

Federal Utility Partnership Working Group
Spring 2013: May 22–23
San Francisco, CA

VA UESC with PG&E

Overcoming Key Challenges

Case Study



Hosted by: Pacific Gas and Electric Company

Objective

- ▶ **Review Key Challenges**
 - ▶ **Strategies Utilized to Achieve Success**
 - ▶ **Lessons Learned**
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Agenda

- ▶ Project Profile
- ▶ Project Challenges
- ▶ UESC Energy Saving Results
- ▶ Conclusion

UESC Project Profile

- ▶ **Facilities Targeted:**

- 3 VAMCs and 2 clinics within VISN 21
- Over 2,000,000 square feet

- ▶ **Project Size: \$9.9 Million**

- ▶ **Project Timeline:**

- **Business development:** May 2009
- **Awarded:** October 2011
- **Construction completed:** July 2013



Five locations in VISN 21

San Francisco VAMC



Fresno VAMC



Mather VAMC



Martinez Outpatient Clinic
and Community Living Center



McClellan Outpatient Clinic



How it Started...

- ▶ **FEMP UESC Workshop – April 2009**
- ▶ **Review of Existing Audits**
- ▶ **Schedule Scoping Audits**



Scope of UESC Project: Hospital Overview

Locations	# of ECM's	Implementation Costs	Simple Payback in Years w/Incentives
San Francisco	9	\$3.1 Million	4.5
Martinez	13	\$1.9 Million	7.3
Fresno	6	\$2.7 Million	6.0
Mather	6	\$685,000	6.8
McClellan	9	\$1.2 Million	11.6



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UESC Project Challenges

- ▶ **5 Locations and 3 Budgets**
- ▶ **Limited Financial Resources**
- ▶ **Hospital Environment**
- ▶ **Identifying Conservation Measures**
- ▶ **Implementing Conservation Measures**



5 Locations and 3 Budgets

Challenge: Coordinating payments from 3 different Facilities through a process unknown to team

Solution:

- 1. Signature of commitment to the program**
- 2. Reminders**
- 3. Early start to obligate funds**
- 4. Bi-weekly project status updates**



Limited Financial Resources

Challenge: Achieving energy conservation goals with limited capital

Solution:

- 1. ECM's vs. life cycle payback**
- 2. Third party financing**



Hospital Environment

Challenge: Constructing ECM's in a 24/7 hospital environment

Solution:

- 1. Coordination with medical staff, maintenance staff and leadership**
- 2. Flexibility, and adaptability**



Identifying Conservation Measures

Challenge: Identifying conservation measures which achieve energy goals and can be interpreted as both aggressive, and conservative

Solution:

1. Numerous meeting and calls that drove revisions to the ECM list
2. Brainstorming sessions



Implementing Conservation Measures

Challenge: Implementing ECM's and working with unique personalities

Solution:

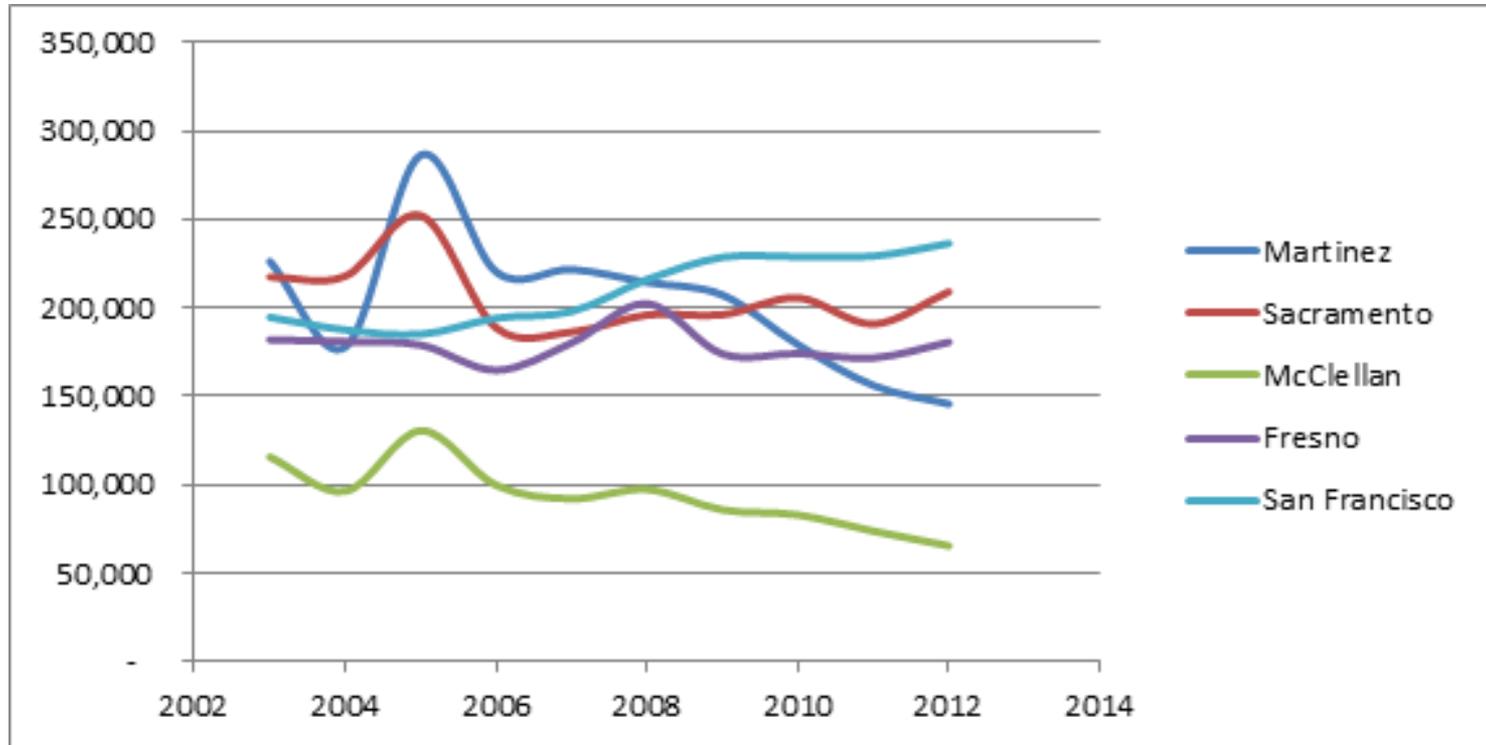
- 1. Extensive communication, signatures, and meetings**
- 2. Recognizing you can only do what you can do!**



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Hospital/Location Energy Benefits



	1st QTR 2013	1st QTR 2012	Results
	31,815	37,283	15%
	51,066	56,471	10%
	12,927	21,616	40%
	43,860	47,056	7%
	61,257	59,935	-2%



UESC Project Results

- ▶ **Implementation Costs – \$9.9 Million**
- ▶ **Annual Cost Savings – \$ 1.06 Million**
- ▶ **Simple Payback – 10 Years**
- ▶ **Project Size – 2,000,000 Square Feet**
- ▶ **Financed Term – 10 Years**
- ▶ **Performance Assurance – ECM Commissioning**



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Conclusion

Through the implementation of multiple energy conservation measures, the UESC will save the VA:

1. Over 6,000,000 kWh and 20 million gallons of water annually
2. This exciting project was funded through the energy savings



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