

# FEMP Comprehensive ESPC Workshop

## Introduction

**Welcome!**

## Objective of the Workshop

To provide agency personnel with a comprehensive understanding of the ESPC process and a springboard to obtaining the information and tools needed to ensure that their projects are of the highest possible value.

Individual Learning Objectives are in the front section of the Handbook

## DOE Federal Energy Management Program's (FEMP's) Mission

FEMP works with Federal leadership to accomplish energy change within organizations by bringing expertise from all levels of project and policy implementation to enable Federal agencies to meet energy related goals and to provide energy leadership to the country.



The FEMP home page is your source on energy and sustainability:  
[www1.eere.energy.gov/femp/index.html](http://www1.eere.energy.gov/femp/index.html) ★

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# Federal Energy Management Program

Federal Energy Management Program

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The Department of Energy (DOE) Federal Energy Management Program (FEMP) facilitates the Federal Government's implementation of sound, cost-effective energy management and investment practices to enhance the nation's energy security and environmental stewardship.

### FEMP SERVICE AREAS

- Laws, Regulations, & Reporting** ▶ Meet Energy Goals and Regulatory Requirements
- Sustainable Buildings & Campuses** ▶ Design, Operate, and Maintain High-Performance Buildings

Renewable Energy

### NEWS

- DOE Announces Guide for 50 % More Energy Efficient Office Buildings**  
May 11, 2011
- DOE Announces a \$213 Million Energy Savings Performance Contract with FDA's White Oak Campus**  
April 29, 2011
- CEQ Announces 2011 GreenGov Presidential Awards**  
April 27, 2011

## ESPC Web Pages:

[www1.eere.energy.gov/femp/financing/espcs.html](http://www1.eere.energy.gov/femp/financing/espcs.html)

FEMP home page → Project Funding → ESPCs

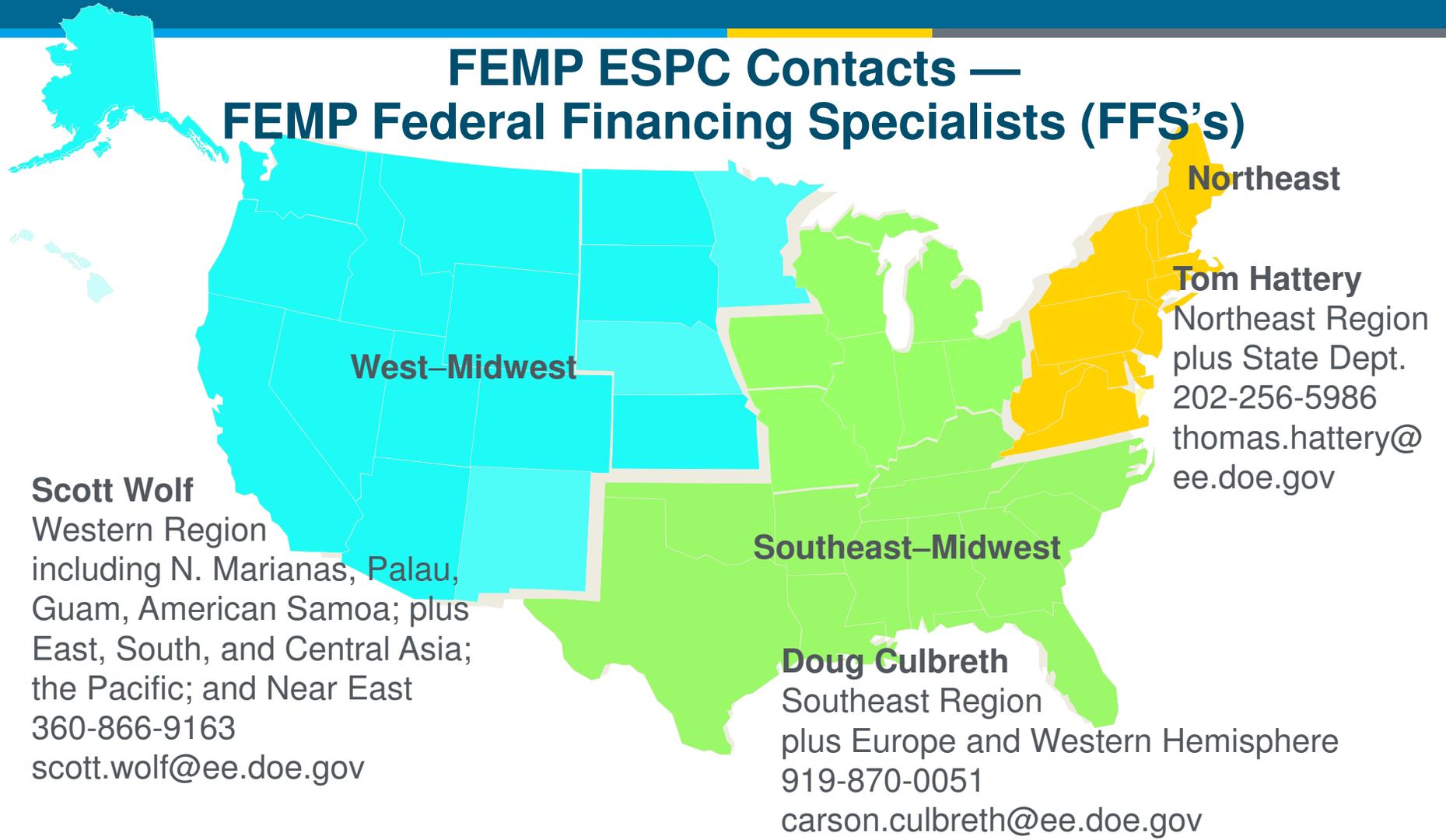
- Assistance and contacts
- Resources – **ESPC contract documents**, templates
  - See handbook front for contents
- Laws & Regulations
- Energy Service Companies (ESCOs)
- Awarded Contracts
- Case Studies
- Training
- Energy Awards Programs

## FEMP's ESPC Team is dedicated to helping agencies make the most of their ESPC projects

- The FEMP Federal Financing Specialist (FFS)
  - Your first point of contact
- FEMP Project Facilitators (PFs)
- National Lab experts supporting the FEMP ESPC program
- DOE Golden Office – ESPC contracting support

(More details provided throughout the workshop)

## FEMP ESPC Contacts — FEMP Federal Financing Specialists (FFS's)



[www1.eere.energy.gov/femp/financing/espcs\\_financingspecialists.html](http://www1.eere.energy.gov/femp/financing/espcs_financingspecialists.html)

## Free FEMP ESPC Training

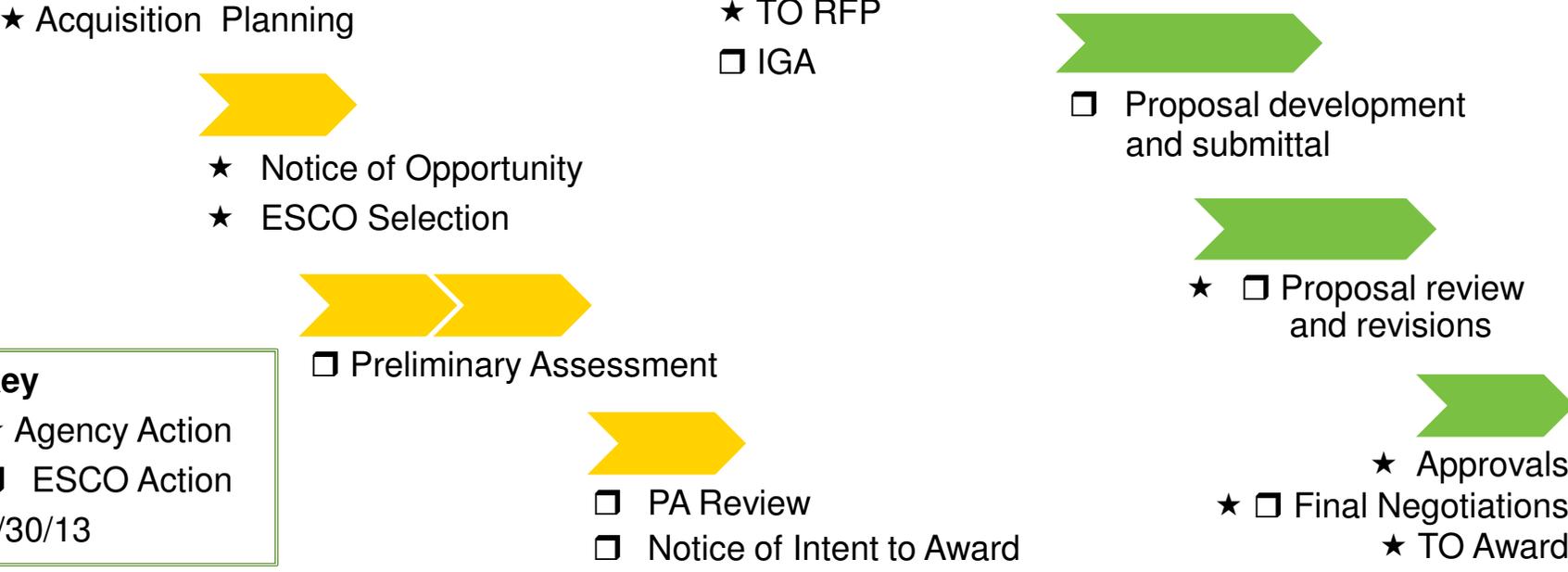
- FY 2014 Comprehensive ESPC workshops:  
See FEMP Calendar of Events
- Customized agency workshops available
- On-demand Webinars
- FEMP Calendar of Events (all training dates)  
[http://www1.eere.energy.gov/femp/financing/espcs\\_training.html](http://www1.eere.energy.gov/femp/financing/espcs_training.html)  
Go to Project Funding → ESPCs → Training



# Overview of the Workshop – Days 1 – 2



Streamlined ESPC Procurement – 12 Months to Award



**Key**

- ★ Agency Action
- ESCO Action

5/30/13

# Overview of the Workshop – Day 3

## Post Acceptance

**Phase 4:**  
Project Implementation –  
Design, Construction, Project Acceptance

**Phase 5:**  
Post-Acceptance Performance

1 – 2 years or longer

Up to 25 years including construction

★ Post-Award Conference

☐ ESCO Submittals

★ Agency Approvals

★ Notice to Proceed with Construction

☐ Construction, Inspections, documentation, training★

**Key**

★ Agency Action

☐ ESCO Action

★With Agency  
Participation/Oversight

☐ Commissioning and Post-Installation M&V★

★ Acceptance of Completed Project

★ ☐ Invoices and Payments

★ ☐ O&M per Task Order

★ Modify contract as required

★ ☐ M&V Activities

★ ☐ Task Order Closeout

## The Parking Lot



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# Workshop Materials

- Workshop Handbook
  - Contacts, abbreviations, slides, and more
- Project Case Study and Sample Contract Documents (big book)
  - Follows one project from ESCO selection through the first annual M&V report
  - Includes additional sample documents and templates

# Participant Introductions and Expectations



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... Almost

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# What are ESPCs?

Contracts that allow agencies to do energy projects with minimal up-front capital cost and no special appropriations from Congress.

## Energy Services Company (ESCO)

- Provides development and installation of energy/water conservation measures
- Guarantees resulting cost savings sufficient to cover project costs

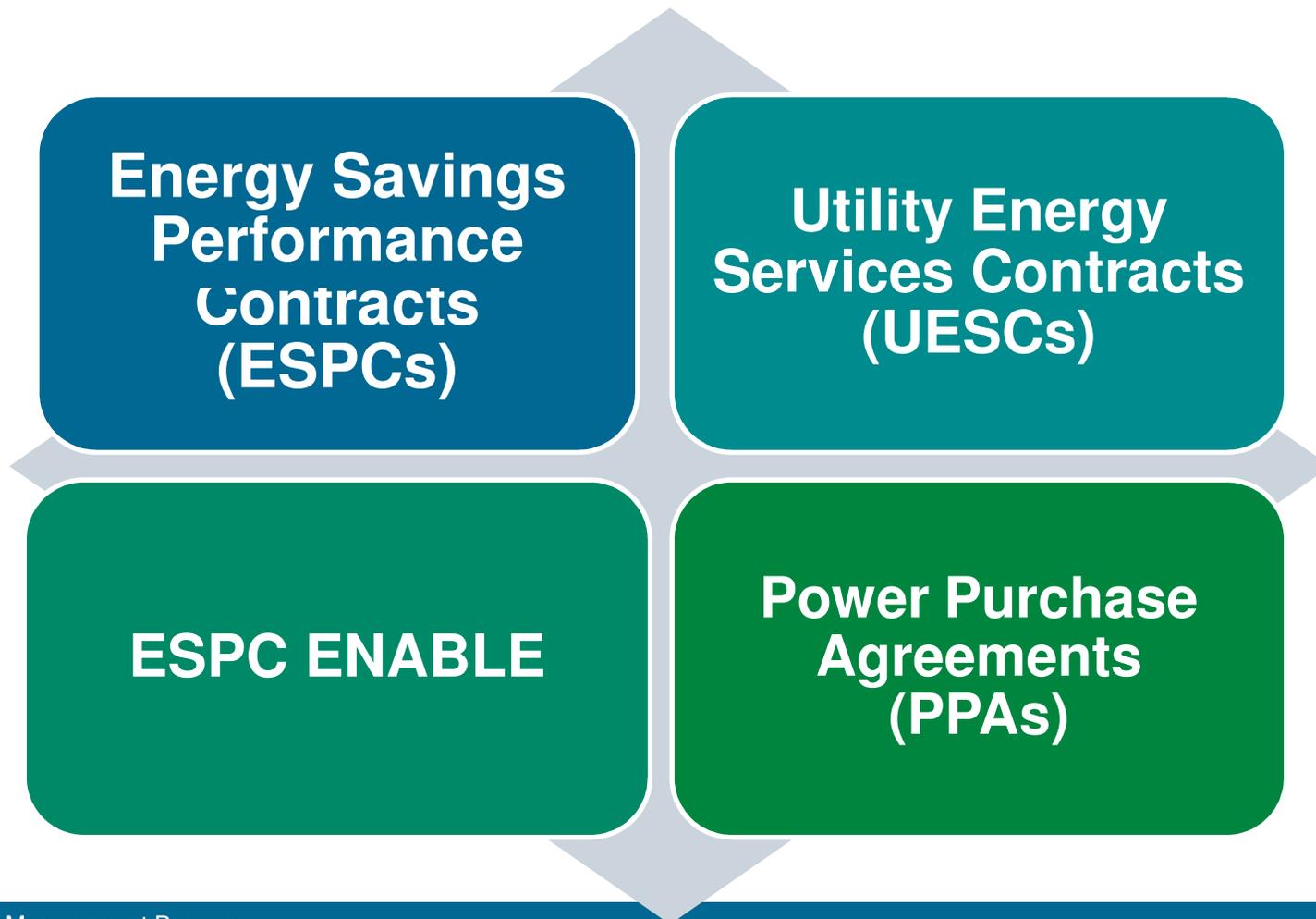
## Agency

- Pays ESCO over term of contract from guaranteed cost savings
- Contract administration → life of contract

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# A Quick Look at Other Financing Options for Energy Projects

**A few vehicles can finance energy improvements,  
without up-front capital costs or special appropriations:**



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## ESPCs, ESPC ENABLE, and UESCs have much in common:

Private sector provides audits, designs, labor, materials, financing

Agency pays for the project over time out of cost savings

After project is paid off, all further savings accrue to the agency

FEMP can provide project facilitation and other support

# Comparison of DOE ESPCs, ESPC ENABLE, UESCs

	DOE ESPCs	ESPC ENABLE (A FEMP Pilot)	UESCs
Contract type	TOs under DOE IDIQ	GSA Schedule 84 (SIN246-53)	GSA Area-wide contracts; Basic ordering agreements
Private-sector partner	ESCO	ESCOs on GSA Schedule 84 (SIN246-53)	Serving utility company
Eligible facilities	Federally owned worldwide	Federally owned facilities	Where government pays utility bill; where offered/authorized
Project size	\$1 – 2 million or larger	< \$1M; bldgs <200K sqft and site bundling are anticipated	Any
ECMs	Unlimited	Lighting, water, and basic HVAC controls	Unlimited
Savings guarantees and M&V	Required	Required; simplified M&V	Negotiable; performance assurance required for annual scoring
O & M	ESCO is responsible; tasking is negotiable	Government is responsible; ESCO provides training	Negotiable

## For More Information on Financing Options for Energy Projects

- Ask a FEMP Financing Specialist
- On-Demand FEMP Webinar: Alternative Financing Options
  - Go to FEMP → Project Funding → ESPCs → Training
- See “Alternative Financing Option Matrix” on FEMP Web – ESPC Resources page
  - Go to FEMP → Project Funding → ESPCs → Resources

**Break** ►



**Next: Module B, ESPC Basics** ►

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