



U.S. DEPARTMENT OF  
**ENERGY** | Energy Efficiency &  
Renewable Energy

# Energy Efficiency & Performance Contracting Workshop

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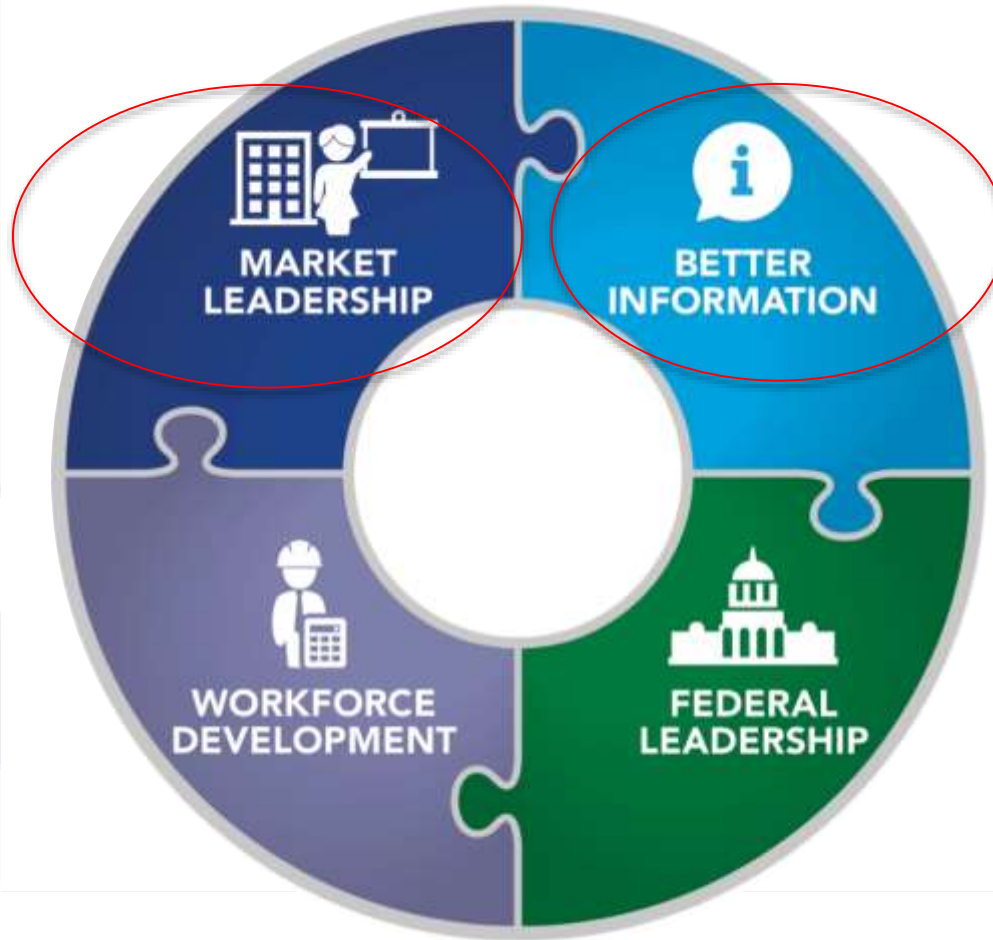
Developing Innovative, Replicable Solutions with Market Leaders

- Better Buildings Challenge
- Better Buildings Alliance
- Better Buildings, Better Plants
- **Better Buildings Accelerators**
- Better Buildings Residential
- Superior Energy Performance



Developing a Skilled Clean Energy Workforce

- Better Buildings Workforce Guidelines



Making Energy Efficiency Investment Easier

- Building Performance Database
- Building Energy Data Exchange Specification
- New Financing Solutions
- Building Energy Asset Scoring Tool
- Home Energy Score
- Appraisal Foundation Memorandum of Understanding



Leading by Example in the Federal Government

- New Executive Order
- President's Performance Contracting Challenge
- DOE Leadership

# Better Buildings Accelerators

## Accelerating Investment in Energy Efficiency

The [Better Buildings Initiative](#) is a national leadership initiative calling on corporate chief executive officers, university presidents, utilities, state and local officials, and other leaders to make substantial commitments to improve the energy efficiency of their buildings and plants, save money, and increase competitiveness. The cornerstones are a commitment to a 20% or more savings target across the organizations' portfolios and a commitment to share strategies that work, substantiated by energy data across the portfolios. As part of the President's [Climate Action Plan](#), the U.S. Department of Energy (DOE) is expanding this initiative to engage leaders in a set of Better Buildings Accelerators designed to demonstrate specific innovative policies and approaches, which upon successful demonstration will accelerate investment in energy efficiency.



### [Data Centers](#)

Designed to demonstrate best energy management strategies and cost effective infrastructure improvements in small, medium and large sized data centers



### [Energy Data](#)

Designed to demonstrate low-cost, standardized approaches for providing energy data for the purpose of whole building energy performance benchmarking.



### [Energy Savings Performance Contracting](#)

Designed to expand the use of energy savings performance contracting by state, and local governments, K-12 schools and others.



### [Home Energy Information](#)

Designed to expand the availability and use of reliable home energy information at relevant points in residential real estate transactions.



### [Home Upgrade Program](#)

Designed to demonstrate how energy upgrade programs can streamline processes to serve more homes across the country.



### [Outdoor Lighting](#)

Designed to demonstrate practical and effective best practices to accelerate the adoption of high-efficiency outdoor lighting and improve system-wide replacement processes at the municipal level.



### [Industrial Superior Energy Performance](#)

Designed to demonstrate cost savings from implementing SEP enterprise-wide, as well as to demonstrate strategic energy management through SEP as an effective ratepayer-funded



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### BETTER BUILDINGS BULLETIN

[VIEW PREVIOUS EDITIONS](#)

# The Potential of ESPC



Pay for Clean  
Energy Efforts

- A typical ESPC project in the MUSH market saves approximately 13% to 31% annually compared to its baseline<sup>1</sup>
- Estimated annual energy savings potential in MUSH market: 200-262 tBtu
- Estimated ESPC project investment opportunity in MUSH market: \$52-\$87B

<sup>1</sup> LBNL/NAESCO database of ESCO projects

Source for all other slide facts: "Current Size and Remaining Market Potential of the U.S. Energy Service Company Industry" by Elizabeth Stuart, Peter H. Larsen, Charles A. Goldman, and Donald Gilligan. September 2013.

# The Commitment

## Performance Contracting Accelerator Partner Agrees to:

- ▶ **Appoint** an Accelerator partnership lead.
- ▶ **Pledge** a financial commitment to implement ESPCs for the next three years.
- ▶ **Work with DOE** to identify one or more barriers in their performance contracting program or project within 4 months of joining; and work with DOE and other Accelerator Partners to find solutions within 18 months.
- ▶ **Participate** in technical assistance forums.
- ▶ **Share** materials, results, and lessons learned from their innovative approaches.
- ▶ **Participate** in the development of and provide data for national ESPC project database.
- ▶ **Report** on progress towards the goal semi-annually.

## The U.S. Department of Energy Agrees to:

- ▶ **Appoint** a DOE point of contact for each partnership.
- ▶ **Facilitate** the development of best practice approaches in collaboration with Accelerator Partners, including standardized model contracts, deep-energy retrofit approaches, and pathways to completing energy retrofits in smaller buildings.
- ▶ **Share information** and provide technical assistance webinars and tailored training on federal, state and local government, K-12, and other performance contracting programs and approaches.
- ▶ **Establish a central repository and standard process to report data at the project, building, and energy conservation level** in collaboration with Partners, industry and stakeholders, and provide access to Partners.
- ▶ **Provide public recognition** to Accelerator Partners for achieving milestones and commitment.

# Three Pillars

- Streamlining the Process
  - Model Contract & Companion Documents
- Standardizing Project Data
  - Refining eProject Builder
- Overcoming Individual ESPC Barriers
  - Process, Framework, New Markets

# The Accelerator Today: \$2.1 Billion Commitment

- **Alabama**
- Cincinnati, OH
- Colorado
- Connecticut
- El Paso, TX
- Fort Worth, TX
- Hawaii
- Houston, TX
- Illinois
- Massachusetts
- Michigan
- Minnesota
- Missouri
- Montana
- Nevada
- New Hampshire
- New Mexico
- Newark, NJ
- North Carolina
- Philadelphia School District
- South Carolina
- Virgin Islands
- Virginia
- Washington State

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# Alabama's ESPC Accomplishments

- Recognition in 2016
- Building ESPC Infrastructure
- ESC Chapter Important Element
- Workshop Another Step