



State Opportunities through Third-Party Delivered Energy Efficiency

Leveraging Energy Savings Performance Contracting to cost effectively meet regulatory requirements

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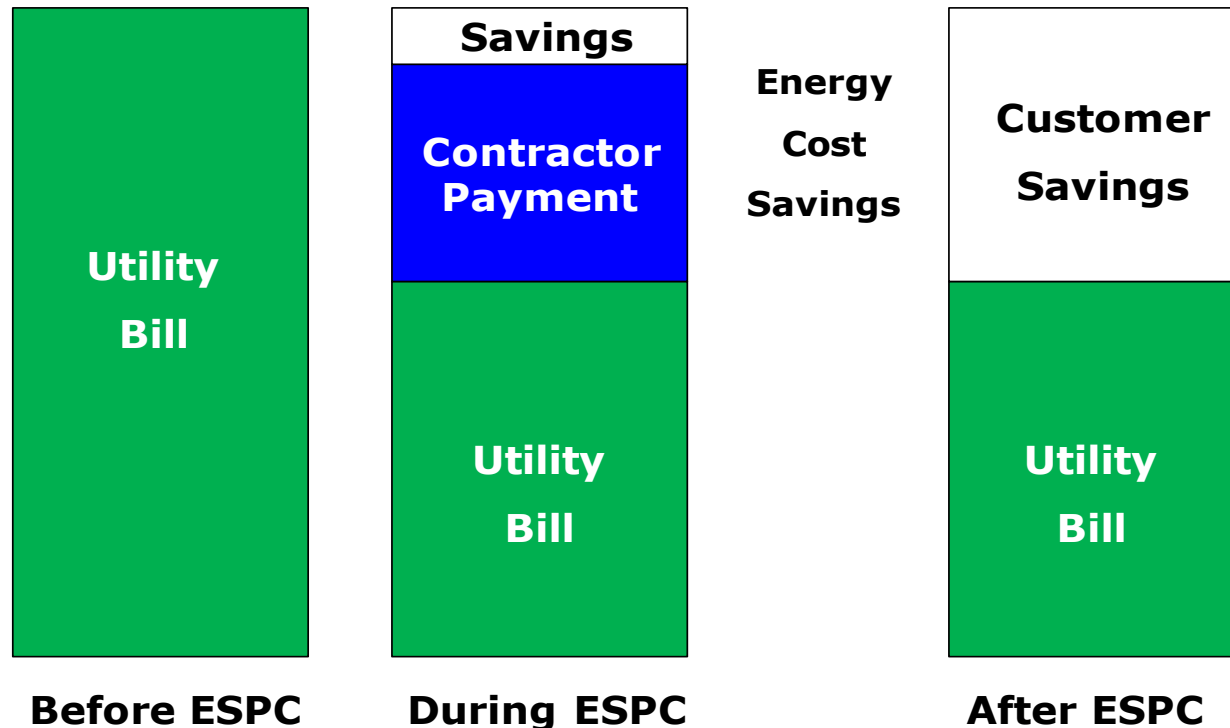
Energy Service Company Coalition



State Opportunities

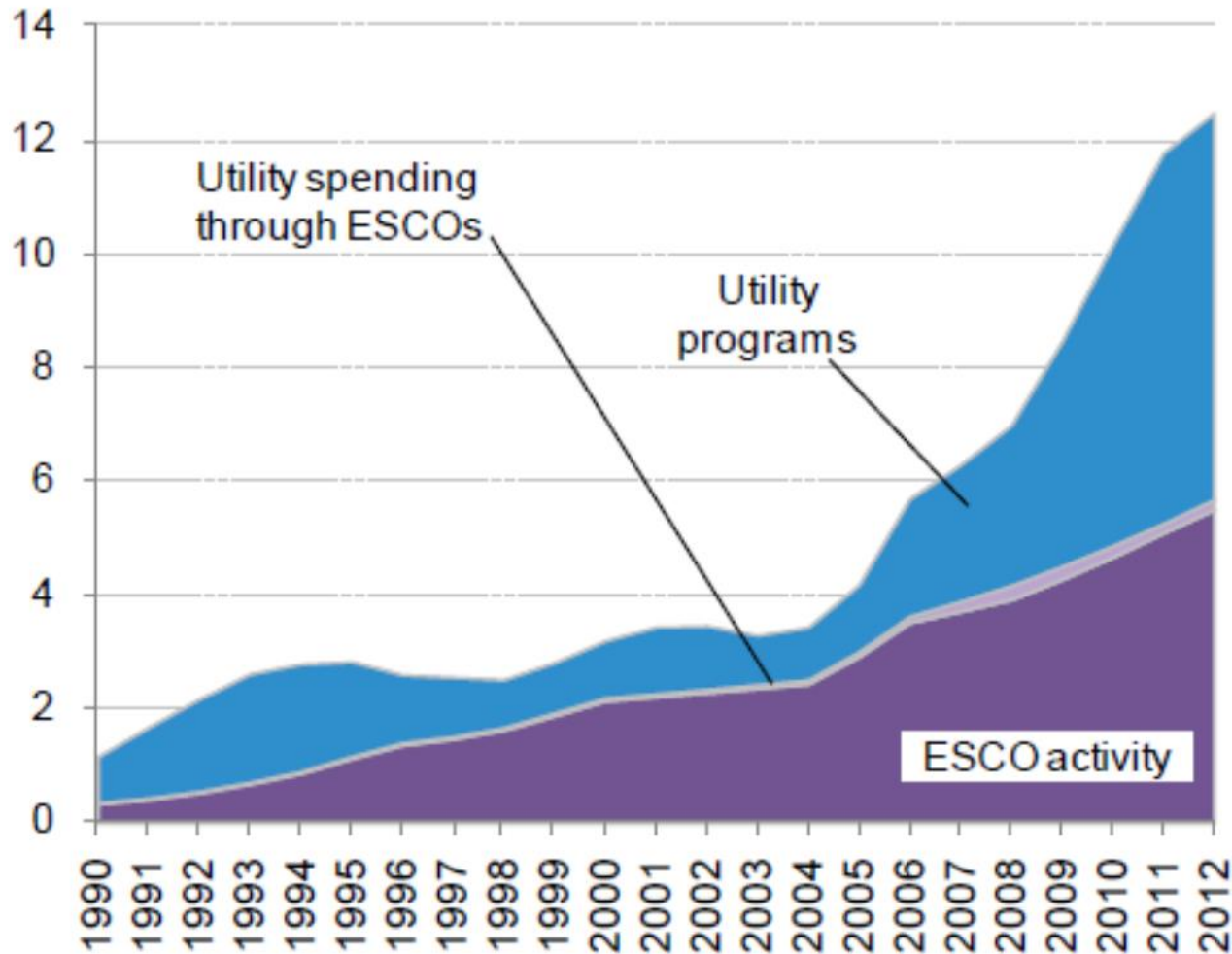
- Optimize State CPP Implementation Plans
- Collaborate on EM&V and EE Registry Development
- State NAAQS Implementation Plans
- Regional GHG Programs (AB 32 / RGGI)
- Utility Performance-Based Retrofit Programs
- State Executive Orders

Energy Savings Performance Contracting (ESPC)



- Realigns utility expenses towards improvements which save energy
 - Bundles multiple solutions (lighting, HVAC, controls, building envelope, renewables, etc.)
- Typical project energy reduction ranges between 15% to 30%
 - Contract term typically ranges between 10 to 17 years
 - Typical per project investment can range from \$1M to \$45M+
- Budget-neutral approach
 - Cost savings sufficient to repay project cost

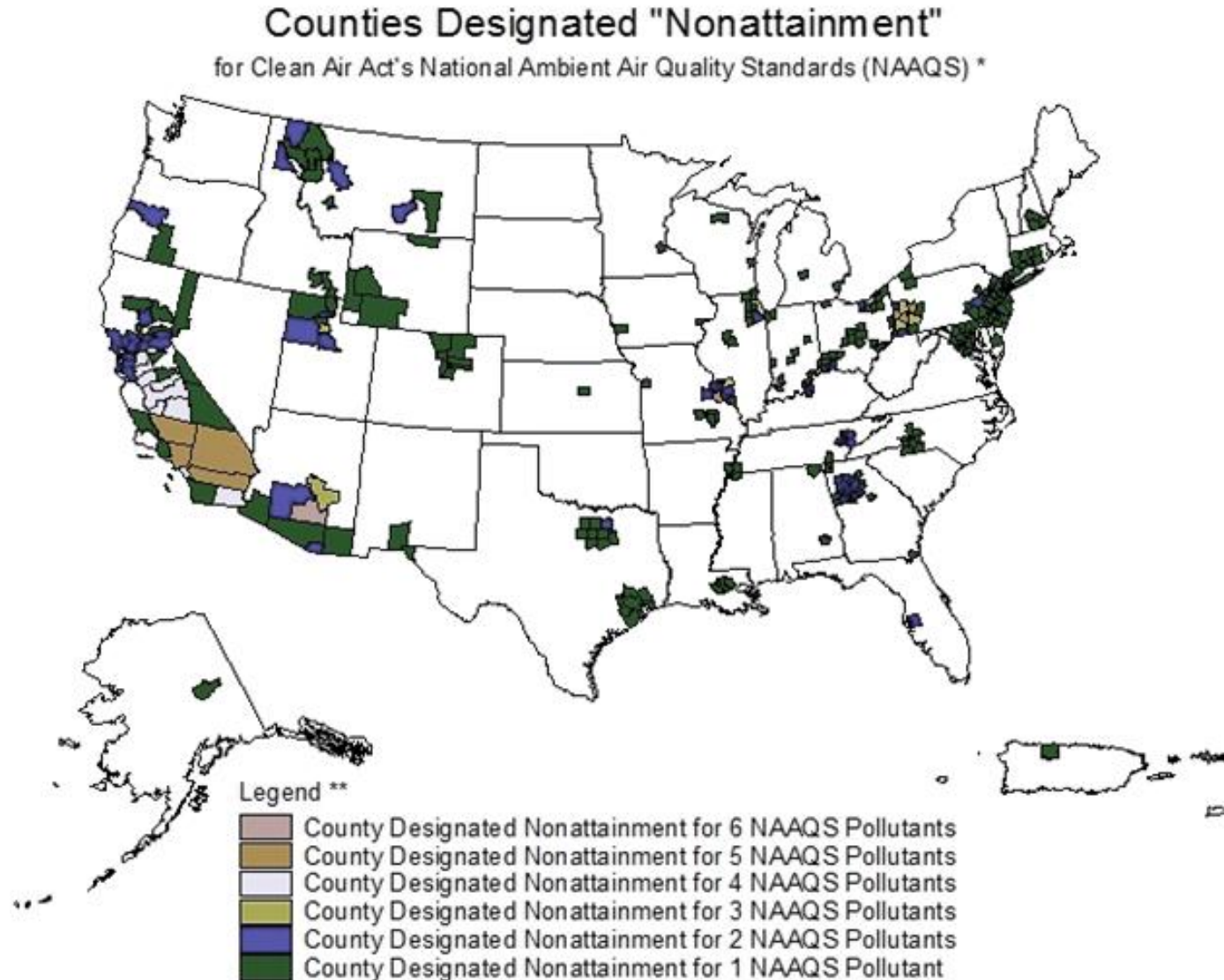
ESPC Market Investment (1990 – 2012)



- \$7B+ U.S. investment annually through financing which is repaid through energy cost savings
 - Projected to grow to \$10 billion to \$15 billion annually by 2020
 - Scalable for 111(d) compliance
- Does not rely on state or utility investment
- Can incorporate other program incentives, rebates and credits

Investment in energy efficiency through ESCOs and utility programs, categorized by program, 1993-2012, (\$bn)

State Implementation Plans for NO_x/SO_x Reductions



36 STATES
Designated Nonattainment
must further ↓ NO_x and
SO_x emissions to meet
federal standards

State NAAQS Implementation Plans – Shreveport, LA

City of Shreveport, Louisiana

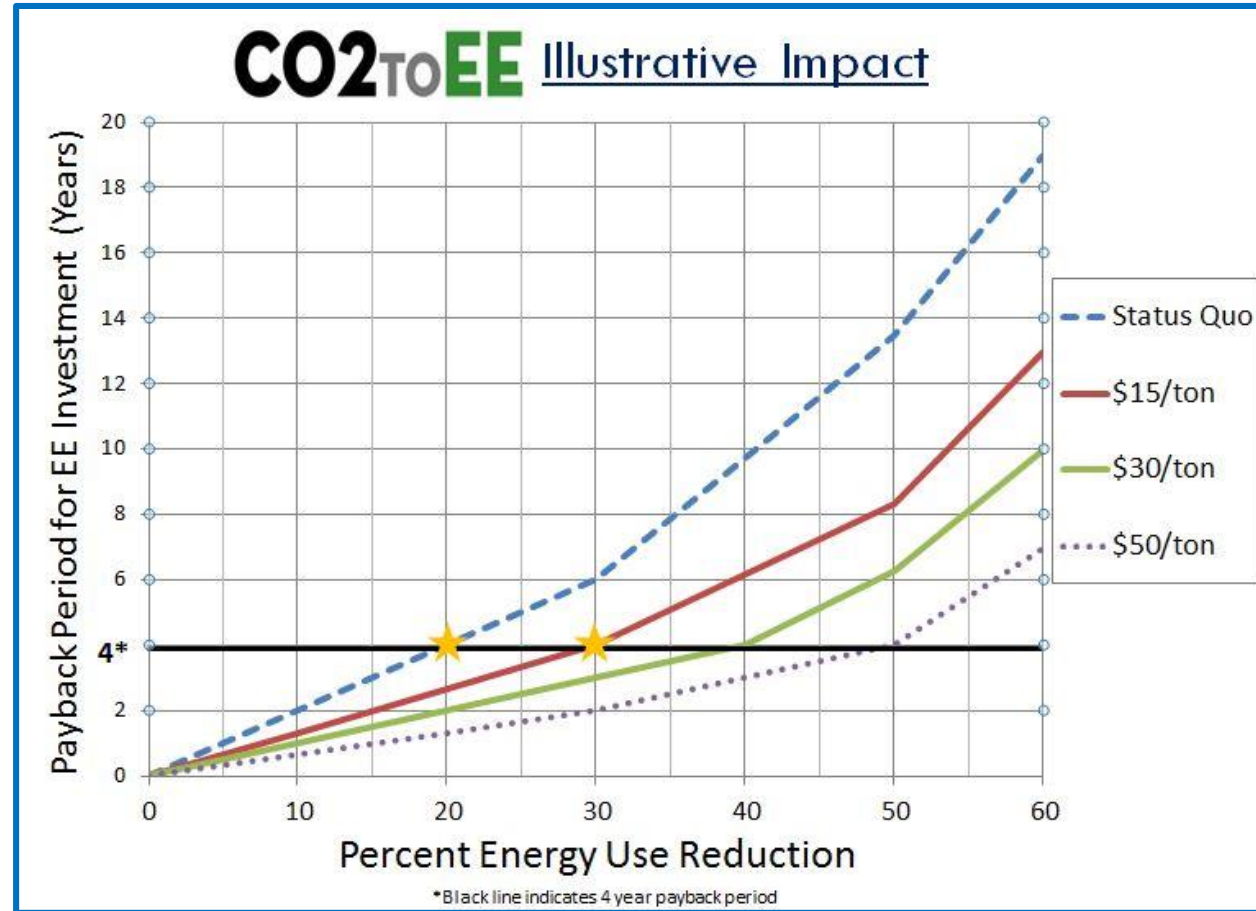
- Shreveport's Early Action Compact (EAC) submission to US EPA for the 8-Hour Ozone Standard under the National Ambient Air Quality (NAAQS) Standards
- 20-year ESPC contract utilized for State Implementation Plan
- 33 Municipal Buildings - Energy Savings of 9,121,335 kWh/Yr
- Measurement & Verification (M&V) consistent with EPA Roadmap for Incorporating EERE Policies and Programs into State and Tribal Implementation Plans
 - IPMVP Option A - Retrofit Isolation (pre-retrofit/post-retrofit/ annual sampled inspections)
 - IPMVP Option C - Whole Building (utility bill/ meter-based analysis)
 - Monthly Tracking/Quarterly Reporting/Annual Reconciliation



Scope of Improvements

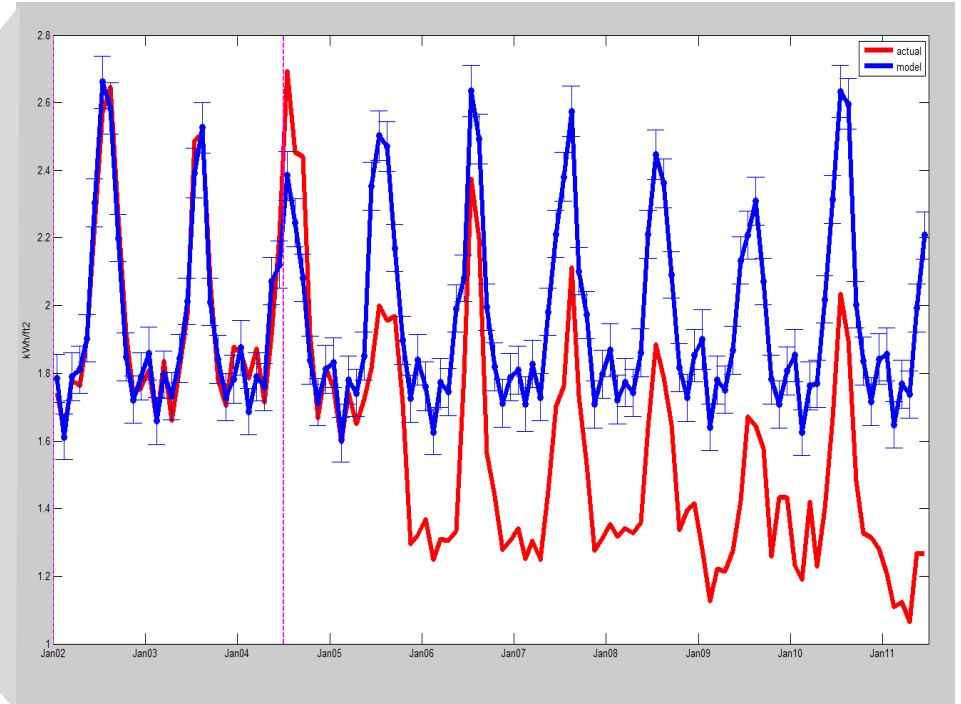
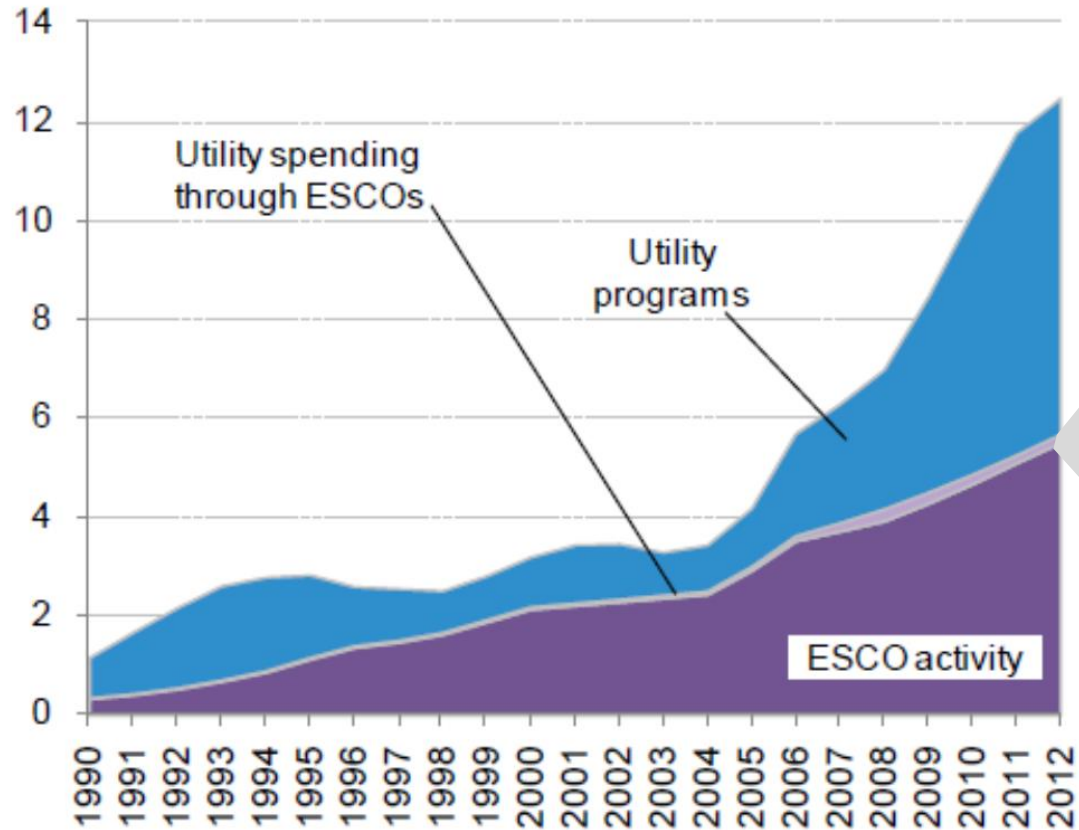
- Lighting Systems
- Mechanical Systems
- Control Systems
- Water Conservation

Regional GHG Programs - AB 32 / RGGI



***Expanding Energy Efficiency Financing for California Businesses,
Schools, and Real Estate Owners***

Utility Programs (Performance-based System Retrofits)



State Executive Orders – Hawaii DOT

Hawaii Department of Transportation

- 12 Airports
- Lighting, HVAC, Controls, Water (75,000 fixtures)
- Renewable energy (9,100 solar panels/2.6 MW)
- 20 year Energy Savings Performance Contract
- 400 local jobs, while adding more than \$670 million in economic development
- 43,000 metric tons of CO2 saved annually.(equivalent to 100,000 barrels of oil)
- \$518M savings over 20 years



