

# Energy Savings Performance Contracting



General Administration  
STATE OF WASHINGTON

July 31, 2009

# Legislative Authority

## RCW 39.35A.050

- ▶ The state department of general administration shall maintain a registry of **energy service contractors** and provide assistance in identifying available **performance-based contracting services**

## RCW 39.35C.020

- ▶ The department shall assist state agencies and school districts in **identifying, evaluating, and implementing cost-effective conservation projects** at their facilities

# What does an Energy Savings Performance Contract (ESPC) do?

- ▶ Identifies, constructs and finances energy and utility conservation projects
- ▶ Uses energy and utility dollars saved to pay for the project costs
- ▶ Guarantees total project cost, performance and energy savings before construction starts

# Financing

- ▶ **Energy Service Company (ESCO) Financing**
- ▶ **State Financing**
  - ▶ State Treasurer's LOCAL Program
    - ▶ 3.9% - 5.0% interest rate
    - ▶ 5 to 10 year loan

# GA Energy Team Experience

- ▶ **Energy Conservation in Public Facilities (since 1991):**
  - ▶ \$155 million in total projects
  - ▶ \$23,600,000 in grant funds brought to the projects
  - ▶ \$11.7 million in annual energy cost savings

# Who Can Use GA Energy Services Performance Contracting?

- ▶ **School Districts**
- ▶ **Cities, Counties and Ports**
- ▶ **Universities and Community Colleges**
- ▶ **State Agencies**
- ▶ **Hospitals**

# Current Clients

## ▶ School Districts

- ▶ Bremerton School District
- ▶ Camas School District
- ▶ Central Kitsap School District
- ▶ Clarkston School District
- ▶ East Valley School District
- ▶ Federal Way School District
- ▶ Highline School District
- ▶ Mount Vernon School District
- ▶ North Kitsap School District
- ▶ Oroville School District
- ▶ Pasco School District
- ▶ Pateros School District
- ▶ Peninsula School District
- ▶ Port Angeles School District
- ▶ Prosser School District
- ▶ Seattle School District
- ▶ Selah School District
- ▶ South Kitsap School District
- ▶ Spokane School District
- ▶ Yakima School District

# Current Clients

## ▶ **Cities, Counties and Ports**

- ▶ **Benton County**
- ▶ **Clark County**
- ▶ **King County**
- ▶ **City of Kirkland**
- ▶ **City of Olympia**
- ▶ **Pend Oreille County**
- ▶ **Port of Seattle, SeaTac Airport**
- ▶ **City of Spokane**
- ▶ **City of Vancouver**
- ▶ **Walla Walla County**
- ▶ **City of Washougal**

# Current Clients

## ▶ Universities and Community Colleges

- ▶ Central Washington University
- ▶ Eastern Washington University
- ▶ Evergreen State College
- ▶ University of Washington
- ▶ Washington State University

## ▶ Community and Technical Colleges

- ▶ Bates Technical College
- ▶ Edmonds Community College
- ▶ Seattle Central Community College
- ▶ Community Colleges of Spokane
- ▶ South Puget Sound Community College
- ▶ Olympic Community College
- ▶ UW Bothell/Cascadia Community College
- ▶ Walla Walla Community College

# Current Clients

## ▶ State Agencies

- ▶ Department of Corrections
- ▶ Department of Transportation
- ▶ Department of Veterans Affairs
- ▶ Washington State Patrol
- ▶ Department of Social and Health Services

## ▶ Hospitals

- ▶ Evergreen Hospital Medical Center
- ▶ North Valley Community Hospital
- ▶ Valley Medical Center Hospital

## ▶ Others

- ▶ LOTT Alliance
- ▶ Northwest Museum of Arts and Culture

# Sequence of an ESPC Project

1. **Project initiated by an Interagency Agreement**
2. **ESCO selection**
3. **Preliminary audit**
4. **Investment grade audit**
5. **Design and construction**
6. **Measurement and verification**

# Thank You



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STATE OF WASHINGTON

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