



Thanks to our 2019 Platinum Annual Sponsors! *providing support throughout the year*



April 2019

TABLE OF CONTENTS

FROM THE DESK OF TIMOTHY D. UNRUH
TECHNOLOGY AND FINANCING CONFERENCE
NAESCO ADVOCACY UPDATE
NEW MEMBERS
MEMBER NEWS
MEMBER PROJECTS
NAESCO ACCREDITATION

From the desk of Timothy D. Unruh, NAESCO Executive Director

Three months into 2019 as your new Executive Director, I am excited for NAESCO's renewed vision for success. We kicked off this quarter with our first board meeting in March, an open house of NAESCO's new offices, followed by a sold-out Federal Market Workshop in Washington, D.C.

Since January, NAESCO has engaged five new members, bringing our total membership to more than 87 diverse businesses.



Next on deck, on May 14 we'll host our first [regional meeting](#) of 2019 in Madison, Wisconsin. The member-only meeting will focus on ESPC market development and strategy for eight states, including Minnesota, Wisconsin, Michigan, Indiana, Illinois, Ohio, Kentucky and West Virginia.

Following the meeting, we'll host a joint reception with the National Association of State Energy Officials (NASEO) coinciding with their Midwest Regional Meeting. We've brought back these regional meetings to engage our member companies in the markets they serve.

This June, we'll host a [Technology and Finance Conference](#) on June 13–14 in Providence, Rhode Island. The technical agenda highlights alternative financing methods, utility cybersecurity requirements, electric vehicles as storage, and grid interactive buildings. This event is beneficial for project developers, business development professionals, development engineers and project finance professionals.

Looking ahead, NAESCO's annual conference and trade show "[Renovate, Retrofit, Reduce](#) – Recreating our Building Infrastructure" is on November 13–15 at the Hilton Torrey Pines in La Jolla, California. This marquee event will reflect on the substantial market innovation underway and infrastructure focus occurring in the ESCO industry. As your new Executive Director, I am focused on how NAESCO as an organization can further reflect the ingenuity and value of the ESCO industry.

Energy Savings Performance Contracting has been a durable and lasting project–delivery method, and it is increasingly solving complex challenges facing cities, states and institutional customers writ large. As an industry, we continue to deliver multiple streams of value to our customers. I look forward to sharing your successes, meeting each of you, and exploring news ways for ESCOs to do even more.

Regards,
Tim

>> [Top](#)

TECHNOLOGY AND FINANCING CONFERENCE



Don't miss this opportunity to network with decision-makers and industry experts!

NAESCO is once again hosting this dual-track conference, June 13–14, 2019, in Providence, Rhode Island. Attendees are free to move back and forth between sessions as they choose.

We are also pleased to announce a pre-conference networking event and pool tournament from 5–8 pm at Snooker's. [Host a pool table!](#)

[Preliminary Agenda and More Information](#)

Conference Session Highlights Include:

- Best in Class Energy Efficiency Programs (plenary)
- State of Electric Power Grid (plenary)
- Utility Cybersecurity Requirement
- Electric Vehicles as System Storage
- Green Banks
- Importance of the Guarantee
- New Energy and Jobs Report (plenary)

Speakers to date include:

- John Avina, President, Abraxas Energy Consulting
- Mikhail Falkovich, Director, Information Security, Con Edison Company of New York
- Peter Flynn, Executive Vice President, Bostonia Partners
- David Foster, Distinguished Associate, Energy Futures Initiative
- Matt Golden, CEO, OpenEE
- Bert Hunter, Executive Vice President & CIO, Connecticut Green Bank
- Rodney Sobin, Senior Program Director, NASEO
- Becca Trietch, Administrator of Energy Programs, Energy Efficiency, Rhode Island Office of Energy Resources

Hotel

[Providence Marriott Downtown](#)

1 Orms Street

Providence, Rhode Island 02904

401-272-2400



[Online Reservations](#)

Thank you to our Sponsors for this year's conference!



Snooker's Pool Tournament and Networking Event Host

[Sponsorship Packages](#)

>> [Top](#)

NAESCO ADVOCACY UPDATE

Overview

NAESCO continues to work on legislation, regulations and policy issues that affect the ESCO industry at the federal and state level.

Federal Issues

NAESCO Supported FY 20 Federal Budget Language

NAESCO developed and supports language for the FY20 Federal Budget that would add \$5 Million to the DOE Office of Strategic Programs to develop and administer a program to provide ESPC technical assistance to State and Local governments. The program would utilize the Federal Energy Management Program (FEMP) and Office of Weatherization and Intergovernmental Program (OWIP) developed technical resources to provide this service. The proposal is NOT a grant program to State and Local Governments, but an assistance program. NAESCO is in support of this proposal.

US DOE ESPC MUSH Sector Working Group

The Working Group, composed of representatives from OWIP, FEMP, the Oak Ridge (ORNL) and Lawrence Berkeley (LBNL) National Labs, the EVO, NAESCO, the ESC and NAESCO, is resuming its work in April. One focus of the Working Group is M&V practices, particularly the lack of long-term M&V in many MUSH projects, which makes it difficult to demonstrate that projects are actually meeting their savings guarantees. The documents produced by the Working Group can be found [here](#).

[Continue reading about the 2020 Federal Budget and Tax Legislation](#) – members only – if you need your password, contact heidi.kurtz@naesco.org

State Issues

On the state level, NAESCO is defending the ESCO industry against legislation in several states that would severely restrict performance contracting and is participating in long-term proceedings in California and New York to restructure ratepayer-funded energy efficiency programs and the utility business model.

Mid-Central Regional Initiative

This spring, NAESCO is kicking off its first Regional Initiative with a Regional Meeting of NAESCO Members from eight states (MN, WI, IL, IN, MI, OH, KY and WV) in Madison, Wisconsin on May 14. The theme of the regional meeting will be to ways to jump-start or re-start state facilities ESPC programs in states that have new Governors and lagging programs (MN, WI, IL, MI and OH). We think that these states have similar barriers to ESPC, primarily the resistance of the state landlord agencies, and so we will brainstorm approaches to these new Governors and the state legislatures. Our activities in these states this year have included the following:

- **Minnesota** – NAESCO is working with the MN Energy and Jobs Association (MN EJA), a group of construction labor unions and ESCOs and new legislation that is designed to stimulate projects in state universities and state buildings.
- **Wisconsin** – NAESCO is working with a group of ESCOs to determine the feasibility of re-instating the Revenue Limit Exemption (RLE), which made ESPC projects easier to implement, and which former Governor Walker knocked out. We will be appealing to the newly elected Governor Evers, who was formerly the Superintendent of Public Instruction and is familiar with the value of ESPC, to get the program back on track.
- **Illinois** – NAESCO has organized a group of ESCOs to hire a lobbyist for the third straight year to defeat an AIA-backed bill that would cripple K-12 ESPC. NAESCO is also part of a stakeholder group that is considering a bill whose sponsor says would boost EE in state facilities, but which we think is seriously flawed.
- **Michigan** – a new Governor who has reorganized the state's energy agencies gives us a new opportunity to break the Department of Technology, Management and Budget's (DTMB – the state's landlord agency) logjam that is holding back state facilities projects. NAESCO will resume its long-term work with the State Energy Office.
- **Ohio** – NAESCO will consult with Ohio ESCOs to determine if it is worthwhile to take another run at invigorating the state facilities ESPC program under newly elected Governor DeWine. Unfortunately, the Governor does not appear to be a friend of EE or RE, but he may be open to facilities modernization with no new taxes.

We urge all interested ESCOs to have their key state staffers attend the Regional Meeting in Madison to provide their insights and input to this Regional Initiative. Please check the NAESCO website and watch your inbox for further information.

[Continue reading about NC, MS and CA](#) – members only – if you need your password, contact heidi.kurtz@naesco.org

>> [Top](#)

NEW MEMBERS

NAESCO welcomes its newest members.

ESCO Member

[SmartWatt Energy, Inc.](#)

SmartWatt Energy, Inc. (SmartWatt) develops and implements customized energy solutions for businesses, schools and government organizations. Our energy efficiency and clean energy projects meet the highest engineering standards, and our innovative project management makes the upgrade process easy for our customers. We take ownership of all aspects of a project, resulting in greater accountability, flexibility, reliability, transparency, and simplicity. By providing large-scale savings and managing the entire process—from energy auditing through performance assurance—we streamline the customer experience and ultimately make facility upgrades more affordable. Our deep expertise and knowledge enables you to maximize the financial, energy and human impacts of your project, and optimize your energy systems for today and tomorrow.

Affiliate Members

[Cube Hydro](#)

Cube Hydro is a leading private hydropower company focused on developing, acquiring and operating hydropower facilities in North America. The company is committed to responsibly developing hydropower at existing dams using innovative and environmentally sensitive technologies. The 19 hydropower facilities currently in the portfolio are located in 5 states and on 10 river systems. They collectively add 385 MW of capacity to the electric grid and produce approximately 1.5 million MWh of clean energy annually, more than enough to power 140,000 homes. Cube Hydro has built a best-in-class team with a proven track record of identifying and creating value through innovation in commercialization, operations and asset management.

[Eaton](#)

Eaton's Lighting Division delivers a range of innovative and reliable indoor and outdoor lighting and controls solutions, specifically designed to maximize performance, energy efficiency and cost savings. The Lighting business serves customers in the commercial, industrial, retail, institutional, residential, utility and other markets.

[ESPEN Technology](#)

Espen Technology is dedicated to providing the most advanced linear LED lighting components. Espen has developed one of the largest lines of LED lamps, drivers, modules, emergency ballasts, and retrofit kits, for the Retrofit and OEM markets.

[Patriot LED](#)

With **Patriot LED**, a better way to buy direct, has never been so close to home. Patriot LED proudly offers assembled in USA product line of LED indoor & outdoor applications. These high quality and reliable Patriot Products are competitively priced with foreign made LED products, DLC listed & UL rated, and backed by a 5 year warranty (up to 10 years for qualifying orders).

Assembled in USA LED products from Patriot LED opens up a world of possibilities that you should expect from the global leader in LED lighting products. Buy assembled in USA compliant Patriot LED are redefining what is possible within the US Government lighting sector. Because of the advances in manufacturing and the strategic business planning of Patriot LED, no other US LED competitor can match the price, the quality, or the service Patriot is able to offer.

>> [Top](#)

MEMBER NEWS

Ameresco Receives Eight Solar Project Awards

Ameresco announced it won eight (8) solar project awards under the Solar Massachusetts Renewable Target (SMART) Program. The SMART Program is a solar incentive program that encourages the development of 1,600 MW of new solar PV technology across Massachusetts utilities.

The projects awarded represent an extensive variety of Ameresco's solar project capabilities from solar canopies for parking lots to landfills to residential solar rooftop arrays to large scale ground-mounts.

Ameresco won a SMART award to build solar canopies for the Town of Natick for the Natick High School (494 kW AC). This project will provide the Town of Natick with the benefits of solar canopies for coverage in their high school parking lots as well as the electricity savings generated by the solar projects.

Three of Ameresco's SMART awards are to be built on public landfills, generating savings for the Towns of Wellfleet, Westport and Hamilton; the three solar arrays are sized 700 kW, 480 kW and 636 kW respectively. Ameresco won 221 small-scale SMART awards to build roof-mounted solar arrays, totaling almost 2,000 kW in capacity, providing residents with access to clean energy.

Additionally, Ameresco won three SMART awards for solar ground-mounts in Erving (4,954 kW) and Dartmouth (178 kW), as well as Gardner (2,500 kW), which was awarded under the initial SMART Competitive Procurement.

CenterPoint Energy and Vectren Complete Merger

NAESCO Member Company, **Energy Systems Group, (ESG)** is part of CenterPoint Energy. CenterPoint Energy and Vectren have successfully completed their merger. The combined company has regulated electric and natural gas utility businesses in eight states serving more than 7 million customers and a competitive energy businesses' footprint in nearly 40 states. Says Scott Prochazka, president and CEO, "Today, we come together as one company focused on the safe and reliable delivery of electricity, natural gas and energy-related services. We are well positioned to deliver traditional energy services with innovative solutions that meet customers' evolving needs and expectations." Learn more [here](#).

ENGIE North America Acquires Systecon LLC

ENGIE North America Inc. today announced it has acquired Systecon LLC, a leading complex modular solution provider for customers in a broad range of industries for mission-critical data center, commercial, industrial, hospital, government, education, and hospitality industry projects.

Headquartered in West Chester, Ohio, the company was founded in 1949 and has more than 85 employees. Learn more [here](#).

Schneider Electric Wins 2019 Climate Leadership Award for Organizational Leadership

Schneider Electric has been acknowledged for its overall commitment to carbon neutrality at the 2019 Climate Leadership Awards. The Organizational Leadership award not only recognizes the company's own comprehensive greenhouse gas inventories and aggressive emissions reduction goals, but also its internal response and engagement of its employees, partners, and supply chain to commit to carbon neutrality.

The actions Schneider Electric has taken to achieve its aggressive goals have already yielded significant results. According to the company's Planet & Society Barometer, which is audited by a third party, Schneider Electric reduced energy intensity by 42 percent between 2005 and 2017, and carbon intensity by 35 percent between 2012 and 2017.

The Climate Leadership Awards is a national awards program hosted by the Center for Climate and Energy Solutions (C2ES) and The Climate Registry that recognizes and incentivizes exemplary corporate, organizational, and individual leadership in response to climate change. Since 2012, the program has honored more than 150 recipients from diverse sectors across the U.S.

Universal Lighting Technologies Introduces New Team Members

Universal Lighting Technologies, Inc., a member of the Panasonic family of companies, recently announced the addition of **David Karpinski** as Director of Sales, OEM West and National Accounts. In his

new role, David will be responsible for managing Universal's relationships with OEM lighting partners in the company's western region, as well as corporate initiatives with key national accounts.

Universal also announced the addition of **Craig Baum** as the Distribution Channel Regional Sales Manager for the west coast region.

In this role, Baum is responsible for overseeing the agents, distributors and end users for the company's west U.S. region. Craig's sales region will include the states of Washington, Oregon, Nevada, California, Arizona, Montana and New Mexico.

>> [Top](#)

MEMBER PROJECTS

AMERESCO Partners with City of Troutdale for Wastewater Treatment Plant Upgrades

Ameresco, and the City of Troutdale, Oregon, today announced that the City has partnered with Ameresco for a \$2.2 million turnkey project under an ESPC.

Upgrades will be completed on the blowers, diffusers, UV system, distribution piping, and lighting throughout the 20-year old wastewater treatment plant (WWTP). These improvements will alleviate the risk associated with aging equipment, while reducing the annual energy, gas, and water costs to the City.

As part of its contract, Ameresco is responsible for design, installation, commissioning, and verification. Improvement measures will include replacing the aeration basin blower; installing ultra-fine bubble diffusers; upgrading the UV disinfection system; installing new HVAC controls; and retrofitting lighting fixtures with LEDs. The new effluent water distribution piping has been designed to reuse water from the effluent well, reducing the plant's need for potable water.

ENGIE Services and El Dorado Union High School District Solar Project

Engie Services U.S., and the El Dorado Union High School District (EDUHSD) in California have implemented a solar photovoltaic (PV) energy program. Five solar PV parking shade structures will be installed on Oak Ridge High School parking lots. Along with these solar panels, Engie Services will also be integrating a solar educational program with existing science curriculum.

Of the several considerations that were discussed between the district and Engie Services, the most important was the generation of substantial monies back to the General Fund. Through a power purchase agreement, the district will pay Engie for electricity at a fixed rate of 3 percent annual increase over PG&E's current price for the next 25 years. "This is much lower than existing PG&E utility rate increases," said

Patrick Yost, senior project manager at Engie. "The average has been about 5.5 percent over the last 15 to 20 years."

The district-wide solar project will also include solar PV parking shade structures at El Dorado and Ponderosa high schools with a ground mount system at Union Mine. This program is expected to generate 4.8 million kilowatt hours annually, equivalent to removing 718 cars from the road and is projected to offset 77 percent of the school district's electricity consumption.

Over the 25-year life of the project energy savings will generate approximately \$12.8 million back to the district, depending on PG&E rate increases.

McClure Company and West Branch Area School District's Energy Project is Guaranteed to Save Over \$3.5 Million

McClure Company provided a solution for West Branch Area School District in Pennsylvania to reduce their dependence on fossil fuels. With a project guarantee of over \$3.5M in energy savings spread over 20 years coupled with \$1M in grant funding, the District embarked on a renewable biomass heating project.

A biomass heating system efficiently burns biomass fuels, typically wood chips, and utilizes the heat for the District's HVAC heating system. Working with McClure Company, a long-time energy partner (since 2007), the District installed a custom designed, highly efficient biomass boiler system to serve their entire District complex. The system is fueled with wood chips, which are grown locally in Pennsylvania and provided by a local supplier. Overall, the wood fuel costs the District approximately one third less than their previous oil expenditures. In addition, the District received two separate \$500,000 state grants towards funding the project.

The District, under the fourth phase of their Performance Contract with McClure, reduced the District's oil consumption by about 57,000 gallons per year, or approximately seven (7) tanker trucks. In addition, the Guaranteed Energy Savings Agreement resulted in zero change orders to the District.

Navitas and Missouri School District Partner for \$10.2 Million Project

A [video](#) of a **Navitas** project shows the recent work upgrading the HVAC systems at Pattonville High School that was part of \$10.2 million energy conservation project Navitas did with the Pattonville School District, in Maryland Heights, Missouri. As part of the HVAC system upgrade, 32 roof top-mounted HVAC units needed to be removed and new units installed.

The layout and space around the High School did not lend itself to using a conventional crane to lift the units off the roof. So Navitas, and their mechanical contractor partner Integrated Facility Solutions (IFS),

engaged Midwest Helicopter Airways and their air crane helicopter to do the lifting.

Once a date was scheduled, the next step was to coordinate the actual lift. Navitas worked with IFS to plan the sequence in which the units were removed and replaced so that we could use the air crane efficiently. A staging area was created in the parking lot of the school so that the old equipment could be dropped off quickly and the new equipment picked up.

As the date drew near, Navitas worked with the IFS crew and the folks from Midwest Helicopter Airways to prepare the site. Extra care was taken to remove or fasten down anything that could possibly be sucked up into the rotors of the air crane or become flying debris that could harm someone. Site safety was a big concern, so both Navitas and IFS had safety directors on site during the entire lift event.

\$86.8 Million NORESKO ESPC to Enhance Energy Security Framework for Navy Region Japan

NORESCO is implementing self-funding facility improvements for the Navy Region Japan through an \$86.8 million ESPC. The project at Naval Air Facility (NAF) Atsugi, Commander Fleet Activities (CFA) Sasebo and CFA Yokosuka will strengthen energy security and enhance resiliency and reliability in support of the United States Navy's mission.

The scope of work includes increasing resiliency and reliability with dual-fuel capability at the NAF Atsugi main boiler plant, saving more than 2.1 million gallons of fuel oil annually. Chiller operations at CFA Sasebo will become more cost effective and reliable by replacing aging absorption chillers with new electric chillers. Residences at all three installations will receive upgraded LED lighting fixtures, lighting controls and plumbing fixtures that will reduce electricity and water usage. The project includes comprehensive maintenance, repair and replacement services throughout the contract term, reducing maintenance burden and cost to the site and ensuring reliable operation.

The project is a continuation of NORESKO's work with the Navy in Japan that began in 2008 when NORESKO completed the installation of a 39 megawatt combined heat and power plant at CFA Yokosuka. NORESKO has helped the Navy achieve more than \$190 million in verified cost savings in Japan while improving infrastructure, strengthening energy security and enhancing resiliency and reliability.

Southland Energy Breaks Ground on Phase 2 of ESPC at Fort Riley

Fort Riley, home of the Army's 1st Infantry Division, collaborated with **Southland Energy** and the U.S Army Engineering and Support Center to develop and implement energy conservation measures to reduce energy consumption and enhance resiliency. The \$25 million second phase energy project will upgrade 165 facilities totaling 3.7 million

square feet. Improvements include LED lighting (interior and exterior), water fixtures, HVAC, controls, expanding the existing Energy Management Control System (EMCS), infrared heating system upgrades, direct exchange system coil treatment and restoration, building envelope improvements, and retro-commissioning. The upgrade, expansion and implementation of cybersecurity protocols of the EMCS started in Phase 1 will continue in Phase 2. Fort Riley's EMCS will incorporate enhanced security protocols designed to obtain Department of Defense cybersecurity accreditation. Building on the success of Phase 1, Phase 2 will guarantee annual savings of \$1.3 million with a 34 percent reduction in energy use intensity and a 19 percent reduction in water use.

>> [Top](#)

NAESCO ACCREDITATION

Is Your Company Considering NAESCO Accreditation?

NAESCO's voluntary [Accreditation Program](#) is open to all NAESCO Members. Accreditation is offered twice annually in Spring (announced in January) and Fall (announced in July).

There are three categories of Accreditation for companies in the energy service business: Energy Service Company (ESCO), Energy Service Provider (ESP) and Energy Efficiency Contractor (EEC). Companies seeking NAESCO-Accredited status must apply to a committee of industry experts who are unaffiliated with any particular ESCO or any other company under consideration for accreditation, and undergo a rigorous examination of their core competencies and business practices. The committee carefully reviews the detailed documentation submitted and consults with selected customer references.

For companies participating in the full accreditation or re-accreditation process, the 2019 participation fee is \$3,250. Payment of the participation fee does not in any way ensure accreditation will be granted; the fee is being imposed to cover the costs of the accreditation process including the data review and reference checking by independent reviewers. A \$250 non-refundable application deposit fee is due at the time the packet request is made and will, of course, be deducted from the balance of the participation fee which should accompany your completed application.

If you have questions about NAESCO Accreditation or are interested in the next round, contact Nina.Kogan@naesco.org for more information.

>> [Top](#)

Thank you to our 2019 Silver Annual Sponsors!
providing support throughout the year

