



## Legislation Text

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**File #:** 17-0169, **Version:** 1

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### Summary

**To:** Finance Board

**From:** JP Murphy

**Date:** 7/18/2017

**Subject:**

Presentation by ABM regarding energy performance contracting

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### Summary:

Representatives from ABM will be here to discuss an energy performance contracting solution that might help town with some of its ongoing capital needs through a guaranteed energy savings program. At a high level staff seeks input from the board as to their level of interest in the solution provided.

**Previous Commission Action:** The commission previously used a similar program by Green Energy Services that was successful.

**Background/Problem Discussion:** Generally speaking, energy performance contracting utilizes methods that capitally purchases energy saving measures coupled with bonded, guaranteed savings. The program then uses the savings to pay for other infrastructure improvements. The process at a very high level is as follows:

#### 1. Procurement of Investment Grade Audit (IGA)

- a. The Town identifies need to reduce energy costs in its buildings by investing in energy conservation measures (ECM's). The Town intends to enter into a guaranteed energy performance savings contract with a licensed energy performance contractor (EPC) in compliance with F.S. 489.145.
- b. The Town will develop a short analysis of the project that they intend to include into an energy performance contract. This should include but not limited to the scope of the project; age, use, and occupancy of the buildings, and current building equipment.
- c. The Town will seek out an EPC and implement ECM's that will provide the needed energy savings to the the Town.
- d. The Town Authorizes Investment Grade Audit
- e. EPC will give a detailed analysis on each energy conservation measure they are proposing, including energy and energy related operating savings. At a minimum, an audit should include current and future energy consumption, projected savings, maintenance costs, simple payback, life cycle costs, building description, analysis methods, and calculations. Assumptions, baselines, and baseline adjustment criteria must be predetermined and agreed upon in the audit. Audit may include all commodity or unit prices.
- f. To provide consistency for review of a future guaranteed energy performance savings contract, the EPC will provide contract schedules A, B, E, and F in the IGA.
- g. A model Audit agreement can be found on the DMS website.
- h. The Town may enter into a separate agreement to pay for the audit, or the cost of the audit may

be part of the final contract.

- 2. The Town negotiates a Guaranteed Energy Performance Savings Contract**
- 3. The Town executes the contract and financing agreement approved by Commission and begins work on ECMs.**
- 4. Ongoing Measurement and Verification process begins (M and V).**

**Recommendation:** None at this time, unless there is no interest by the board in pursuing this program further.