



U.S. Department of Energy
Energy Efficiency and Renewable Energy

Upping the ESPC Project Tempo: Putting the Institutional Pieces Together

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Federal Energy Management Program
Energy Efficiency and Renewable Energy

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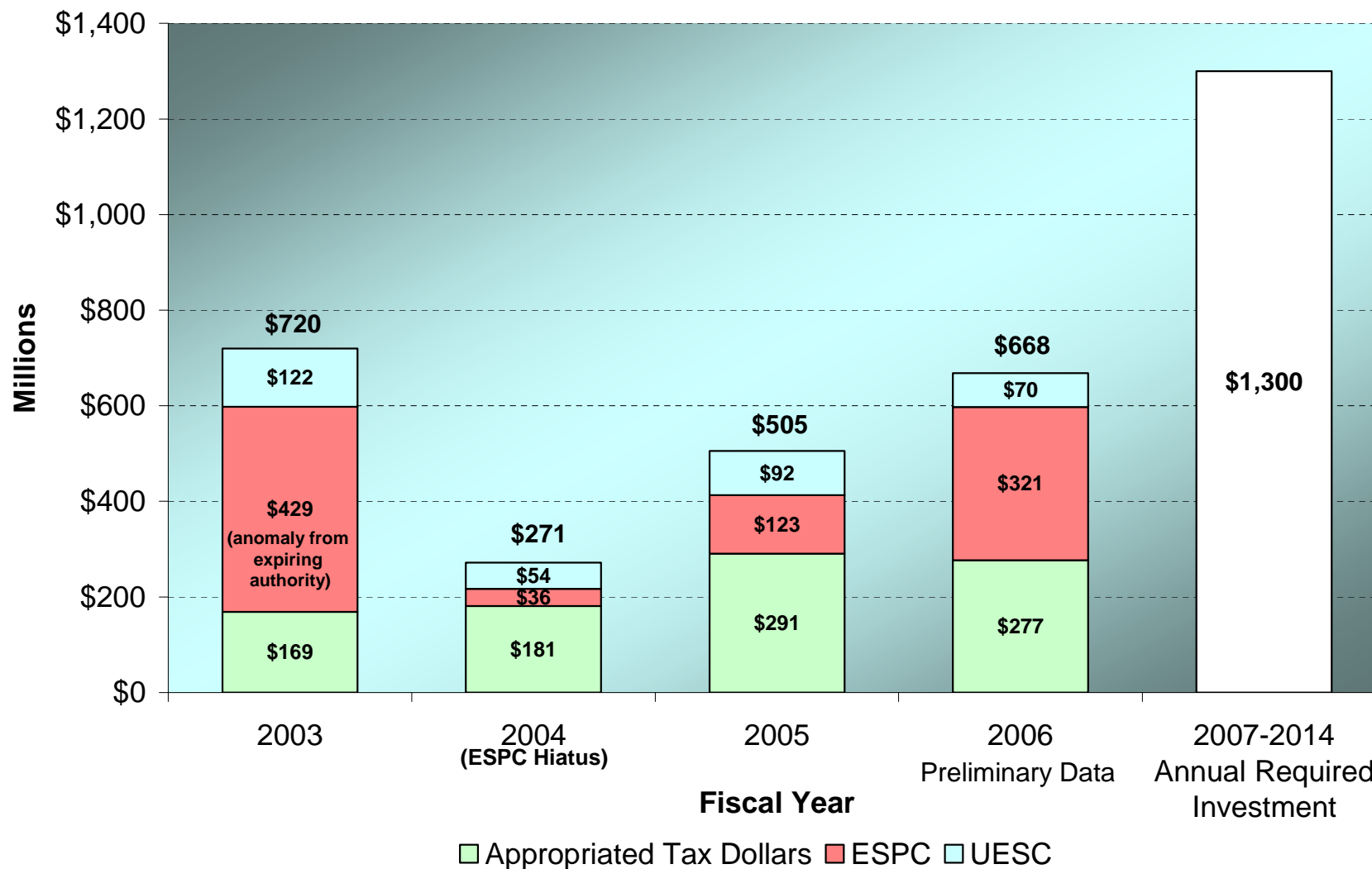
Overview

- Where are we
- Where would we like to be
- Barriers to getting there
- Overcoming Barriers



Overall Investment in Energy Efficiency Projects

Project investment increased 32% from last year
ESPCs rebound from hiatus levels





Agency Investment in Energy Efficiency

Project investment is now almost 11% of energy costs
Annual investment of 20% required to meet new E.O. goal

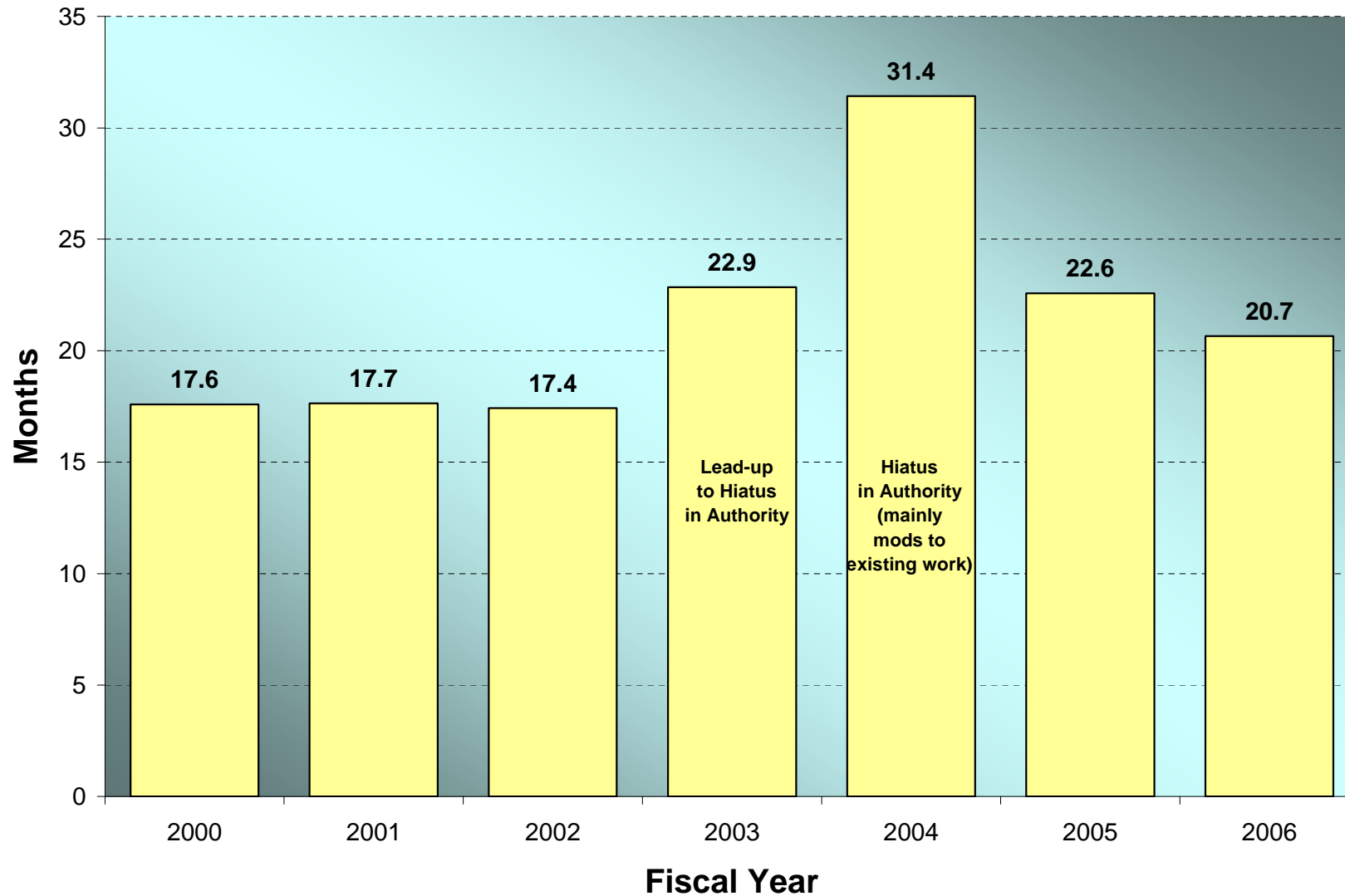
Investment in Energy Efficiency/Renewable Energy (FY 2006)						
Agency	Direct Investment	ESPC	UESC	Total Investment	Facility Energy Costs (FY 2006)	Investment as a % of Facility Energy Costs
Justice	\$787,900	\$20,982,747	\$0	\$21,770,647	\$26,380,300	82.5%
Archives	\$584,000	\$5,863,768	\$0	\$6,447,768	\$13,098,000	49.2%
EPA	\$2,950,000	\$0	\$0	\$2,950,000	\$21,296,600	13.9%
DOD	\$158,791,800	\$232,277,700	\$68,384,700	\$459,454,200	\$3,496,915,200	13.1%
Interior	\$10,436,000	\$1,552,100	\$0	\$11,988,100	\$94,978,200	12.6%
Commerce	\$4,960,000	\$0	\$733,900	\$5,693,900	\$47,975,800	11.9%
SSA	\$370,000	\$1,960,000	\$0	\$2,330,000	\$24,170,700	9.6%
DOE	\$4,366,000	\$28,426,700	\$527,200	\$33,319,900	\$374,897,500	8.9%
USPS	\$34,907,700	\$18,135,000	\$0	\$53,042,700	\$612,488,600	8.7%
Treasury	\$3,667,000	\$0	\$0	\$3,667,000	\$44,356,200	8.3%
GSA	\$28,000,000	\$2,401,600	\$0	\$30,401,600	\$402,915,800	7.5%
DOT	\$2,289,000	\$5,757,000	\$0	\$8,046,000	\$108,481,800	7.4%
NASA1	\$9,300,000	\$0	\$0	\$9,300,000	\$140,241,200	6.6%
HHS	\$2,094,600	\$3,549,700	\$741,400	\$6,385,700	\$150,641,200	4.2%
DHS	\$2,809,600	\$325,000	NA	\$3,134,600	\$92,446,000	3.4%
VA	\$8,426,000	\$0	\$0	\$8,426,000	\$397,576,000	2.1%
USDA	\$1,000,000	\$0	\$0	\$1,000,000	\$76,795,100	1.3%
Labor	\$500,000	\$0	\$0	\$500,000	\$40,171,000	1.2%
TVA	\$276,000	\$0	\$0	\$276,000	\$29,560,700	0.9%
HUD	\$26,000	\$0	\$0	\$26,000	\$3,058,700	0.9%
State	\$36,000	\$0	\$24,000	\$60,000	\$15,053,661	0.4%
Totals	\$276,577,600	\$321,231,315	\$70,411,200	\$668,220,115	\$6,213,498,261	10.8%

1Estimated, Annual Report not yet received.



Super ESPC Project Cycle Time

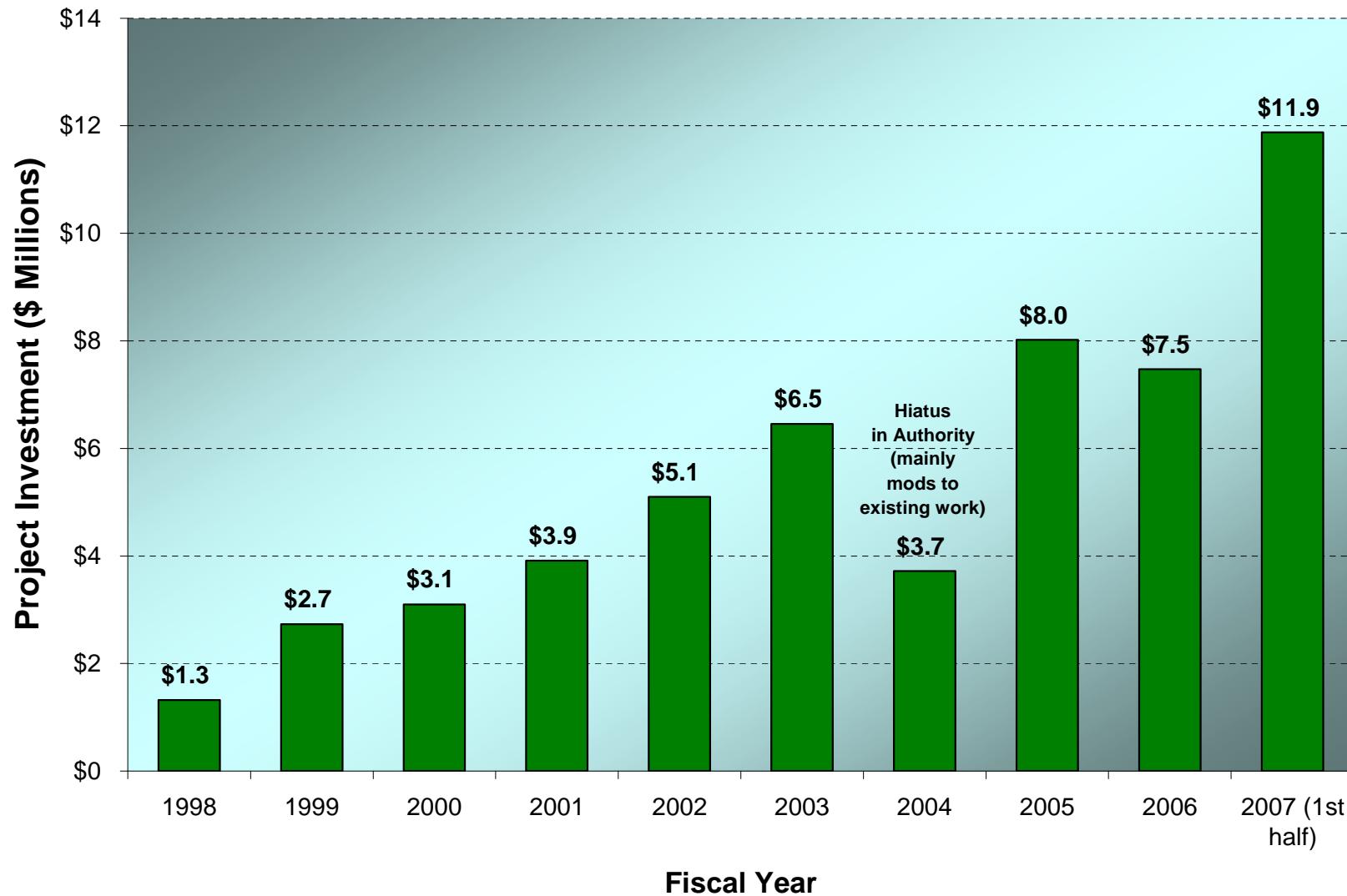
Super ESPC Cycle Time From Contractor Identification to Delivery Order Award





Super ESPC Project Investment Value is Increasing

Annual Super ESPC Delivery Order Average Project Investment





Where we'd like to go:

- Meet EPACT/EO Goals: will need to Double/Triple our pipeline and awards.
- Make the process more timely and cost efficient.
 - Lower costs for all participants
 - Cut process time in half
 - Increase transaction size
- Maintain (and be able to prove) strong program integrity/results: actual savings \geq the guaranteed savings



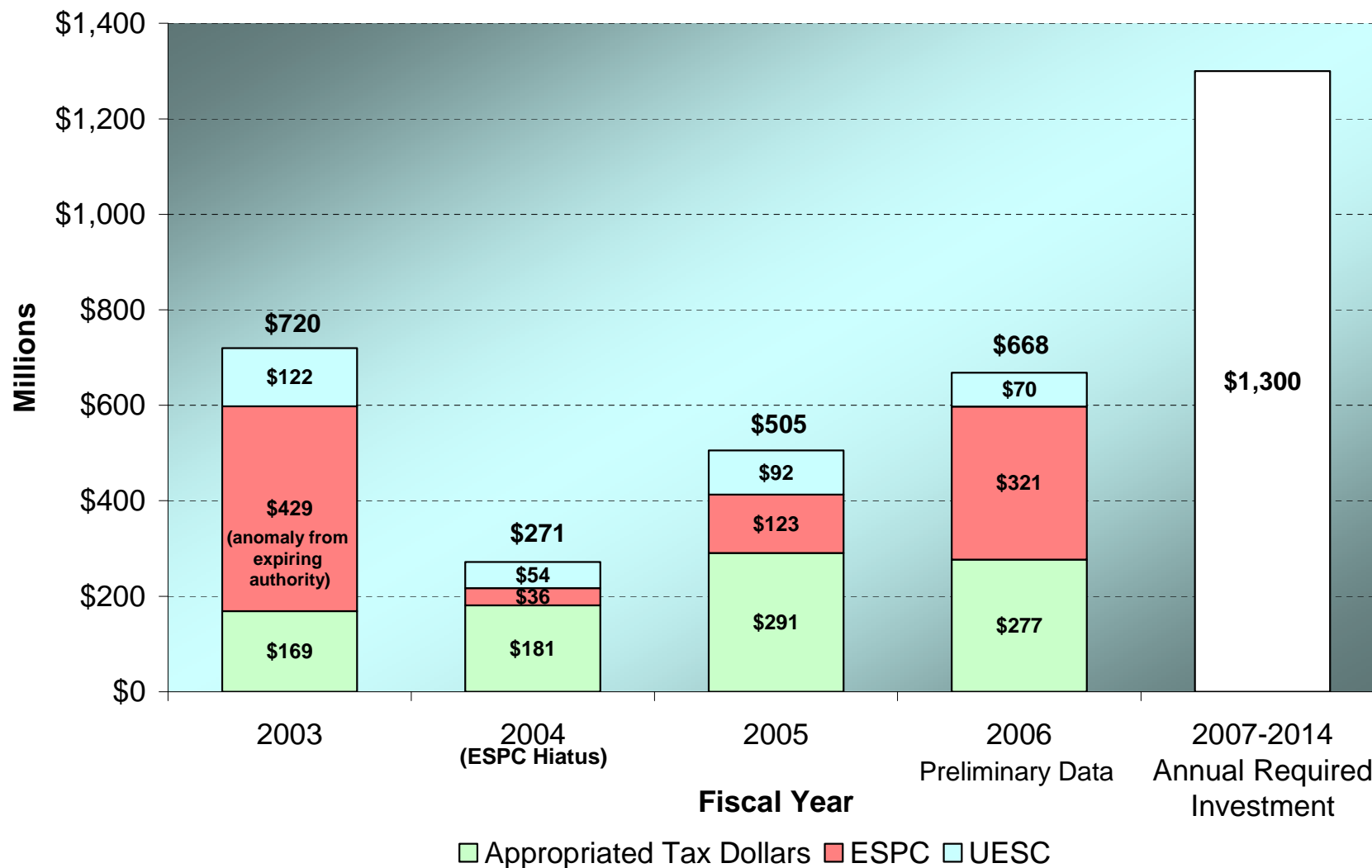
Some Key Drivers For the Future

- EPACT 2005
- OMB Scorecard
- EO 13423
- Site Energy Infrastructure Needs
- The Site Energy Champion



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Some Barriers: To Building Pipelines, Efficient Processes and Timely Award

- Information
- Time/resources/priorities
- Agency/regional policy
- Process inefficiencies
- Other opposition



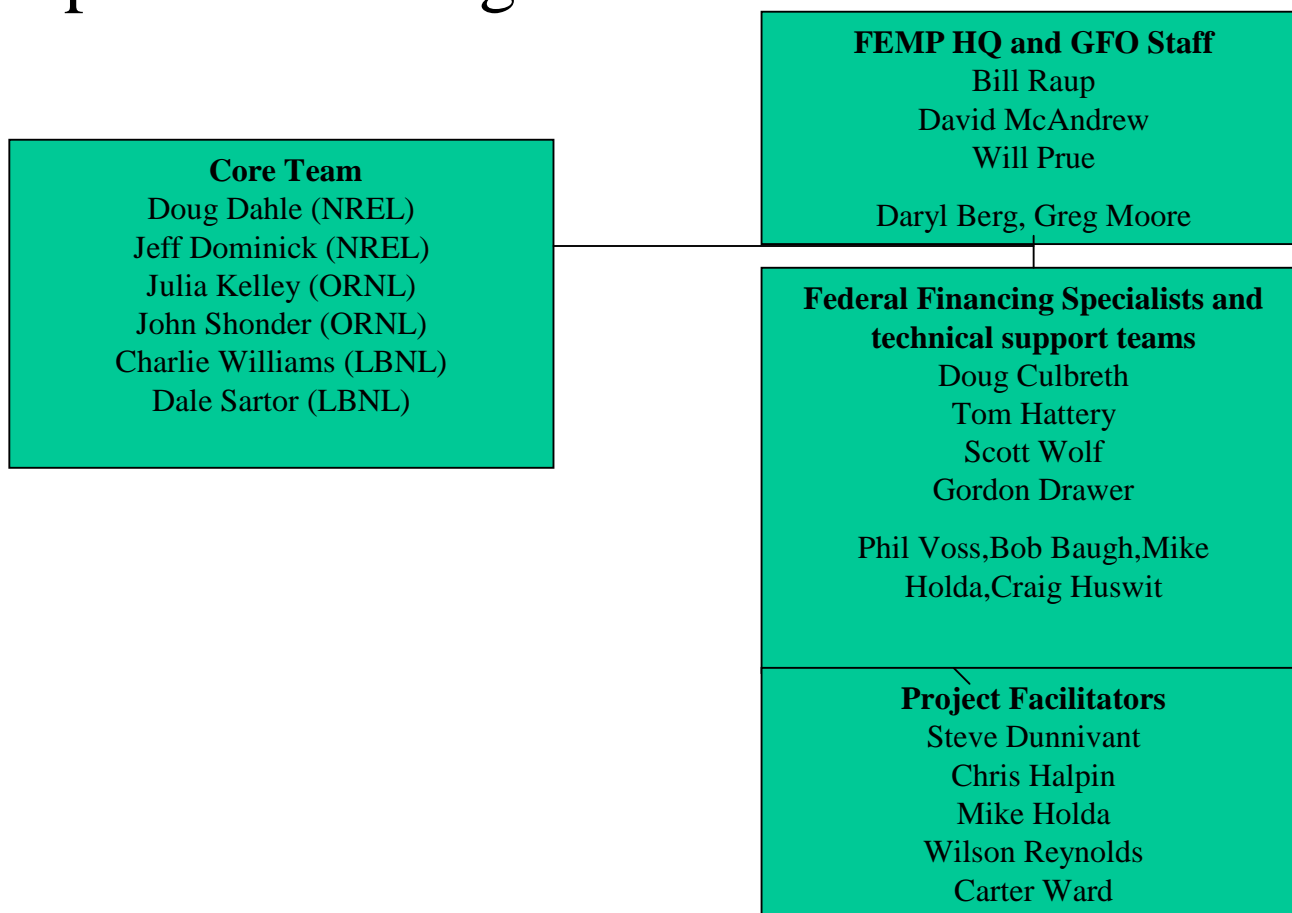
Actions to address barriers:

- Information:
 - Outreach: Web, Energy Conference
 - Training: Early and Often
 - FFS/PFs
 - Decision tools/Core Team
 - ESCO Sales Effort



FEMP Federal Acquisition Support Team

- FEMP has the Technical Support in place for the Super ESPC Program





FEMP ESPC Training Activities:

- Six ESPC training workshops (including 3 web seminars) were held during FY 2006
 - 141 attendees total (54 for the web seminars).
- Five workshops held to-date during FY 2007
 - 88 attendees total.
 - Two additional workshops scheduled for FY 2007 with 58 trainees currently registered.



Time/Resources/Priority

- Energy is more a priority than ever (EO...)
- FEMP support team and resources
- Shorten the process and make it easy
- Explore opportunities to add resources at sticking points (delegate CO role to FEMP /GFO)



Agency/Regional Policy

- Reinvigorate the multi agency Steering Committee
- FEMP will follow up with Agency program leads to address policy issues as they come up



Process Inefficiencies

- Review underway of all the process steps
 - Can any be eliminated
 - Can we encourage simultaneous reviews vs linear
 - How do we get more FEMP resources into the process to overcome Agency resource issues.
 - Need your ideas...



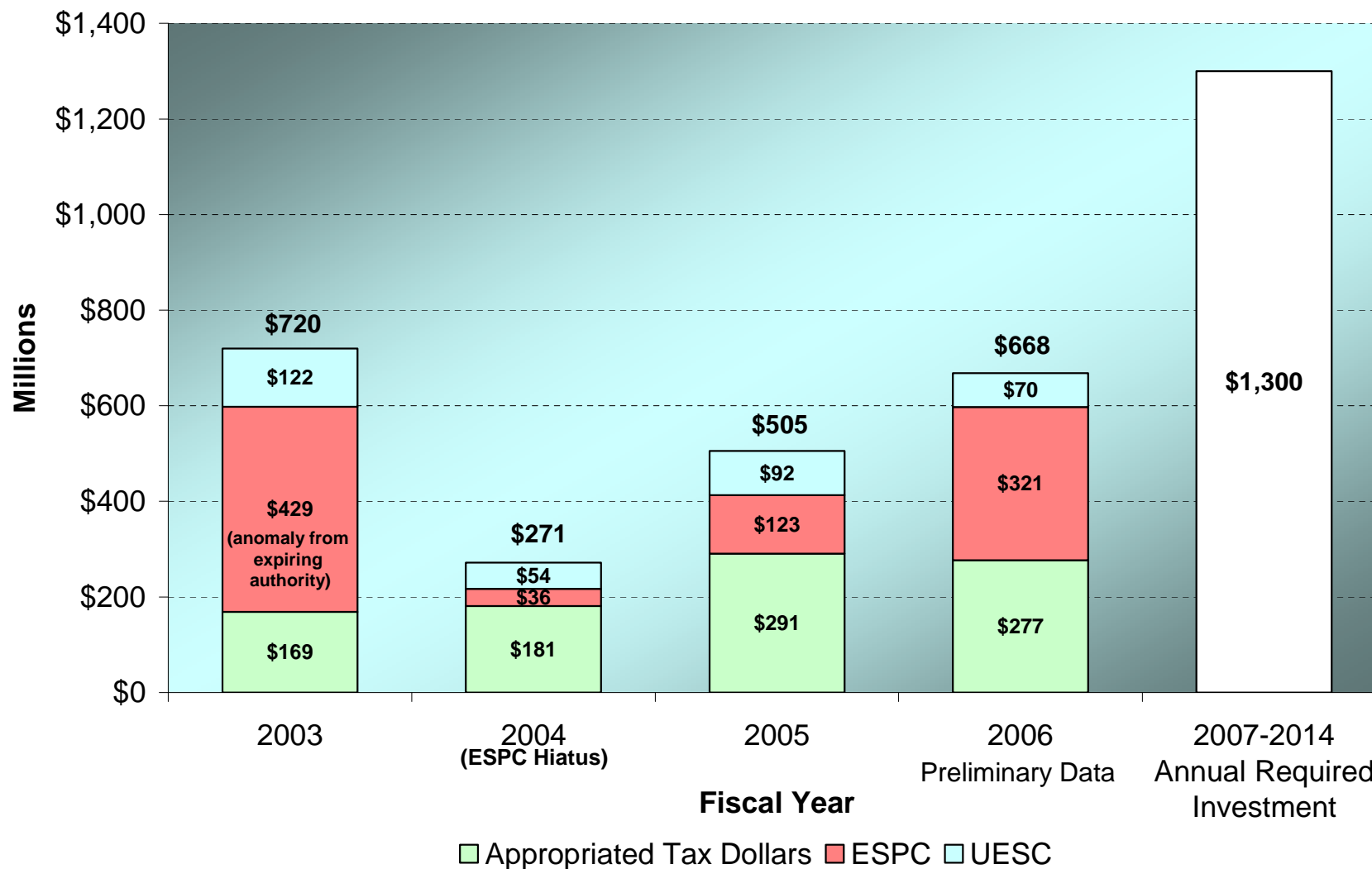
Other Opposition

- Too Expensive
- Unsure of the results: our utility bills are not seeing a dramatic reduction.
- Just doesn't like third party financing



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Thank you

- Please call the FEMP Team anytime!
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