

March 1, 2013

Andrew Reid
Economic Development Administration
Curtis Center, Suite 140 South
601 Walnut Street
Philadelphia, PA 19106-3323

**RE: Letter of Support for PennFuture's Energy Services Contracting
(ESCO) Education and Outreach Program**

Dear Mr. Reid:

The National Association of Energy Service Companies (NAESCO) strongly supports the proposal being submitted by Citizens for Pennsylvania's Future (PennFuture) for the Economic Development Administration's Economic Assistance funding opportunity.

NAESCO is the leading national trade association of the energy services industry. NAESCO numbers among its members some of the world's leading energy services companies, including: ABM Energy, AECOM Energy, Aireko Energy Solutions, Ameresco, Burns & McDonnell, CM3 Building Solutions, Chevron Energy Solutions, Clark Energy Group, ClearEnergy Contracting, Climatec, Comfort Systems USA EnergyServices, ConEdison *Solutions*, Constellation New Energy, Control Technology and Solutions, Eaton Corporation, Energy Solutions Professionals, Energy Systems Group, Excel Energy, The Fulcrum Group, NextEra Energy Solutions, Green Campus Partners, Honeywell, Johnson Controls, M360, McClure Energy, Navitas, NORESKO, NXEGEN, Onsite Energy, Pepco Energy Services, Schneider Electric, Siemens Industry, Synergy Companies, Trane, UCONS, Wendel Energy Services, Willdan Energy Solutions, and Wipro Limited. Utility members include the New York Power Authority, Pacific Gas & Electric, and Southern California Edison.

During the last twenty years, NAESCO member companies have delivered over half a billion dollars worth of energy efficiency, renewable energy, demand response, distributed generation and combined heat and power projects, primarily to Pennsylvania public sector and institutional customers. Our members maintain dozens of offices and employ hundreds of people in the Commonwealth.

NAESCO member companies in aggregate have delivered thousands of Guaranteed Energy Savings Projects across the US as well as across the globe. Nationally, NAESCO member company projects have produced:

- \$45 billion in projects paid from savings
- \$50 billion in savings – guaranteed and verified
- 400,000 person-years of direct employment
- \$30 billion of infrastructure improvements in public facilities
- 450 million tons of CO2 savings at no additional cost

Funding this proposal will support the development of a new statewide education and outreach program aimed at facilitating increased participation in high quality energy savings performance contracts (ESPCs), which will facilitate economic development in Pennsylvania communities. We support the grant application being submitted by PennFuture, which proposes to: 1) develop a comprehensive energy efficiency and ESPC educational curriculum, user resources, and outreach activities targeting school districts, municipalities and non-profit organizations (the largest sector serviced by ESPC contracts); and, 2) enhance local job creation and economic development opportunities for energy service companies, contractors and local communities by increasing energy efficiency investments, and building upgrades.

The development and introduction of this new program is timely because (1) school districts and municipalities have been facing severe budget cuts, making the need to finance required infrastructure upgrades and reduce operating costs urgently needed and (2) the energy management office at the PA Department of General Services (DGS) that provided technical assistance and facilitated ESPC contracts for school districts and municipalities has been eliminated, leaving energy service companies and interested facility owners without the important support services to promote energy efficiency financing and investments at public facilities.

We are pleased to provide support for this application.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald Gilligan", with a long horizontal flourish extending to the right.

Donald Gilligan
President