



Energy Services Coalition A Public-Private Partnership October 2015 Newsletter

NEWS, HEADLINES AND UPDATES FROM OUR MEMBERS & ESC CHAPTERS

States Begin Weighing Responses to Clean Power Plan



In August, 2015, the EPA announced its final rules and the process for reducing emissions of carbon dioxide (CO₂) from existing fossil power plants under its Clean Air Act authority. Since the

release of the final rule, much of the focus has been on understanding the complexities of the 2000 page regulation and how to respond.

Two months after it release, one thing is clear: The "Clean Power Plan" will provide each state the flexibility to determine its preferred way to comply with the new requirements.

The state plans will be developed by the agency responsible for regulating air quality in each state. These agencies are already holding listening sessions and convening working groups. As part of the process, these air regulators are seeking input from generation owners, system operators, energy regulators, energy offices, consumer advocates and other stakeholders to design state-specific plans to achieve compliance. These plans will build upon a combination of solutions, such as retiring obsolete/polluting power plants in favor of cleaner energy generation sources and fuels, emission trading and energy efficiency measures.

Issues and Opportunities

Cooperative Agreement Update:

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

Through a Cooperative Agreement with the U.S. Department of Energy (DOE), ESC is able to provide direct technical assistance to a limited number of states (3 to 5) on guaranteed energy savings performance contracting; building expertise in the states for the procurement/contracting process and implementation of performance contracting program elements. For more information [click here](#).

In the Spotlight: Delaware Energy Conference

While the Energy Services Coalition has not taken a position on the merits of the rulemaking, we have an opportunity to illustrate how energy efficiency programs could be used as one way to comply with these federal emission reduction requirements for existing power plants. Although the ESC is a 501c3 and restricted from engaging in lobbying efforts, it is important for our chapters/members to understand the steps states are taking to develop plans. Listening sessions and working groups represent an opportunity for State ESC Chapters to educate committee members to ensure they understand how GESPC can contribute to a state's compliance strategy.

Convene your chapter and develop a plan for how the chapter will reach out to Air Quality Directors in concert with your State Energy Office and plan a time to deliver a presentation on the benefits of Guaranteed Energy Savings Performance Contracting and the considerable impact energy efficiency can have on clean air and the annual requirement to deliver persistence validation through the annual Measurement and Verification reporting.

States have until September 2016 to submit an initial plan, with a final plan due in 2018.

Facility Retrofits for Energy Efficiency (*FREE*)

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



Michigan: The City of Grand Rapids has completed the first phase of an ESPC at its Waste Water Treatment Facility. The project will save \$2.2 million in energy

costs over the next 15 years. It also is contributing to broader City sustainability targets like reducing carbon emissions by 10,000 metric tons and increasing energy efficiency and conservation at City facilities by 10%.



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 conference will focus on renewable energy and energy efficiency project development in Delaware and highlight past successes and look ahead to future opportunities. Attendees will range from industry representatives, potential customers, elected officials, regulators, to leaders from labor and manufacturing.

The program includes a keynote by Ali Zaidi, Associate Director for Natural Resources, Energy, and Science at the White House Office of Management and Budget, panels on microgrid applications and energy performance contracting, and an in-depth discussion of the upcoming 2016 SEU Energy Efficiency Bond Issue.

[Click here](#) to register.

In the Spotlight: Michigan's Annual ESC Award Luncheon



Michigan: Lincoln Park Public Schools held a mandatory bidders' conference and building walk-through on September 18. The school is looking for a contractor to design, install, maintain, monitor and arrange financing for a comprehensive energy conservation program. For more information contact Angela Black, Director of Finance.



North Carolina: Robeson Community College's energy-grade investment audit is about to begin. The audit will take four or five months to complete and cost an

estimated \$103,000. A preliminary on-site review of RCC facilities identified energy savings ranging from \$88,000 to \$225,000 a year.

Connecticut: Members of the Cheshire Town's Energy Performance Contract Committee approved a list of additional projects totaling over \$500,000 to add to the \$10.2 million ESPC completed over the past two years.



North Carolina: The Vance County Commissioners voted unanimously to support efforts by Vance County Schools to reduce energy consumption and save

money through an energy savings performance contract.

New York: The East Hampton School Board is mulling an energy performance contract that would allow the district to invest in new technology and reap significant energy



Celebrating Success: Michigan Style

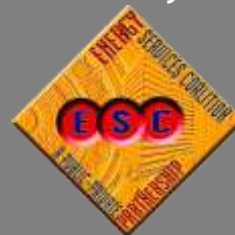
On November 4, the Michigan ESC Chapter will be conducting its 5th Annual Awards event in Lansing. This year state and local government agencies as well as the top three university projects in the state -- among others -- will be recognized for project success and ESPC leadership.

The Michigan ESC Chapter launched in 2010 and in 2011 held its first awards luncheon.

Early this summer, the Michigan ESC Chapter Awards program was recognized by the ESC as an outstanding chapter activity and included as Key Attribute for Program Readiness.

The Key Attributes acknowledge arecognition/award program as a powerful strategy that reinforces the importance and benefits of saving energy in public facilities. High-profile success can help GESPC gain acceptance and encourage others to take similar action.

In the Spotlight: ESC Case Study Database



The Energy Services Coalition maintains a database of case studies on its website. Presently there are 566 energy performance contracting case studies in a searchable database. Categories include federal, state and local and subsets range from correctional facilities to waste water

and monetary savings. The project would include installing solar panels at all three school buildings, installing energy-efficient transformers and switching to natural gas at the high school, adding weatherstripping, insulating pipes, and more. The cost is projected at just below \$4.9 million but would yield more than \$366,100 in energy savings each year.



Nevada: The state's ESC Chapter held elections and elected David Gibson as the Chapter's new public sector co-chair. Gibson takes over for Sue Stephens

who served as the public sector co-Chair since the Chapter's inception in 2013.

Nevada -- The Mayor of Henderson was the guest speaker at the September Nevada Chapter meeting. Mayor Andy A. Hafen described the city's success and



continued commitment to performance contracting. His comments included: "I'm hooked line and sinker on this and totally convinced - it's a no-brainer. I'm jazzed about the \$1.5 million per year in savings and we're initiating a third project right now. It's the right thing to do - no risk/all gain." He emphasized that the guarantee is what sold the city council. He encouraged all to view the city's video on this topic (see below). Mayor Hafen added it's an efficient alternative to standard construction. He pointed out the importance of involving the finance team early on.



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.

treatment plants, and from K-12 to health care facilities. [Click here](#) to view the database. To submit a case study to the database [click here](#).

In the Spotlight: Alabama ESC Chapter



On September 24th, following several years of relative inactivity, Energy Division of the Alabama Dept. of Economic & Community Affairs (ADECA) leaders Mary Blackmon, Elizabeth Grimes and Karl Frost hosted a kickoff meeting to reactivate the Alabama Chapter.

During the course of the meeting, discussion topics included the current Performance Contracting needs in the state, ADECA's role in facilitating outreach and organizational priorities. The highest priority was agreed to be to informing former members that they are welcome back, so the chapter can elect officers and begin the mission of outreach. An energy workshop is tentatively being planned for next spring.

The next meeting is scheduled for Wednesday, November 4, at 10AM (Central) at the ADECA offices at the RSA Alabama Center for Commerce Building (401 Adams Avenue,



City of Henderson shares its performance contracting success stories.

Florida: Jacksonville Beach has issued an RFQ for Performance Contract for Guaranteed Energy, Water and Wastewater Cost Savings. Deadline is October 7, 2015. For more information contact the Jacksonville Beach Purchasing Division at 904.247.6229.



Florida: Miami International Airport is investing roughly \$32 million through an ESPC in electricity and water upgrades over the next two years that will save MIA more

than \$40 million in electric and water bills over 14 years. The ESPC guarantees MIA annual savings topping \$2.2 million in electricity and water use during that time. The energy performance contract is one of the largest ever in Florida. By installing more efficient lights, air conditioning, ventilation and water systems, MIA will save the equivalent of carbon emissions from 5,110 automobiles and water that could fill 43 Olympic-size swimming pools.

Maine: The School Administrative District 75 Board of Directors in Topsham is considering a Phase II 15- year ESPC. The district cut its energy costs nearly in half over the last decade through its Phase I contract. The Phase II contract is valued at \$4,328,878 and the



Montgomery, AL 36104). Please advise [Mary Blackmon](#) if you plan to attend.

From The Wayback Machine

Did You Know: In 1995, only 72% of the states had a law that allowed energy performance contracting. Not all institutions were covered by these laws.

- 69% of the laws covered state facilities
- 63% of the laws covered universities
- 63% of the laws covered public schools
- 59% of the laws covered public hospitals
- 47% of the laws covered National Guard Armories

Today, nearly all facilities in almost every state is covered.

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district is refinancing the previous work (\$824,537) at a better interest rate. The district will receive about \$105,000 in rebates and will get credit for reduced annual maintenance contract costs. The total amount to be financed is \$5,005,758. The new project will reduce baseline energy costs by another 18 percent - both for electrical and heating costs.



Texas: On September 1 new bills passed by the Texas Legislature went into effect including: HB 1184: Relating to authorizing certain utility cost savings and alternative

fuel programs as eligible for local government energy savings performance contracts. This bill amends the Local Government Code to expand coverage of the energy savings performance contract provision, which allows local governments to finance contracts to install more efficient systems through a guarantee of future savings, to include alternative fuel programs for fleet vehicles and programs resulting in utility cost savings

Florida: The Florida chapter of the ESC held a meeting on September 18 with 26 people in attendance that expressed an interest in restarting the organization. A Private Sector Co-chair and a Secretary/Treasurer were appointed.



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.

