

Performance Contracting

Presented by:

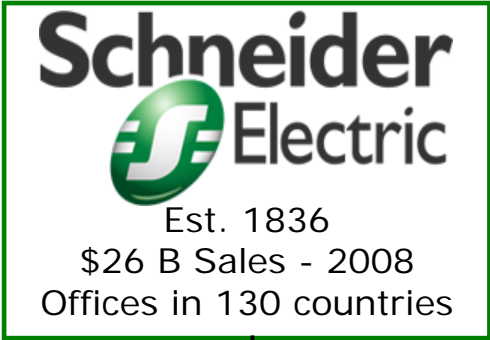
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Schneider
Electric

Company Overview



Merlin Gerin

Electrical Distribution Products



SQUARE D

Electrical Distribution Products



Telemecanique

Industrial Automation



Critical Power & Cooling Services

Building Automation

ENERGY SOLUTIONS
300+ projects nationwide
Offices in 25 states

SYSTEMS INTEGRATION
17 branch offices focus on building automat. & security

STRATEGIC ACCOUNTS
Telecom, Data Centers, Retail, Federal

PARTNERS
300 partner offices throughout the US



Video Security Systems and Support Equipment

Agenda

- Taking Control of Energy
- Performance Contracting (PC)
 - Concept
 - Process
- Benefits of PC
- Q&A

Challenges For Public Entities in Texas

↑ Energy Costs

↑ Interest in Environmental Impact

↑ Need to upgrade facilities

↓ Operating Costs

↓ Energy Consumption

↓ Older Technology



Taking Control of Energy

Benchmark - Plan - Implement

Billing

Behavior

Infrastructure

- Negotiate Rates
- Consolidating Meters
- Identify Billing Errors

- Install Energy Efficient Equipment/Lighting
- Repair/Replace Inefficient Equipment
- Install Energy Management System

- Track Consumption
- Establish Energy Mgt Plan
- Energy Education

Financing

Municipal Lease Purchase

- Loan seen as expense, not long-term debt
- Can be 20 year contract

Loan Star Loan

- 3% Interest
- 10 year Payback

SECO Loan – part of ARRA

- 2% interest
- 10 year – 15 if includes 5% Renewables
- PC Guarantees Savings

Grants

- EECSBG – Small Cities
- Renewables
- Traffic Signals
- Alternative Fuels

Performance Contracting

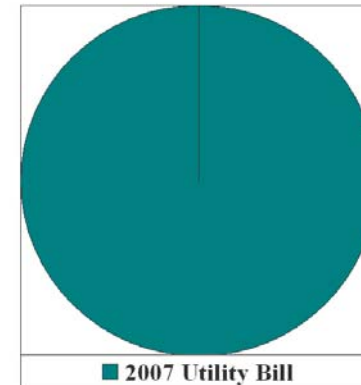
Cities, Counties: 302.001 Local Govt Code

Universities: 51.927 Higher Education

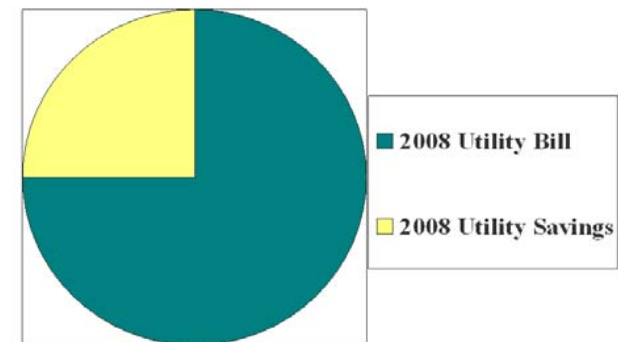
K-12: 44.901 Education Code

- You may enter into a PC
- ECMs are installed
- ECMs generate savings
- Savings guaranteed by ESCO

Guaranteed Savings

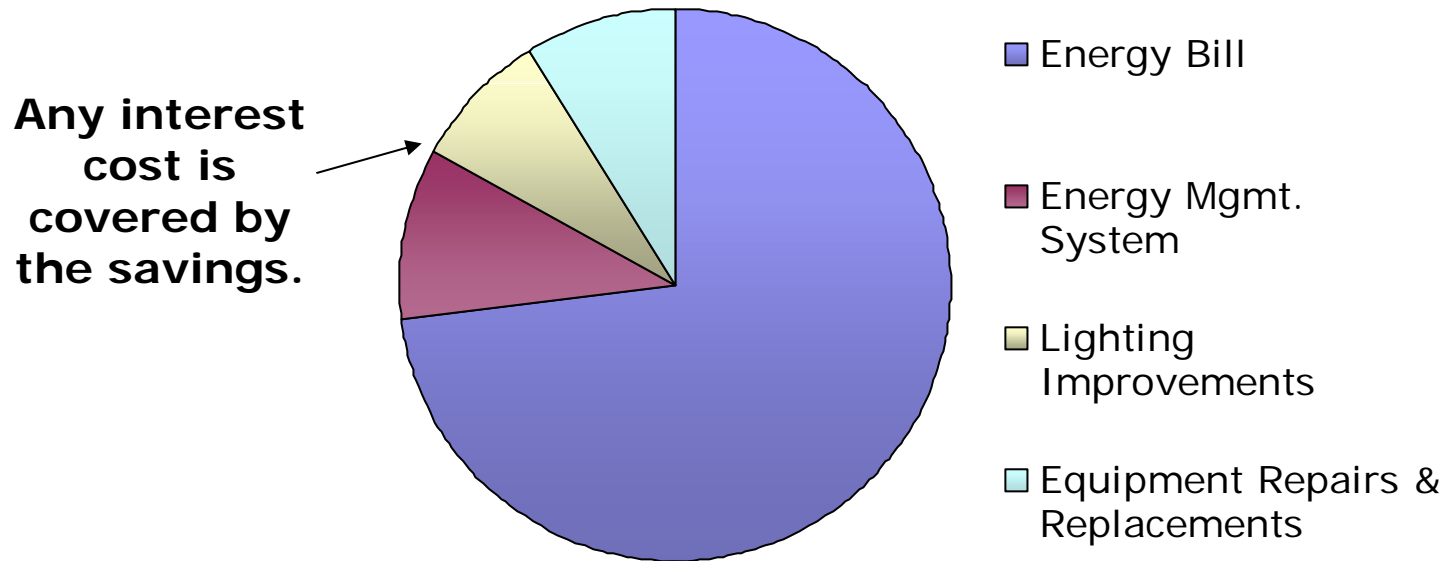


Customer's Utility Bill



Here is how it works...

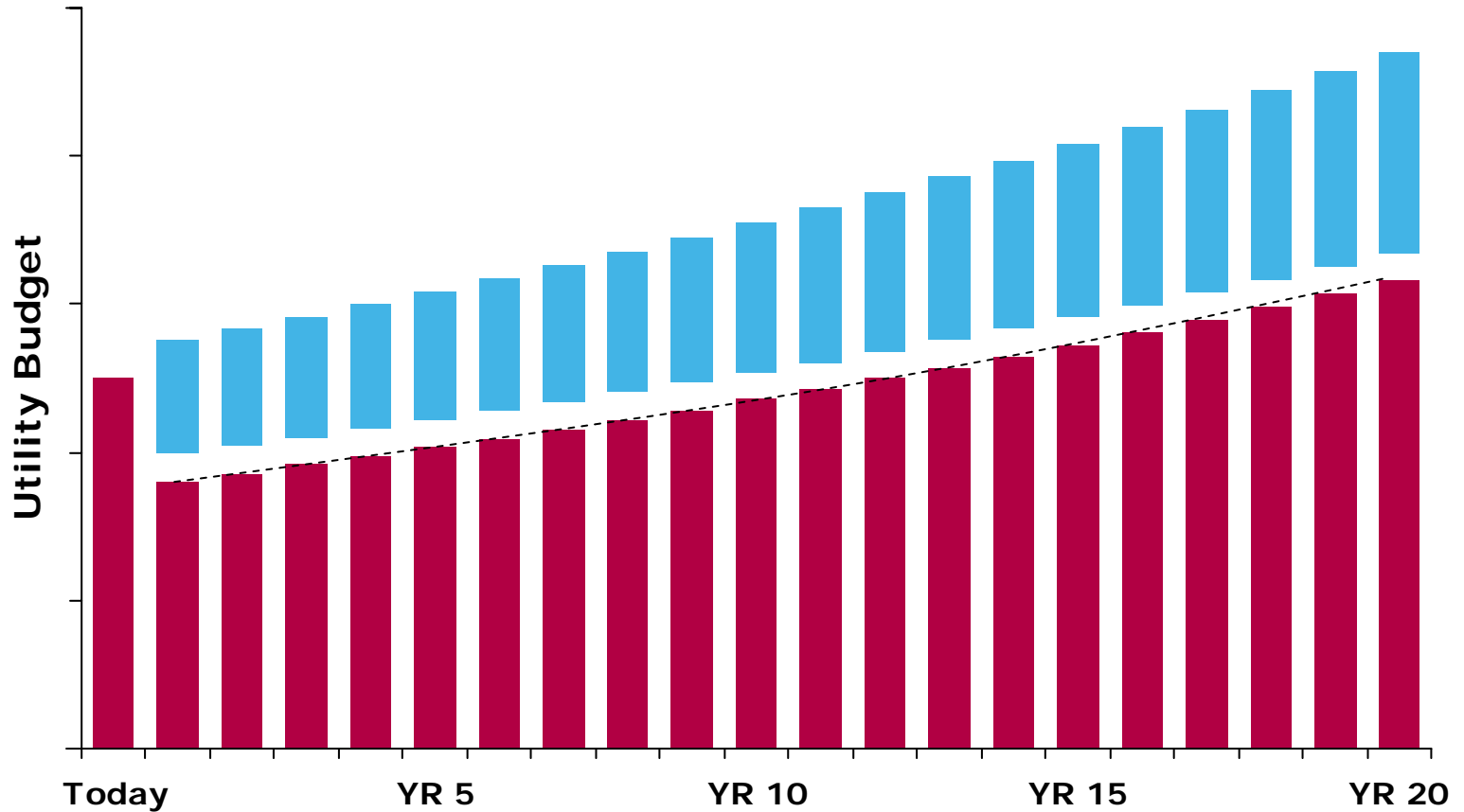
Annual Utility Budget:



After Performance Contracting the budget remains the same, as energy savings pay for the facility improvements.

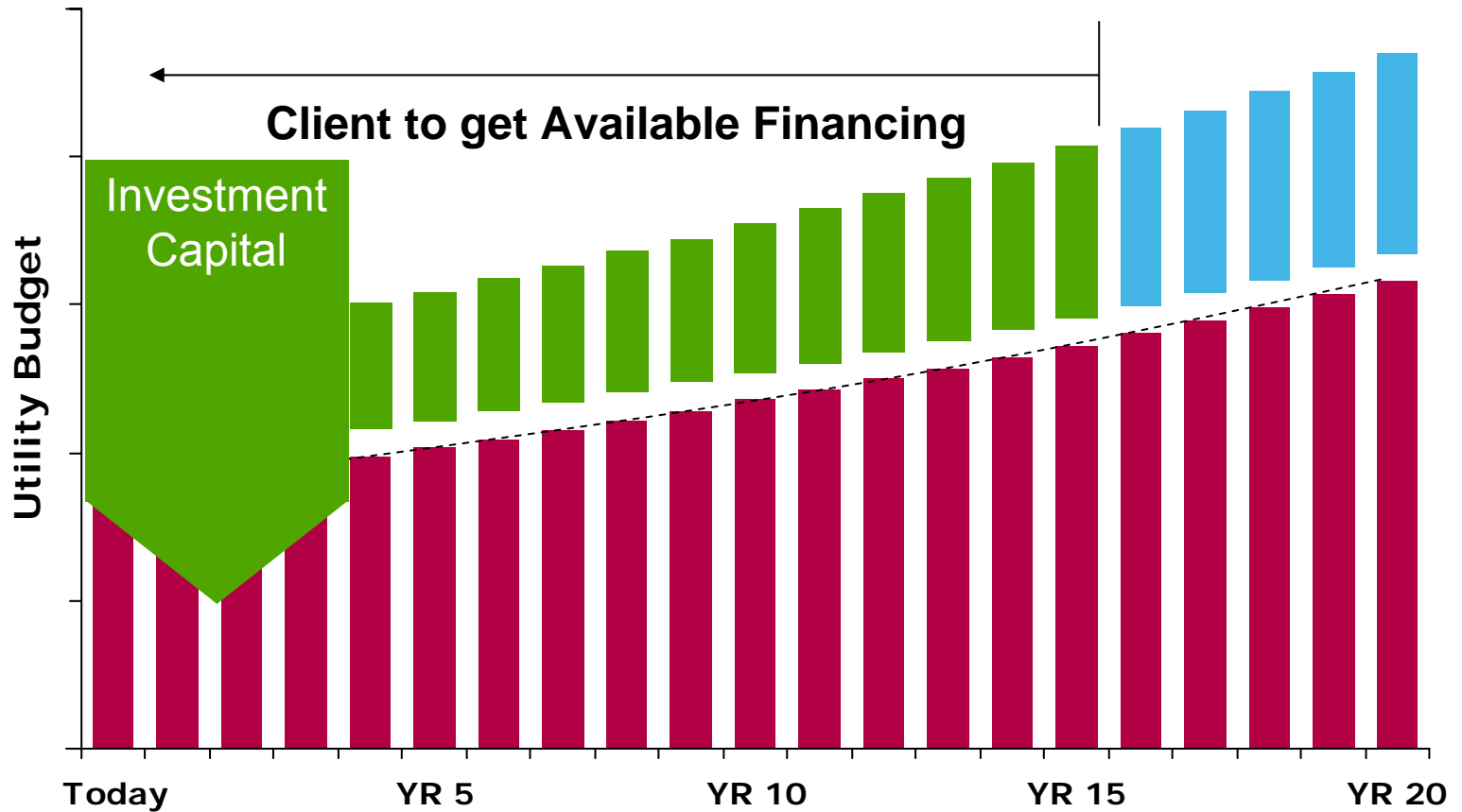
Performance Contracting Financial Impact

Savings Potential...



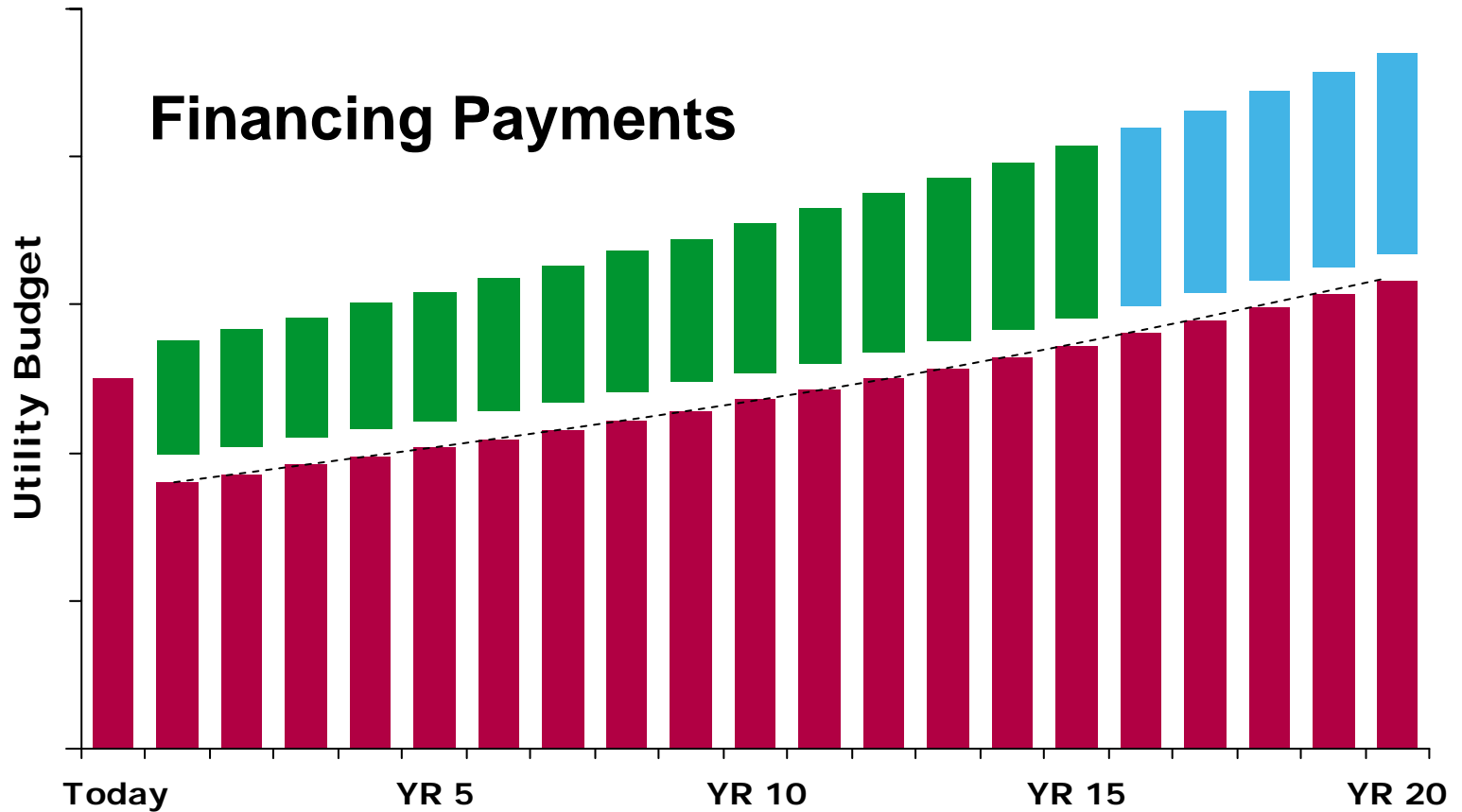
Performance Contracting Financial Impact

Funding Potential...



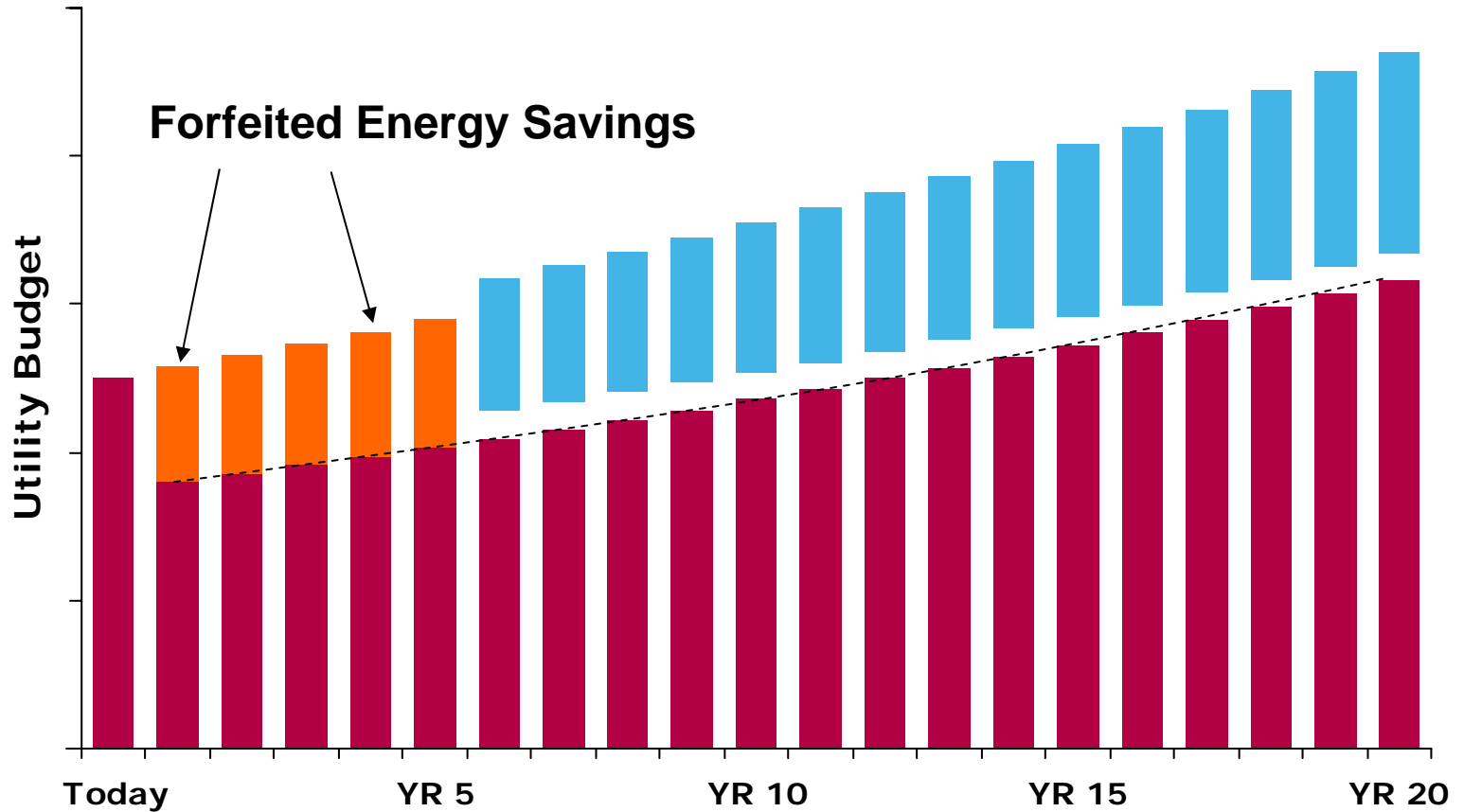
Performance Contracting Financial Impact

Funding Potential...



Performance Contracting Financial Impact

Delay...



Building a Solution through PC

Increase Efficiency, Increase Comfort, Lower Cost.

Mechanical Work	Controls	Water Conservation/Revenue	Lighting/Other
<i>Replacement</i>	<i>Unified Control</i>	<i>Automated Meter Reading</i>	<i>Lighting Retrofits</i>
<i>Repair</i>	<i>Direct Digital Control</i>	<i>Wastewater Technology</i>	<i>Occupancy Sensors</i>
<i>Install VFDs</i>	<i>- Scheduling</i>	<i>Control Systems</i>	<i>Building Envelope Secured</i>
<i>Convert to VAV</i>	<i>- Alarms</i>	<i>Efficient Plumbing</i>	<i>Training Staff</i>
<i>Repair Duct Work</i>	<i>- Data Collection</i>	<i>Fixture Replacement</i>	<i>New Construction Energy Efficiency</i>
<i>Chiller Expansion</i>	<i>Computer/Web Access</i>		

* Security Cameras/Systems Integrate with HVAC Systems, Access Control, etc.

How Does the PC Process Work?

Stage 1:
Determine if PC is right for you

Stage 2:
Select ESCO and develop project

Stage 3:
Implementation, measurement and verification

How Does the PC Process Work?

1. Determine feasibility
2. Workshops
3. Preliminary Energy/Facility Audit

4. RFQ
5. Select ESCO / execute contingent contract
6. Project development

7. Approve scope, price, savings, financing
8. Project installation
9. Ongoing monitoring, support, M&V

Energy Services Companies (ESCOs)

PC Projects can Include:

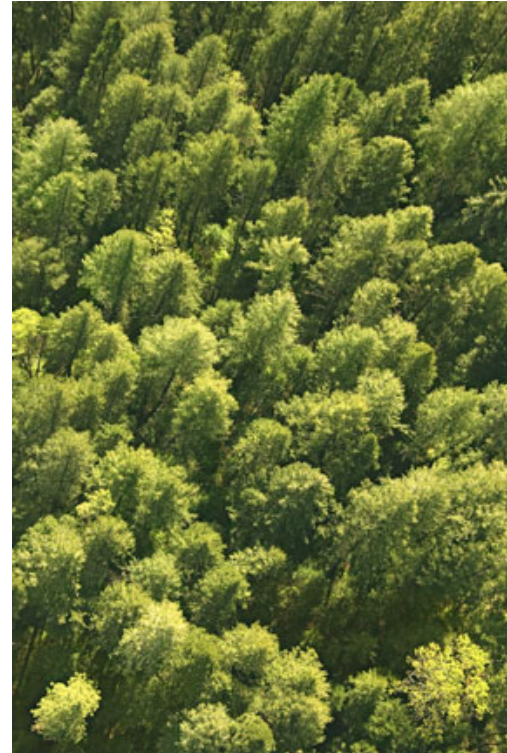
- Engineering
- Manufacturing
- Auditing
- Installing
- Training
- Monitoring & Verification
- Guarantee
- Savings Reports

Prime Contractors

- Provide Guarantee
- Monitor & Verify
- Incentivized to Perform
- Don't do change orders
- Offer a Final Price

Some of the benefits...

- Savings Guaranteed
- One Company Accountability
- Support/Training
- Financial Assistance
 - SECO Loan
 - ARRA Grants
 - Municipal Lease Purchases
- Improved comfort
- Generate Revenue
- Lower Energy Bills
- Helping the environment
- Set “Green” Example in your community



They have done it already...

- City of Seguin – Pop. 26,394
- City of Lufkin – Pop. 36,830
- City of Houston – Pop. 2,144,491
- City of Harlingen – Pop. 66,498
- City of Elgin – Pop. 9,880
- City of Dallas – Pop. 1,210,390
- City of Carrollton – Pop. 109,576
- City of Alvarado – Pop. 17,444
- City of Abilene – Pop. 115,930
- Pharr-San Juan-Alamo ISD
- Edcouch-Elsa ISD
- La Feria ISD
- Santa Rosa ISD
- Valley International Airport
- Harlingen TSTC
- Region One ESC
- Tulo-so-Midway ISD
- Gregory-Portland ISD

Thank You!

