

ESPC ENABLE Webinar for ESCOs

September 13, 2012

Note: All Q&A from this webinar has been documented separately. The transcript from any Q&A during this session is available at:
http://www1.eere.energy.gov/femp/pdfs/espc_enable_escoqa.pdf

Slide 1:

Chip Goyette: We'll get started, this is the ESPC ENABLE Webinar for ESCOs and vendors. Again, I want to thank folks for participating. We've got a number of folks on the line. We're very excited about the registration numbers that came in and hope all you folks on the phone are just as excited as we are about this initiative that FEMP has going on.

Slide 2:

So, with that, let's quickly go to the agenda slide. What I want to do here is quickly do some introductions, kind of the folks working on the ESPC ENABLE initiative, I'll discuss the purpose of this webinar, and I'll talk about the actual ESPC ENABLE process. I will give you a quick overview of what it is, what it isn't, how it differs from the traditional ESPC program we have, and then move into the focus of this webinar, which is explaining how folks can become DOE-qualified and apply to GSA Schedule 84, SIN 246-53, so that they can participate and offer services through the ESPC ENABLE program. GSA Schedule 84, SIN 240-53, is the vehicle that will be used for these projects and all ESCOs will need to be a part of it to compete for projects under this program.

With that, I just want to do some quick introductions on our end in terms of the folks that are involved with the ESPC ENABLE initiative. My name is Chip Goyette. I'm with DOE's Federal Energy Management Program, and I am the program lead for the ESPC ENABLE initiative. So I'm going to turn it over to Kellie on my left.

Kellie Stoker: Hi there. I'm Kellie Stoker, and I'm the branch chief for Schedule 84 with GSA, and I'm out of Fort Worth, Texas.

Chip Goyette: Great. Ben?

Ben Engleman: My name is Ben Engleman. I work for Energetics, Incorporated. I support Chip and the FEMP Program with the EPSC and ESPC ENABLE programs.

Chip Goyette: All right. Thanks, Ben.

And we also have a couple additional team members on the phone, as well. Bob Slattery?

Bob Slattery: Yes, this is Bob Slattery with Oak Ridge National Laboratory. We also support FEMP, the ESPC, and the ENABLE ESPC programs on technical matters.

Chip Goyette: Great. I hear Sam Espinoza.

Sam Espinoza: You don't have to – I'm taking myself out and mute it.

Chip Goyette: All right. Apologize, Sam, if you may be muted, but Sam is helping us out with the contracting piece. He works for Energetics, as well.

Let's go to Douglas Eisemann.

Douglas Eisemann: Yes, hi. My name is Douglas Eisemann. I'm with SRA International. I support Federal Energy Management Program with the ESPCs and with the DOE Qualified List of ESCOs.

Chip Goyette: Great. Thanks, Douglas.

And there may be some additional folks. Again, they may be muted and I apologize for that, but Mike Holda, if he is or isn't on the line, he is actually serving as a project facilitator, which is really the technical lead for these projects, and will be helping the agencies move through the process to get to award.

That's really the ESPC ENABLE team. Just wanted to introduce the names so if you folks ever have questions, you may get calls back from one of those individuals.

Slide 3:

So let's go to the purpose slide. The purpose of this webinar today is really twofold. We want to make sure that we provide you, the ESCOs, with the information you need to truly make a decision on whether or not this ESPC ENABLE initiative is something you want to become involved in. So we're providing information about the process, then we're going to cover the steps necessary to both become DOE-qualified and become a provider on the GSA Schedule.

Now, everyone still has the opportunity to become a subcontractor to companies that are on the schedule. You could also become a subcontractor to one of the 16 ESCOs on our DOE ESPC IDIQ, so we think this session or this webinar could be very useful for you as well, but again, our goal really is for you to walk away with a thorough understanding of ESPC ENABLE. We'll cover the various aspects of the process and so forth, along with what it takes to become a vendor, or a participant, in this federal space.

Slide 4:

Next slide, please. What I'm going to do for about the next 10, 15 minutes or so is really give you kind of an overview of the ESPC ENABLE process and some of the things currently going on with the program.

Slide 5:

For folks that may not be familiar, ESPC ENABLE is a brand-new funding option that has been introduced over the last few months, and the intention is to really focus on small federal facilities, particularly with buildings smaller than 200,000 square feet. In addition to that, another one of the criteria we're looking at when evaluating ESPC ENABLE pilot projects is facilities where ESPC ENABLE is the best of only option available to these sites.

So, for example, a site may have tried an ESPC in the past, and for whatever reason it couldn't cash flow, or again, if it's a smaller site, perhaps they tried to send out a Notice of Opportunity and for one reason or another didn't get much interest going through the DOE ESPC IDIQ. So, as I said, it really is meant for those sites that don't have other options available to them.

What we're doing with ESPC ENABLE is really putting together a standardized and streamlined process, so that projects can be awarded much quicker and also so that savings can be generated in a very short amount of time. We've put a number of templates and tools together to assist agencies in moving through the process quickly, and we're using the GSA Schedule 84 to make that happen.

We're currently limiting ESPC ENABLE projects to three very straightforward energy conservation measures (ECMs), which include lighting, water, and really basic HVAC controls. The M&V portion of these projects, or the measurement and verification, is fairly basic M&V. If you're familiar with the FEMP guidance on M&V, it's the Option A measurement and verification for these three energy conservation measures. Again, what we've tried to do is really take the best practices of our existing ESPC program, streamline those even further to make it of interest and beneficial to everyone involved.

Obviously, some of these smaller sites might not have the resources to do an ESPC, so, again, by doing it in this quick, straight-forward manner, they should be able to participate. And then, of course, again, on the ESCO side it's to your benefit because you can get through projects much more quickly. You might not have, or you should not have, the development costs that you might encounter with traditional ESPC, because, again, you're focusing on three very straightforward measures. Additionally, with experience and repetition, projects should look and feel similar.

Slide 6:

Next slide. Again, these are the measures that we're focusing on: the lighting, water, and the simple or basic controls.

Lighting, all you're really talking about is switching out equipment, switching out the lamps, ballasts, fixtures, and perhaps installing some occupancy sensors and lighting controls.

For water, we're really talking about sanitary fixtures, the sinks, the toilets, the faucets. We will say that we do have or we do allow some irrigation in here as well using the IGA tool that we've established, so it's not only plumbing, but it's certain industrial processes, as well.

And then, of course, the simple HVAC controls are really your time and temperature set back and your demand and night ventilation. What is not included, we just want to say up front, is that it doesn't include advanced building controls on the HVAC side.

Again, these are very simple measures. They're measures where when you install them you know what you're going to get. You're replacing a light bulb that uses a certain amount of electricity, with a light bulb that uses less electricity. So, again, it should be pretty straightforward in terms of what your savings are going to be.

Slide7:

Next slide. This next slide here is just a crosswalk between the ESPC ENABLE initiative or program and the DOE IDIQ contract that we also have in place. Obviously, with ESPC ENABLE, we're using GSA Schedule 84, SIN 246-53. The contract term can go up to 25 years in both programs, but with ENABLE it is likely to be less than that. The target market is unlimited for the DOE ESPC IDIQ program, but again, for ESPC ENABLE, we're really looking at those smaller underserved sites, for buildings under 200,000 square feet.

The energy conservation measures, again, for your regular ESPC program are unlimited and, of course, include renewables. With ESPC ENABLE, it's lighting, water, and basic HVAC controls. FEMP and GSA may work to expand this list to potentially include renewables and other basic ECMs in the future but there is currently no path or timetable for this to happen.

Now, the average cycle time with the regular ESPC program, we are pushing for a 12-month cycle, and that would be for a project award or contract award, but if you look under the ESPC ENABLE, what we're striving for is 12 to 15 weeks. And within those 12 to 15 weeks, we'll also include installation of the equipment. So, again, the site should be experiencing savings pretty much under 4 months if we can follow the schedule that we're putting in place. So these sites, again, it's of benefit to them, because their staff are only involved for that short period of time, and, of course, they experience the savings fairly quickly.

Average project size for the regular ESPC Program is about \$14 million in project investment, and what we're looking at with ENABLE could be anywhere from a couple of hundred thousand up to the \$1-million range. The average contract term for ESPCs, the IDIQ program, is 16 years. Under ENABLE, we're really going to shooting for 10 years or less. We think we can accomplish that by targeting these three ECMs.

On to the last two items on this chart, a project facilitator is required under our IDIQ, and it's not required under the ENABLE. However, for the pilot phase, which is what we're in now, we will certainly be providing that project facilitator to the agency to assist them, because, again, this is kind of a new, it is new process for them to be going through. And then, lastly, we do prescribe and require annual M&V for both.

Slide 8:

Next slide. This here is just kind of a current state, where we are, what we've been doing over the last few months. Some of you may recall we had an ENABLE presentation at GovEnergy in August 2011, so it's been in the works for over a year now. We've really done a lot of work in the last 6 months to set up the infrastructure of the program.

We actually had our first pilot project kickoff. Granted, it started in May, but there was a lot of education involved during May and June for those folks. So even though we're putting it down as the date of the kickoff, there was still a lot of things and work that needed to be done to get that project ready to move forward.

We revised or refreshed, along with GSA revised and refreshed the solicitation that's out there for the ESCOs under Schedule 84, SIN 246-53, so it has a new process for ESPC ENABLE under that SIN.

We launched the ESPC ENABLE website in June of this past year. We're going to visit it here in a few minutes to show you what's there. Then we issued our first Notice of Opportunity or Request for Quote in July, and that was obviously related to the project in the first bullet. T

We've got a number of the contract templates that we've developed that are now on the website, and, again, I would recommend after this call or sometime in the near future for those folks that are very interested in getting involved with this to start taking a look at those documents and templates. Specifically, look at the IGA tool that Bob Slattery is going to be talking about here in just a couple of minutes.

Lastly, we've been really working hard with the private sector community to increase the number of service providers that are on the schedule. Currently, there is a total 11 companies on the schedule, eight of which are ESCOs. We've been working very hard to try to expand that vendor pool. Again, that's really the point of this call, to provide you the information you need to determine if ESPC ENABLE is something you want to get involved in.

Slide 9:

Next slide please. Also, one more thing related to that, of course, we're doing lots of outreach and lots of education to the agencies, of course, as well, because we are really trying to build our pipeline, so to speak, to get a number of projects ready to go here in the next couple of months, so we have some internal goals related to that. We're working hard again at identifying and developing potential projects.

Yes, it's a smaller list of ECMs than the ESPC IDIQ, but again, the idea is that we want to crawl before we walk, so to speak. So we're starting small to make sure we have set up an optimal process. In the future, certainly if there are measures that can be incorporated that will contribute to the goal here of making this a very streamlined and also standardized process, we will consider those additional ECMs. Right now, again, we wanted to start with these three simple ones, so that we can start off on the right foot.

Right now we're going to take a few minutes and go through the ESPC ENABLE process. If you're familiar with the IDIQ process, you'll see a lot of similarities in here, but I'll also point out some of the differences.

The first phase typical to any procurement process, of course, is acquisitions planning. For ESPC ENABLE, we're expecting a timeline of a couple of weeks. Now granted, there may be some education before that needs to happen within an agency so they truly understand what it takes to do an ESPC ENABLE project, and again, we're working with agencies to educate them as much as possible.

The first step, of course, is really identifying your acquisitions team and making sure you have all the appropriate players on the agency's side, which would include; a contracting officer, a contracting officer technical representative, and a project champion. FEMP will be providing technical assistance as well. So once an acquisition team has been identified and put in place, there will first be a kickoff meeting with the acquisition team members to answer any questions and develop a schedule for the project, fill in any holes that there may be in the acquisition plan, then finalizing the acquisition plan within these few weeks, and start gathering the required information for the Request for Quote or Notice of Opportunity.

You see kind of in those last two bullets there, FEMP has provided pretty much fill-in-the-blank templates for both of those, so they're 90 to 95 percent filled out already, and it's a fairly easy or simple process then for the agency to go in and finalize these things. Again we'd be working with the agency or the site to compile all their appropriate utility and building data that would be necessary to go into the Request for Quote or Notice of Opportunity.

Slide 10:

Next slide. So step two of the ESPC ENABLE process is the ESCO selection phase. This is what we're estimating to be a 3-week step. It's when the agency finalizes their Request for Quote / Notice of Opportunity and releases it to the vendors on GSA Schedule 84. Then, of course, the vendors would then respond with their expression of interest, again, on a FEMP-provided form. What we're really trying to do here by providing these forms and templates is to truly standardize this whole process, so once an agency does one project, they'll then have a level of comfort and level of understanding of how to do it. After a while each project should look virtually the same, so you can get these things done in a very expedited manner.

Once the ESCO submits their expression of interest, we work with the agency to review that and evaluate it, and then choose an ESCO. The valuations are based on best value criteria, which will be outlined in the Notice of Opportunity. When we talk about best value, a pricing component is required in there. It could be a pricing component along with the qualifications of the company's performance related to similar type projects that they've done in the past, but you'll always see price component because that's what's required under the schedule. For now, we are advising that in the Notice of Opportunity agencies request something like the cost per

square foot to conduct the investment grade audit. That could be one of the evaluation criteria that an agency will look at.

Once the ESCO is selected, we would advise the agency to notify unsuccessful offers and then issue the Notice of Intent to award to the ESCO that was chosen. You'll see from these first few steps, it is fairly similar to the ESPC IDIQ process, the biggest difference being that a preliminary assessment is not required under the ENABLE process. It's a deep dive to try to figure out whether or not a project is a go or a no go under the IDIQ. Here (in ESPC ENABLE), basically the agency would choose the ESCO up front and then move forward with them to go to the next step, which is the IGA phase.

Before we do that, I do want to show you a couple of the tools our website, so we're just going to the URL that's at the bottom of this slide. This is the opening page for the ESPC ENABLE Program and I encourage folks to visit this site to learn more about the program. We've got about three subpages here and there's a good amount of information, but the most information is under the procurement process link here on the left-hand side. You'll see the different phases are laid out, and let's go down under Phase I to the Request for Quotation Notice of Opportunity. Hopefully, this will only take a few seconds. There we go. What we've done here is prepared a guide for the agency so they know from A to Z what they need to do to submit their Request for Quote/ Notice of Opportunity.

First couple of pages we have here are really instructional for the agency. If you scroll down – scroll down and, starting on the second page, this really is what you will see as the ESCO on the other side when a Notice of Opportunity comes through the Schedule 84. It's typical boilerplate. The agency requests or invites ESCOs to submit an offer on this project and then as you go down you will see, it lays what must be included in the response including; ESCO qualifications, the price component, and perhaps something that may be more germane to the agency itself or something that the agency is interested in that they'd also like you to consider.

It then goes into the evaluation criteria, a couple of bullets here, their past performance, price component, like I said, and then, lastly, the timeline. What we really try to do with the timeline is to keep things moving fast, so we're talking about a week to 2 weeks to get this selection completed. In the last couple of attachments here, we'll be working with the agency to provide all the building information and building data, which can include number of buildings, building size, what's the mission or the purpose of the building, and perhaps anything related to the condition of those buildings and, again, all the utility information.

Lastly, you've got here's what you would be filling out as an ESCO. Here's your expression of interest form. Basically you will answer those questions or provide the information that's requested in the notice. So, with that, I'm going to turn it over now to Bob Slattery from Oak Ridge who's going to walk you through the IGA process and the performance period.

Slide 11:

Bob Slattery: Thanks, Chip. Again, this is Bob Slattery with Oak Ridge National Laboratory and we were involved in the program building out some of the technical elements and components, and we'll just step you through at a very high level starting with the IGA or the Investment Grade Audit all the way through period of performance. At the IGA stage, the selected ESCO would come out to the site, perform the investment grade audit using a FEMP-provided IGA tool or what we call the survey tool. We estimate that this would be a 3-week time period for these activities. Now, the IGA tool is up on the FEMP website that Chip just went through with that previous link. Also, if you just Google FEMP ENABLE and ESPC it's going to bring you to that page and you will find this tool for download now.

I'll make one general statement: we're going to cover the tool a little bit here in this call, but there's a lot there in the tool. If you have a chance to download that and look at it, my contact information is contained within that tool in the very first information tab of this Excel spreadsheet and I'd be happy to speak with people one-on-one if they have questions about that tool in particular.

After the audit, the ESCO would submit their final proposal. Again, this is another area where FEMP has built a template for that proposal. It's really the framework for how that proposal should be submitted, very similar in approach to what we use on the traditional ESPC program today, just tailored for the requirements of the ENABLE Program. Then, after agency review and any subsequent negotiation, we would have hopefully an agency awarding a task order for that project.

Slide 12:

Next slide. So we spoke of the IGA audit tool and that is essentially a tool for calculating the energy and cost savings associated with the water, lighting, and HVAC controls ECMs,. The tool is intended to standardize the methodology by which we calculate those energy and cost savings for the benefit of the Federal agency. It's really the intent of this program that each agency out there is doing dozens upon dozens of these projects at small sites and thereby standardizing the processes by which those calculations are made and presented. The tool will streamline things for the ESCO, but especially for the agency in their review of these projects. When we speak of the lighting and water ECMs, this is an Excel-based tool and we'll go through that a little bit with some screenshots.

For water and lighting the tool is a traditional spreadsheet embedded with calculations that are really looking and fixture data that is entered from that audit process, looking at the usage of those fixtures, pre- and post-retrofit, and then comparing that against energy and water costs.

For HVAC controls, the method we deployed here is a little bit different. It is still utilizing an Excel interface but what it is doing behind the scenes is drawing upon a program called EnergyPlus, which is a building simulation program that's been developed in the past through some sponsorship with FEMP funding. That operates in the background of this Excel spreadsheet and looks at pre- and post-retrofit energy consumption, based on the inputs

provided by the ESCO. The ESCO inputs information that describes the building, the equipment and the control strategy, and it returns those values to the spreadsheet.

From the ESCO perspective, you're only interfacing with a single-sheet multiple tab format, and out of that we get a series of outputs from this tool which will then form some of the basis of your contractual documentation, your final proposal. There's a series of tables from the audit findings that dovetail in with some of the other templates that we've built.

Slide 13:

Next slide. So this is a look at the lighting tool. This is not meant to be legible down to the fine detail here, but this is a screenshot of one of the tabs of the lighting tool. I'll make the statement that for both the lighting and water, the tool interfaces are very similar. I'm going to walk through the lighting example, but the information here also applies to the water tool, as well.

This is what we would consider the main point of data entry for the lighting audit and it's nine different categories. The first category is just general project information. It actually contains a summary table at that point, which gathers up information throughout the tool up front in this top left corner so you don't have to scroll all the way to the bottom of what might be hundreds of lines to find totals.

The second section is a series of inputs for energy costs related to the building. In the example of lighting, we do take into account the interactive HVAC effect so there are some parameters there about the heating system that goes into that calculation. The third section there is a usage group table, and here we're talking about describing the different areas; an office, a lobby, a hallway, a restroom, et cetera, and defining the operating hours for those various usage groups. I'll explain how those get used throughout the tool. Then a controls table for implementing lighting controls and occupancy sensors, they are defined in this table and there are some values there for how the operating hours and the post retrofit condition will be adjusted based on the lighting controls implemented.

The fifth section is the space description, which would begin the line-by-line or room-by-room audit data entry for all the findings throughout the site in the various buildings. Section six and seven are the pre- and post-retrofit inputs, and this is where you're describing the equipment that is found in the preexisting state and then what the suggested post retrofit equipment would be. This section draws upon a master table or a master list of fixtures, which I will go into next, so there is not the repetitive data entry. What becomes of it is anything entered into the master sheet shows up as a pull-down menu within the pre- or post-retrofit and it begins drawing on all of the parameters that you've defined for that equipment, including wattage. The same applies for the usage group table and the controls table, whereby they begin to appear as pull down menus throughout this line-by-line audit process such that there's minimal unique data entry. It's a series of auto fill and auto calculated cells.

Section eight then moves into savings output so this is where the embedded formulas begin calculating savings, both looking at kilowatt-hour savings, demand savings, HVAC interactive effect savings, and then section nine is cost information. Within the master table, which we'll move to next, if you choose to utilize this feature if you populate that with cost information related to the line item basis, both unit cost, removal cost, et cetera. There is even a miscellaneous field. It will then begin to draw that cost information through the tool. Again, not a mandatory feature but just something that's there if it's of service.

Slide 14:

So we can move to the next slide and we'll look at what that master sheet looks like and how that master sheet feeds the main audit tool. Again, this applies both for lighting and water; they're set up nearly identically. You would come in and on the left-hand portion of this in the far left you define a unit item or a unique item as either an existing piece of equipment or a replacement piece of equipment, and then that's going to feed those to the proper spots on the sheet so that when you're in defining your pre-existing condition, you're only seeing things that you've put in the master as pre-existing pieces of equipment.

For example, in lighting you can go through and define this all the way down. Is it just a lamp? Is it a lamp and ballast, or is it the entire lamp/ballast fixture combination? You can set up each of the unique line items that you would be encountering and/or replacing with. There in the middle, the M&V data inputs, as part of the M&V protocol for the program, there are minimum sampling requirements, measurements to be taken on both the pre- and post-retrofit equipment. Those values that will be measured will be placed into the tool here and it will calculate the average wattage for that particular line item and then apply it across the entire audit tool that we just walked through. Then as I mentioned there on the far right, the unit cost inputs, if you choose to use them, they can be populated through the master and then carried through the balance of the audit sheet. Again, the master feeds the main audit sheet, the equipment appears as pull down menus within that main audit sheet, and then from there it begins auto populating your main audit sheet with parameters for each of those line items.

Slide 15:

Go to the next slide. This is just a quick look at HVAC controls. It is a different arrangement than the other two. In essence, this is the interface that I spoke of for the energy plus software that's operating in the background. It is a single page whereby you come in and enter building parameters there on the left and that's everything from its occupancy to its geometry, amount of windows, percentage of windows on each side of the building, etc. In the lower left you'd define some basic parameters about the HVAC equipment that's in place, its efficiency, et cetera. In the middle you would define what the pre- and post-retrofit controls strategy is, what's being utilized now, what's provided in the proposal.

And then it's hidden behind one of my text boxes here but there's a button there when all the minimum requirements are satisfied, there's enough data entered in the sheet, there's a button labeled simulate. You simply press that button along with this software package that you download from the FEMP site – it's a single zip file – you'll find a folder that has the Excel tool.

There are a number of other support files that have an executable file in it and the energy plus software that I spoke of. It takes care of all the simulation and it returns those values to your spreadsheet here on the right-hand side so you'll have what the pre- and post-retrofit energy and cost assumptions based on the control and building parameters that you put in.

Slide 16:

We'll go to the next slide. And so out of that, out of all three of those tools, in its total it will sum all of the savings from each of the three ECMs, or if only one or two are utilized, it will grab those values and bring it to a series of summary tables that are used for both the final proposal and for what we call the financial schedules or the task order schedules that are a part of this program. They are the same schedules as used in the traditional ESPC program. Those schedules, for those that aren't familiar with them, are basically a series of five sheets, each one describing some element of the project, financials, energy and cost savings. In this case, we're displaying what's called Task Order or TO Schedule 4, and that has all the parameters, all of the energy and cost-saving findings by ECM, and basically the tool will populate this schedule for you. In addition to that, it will provide a number of summaries, things like a Bill of Materials or a summary of fixtures deployed. Any of your post-retrofit water, lighting, or HVAC controls strategies will be output in a summary form.

Slide 17:

Go to the next slide. So after the IGA audit and acceptance of that proposal, we would then move to installation. Based on the measures selected, we would expect that this would likely occur within the 6-week period, so here we're speaking of installation of those measures, and initial Measurement and Verification. So I had mentioned before that in the audit tool there are inputs for measurements on a sampling of fixtures and there is a prescribed M&V plan for the program. To speak of it just generally, each of the measures is utilizing an Option A M&V protocol. In essence, we're looking at just a spot inspection of various fixtures on an annual basis and that satisfies the M&V requirement for the program.

Commissioning, final commission of the systems, again, there is a template on the FEMP website. This is more of a framework for how commissioning should be performed. It's not as prescribed as the M&V is. It's more of just a format for which the ESCO can operate from, and then agency acceptance of those ECMs. There, we've built a series of checklists for the federal agency to walk through final acceptance.

Slide 18:

Next slide. Then we would enter into the period of performance so per law and regulation an annual M&V audit is required to verify that annual cost savings have been achieved and it satisfies the guarantee that was provided by the ESCO. Either the ESCO or the agency must perform this audit. There are some indications from some of our pilot activities that agencies are willing to take on this task, given the simplicity of the ECMs, so that would hopefully reduce some costs to the project if there wasn't an annual site visit by the ESCO.

From there, again as I had mentioned, we're utilizing an Option A so we're doing select inspections of equipment to make sure that they still have the ability to provide the savings that was guaranteed. It's really making sure equipment is still in place and has not been altered or adjusted from the installed state, or that it has been replaced with like equipment, and then an annual M&V report would be generated by the ESCO. Regardless of who does the audit, the ESCO would be required to produce that report and then submit that to the agency. And, again, there we have an M&V report template that basically is the same as the current traditional ESPC program and its required content, and I think that's about it for my portion.

Slide 19:

Chip Goyette: Okay, great. Thank you, Bob. Just to wrap up the ESPC ENABLE process discussion, I wanted to also talk quickly about our path forward, the activities that we have going on. We are not only working with agencies to educate them about this process, but we are really truly trying to build frameworks and institutional processes so that agencies can really take ESPC ENABLE and run it through their entire organization, particularly those agencies that have a lot of smaller buildings. To accomplish this, we are working with agencies to set up teams to put processes in place and make this happen on a large scale.

We're also continuing to work with you all and talk with you about ESPC ENABLE, and hopefully expand the vendor pool of companies that can provide this service. Also, we're always in that continual improvement mode of looking at our tools and templates and really making sure that we have optimal processes in place so that we're meeting the overall goal of ENABLE. Once again, that goal is to have a very streamlined and standardized process so that projects are done quickly, and projects begin to look and feel the same.

Slide 20:

Next slide, sorry. So just to summarize some very key points, this is a streamlined process for a small site approach to ESPCs, using the GSA Schedule 84, SIN 246-53. ESPC ENABLE is meant to fill the needs of folks who don't have other options available to them. So if you're a large site that is appropriate for the traditional DOE ESPC IDIQ, you can use that. There would be interest from the ESCO side to do a project at your site. We would really strongly encourage that the IDIQ or UESC program be the route you go. We really want to focus ESPC ENABLE on the sites that don't have other options available to them.

Second point in this, obviously, we've showed you a lot of the tools and templates that have developed and the templates themselves that we're working on with the agencies. We're really working hard with them to adopt them into their processes, like I said, so that every project looks and feels the same with experience. Again, you've got one site that may kick off the whole ESPC ENABLE initiative with a particular agency, then you start institutionalizing the forms, the procedures, and so forth, and it just continues to make it easier as you go along. And then I will say, on your side, on the ESCO side, we are requiring the use of the IGA tool that Bob just went through. I strongly encourage folks to take a look at that IGA tool that's on our website and, again, the whole purpose of this is to standardize so we don't have different processes or different ways of doing things for each agency, ESCO, and project. Say if there

were 50 ESCOs providing the service, we don't want projects to look different in 50 different ways because we want an agency, if they're going to run this through their entire organization, to do projects that look and feel similar.

The intent here is to really build a level of comfort and a level of competence on the agency's side so they truly can work through these very quickly. We are continuing to direct market to the agencies, and similar to the traditional ENABLE program, we encourage you to do the same, as well if you decide to participate and get on the schedule. You are the folks that are probably already on the ground at some of these sites and can talk to the agencies about this.

Lastly, as I mentioned earlier, really use the information that we're providing you today to decide if ESPC ENABLE is something that you would like to pursue.

Slide 21:

With that, I think we're at the end of the ESPC ENABLE portion. Here are the contacts that you've heard from so far: myself, Bob Slattery from Oakridge, and Ben Engleman from Energetics will certainly be taking a lot of calls if you have specific questions you need answered.

Slide 22:

Chip Goyette: We're going to move on, folks, and we're going to go to Douglas Eisemann. Next slide?

Mr. Eisemann: Yeah.

Mr. Goyette: And Douglas is going to talk through the DOE Qualified List. This is the first step in getting involved with this initiative. Douglas?

Slide 23:

Douglas Eisemann: Good afternoon. This is Douglas Eisemann with SRA. I've supported the DOE Qualified List of ESCOs for more than a decade. Ben, slide 23 shows that the Energy Policy Act of 1992 does require that any ESCO performing ESPC projects for the Federal government be on this qualified list. This is a fundamental requirement that applies for any contract type, whether it's the ESPC IDIQ a site specific ESPC, or the ENABLE Program being procured through Schedule 84.

Firms must apply to be considered and submit an application package that we'll get into in just a moment. The applications are evaluated by the Qualification Review Board. There is an annual recertification process. It is fairly straightforward. It is essentially a self-recertification process, and all this information is shown on the FEMP website and the URL is shown there.

Slide 24:

On slide 24 we start to talk about the application package itself. It consists of several components. There is a standard form 129 that is just a simple one-page cover sheet. There

are Supplemental Questions 10A through 10E. This is much more substantial information. There are two client questionnaires with original signatures that are required and those questionnaires have to match the two projects that are submitted in response to Question 10B(A). Now those are the formal requirements.

Any supplemental information that you would like to submit can be attached as an appendix or an addendum. If you have case studies on the projects or other marketing materials that you have prepared, anything that will help the qualification review board to get an understanding of your company's capabilities and qualifications to do ESPC projects for the federal government, you can include those. Now special attention should be paid to the project descriptions that are submitted, again in 10B(A), to demonstrate experience with design and installation of ESPC projects or ECMs. Now we say ECMs because the projects that are submitted do not need to be financed through an ESPC funding mechanism. They can be UESC projects, they can be fee for service, they can be projects that you have done through whatever mechanisms they were executed.

We're looking more at the technical aspects of the project. Now in terms of the personnel qualifications they do have to be in the form of resumes. That's in response to Question 10D(A). All this material again, the guidance and requirements, are on the website. Applications are accepted anytime throughout the year and they should be submitted to Cyrus Nasserri at FEMP, and his mailing address is shown a few slides from here.

Slide 25:

On slide 25 we talk about the evaluation criteria. By far, the most important criteria are that there are two projects with demonstrated energy savings and the energy cost savings. Then we have the client ratings of fair or better. You cannot have been bankrupt or debarred from working for the federal government, and then there is a catch-all no other adverse information.

Slide 26:

Now, on slide 26 we want to talk more specifically about these two project descriptions that are provided again for Supplemental Question 10B(A). ESCOs, by nature, are considered to provide a comprehensive range of services so the experience must be demonstrated in both design and installation for two projects. Experience in design only, such as you'd find in an architectural engineering firm, or experience in construction only just installing ECMs, is not sufficient for qualification. You really have to be involved in the assessment of the site, the analysis of why ECMs should be installed, then actually installing the ECMs, and then there's the back end with some Measurement and Verification to verify and establish that there were actual energy savings and energy cost savings.

Now on the construction phase it is acceptable to use subcontractors as long as your firm has the financial responsibility for the subcontractors. If the subcontractors, if the construction company's installing the ECMs, they can't have contracted directly to the client site, so to speak, the facility where the work is being done. They have to be subcontracted to the applying

ESCO so that the ESCO has the financial responsibility. Just the construction management experience is not sufficient without that financial responsibility.

Again, a concise and thorough description must be provided for both of the project descriptions. That includes energy unit savings, energy cost savings, a description of the ECMs, a description of the Measurement and Verification used to establish the energy savings. I will say that stipulated savings are okay. Sometime ESCOs are reluctant to say the savings were stipulated. That is fine if it's appropriate to that particular ECM. We do say that when you're answering Supplemental Question 10B(A), parts 1 through 13, all 13 of those questions have to be for one project and then there's a corresponding client questionnaire and we need that for both projects.

Slide 27:

Then wrapping up here with slide 27 - Getting Started. If you are interested in applying to the DOE Qualified List of ESCOs, certainly visit the FEMP website and review the material that's there, download the application. There's actually a cover letter, there's the standard form 129, and the supplemental questions. Review those, and then at that point I would certainly encourage you to go ahead and contact me. It's certainly easier to resolve any questions before your application has been submitted, rather than the application being submitted and then FEMP passed the request clarifications, additional information, et cetera. Then, once you feel that you have the application package in good shape, go ahead and mail that into Cyrus Nasseri at the mailing address there is shown on the next slide.

In terms of project descriptions, we are not asking for hundreds of pages of utility bills or modeling data. We're looking for good, concise, but substantive summaries and in terms of any type of supplemental information that you might want to provide as an attachment or an addendum, it's really at your discretion depending on the breadth and depth of your experience. In the past we have received everything from summary sheets, a chart listing additional projects where a company felt that just the two project references were not really providing the full story on their qualifications. Since it's not officially required, there's no official page limits. I would however perhaps warn against trying to bury the review board in paper. That has been tried once or twice in the past and I'm not sure that's an effective strategy to getting an application approved.

We do want to see projects that have been up and running for approximately a year or so, so that there can be a first year annual M&V report or at least enough time to see the ECMs in operation through annual weather cycles and through annual building occupancy patterns, that thing. So if it was just commissioned, if there was just project acceptance, and it's only been running a month or two, that's probably not long enough to give the Qualification Review Board the data that's required to confirm that there are actual energy savings.

In general, I would say something in that 3-to-5-year time frame, 2-to-3-year time frame is probably appropriate but that can depend on the specifics of the project.

Slide 28:

When you are ready to submit your application, once again, send it to Cyrus Nasserli of FEMP. Two key components are EE-2L. That is the DOE mail stop code for the Federal Energy Management Program and it's also very good to put Attention: Qualified List on the package and that way Cyrus knows to contact me and we can get the evaluation process started right away. If you have any questions whatsoever, please go ahead and e-mail me or, even better, give me a phone call and we can discuss whatever questions or issues that you may have.

Slide 29:

Chip Goyette: Great. Thank you, Douglas. We've got a lot of questions still coming in. We're going to try to keep up with them and if we have any clarifying questions, we'll send them directly to you. There are a couple of questions I think we're going to probably respond to you directly to get a little bit more clarification on. What we're going to do now is move on to Kellie Stoker, who is from GSA, and she's going to talk through on how to apply to become a vendor on GSA Schedule 84.

Slide 30:

Kellie Stoker: Thank you, Chip, very much. I appreciate it. It's going to the topics one? There we go. What I'll basically be going over is just getting started submitting an offer, an overview of how to prepare and submit an eOffer, because all the offers that come into GSA now are done electronically, then going over signing the eOffer, and then give you an idea of where the ESPC ENABLE information is contained within the solicitation. Then I think at the very end we'll probably have time to take some questions.

Slide 31:

Instead of using paper offers now, we strictly use eOffers. It's a secure web-based application that allows you to submit your offer. You're going to be submitting in some commercial sales practices information, past performance information, and other proprietary information that needs to be taken care of, so that is what this system allows us to do.

To use the eOffer system, you have to have a digital certificate. If you already have one in another region, or in our office maybe you've got an 03 FAC Schedule, you've got a contract on the energy schedule, or maybe Schedule 56, the Building Materials, then you may already have the digital certificate. If so, that same digital certificate will work just fine. If you don't, and this is the first time that you've contemplated submitting an offer into GSA, then you will need to go to the eOffer system and it tells you how to go about getting those digital certificates.

Slide 32:

Go ahead. That one. Basically, a digital certificate is an electronic credential. It's stored on your computer. Sometimes you can elect to get it on a token or something like that, but it asserts the identity of the individual with the digital certificate, so it enables us to know that the information that is being submitted is secure and accurate data. It's used to encrypt and decrypt data through the system and ensures that it's securely transmitted. It's really extremely important if you don't have a digital certificate get that process started now.

Sometimes it can take up to a week or so to get the digital certificate back, and you're not even going to be able to start uploading your offer until you have that.

We also recommend that you have at least two digital certificates. You can have one maybe for an officer of the company, one for if you have a government person who's responsible for the offer. Then that way, if somebody for example does leave the company, you always have a way to go in and add additional negotiators or points of contact for contract administration to your contract. If it ends up that we're trying to do a mod or get an offer in place and nobody has a digital certificate or they've expired, then we're dead in the water until you can get those certificates renewed, so we do always recommend that you do have at least two.

Slide 33:

First steps before you start to submit an offer. Recently, the CCR website, which is just the Central Contractor Registration, the ORCA website, which is the Online Representation and Certifications website, EPLS, and a couple of other databases were merged into what they are calling SAM, the System for Award Management, and there is the website for this new database. If you try to go to CCR or ORCA now, you'll get redirected to SAM. If you were previously registered in CCR and ORCA and your data was current, it was migrated over into the new database, but you should log onto the new system and verify that your info is there.

If you were not previously registered in CCR or ORCA, which would mean that you probably have never done business with the federal government, then you need to access this website, set up a user ID and password, and start going through all the steps to get your data uploaded because this is another step along the path that if this is not done, we cannot process your eOffer. If your SAM registration isn't complete or it isn't active, the eOffer system won't let your offer push through to us, so this is something else that you need to do before you even start working on the offer itself.

Slide 34:

Next one, please. Once you have all of your information in SAM, once you have your digital certificate, then you're going to be able to go onto the eOffer website and start building your offer. Basically, once you're in the eOffer website, it is sort of just like working through screens, answering questions, and uploading documents. I think I got a little ahead of myself here but another thing about the digital certificates is that if you are using a consultant and you authorize them to sign on behalf of your company, they will need a digital certificate as well. Many consultants already have the digital certificate but if you do use a consultant, you may want to make sure you're authorizing them to sign on behalf of your company that they have one as well.

Slide 35:

Go on to the next one. Well, I realize now I've put "Accessing" here— I just ended up putting the download instructions at the end of this document, so I'll show you exactly what the download instructions are and how to get onto FedBizOpps. You will want to get onto the FedBizOpps website and review the following documents before starting to prepare your offer: the

information and instructions to the offers, the critical information specific to Schedule 84, and then the Schedule 84 FSC 63 Technical Requirement. Right now they are numbered 16, 18, and 20, so that's why I included those numbers there, and periodically we refresh the solicitations to incorporate additional clauses, terms, conditions, and things like that. They may get renumbered so look for the titles as well. Don't rely just on those numbers but these documents are going to provide you specific information that you're going to need to start preparing your offer.

Slide 36:

Go onto the next. Now there are a few things that you're going to see required in the solicitations that you will not need to worry about preparing. One is the readiness factors evaluation. That is basically a worksheet that helps you decide whether the schedule is right for you, but in this situation we are aggressively looking for ESPC vendors to participate in the ESPC ENABLE and work on these type projects, so you don't need to worry about the Readiness Factors Evaluation. There is also a Pathways to Success Training. I recommend that you take it. It only takes about an hour but for the ESPC offers, we're not requiring that. There is also a requirement that you provide a D&V Open Ratings Report, which is basically a Past Performance Report. It's really more geared towards products so we're waiving that as well, since we're going to be getting past performance information from you and we're also going to be verifying that you are on the Qualified List so that will really, for our purposes, take care of the past performance.

And the solicitation does also have in there a requirement for prior and current year financial reports, but we are waiving that requirement, too, so that we have some other tools that we can utilize to do financial checks, financial performance checks on vendors, but we're also going to rely a lot on the past performance.

Slide 37:

Go ahead and go to the next one. So what special item numbers or SINs should you offer? The ESPCs are covered under SIN 246-53. The title starts out Facility Management Systems..., but don't let that fool you because the SIN description goes on and clearly identifies ESPCs, in accordance with the Energy Policy Act of 2005, are covered under that SIN. Along with SIN 246-53, which provides for the alternate financing/ESPCs, you also need to offer some products or services to at least get the contract in place.

The services could be things like your professional services, if you have any technical experts or things like that. Those kinds of professional services are going to be important; you're going to need those. And if you do offer a specific product line, say you do ESPCs but you focus on the lighting ECM, or you focus just on the water ECM, then you can also offer us products, those products that you either get through distributors or if you do happen to manufacture them, you can offer those to us.

Slide 38:

We do have – and you can go onto the next slide, then – we do have a Professional Security and Facility Management SIN, which is 246-52, where you can offer those professional services. We have an Installation SIN, which is true construction, installation requiring construction, that's in accordance with the Davis-Bacon Act. If you have some of those kinds of labor categories that you utilize commercially, you can also offer those to us. Then we have SIN 246-1000, which is our Ancillary Supplies and/or Services, and this is the SIN where we would expect that the majority of your installation services would be offered.

We look at the installation as something that's ancillary to the project and we don't necessarily anticipate that installation requiring construction is going to necessarily be utilized, but I will tell you that the decision on whether it's a construction service under Davis-Bacon or it's an ancillary service, is a decision that's made by the Task Order Contracting Officer, so some contracting officers have a more stringent reading of the FAR definition of what construction is and they may require that.

I think somebody had a question earlier about modifying the contracts and one of the really good things about these schedule contracts is that they are very flexible. You can come in and once a contract's in place, you can modify your schedule contract at any time. You can come in and add new products, you can come in and add new services, and then you can also come in and request economic price adjustments to products or services or the financing, which we'll get into in just a minute. The good thing about the SIN 246-1000 is that it is there in the event that you enter into a project and you discover I need a bucket of goods that I don't have on my contract, you can utilize this Ancillary Supply SIN to come in, do a quick modification to your contract, and get those products on the contract so that you still have a 100 percent solution under schedule.

Communication is very important once we get these contracts in place and if you are in that situation, you need to be in contact with your contract specialist or your contracting officer to let them know that you've got a mod in that's an exigency, it's for an ENABLE project, so that we can find those and get those done very quickly. Another thing that you can do is if you are a vendor who already has an 03 FAC Schedule perhaps, or a 56 Schedule, you can do what we call teaming, and you can essentially team with yourself. You can pull products or services from another GSA Schedule Contract that you have into the project and it's still all considered one GSA solution, so that is another benefit to coming in, going ahead and getting the ESPC SIN covered, but then utilizing or leveraging the other contracts that you already have in place.

Slide 39:

Next one. So what are we looking in terms of price proposal? If you are offering any kind of products, of course we'd be looking for you to submit in a commercial price list for the products that you are offering. If you are offering services, if you have a commercial price list that you utilize, you can always submit that in. If you build your commercial service rates up through some other cost method, then you can provide the cost buildup information to us on how you get to your labor rates and we can utilize that, as well.

If you're going to offer Davis-Bacon rates, it is covered in the solicitation and there is a template in the solicitation but what we normally recommend is that you utilize one of the higher Davis-Bacon wage determinations, such as possibly the one for Alaska or something like that. What you essentially do is get all of your labor categories covered, a carpenter, a plumber, an electrician, whatever you think you will need, and they're covered at pretty much what is the ceiling rate. The anticipation is that if you are doing work in an area where the Davis-Bacon rates are less, then you will reduce your contract prices to be consistent with the Davis-Bacon rates using your accepted pricing methodology when you submit your proposal for the project.

Then, in terms of financing rates, we also need you to submit a financing rate to us. You'll need to provide us the basis that you use to develop your rates and the most common one that we see is one of the various treasury indexes, the 10-year treasury or something like that, and then provide us either the percentage or basis points that are being added to develop your rate.

Slide 40:

We'll go on to the next one. I've put in here a couple of examples of what we're looking for and these are actually out of existing contracts, so this one is based on the US Treasury Bill Average Life rate. It shows the term, less than 11 years, 11 to 14, 14 to 25 years, and then the spread for the various different dollar volumes. This vendor, for example, for a project that was less than \$3 million, less than 11 years, is going to add a spread of 2.45 percent to the US Treasury Bill Average Life rate in effect on the day that they made their proposal.

Like I said earlier, we do have an economic price adjustment clause, and I know that the credit markets have been very volatile for a while, but you could utilize that economic price adjustment clause to come in and modify your spreads if something happened very unusual that caused that not to be a sufficient spread. Likewise, we want it to work the other way, as well, and at the time you make your proposal, your financing commitment, if you can get a lower rate, then the government expects that that lower rate will be passed on because the whole intent is to be able to have a fixed rate. Under the schedule contracts we are required to provide fixed pricing or a fixed methodology to achieve that pricing, but we are seeking the best possible rates that we can get to save the taxpayer dollars and to get the most opportunity to have a successful project.

Slide 41:

So there's one more I think on the next slide that's an example and this one is also one that came out of a current year of a current schedule contract, and here they've used the 10-year Treasury Note Constant Maturity rate, calculated to the most current month at the time of the proposal, and then they've also used the terms (5-year, 10-year, 15-year), and the \$5 million, 5 to 15, and 15 and above, and this time they've simply used basis points over treasury instead of a percentage. We can deal with either way, really. Then here you see that within the contract the vendor actually agreed that the actual financing rate will be the lowest rate possible at the time of project financing.

So we can deal with a spread, we can deal with basis points, but we are going to need you to identify what you're basing it on and break out the terms, the years, and the dollars. Now we have a template in the solicitation. You do not have to use that. What works the best with these ESPC financing rates is that if you try to stick as close as possible to what you do commercially. If you have set commercial practices for financing projects, then that's going to be the simplest thing for us to work with. If we can get equal to what you're offering your commercial customers, then we're going to be able to speed through the process much quicker. Now, if not, or if you have sort of a much more involved or complicated or a computerized system or something like that, we can work with that as well. We just need that information.

Slide 42:

Then there are also technical evaluation factors that are in the solicitation. We would like offers to have at least 2 years of corporate experience and then we do ask you for five projects. At least two of the projects must either have been completed within the last 2 years or be ongoing, but we are also going to look at the fact that you are on the Qualified List and meld those two together to meet those technical evaluation factors.

Slide 43:

Next one. And I think we've only said this like 15 times. You need to be on the qualified list.

Slide 44:

Once you've gathered your data and you're ready to prepare your offer, this is the website that you'll go to to start building your offer. Like I said before, it's a series of screens in which you input your data and then you upload the documents you've gathered, such as your price lists, your commercial sales practices, your technical information, and it's much like just attaching a document to an e-mail.

Slide 45:

Keep going to the next one. The system is designed to not let you proceed if you miss a step so for the items that we're waiving, what you're going to have to do is upload a blank sheet of paper, or upload and say not needed, or something like that, because the system knows, for example, it wants a readiness assessment or it wants an open ratings report, so it's just a little tip to help you get by those things. There are some tutorials and some help guides on the eOffer page that are real helpful if you have questions with the eOffer system. We don't really deal with the eOffer system. We get the offer in a completely different database on our end, so I would encourage you if you have problems with the eOffer system to contact the help desk and it is listed on the website.

Slide 46:

So go onto the next one. Once you get an offer successfully submitted, this is the screen you're going to see. I put this in here to show you that on the left side you see Corporate Information, Negotiators, Goods & Services. You see, all those little green checkmarks mean that everything is complete. They'll go from incomplete, the little yellow exclamation point, to the green

checkmarks when they are completed. So this is kind of what you're going to see when it's done.

Slide 47:

And then go ahead to the next one. Then what you'll receive is an e-mail from the system that tells you – and this is just an example; this is not Schedule 84 – that it has been received in, and it's going to say the Greater Southwest Acquisition Center and it's going to give you a date. When you get this e-mail confirmation, we need you to immediately forward the e-mail to either myself or the other points of contacts that are going to be here at the end of the slide deck so that we can go into the eOffer system, pull your offer out, and get it expedited. We probably get between 20 and 30 offers a month and, at any given time, we have about 200 open offers in the system for Schedule 84 so it's very helpful for us when if you'll forward this to us we can find it, pull it out, and get your offer expedited.

Slide 48:

Next one. So here's contact information for myself. Margaret Lynch is the Section Chief and it's her team that works on these ESPC offers, and then Brenda McCall is our Lead Contracting Officer. Brenda is responsible for monitoring the eOffers that are received but if you will notify any of the three of us, then we can give that information to Brenda, she can pull the offer out, and get that forwarded to us.

Slide 49:

Well, yeah. That's it because I didn't give them the slides that will be posted. Those will have the download instructions right after the questions page. Basically, the simplest way to do it is to go into GSA's eLibrary website and just search for Schedule 84. Once you find the Schedule 84 link, there's the big blue box at the top of the page that says Vendors. Click here to go straight to the solicitation on FedBizOpps and it's much easier than trying to search for it in the FedBizOpps website. But that pretty much is a rundown on what you need to do get an offer prepared, get an offer submitted. You will have lots of questions as you start working through the documents and the best thing that I can suggest is that you work through as much as you can and then give us a call and we'll go through all the questions at once with you, try to get everything answered, so that you can get it submitted. All right.

Chip Goyette: All right. Thank you, Kellie. There's a couple I think of specific questions here.

Kellie Stoker: Okay.

Chip Goyette: One question here asks did SAM replace ORCA and CCR?

Kellie Stoker: Yes, it did. If you go to either one of those CCR or ORCA websites today, you will get redirected to SAM. It's the same information in SAM. It looks a little different but, yes, it did replace those two websites and eventually there will be about 17 different databases that will be in the SAM website.

Chip Goyette: Great. Another Schedule 84-related question. Do we need to have a product offering to be on Schedule 84?

Kellie Stoker: You don't have to have a product offering. You have to have either some products or some services to offer in addition to 246-53, because really all 246-53 is alternative financing and I have to award something, a product or a service, but you don't have to have product offerings. What you will need to be able to do is either team with another schedule vendor who has the products that are needed for that particular project or if you subcontract, then you'll need to utilize that Ancillary Products and Services SIN and you can even do those mods on a project-by-project basis and come in, let us do a quick mod to add those contract support items, or those ancillary products, to your contract so that it gets everything on your contract. Then it's up to you how you manage it, but as soon as the project is completed, you can come in and even delete those items.

Chip Goyette: And then one more. My company is a manufacturer of goods, not necessarily an ESCO, but we do provide products that reduce energy consumption. Would it be beneficial for my company to get on this schedule?

Kellie Stoker: Well, it would depend on the types of products that you have. The Schedule 84 is actually the Law Enforcement and Security Schedule, but many years ago the Alarm and Signal Systems and Facility Management Schedule got rolled into Schedule 84, so if you're not interested in the ESPC part of it and you are offering lighting, building materials, things like that, you probably would want to get a schedule but it would probably be either the 56 Schedule, which is the Building Materials, or the 03 FAC, which is the Facility Management Schedule.

Chip Goyette: Great. Scrolling down, are there any other Schedule 84 questions? Kellie just mentioned an "all GSA solution." Is open market subcontracting allowed under Schedule 84 or must all subs also hold a Schedule Contract?

Kellie Stoker: You can have open market items on a Schedule order. What the Schedule ordering instructions tell the contracting officers, the Task Order Contracting Officers that they have to do, is they have to evaluate and do price analysis on those open market items based on the dollar value of the open market items so if you have a project and your open market items are a few thousand dollars or something like that, it's not going to be any big deal. The contracting officer can deal with that. But if you have a project and \$300,000 or \$400,000 are open market items, then it makes it much more difficult for the contracting officer because they have to go out and actually do a separate advertisement for those open market items and do a lot more extensive price analysis. So if the amount of open market items gets really high, it's much easier just to come in, do a quick mod, add them to your contract, and then delete them later if you want to.

Chip Goyette: Great. If your company does energy efficiency but has not typically used ESCO financial models, can you meet the years of experience plus examples of projects with non-ESCO format projects?

Kellie Stoker: Well, I mean that's a hard question to say yes or no. This is ESPC ENABLE and that's what we're looking for. Are those vendors with that ESPC experience? I wouldn't necessarily tell you, no, you shouldn't submit an offer. We would just have to take a look at that, at your experience, make sure that we felt like you did have the skills, experience, and ability to do the ESPC type projects that we're contemplating.

Chip Goyette: And, Douglas, is there anything else to say on the DOE Qualified List related to that?

Douglas Eisemann: Yeah, I would say I think I touched on this a little bit earlier. In terms of the qualified list, the financing mechanism of the contract is not as relevant as the technical aspects and that's why it does say ESPCs or demonstrated ability in ESPCs or ECMs. Again, if it was a UESC contract, for example, or fee for service, those types of projects are acceptable in terms of the Qualified List.

Chip Goyette: Great. Thanks, Douglas.

Douglas Eisemann: You're welcome.

Chip Goyette: Here's another GSA Schedule question. If you need to add products under 246-1000 to offer a total ENABLE solution, do you need an LOS from the company?

Kellie Stoker: A Letter of Supply (LOS), or a Letter of Commitment from the company. and, generally, the answer is yes, but we would take a look at what you had to add. I mean if you were just needing to add one thing, one part or two parts, and you're not going to be adding it on just to make those products available for any procurement, we may be able to do it without a Letter of Supply because really keep in mind what we're trying to do, a lot of the stuff that we are putting on 84 for ESPCs absolutely has nothing to do with law enforcement and security so if you do put like a line of lighting, or something like that on, you're only going to be able to sell that lighting in conjunction with an ESPC project. Because of the limited use, we would take that into consideration and we might not need a Letter of Supply from you if you could demonstrate that you had a relationship with a particular vendor that you were going to provide. Under the ESPCs, that's all we're looking for you to do. If you want to sell lighting or sell those other kinds of products to any federal customer outside of the ESPC arena, then you'd want to go to the proper schedule for that.

Chip Goyette: With the schedule, where would you find info on teaming as an existing Schedule 871 holder to apply for Schedule 84 246-53?

Kellie Stoker: Well, there's information on teaming. If you just go to GSA.gov and you search for teaming arrangements, you'll find lots and lots of information. Since you're a Schedule 871 holder, you are still going to have to submit an offer for 84 for the ESPCs, but then you'd be

able to team with yourself and any service that you had under your 871 contract you could utilize on an ESPC project.

Chip Goyette: Continuing along. We are a manufacturer, developer, and installer of turnkey solutions. We also wholesale to integrators. Does our product offering to GSA (price list) have to match our lowest cost to major private purchasers?

Kellie Stoker: Well, no, it doesn't necessarily have to and that's part of the information that you're going to give us in the commercial sales practices form. What we ask you to disclose to us is any prices, terms, or conditions that you offer to your commercial customers that are equal to, or are better than, what you are offering to GSA. Don't let that make you nervous because just because you disclose it, doesn't mean that we automatically are going to demand that price. We're going to look at those major private purchasers, we're going to look at the volume they do, and we're going to look at the terms that are received, the things that they do for you, and we're going to make a decision if the government can meet some of those same terms and conditions. If we can't, then we have the ability to use that in our price analysis and simply say that we can't meet a certain volume, we can't meet a certain quantity. Therefore, we're not going to go after that particular discount but it does have to be disclosed.

Chip Goyette: So there's still some folks typing and I think what I'm going to try to do for a minute here, Ben, let's see if there may be some previous questions before the GSA questions that we wouldn't answer. And just so folks know, what we will do is after the webinar we will definitely go through the questions, and we are answering some of them orally now, but we will make sure that the answers get transposed into this chat list, get it posted online, so again folks can refer back to answers. We may have gotten a few items that looked like comments versus questions and we'll answer those if there's a question there.

Ben Engleman: Oh, yeah, there's one more.

Chip Goyette: We had one more here?

Ben Engleman: Yes.

Chip Goyette: May an ESCO markup a subcontractor under this SIN for a project? If not, why not?

Kellie Stoker: Yes, you can. The idea behind the Ancillary Supplies and Services, SIN 246-1000, is that those products or services should come through at cost but if there is a legitimate reason, if there is a legitimate cost associated with that, if the products require special handling or special shipping, or any number of situations that you can legitimately make a case that you do need to mark up a certain amount, then we can look at that. We just have to understand why and be able to determine that it's reasonable before we can allow it. If it's just nuts and bolts and things like that, those should be able to come through, especially if things are being

direct delivered to a jobsite or something like that. You know, those should be able to come through with little or no additional mark up.

Chip Goyette: Great. We're just going to take a quick minute to review some of these things. We know some folks are still typing. What is it you were going to ask? What does a firm do to access these opportunities? If it's a question on how to access opportunities for a specific ENABLE project, my understanding is that when a Notice of Opportunity or a project is developed, they will submit that Notice of Opportunity to the ESCOs that are on the GSA Schedules and it could be done in two ways, right?

Kellie Stoker: Right.

Chip Goyette: Through the eBuy system?

Kellie Stoker: Exactly. It could be done through eBuy, which is sort of an electronic Request for Quote tool that GSA has, or right now with the smaller number of vendors, the contracting officer can just send each of the vendors the package. As the pool of vendors grows, which is what we're really working hard to do, it may become easier just to post everything on eBuy, but schedule buys do not have to be posted on FedBizOpps and that's one of the ways in which we do save time is because there is no requirement to post the schedule buy on FedBizOpps for 30 days or anything like that. The Task Order CO can decide to post it for only 4 days or 7 days, something like that.

Chip Goyette: Okay.

Chip Goyette: It looks like there's a question on – someone's asking a question about annual M&V reports. Is M&V reporting required for the life of contract, or is limited to 3 or 5 years. I'm not sure if I have that question fully, but there is an M&V report required on an annual basis for these projects, so depending on the life of the contract, it will be required every year. Again, we're just continuing to scroll down.

Ben Engleman: You want to maybe address this one? I know that we've typed out an answer but –

Chip Goyette: Can we form a joint venture to apply to the schedule?

Kellie Stoker: Yeah, can we form a joint venture to be qualified for DOE? It may not present a problem for DOE as far as being a qualified ESCO, but it does present a problem for the schedule contracts and so we don't really have a way to award schedule contracts to joint ventures.

Chip Goyette: Yeah, Douglas, I don't think if joint venture is not –

Douglas Eisemann: They are acceptable on the DOE Qualified List.

Chip Goyette: Okay.

Douglas Eisemann: There is currently one joint venture. It has been on there for more than a decade. I'm not aware of any other ones but I believe that that one does establish a precedent.

Chip Goyette: There's a question, are there any other GSA Schedules required to participate in ENABLE? That's really just the Schedule 84.

Kellie Stoker: Right. Right now, it's just the Schedule 84.

Chip Goyette: All right. We've got the rest here answered.

Ben Engleman: So I think I might not have answered this.

Chip Goyette: There's a question on a DOE Project Facilitator. Will a DOE Project Facilitator be involved as with the larger ESPC projects? What we're doing now is we're in, like I mentioned previously, we are in the pilot phase of this whole initiative. So during the pilot phase, we will be assigning a PF to these projects and I know there was a question on if there's a list of PFs. Really, that's going to be TBD in terms of who will serve as the PF, but it will certainly be an individual qualified and has extensive experience in performing that function. So, any more questions at the end that may have come in while we were talking?

Ben Engleman: No, just that.

Chip Goyette: We're at about 4:25 Eastern Time here, and I know we have until 5:00. What we could certainly do is leave the chat box open for at least the next 5 minutes or so, and probably if there are no additional questions that come in within 5 minutes, we would conclude.

Ben Engleman: We do have one.

Chip Goyette: Oh, we've got one more question.

Ben Engleman: It is on PFs again.

Chip Goyette: Could PFs be selected off of another GSA Schedule list, such as Energy Consulting Services? That's probably something we'd have to get back to you on, again, because we're working with kind of the pool of PFs that we have at our disposal here at FEMP. It's something certainly again that could be discussed. So we can take that e-mail or question off line and certainly get back to you on that one, but, again, for now, for the pilots, FEMP will be providing the PF from their resource pool.