



ESPC Request for Information Response Summary

November 2013

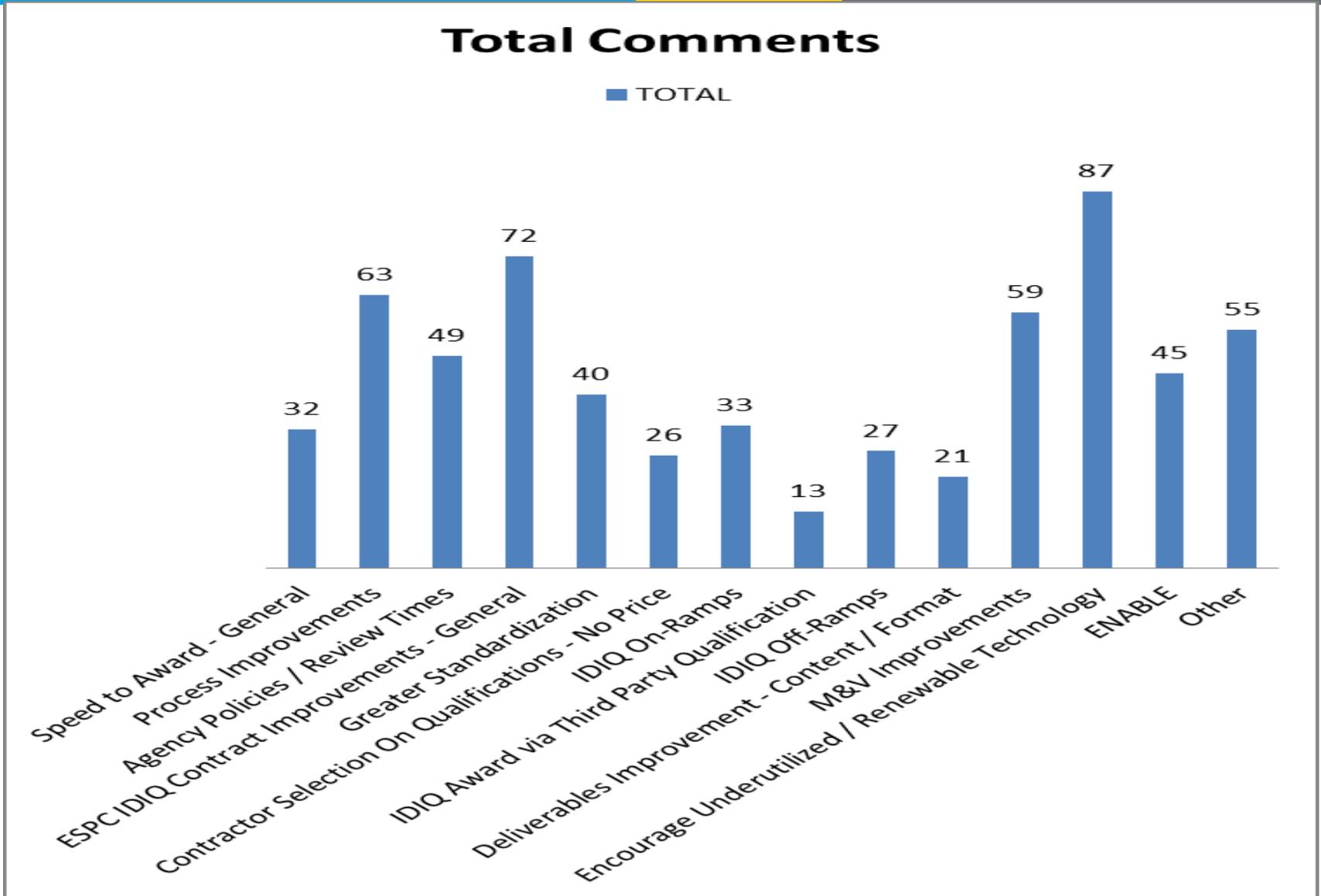
- Federal Register, April 3 – May 17
- *Key Subject Areas*
 - *Speed to Award*
 - *ESPC IDIQ Contract Improvements*
 - *Increasing the Certainty of Energy Savings Persistence - Improved M&V*
 - *Approaches To Encourage Innovative or Underutilized Technologies*
 - *Potential Improvements to the FEMP ENABLE Program*
 - *Other or General ESPC Program/Contract*

- *51 Respondents*
- *622 Responses / Comments*
- *200 Pages (+ 100 Page Attachment)*

- *Range of Responses*
 - *A Few Sentences*
 - *Comprehensive New Process(es)*

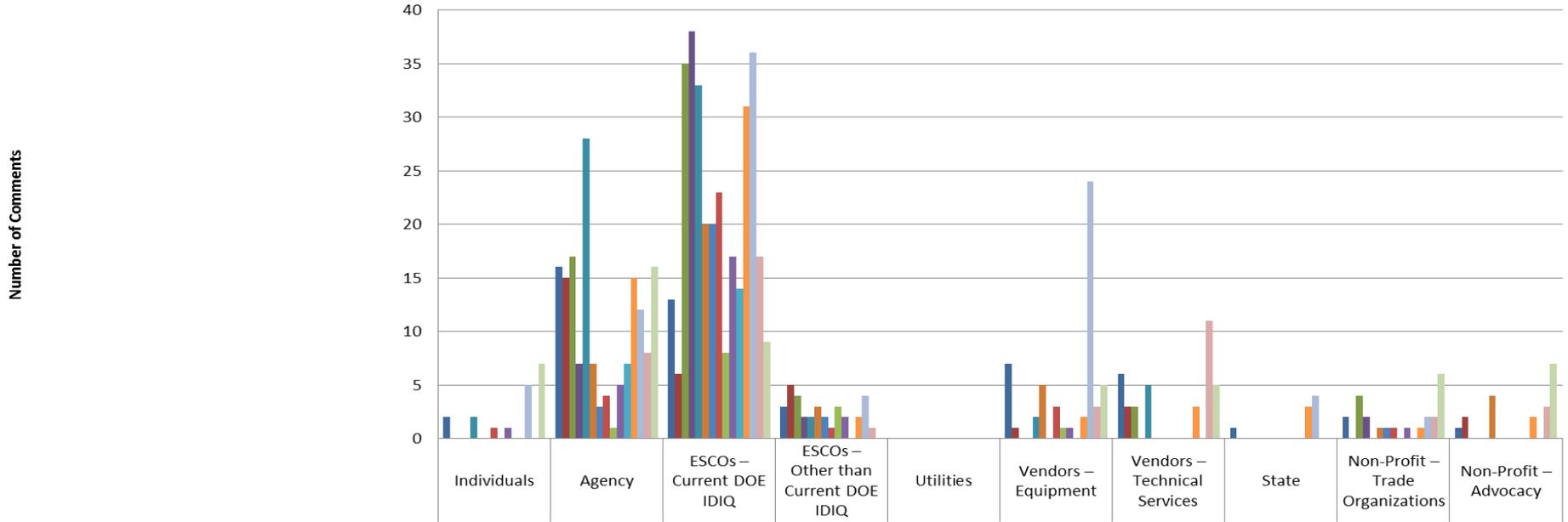
- Sheer Volume and Range Precludes Comprehensive Dissemination
- Vast Majority are Thoughtful and Constructive
- Will Inform and Influence FEMP ESPC Program, Policy and Contracts
 - Some Already Acted On
 - Some Reinforce Activities Underway
 - Entire Catalog Will Serve as a Resource of Ideas for Current and Future Actions

- All Respondents and Responses/Comments Catalogued
- Comments Condensed into Bullet Form with Similar Bullets Consolidated
- Consolidated Bullets Organized by Similar Topic/Recommendations and Further Condensed



Number of Comments by Respondent Type

Number of Comments - By Respondent Type



	Individuals	Agency	ESCOs – Current DOE IDIQ	ESCOs – Other than Current DOE IDIQ	Utilities	Vendors – Equipment	Vendors – Technical Services	State	Non-Profit – Trade Organizations	Non-Profit – Advocacy
Count - Number of Respondents	2	16	13	3	0	7	6	1	2	1
Speed to Award - General	0	15	6	5	0	1	3	0	0	2
Process Improvements	0	17	35	4	0	0	3	0	4	0
Agency Policies / Review Times	0	7	38	2	0	0	0	0	2	0
ESPC IDIQ Contract Improvements - General	2	28	33	2	0	2	5	0	0	0
Greater Standardization	0	7	20	3	0	5	0	0	1	4
Contractor Selection On Qualifications - Without Price	0	3	20	2	0	0	0	0	1	0
IDIQ On-Ramps	1	4	23	1	0	3	0	0	1	0
IDIQ Award via Third Party Qualification	0	1	8	3	0	1	0	0	0	0
IDIQ Off-Ramps	1	5	17	2	0	1	0	0	1	0
Deliverables Improvement - Content / Format	0	7	14	0	0	0	0	0	0	0
M&V Improvements	0	15	31	2	0	2	3	3	1	2
Encourage Underutilized / Renewable Technology	5	12	36	4	0	24	0	4	2	0
ENABLE	0	8	17	1	0	3	11	0	2	3
Other	7	16	9	0	0	5	5	0	6	7

Total Number of Comments - 144

Number of Consolidated Bullets – 43 (shown in parentheses below)

- Agencies - Be Prepared Upfront - have project team, acquisition planning, processes, requirements, schedules defined upfront. Conduct selection and project implementation phases efficiently and adhere to schedules. Make this a priority. (9)
- DOE – Change IDIQ contract to streamline requirements and make selection and implementation processes more efficient. (10)
- DOE – Change IDIQ contract to make the Preliminary Assessment more robust. More focus upfront will reduce overall time to award. (2)
- DOE - Do not dictate regimented, standardized processes to agencies. Agencies need flexibility and will always have some measure of agency specific procurement policies and review/decision hierarchies. (2)
- Agencies – put into place specific recommendations to make speed to award more efficient. (5)
- Other (5)

Total Number of Comments - 112

Number of Consolidated Bullets – 17 (shown in parentheses below)

- Standardized processes, like the contract terms and conditions, NOO, selection factors, TO Schedules, escalation rates, M&V, are positive changes for the Government and ESCOs and they enhance risk assessment for finance companies. (9)
- Standardization efforts have plusses and minuses. Agencies will always need flexibility. (3)
- The current contract and processes are reasonably standard as is. The benefit is minimal. Each individual agency has to follow its own procedures and processes. (5)

Total Number of Comments - 26

Number of Consolidated Bullets – 20 (shown in parentheses below)

- Selection should be conducted with little or no price evaluation component because preliminary pricing information before an Investment Grade Audit has insufficient detail for meaningful comparisons, is unreliable, is subject to manipulation, and is time consuming and costly to prepare for no added value. Markups are unreliable indicators because different ESCOs have different accounting systems. (10)
- Selection should be done with some price evaluation criteria because otherwise there is no way to assess cost impacts of scope, complexity, M&V requirements, ESCO risks, markups, overhead, and profit. At a minimum require ESCOs to describe processes they will use to control costs and outline total markup. (8)
- A full cost evaluation for all ESPC awards would significantly increase confidence in awards. (1)
- Other (1)

Total Number of Comments - 33

Number of Consolidated Bullets – 15 (shown in parentheses below)

- The capability to periodically add ESCOs would be good for the program. It could increase competition, lower costs, allow more small businesses and specialty firms and ultimately better performing projects. (8)
- The capability to periodically add ESCOs is not necessary and would have a negative effect for the program. Sixteen ESCOs have been evaluated by DOE as capable of meeting the Government’s requirements. No more are needed. Adding additional ESCOs to an already competitive pool will only increase the overall time and cost to the government through increased management, communication, project acquisition and development costs. (7)

Total Number of Comments - 13

Number of Consolidated Bullets – 13 (shown in parentheses below)

- The concept of IDIQ selection based on third party qualification has merit, if the requirements were raised above those to meet the DOE qualified list, or if done by an independent committee of various stakeholders. (3)
- The concept of IDIQ selection based on third party qualification would not add value to the Government. DOE has demonstrated a rigorous and exemplary competitive process for qualifying and selecting contractors for the IDIQ contract. Third party certification could be subject to politicization and lack of consistency and may not be capable of fairly considering the unique qualifications needed to deliver large, technically complex and leading edge projects for the Government. (10)

Total Number of Comments - 27

Number of Consolidated Bullets – (shown in parentheses below) - 11

- The capability to periodically remove ESCOs for non-performance or non-participation would be good for the program. This would be cost efficient and more likely to solicit higher quality proposals from remaining competitive contractors who have a better understanding of the challenges and solutions. Criteria for removal should be clearly defined. Non participation should be based on lack of competing for task order selection. It should not be based on a lack of being selected or receiving task order awards. (8)
- The capability to periodically remove ESCOs is not necessary. It would unfairly penalize ESCOs, since few reasons for not receiving award are fully the fault of the ESCO. This would have a negative effect for the program. (3)

Total Number of Comments - 21

Number of Consolidated Bullets – 19 (shown in parentheses below)

- The current required documents are sufficient to provide the necessary due diligence and effectively document an ESPC IDIQ project and on-going project success. (3)
- Improve deliverables by removing redundancies in the current, multiple parts of the IDIQ contract that request the same information in various places and formats. This includes the IGA, proposal, ECM summary and descriptions, M&V plan and reports. (6)
- Other – A variety of other suggestions were submitted involving the timing and number of draft and final deliverables, electronic formats, and establishment of working groups to develop recommendations and cross feed lessons learned to ESPC stakeholders. (10)

Total Number of Comments - 59
(shown in parentheses below)

Number of Consolidated Bullets – 49

- Increase the required effort and/or rigor of M&V through increased use of functioning smart meters, more linking to comprehensive building automation system functions, assuring all equipment is included in sampling over the life of a project, making use of better technology as it improves with a standard of daily monitoring and monthly reporting, advocate continuous commissioning including real-time metering, minimizing stipulated savings and maximizing detailed M&V, fuller use of Option B, use of advanced analytics-based continuous commissioning. (16)
- Decrease the required effort and/or rigor of M&V by promoting Option A stipulated savings for appropriate, certified technologies, discouraging the cost of Options C and D, conducting no M&V for measures under a certain dollar threshold. (3)
- Exchange greater rigor in certain areas for less rigor in others: Conduct a short period (2-3) years of Option C followed by stipulation for remaining term, require a full scale field audit for M&V but only every 3-5 years, less long term M&V expense for greater operational support, more stringent plan in the first several years and shift to less stringent after 3-5 years, limit lighting to one year and HVAC to two years of M&V and then shift expense to better metering, focus M&V dollars on measuring variables which have the most impact, a process combining short term aggressive Options B and/or C with long term stipulation of savings, adjustment of guaranteed savings after acceptance and separate financing in the implementation period and post acceptance period. (7)

- FEMP can improve M&V by providing additional guidance or training to federal agencies on M&V and associated O&M, identifying equipment that can be measured annually, not allowing ECM equipment which can be removed easily, requiring more prescriptive M&V processes by technology, recommending specific parameters for measurement, allowing funding for M&V out of existing budgets, allowing project wide M&V, continuing life of contract oversight. (8)
- The current M&V options work well when properly implemented and should not be changed. (3)
- Improve the required standard M&V formats by increasing clarity and reducing redundancy, making them web based. (5)
- Increase agency participation, accountability and contribution to the M&V process. Include annual engagement of development and acquisition team. (3)
- Use an outside 3rd party for engineering review and approval. (1)
- Change to the ASHRAE approach of one year intense monitoring/commissioning followed by building metering trend analysis, adopt the IPMVP. (3)

Total Number of Comments - 87
in parentheses below)

Number of Consolidated Bullets – 69 (shown

- The FEMP Program can encourage and increase confidence by agencies to implement technologies by publishing private/public sector case studies, create expert teams from labs/agencies/ESCOs groups to vet technologies/analysis & M&V practices, develop a risk reserve fund for technologies that may fail, convene a underutilized technology forum, preventing agency technology limiting policies, promoting agency innovative technology champions. (9)
- The FEMP ESPC IDIQ contract can be used, modified or clarified to encourage initial small pilot installations at facilities, a certain project percentage set aside for technologies, bundled high and low payback improvements, weighting technologies more heavily, allow savings sharing if savings are above minimum guarantee, reduce warranty, maintenance and M&V requirements for experimental technologies, required use of source BTUs, required ECM selection metrics that go beyond first cost, allow Energy Services Agreements, better utilization of RECS. (15)
- Explicitly require innovative technologies in NOOs and distribute NOOs widely so small business, vendors, and manufacturers can present innovative strategies to ESCOs. (2)
- Reduce ESCO risk and increase financier confidence in implementing technologies by use of stipulated savings/performance, allowing acceptable savings ranges (+/- 15%), using a 3 year M&V interval, spreading surplus RE production years to offset shortage years, relaxing guarantee requirements. (13)
- Agencies share the risk with ESCOs in implementing technologies by sharing the investment cost, sharing the guarantee, using utility rebates, mixing more appropriated funds. (9)
- Promote, require, or enable specific technologies including lighting daylight dimming, LED lighting, hydropower generation improvement, large scale water/wastewater systems, renewables, mobility, biomass, data centers, combined heat and power, fuels switching strategies, preparation for smart grids. (21)

Total Number of Comments - 45

Number of Consolidated Bullets – 43 (shown in parentheses below)

The Enable Concept faces challenges such as higher development costs and lower profit incentives for the smaller, spread out facilities, “low hanging fruit” already addressed, and requires more agency CO resources. Enable will get better with more project experience and if it worked like traditional small purchase. (8)

Marketing and Outreach can be improved with more project experience, targeted training and clearer placement under GSA schedules. (4)

Suggest expanding and allowing greater flexibility in the type and number of ECMs under Enable.(6)

FEMP Assistance, Processes and Tools can be improved with better tested and more robust IGA tool, implement specific market available tools and systems, and some use of Project Facilitators.(10)

Implementing Enable via GSA schedule can improve with more experience, definition, greater emphasis on performance over product/labor, more available ESCOs, more small business, and consideration of other schedules.(15)

The following are groupings of comments which were highly specific and not easily condensed and/or did not fall under areas specifically requested in the RFI.

Total Number of Comments – 55

Number of Consolidated Bullets – (shown in parentheses below) - 45

- Change the PA scope – increase or decrease. (3)
- Contract Improvement - Specific Recommendations (17)
- FEMP Program Improvement - Specific Recommendations (11)
- Agency Practices Improvement - Specific Recommendations – (3)
- Update and Improve the Implementing Regulations – 10CFR 436B
- Provide improved or more specialized training (6)
- FEMP Provide More Assistance - Supplemental Funding, M&V / Contracting Centers of Expertise, Enhanced Industry/Govt. Forums for improvement. (4)