
Consolidating Federal Efficiency Gains & Continuing to Scale Clean Energy

NAESCO Federal Market Workshop



United States Department of Energy

David Rodgers

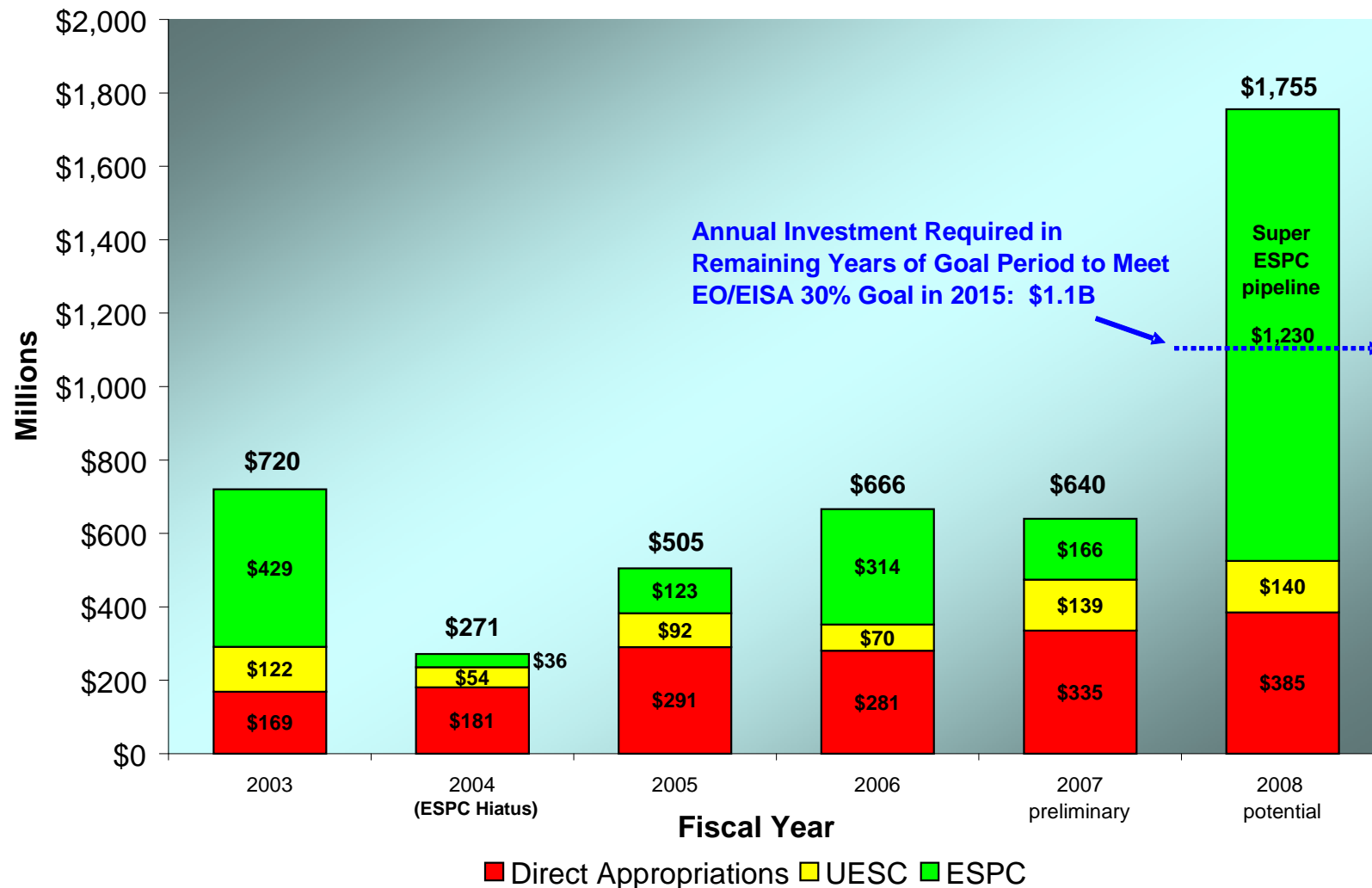
**Deputy Assistant Secretary for Energy Efficiency
Energy Efficiency and Renewable Energy**

March 10, 2008

Investment in Energy Efficiency | FY 2003 – FY 2007



Historical Record: Underperformance with Some Successes
New Approaches Yield Record-breaking Success: The pipeline is filling. . .

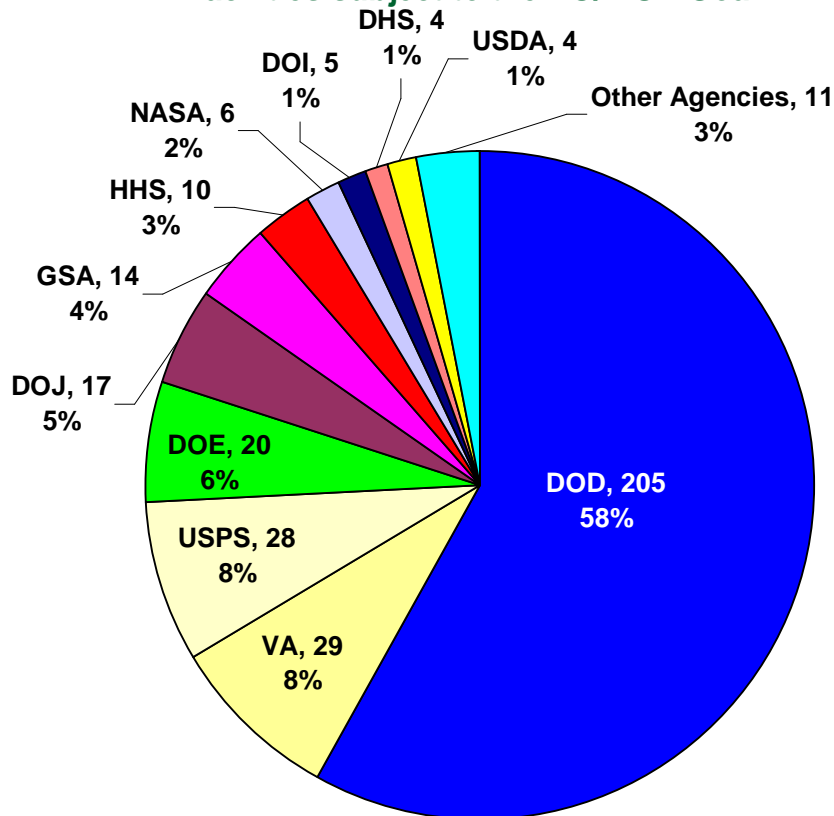


Investment in Energy Efficiency | ESPC Pipeline

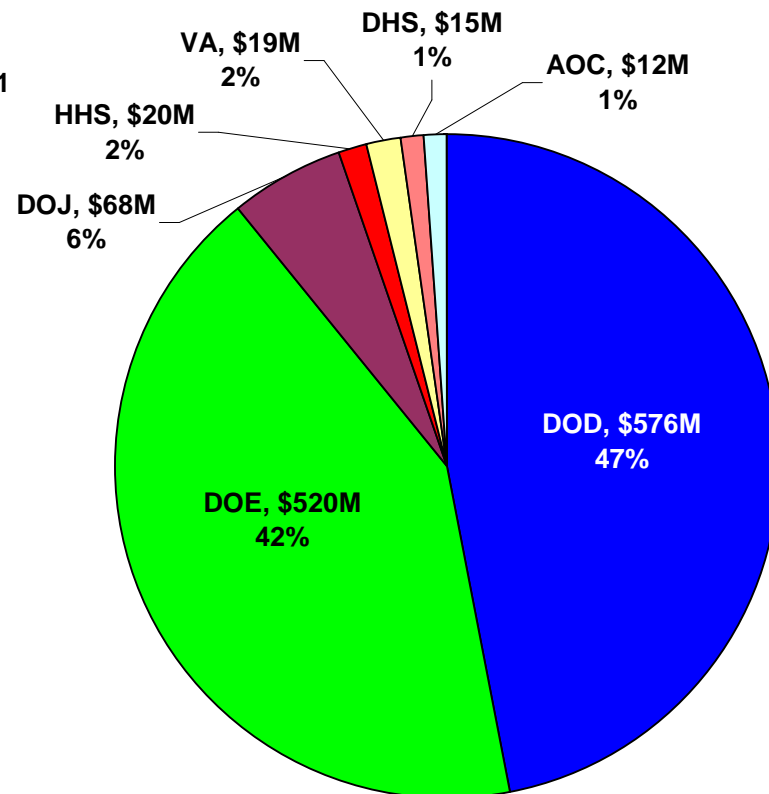


Agency Energy Use Compared to Agency Investment Volume in Super ESPC Pipeline

Percentage Energy Use by Agency
FY 2007 Annual Consumption 353 trillion Btu
in facilities subject to the EO/EISA Goal



Percentage Use of Super ESPC Mechanism by Agency
Project Pipeline: \$1.2 Billion in Potential Investment



Agencies with Projects' Investment to be Determined:

- DOI
- EPA
- DOT
- GSA
- USDA

Team Initiative | Vision and Requirements



“The TEAM Initiative will allow the Department of Energy to be an example among the federal agencies, to serve as an energy efficiency leader for the entire federal government.”

- Secretary Samuel W. Bodman, August 6, 2007

- Executable Plans/binding contracts in place by end of 2008 covering, for example:
 - No less than 30% energy efficiency
 - No less than 16% water
 - Advanced metering for all buildings
 - Fueling infrastructure to provide alternative fuel to all vehicles
- A LEED “Gold” standard for new DOE construction over \$5M
- Establish a “Center of Excellence” for energy management
- Develop efficient, streamlined procurement protocols for efficiency and renewable projects
- Codify TEAM requirements and order of operations in DOE directive



From the DOE Acquisition Regulations:

*“The [site] shall consider all potential sources of [project funding],
in the following order:”*

- Maximum use of life-cycle cost-effective third party financing, especially ESPCs and UESCs
 - ESCOs receive “full and open access to the maximum extent practicable” to sites for maximum project scope
- After third party options are evaluated, if effective financing arrangements do not exist, then funding from appropriations can be utilized.

Team Initiative | Status Report



- ESPC “Roll-out:” All DOE facilities undergoing assessment for life-cycle cost effective energy conservation measures
 - 40 facilities undergoing ESCO evaluation
 - 15 comprehensive initial proposals received – additional 15 expected
 - Expedited 9 month (or less) process; from kickoff meeting to Delivery Order
 - \$520 million in pipeline thus far DOE
- Maximum utilization of DOE land for utility-scale and distributed renewable generation
 - 90,000 MWh of renewable generation proposed across 14 DOE sites
 - Industry leaders being approached for utility-scale solar and wind on DOE lands (*Renewable Energy Forum – February 12*)
- Increased training efforts to familiarize DOE staff with energy savings performance contracting

Team Initiative | Franchise Open



Agencies can utilize DOE resources to replicate TEAM Initiative

- Establish an Order of Operations emphasizing third-party financing
- Utilize full IDIQ authority to avoid unnecessary ESCO selection delays
- Use agency directives system to institutionalize program
- Establish SAO Continuity and Senior Management Support

Team Initiative | Joining the Franchise



- TEAM Initiative is a workable model across the Federal Government.
- Federal Energy Management Program is your resource.
- For further information contact:

- **Senior Leadership**

- **Deputy Assistant Secretary**
- **Program Manager, FEMP**

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- **Functional Leadership**

- **TEAM Initiative:**
- **ESPCs:**
- **UESCs:**
- **Renewables:**
- **Fleets:**
- **Center of Excellence:**

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