

SIEMENS



Options for Performance Based Contracting at Federal Facilities

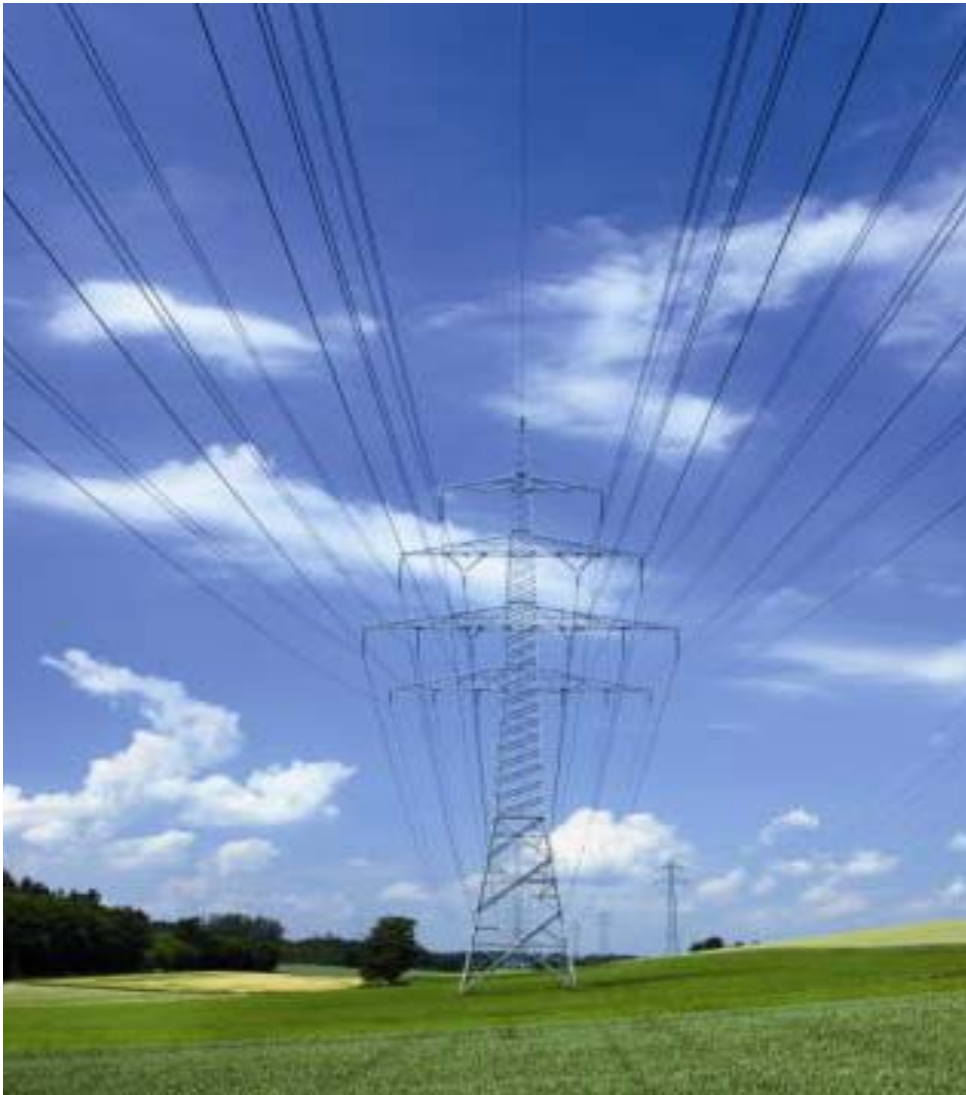
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Performance Contracting Options



- Utility Energy Savings Contracts (UESC)
- Energy Savings Performance Contract (ESPC)

ESPC or UESC?

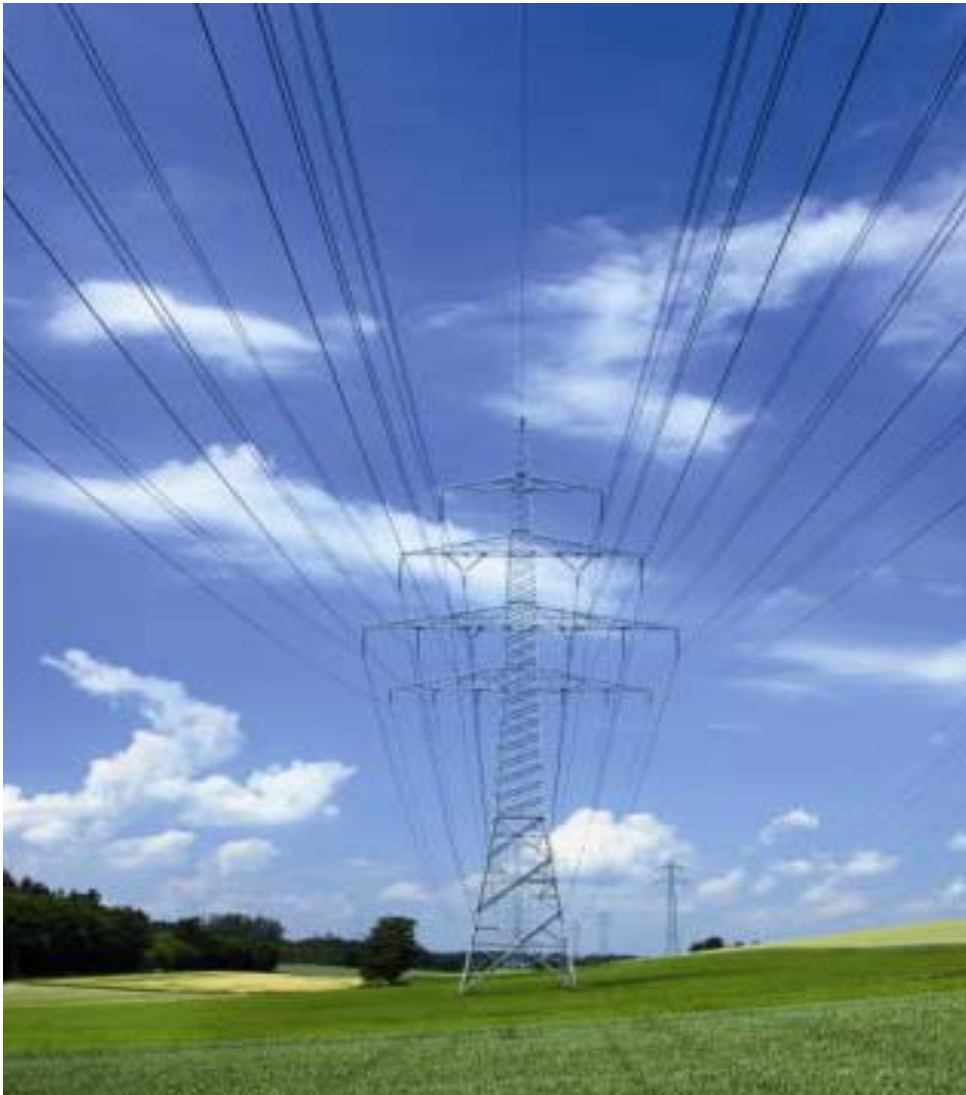


Procurement

UESC projects are competed among a federal customer's local utility companies that often have long-term existing relationships with the federal customer.

ESPC projects are competed between Energy Services Companies (ESCO).

ESPC or UESC?

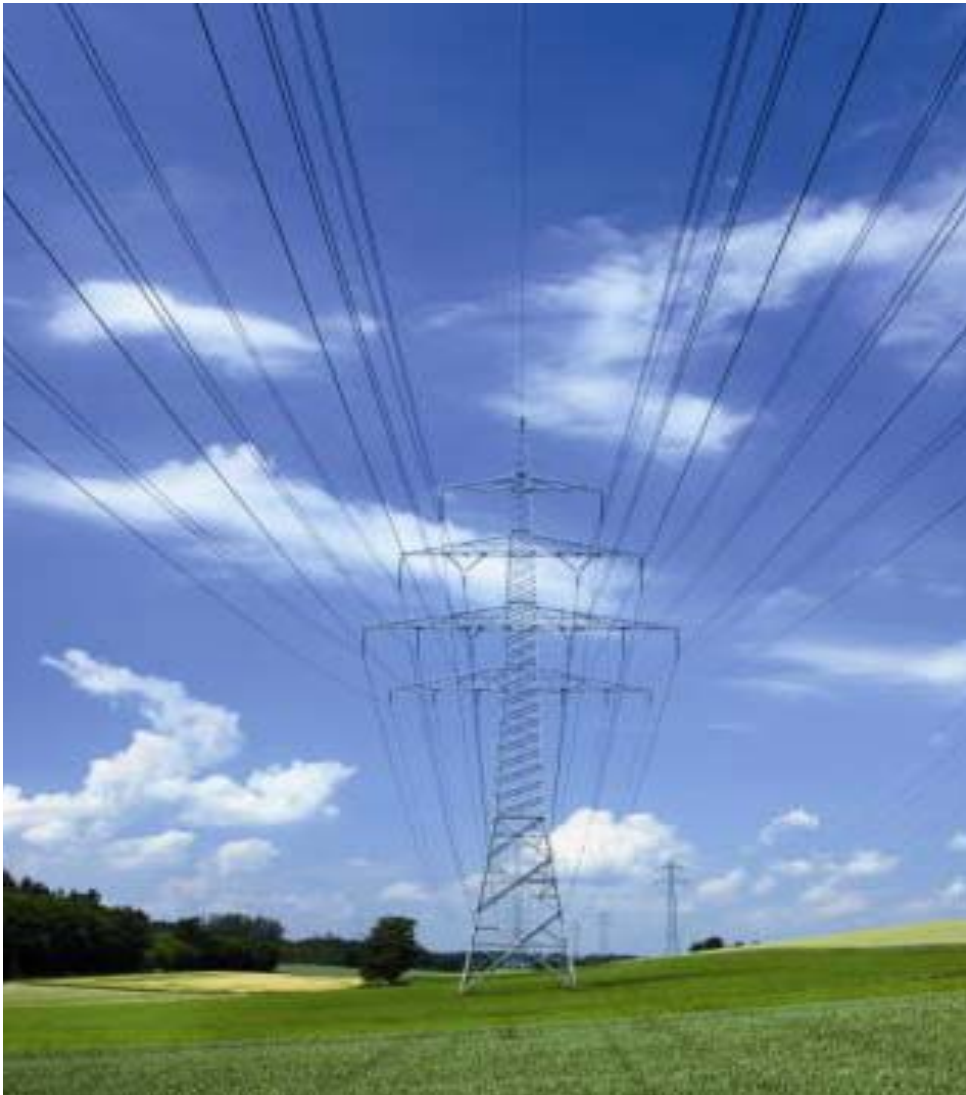


Term

The maximum contract term for a UESC project with the Air Force or Army is 10 years, and the maximum contract term for Navy is 25 years.

The maximum contract term for an ESPC is 25 years for all customers.

ESPC or UESC?



Performance Assurance

UESC does not require measurement and verification (M&V) of savings (it is optional) and does not provide guaranteed savings for the customer.

ESPC task orders require annual savings M&V, as well as a minimum guaranteed savings amount.

Proven Processes That Works



Latest Lawrence Berkeley National Laboratory report estimates that ESCO investment in energy efficiency retrofit projects currently runs about \$5 billion a year. Since 1990, ESCOs have delivered:

- \$45 billion in projects
- \$50 billion savings – guaranteed and verified
- 425,000 man-years of direct employment
- \$30 billion of infrastructure improvements
- 470 million tons of CO₂ savings

Proven Processes That Work



- National Naval Aviation Museum project at NAS Pensacola (UESC) is saving over \$500,000 a year, and was able to fund replacement of three chillers, 19 large rooftop AHUs and repiping the plant

**NATIONAL
NAVAL
AVIATION
MUSEUM**



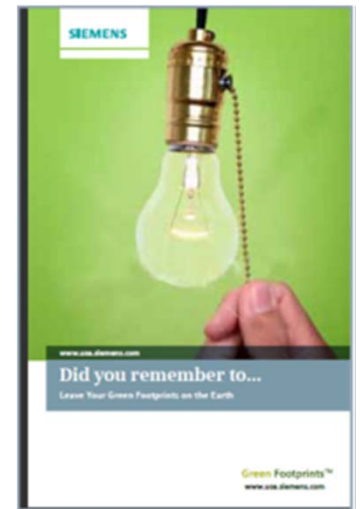
Proven Processes That Work



- NAS Whiting Field project (UESC) is saving over \$300,000 a year and a second UESC project is currently being developed that will include the creation of a new central plant and replacement several older chillers.



Questions?



Matthew Ridley
 (504) 812-5150
 matthew.ridley@siemens.com

Pensacola Office:
 Siemens Industry, Inc.
 1011 W. Garden Street
 Pensacola, FL 32502

New Orleans, Office:
 Siemens Industry, Inc.
 150 Teal Street, Suite 100
 St. Rose, LA 70087