC), to reduce energy consumption. EPC is a budget neutral, cost-effective tool that permits state agencies and publicly-owned facilities to reduce their deferred maintenance backlogs without adding any financial burden to the taxpayer.



**Nevada: Clark County School District, Nevada's largest school district, has selected two ESCOs to work concurrently on 50**

schools. Negotiations are now underway for energy, water, and maintenance cost-saving equipment and services.

**North Carolina:**  
The Fayetteville Board of Commissioners unanimously voted August 17 to lend what commissioners



called "verbal support" for Robeson Community College President Pamela Hilbert's proposal for an investment grade audit to study the potential benefits of an energy performance contract at the college.



**Nevada:** The City of Henderson has used performance contracting to manage rising utility and operating costs, achieving over \$20

million in building improvements including interior lighting, street lighting, and heating and cooling systems. The project was funded through guaranteed savings which exceeded projections, according to Mark Hobaica, City Architect. The city recently issued its third RFP, this time to upgrade outdoor lighting systems at city parks, and selected an ESCO and third party consultant.



City of Henderson shares its performance contracting success stories.

**Indiana:** The City of Jeffersonville conducted a mandatory walk-through on September 1, 2015 as part of the city's RFP for energy and operational conservation measures through a guaranteed energy and operational savings contract.



For agencies that have already employed EPC, overall energy consumption should be re-evaluated to identify areas for further efficiency improvements.

Agencies should utilize the current process, at no cost to the agency, which provides a general audit to assess whether EPC is appropriate for the agency. This portion of the process is managed by DMME, and all agencies should work with DMME to have a general audit conducted with the goal of implementing an EPC by 2016.

This will include the development of an "EPC Roadmap" that will lay out each step of the EPC process and ensure accountability among agencies and the ESCOs at each stage of project development and implementation.

## In the Spotlight: Delaware ESC Chapter



The Delaware Chapter of the ESC is holding its annual Delaware Energy Conference at the Chase Center on the Wilmington Waterfront on October 21. The Chapter is looking for volunteers to help with the annual conference. If you are interested in working on the conference, contact [debbie.boylan@eastcapitol.net](mailto:debbie.boylan@eastcapitol.net).

## In the Spotlight: Oklahoma ESC Chapter



**Alabama:** The Housing Authority of the Birmingham District recently announced a \$37.4 million energy performance contract that is estimated to save over \$66 million in HABD's utility

and water costs over the next 17 years. The ESPC will involve energy and water efficiency improvements at 14 developments encompassing more than 4,100 apartments. Work will include lighting and water upgrades, temperature controls, refrigerator replacements, building envelope improvements, heating, ventilation/air-conditioning, and mechanical upgrades in 6 of the 14 sites.

**Kansas:** Johnson County Commissioners heard a presentation on a potential ESPC in county facilities



at a recent meeting. The contract objective would be to provide energy-saving, "budget neutral" improvements at the jail, courthouse and justice center. The lease-purchase would be for 15-years and would have no impact on the county's debt rating. A preliminary study showed the county could save up to \$44,000 per year in energy costs and could reduce expenditures by up to \$700,000 over the 15 years of a lease-purchase agreement. The estimates do not include operational savings or possible utility rebates. Lighting retrofits are the top priority because of the payback and longer lifecycle of LED lighting and rebates available from KCP&L. Replacing the jail HVAC system is listed as the second priority because the current units date from 1999, are inefficient and are near the end of their life expectancy. The county spent \$7,000 last year on repair costs to the HVAC and lighting systems.



**Oregon:** The City of St. Helens is entering an energy savings performance contract. The project includes

upgrading 915 high pressure sodium street light fixtures to LED technology, in addition to identifying other efficiency, utility maintenance and infrastructure improvements.



The ESC welcomes the Oklahoma Chapter to the network of state chapters. Kyla McNabb accepted the Chapter certificate from Tom Walther at the ESC Conference in Charlotte on September 1.

## From The Wayback Machine

In 2001, the Virginia General Assembly adopted the Energy and Operational Efficiency Performance-Based Contracting Act to



encourage state offices and units of local government to invest in energy conservation. As a result, public agencies like the school board invite four or more pre-approved energy service companies to do preliminary audits of their energy use and then submit proposals on how much they could save with a number of recommended renovations.

In 2005, Nevada Revised Statutes changed to allow local governments to use Energy Savings Performance Contracting.



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**New York:  
Warwick School  
District is  
investing in a solar  
power project that  
will reduce its**



**energy costs by more than half. The 2-megawatt project will be on 10 open acres at the Sanfordville Elementary School campus, generating electricity and feeding it to a local power grid, which Orange and Rockland will use to offset the cost of electricity used by the district. The district expects to save about \$300,000 a year for the next 18 years. Its annual electricity bill is \$500,000. The project is being built in accordance with the state's Energy Performance Contract, it must pay for itself and will therefore not cost the taxpayer any money. The district also sees this as a way to make a commitment to green energy and a chance for students to learn about renewable energy.**

*Exciting things are happening with the Energy Services Coalition all around the nation.*

*We are the nation's only public-private-partnership organization leading the charge to deliver the benefits of Energy Savings Performance Contracting.*