Century Center Energy Savings Performance Contract

Therese Dorau, City of South Bend
Scott Herczeg, Century Center South Bend
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Energy Savings Performance Contract

Comprehensive

20% Savings

Low up-front cost

Turnkey Solution
Energy Savings Performance Contract

• *Common measures*: Lighting, HVAC (including chillers and boilers), motors/pumps, controls, retrocommissioning.
• Renewable energy, energy storage
• Creative problem-solving
• Ideal for inefficient, high-maintenance, or fail-risk equipment
• Newer buildings can still have savings opportunities.
Benefits of ESPC

• Typically fixed-price contracts.
• ESPCs can get tax benefits.
• Includes thorough building and utility bill assessment.
• ROI of high-cost repairs can be more affordable when packaged in a performance contract (requires some capital).
• Performance contracts last 10+ years – contractor guarantees equipment’s performance and energy savings.
• Project costs spread over time (low-interest lease or bond) and some/all paid from guaranteed savings.
Performance Contracting Process

Site Visit:
- Estimate of energy reductions
- NO COST

Set Overall Objectives:
- Agreed Targets
- NO COST

Detailed Facility Study:
- Detailed costing and energy savings. Guaranteed Results
- PAY OR ROLL INTO PROJECT

Project Delivery:
- Delivery of Energy Conservation Measures. Guaranteed Results
- FUNDED THROUGH SAVINGS

Measurement & Verification:
- Verification of outcomes. Correction of problems. Guaranteed Results
- FUNDED THROUGH SAVINGS

Ongoing Operation:
- Continuation of Project Benefits
- SAVINGS CONTINUE
Century Center Project Scope

- Roof replacement
- Lighting & controls
- HVAC components & controls
- Ceiling tile (as part of lighting)
- Solar photovoltaic (24 kW)
- **Timeline: 18 months**
Century Center Project Costs and Financing

• Project total: $4,926,784
  • Paid from savings?
    • Energy savings
    • Maintenance savings
    • Avoided costs

• Financing sources
  • Capital improvement funds
  • Hotel-motel tax funds
  • Energy-specific bond
## Year 1 Project Results

### Year One Actual Savings

<table>
<thead>
<tr>
<th>ECM</th>
<th>Guaranteed Energy Savings</th>
<th>Actual Energy Savings</th>
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</thead>
<tbody>
<tr>
<td>ECM 1 - Roofing Replacement</td>
<td>$1,645</td>
<td>$1,694</td>
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<tr>
<td>ECM 2 - Lighting Replacement</td>
<td>$20,805</td>
<td>$23,724</td>
</tr>
<tr>
<td>ECM 3 - Lighting II - Upgrades</td>
<td>$12,803</td>
<td>$14,371</td>
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<tr>
<td>ECM 4 - HVAC System Upgrades</td>
<td>$47,015</td>
<td>$53,807</td>
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<tr>
<td>ECM 5 - HVAC Control System Upgrades</td>
<td>Included in ECM 4</td>
<td>$0</td>
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<tr>
<td>ECM 6 - Ceiling Tile Replacement and Upgrades</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>ECM 7 - Install Solar PV</td>
<td>$1,737</td>
<td>$2,303</td>
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<tr>
<td><strong>Total Energy Savings</strong></td>
<td><strong>$84,004</strong></td>
<td><strong>$95,899</strong></td>
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<tr>
<td>Operational Savings</td>
<td>$6,500</td>
<td>$6,500</td>
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<tr>
<td>Capital Cost Avoidance Savings</td>
<td>$362,936</td>
<td>$362,936</td>
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<tr>
<td><strong>Total Savings</strong></td>
<td><strong>$453,440</strong></td>
<td><strong>$465,335</strong></td>
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### Utility rebates: $89,000
Panel Discussion