Delaware named Energy Stewardship Champion

Henderson, NV—The Energy Services Coalition (ESC) recently announced its 2017 Energy Stewardship Champion awards given to states in recognition of outstanding accomplishments in leveraging Guaranteed Energy Savings Performance Contracting (GESPC) to achieve energy savings, infrastructure modernization, environmental stewardship, and economic development.

Delaware was among 12 state Champions recognized for this annual award during the closing ceremonies at the ESC’s Market Transformation Conference in Henderson, Nevada on Friday, August 11th.

“GESPC is a financial strategy leveraging guaranteed future energy savings to pay for energy efficiency upgrades today,” said Jim Arwood, ESC Executive Director. "Delaware has achieved considerable recent success in support of implementing energy efficiency projects in public buildings through the use of a GESPC."

The way GESPC works is simple. A list of energy conservation measures is negotiated in the form of a contract between a public agency and an energy services company (ESCO). The ESCO will implement the contracted measures at no upfront cost to the public agency, with repayment coming through the monthly savings those facilities realize on their energy bills. If the energy savings do not meet their guarantee, then the ESCO pays the difference. The Delaware Sustainable Energy Utility (DESEU) finances the contracted measures through tax-exempt bonds or direct loans.

Arwood added that the example Delaware has set through executive and legislative leadership, program design and technical assistance, and private sector investment in
public building energy retrofits using a GESPC financing solution, is a prime model of being a good steward of taxpayer's monies and using natural resources wisely.

Since 2012, the State of Delaware and the Delaware ESC Chapter have partnered to ensure that GESPC reduces the strain on taxes and supports a healthy environment for Delawarians. The public/private partnership promotes solutions to failing and inefficient equipment in aging public buildings to reduce utility costs and energy and water consumption. To date, more than $138 million in energy savings projects have been implemented in Delaware as a result of a GESPC. Recent projects have been completed in schools, national guard facilities and cities. Projects include:

- In 2015 the Christiana School District entered into an energy performance contract, financed by a low-interest loan from the Delaware Sustainable Energy Utility. Glasgow High School and Gauger-Cobbs Middle School are benefitting from $5 million in comprehensive upgrades that are guaranteed to pay for themselves through energy savings.

  “We were very impressed with the seamlessness and simplicity of the process,” said Demeter Picciotti, Facilities Services Manager for the Christiana School District. “A recent American Federation of Teachers study on green schools revealed that sustainable educational institutions have 5 to 17 percent higher student achievement levels. Coupled with $7 million in guaranteed energy savings, this is a win-win for everyone.”

- In 2016, the Delaware Army National Guard utilized the GESPC program to implement $4.5 million in energy efficiency and renewable energy capital improvements at its facilities statewide.

  “This is a win-win for everyone. The sheer size of our facility and our annual energy usage is enormous,” said General Francis D. Vavala, Delaware National Guard. “The capital improvements to the base facilities will save us millions over time. The DESEU has structured the terms of the loan to make it extremely attractive.”

GESPCs, have been around since the energy crisis in the late 1970s. Nationally, it is a $5-6 billion dollar industry today, and is projected to double or triple in size by the year
About the Energy Services Coalition

The Energy Services Coalition is a public private partnership promoting the benefits of, providing education on, and serving as an advocate for the widespread use of guaranteed energy performance contracting in public and private facilities. The ESC provides a unique forum in which all stakeholders can work together to address and overcome any barriers which are limiting the effective use of GESPC.

The Delaware Chapter of the Energy Services Coalition’s membership represents the public, private, non-profit, and educational sectors. Its membership meetings and annual Delaware Energy Conference provide a forum to share "best practices" in marketing and implementing performance contracting projects as well as develop business relationships. Learn more about the Delaware ESC at: http://de.energyservicescoalition.org.