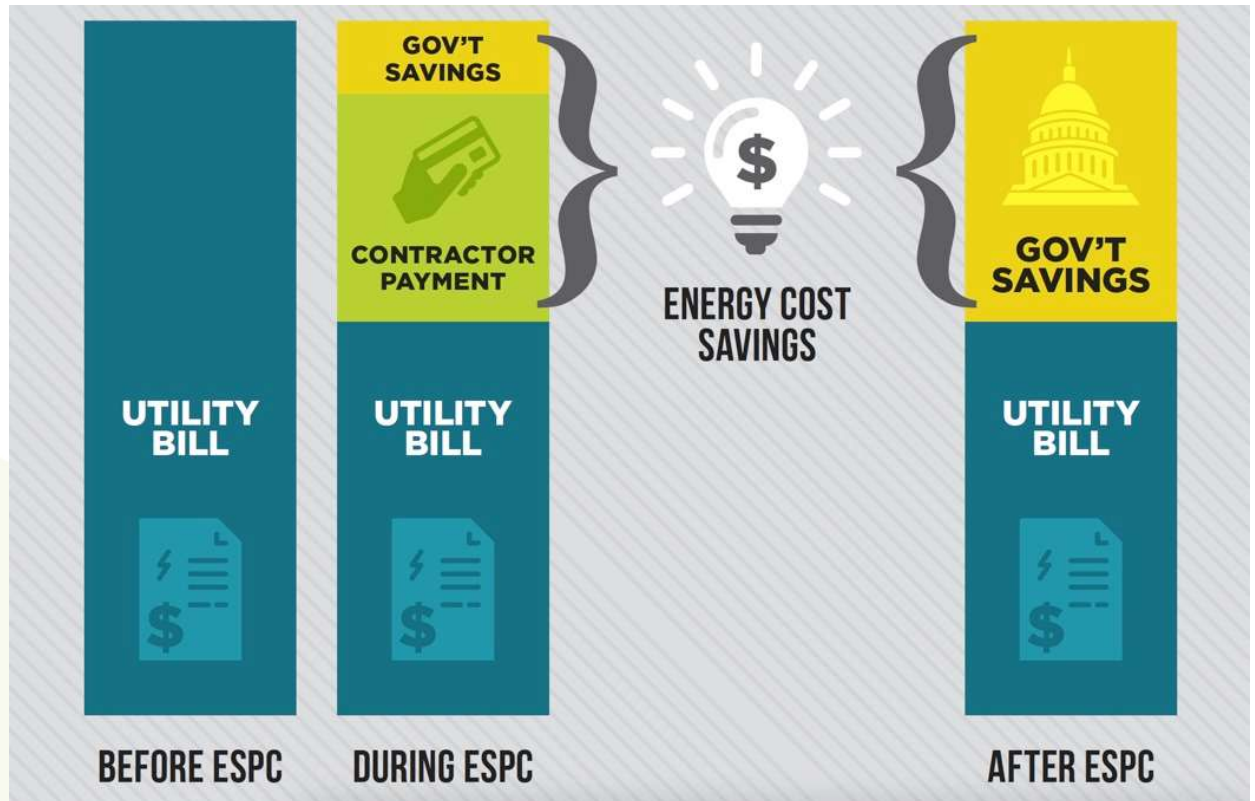


# What is a Performance Contract? Public-Private Partnerships

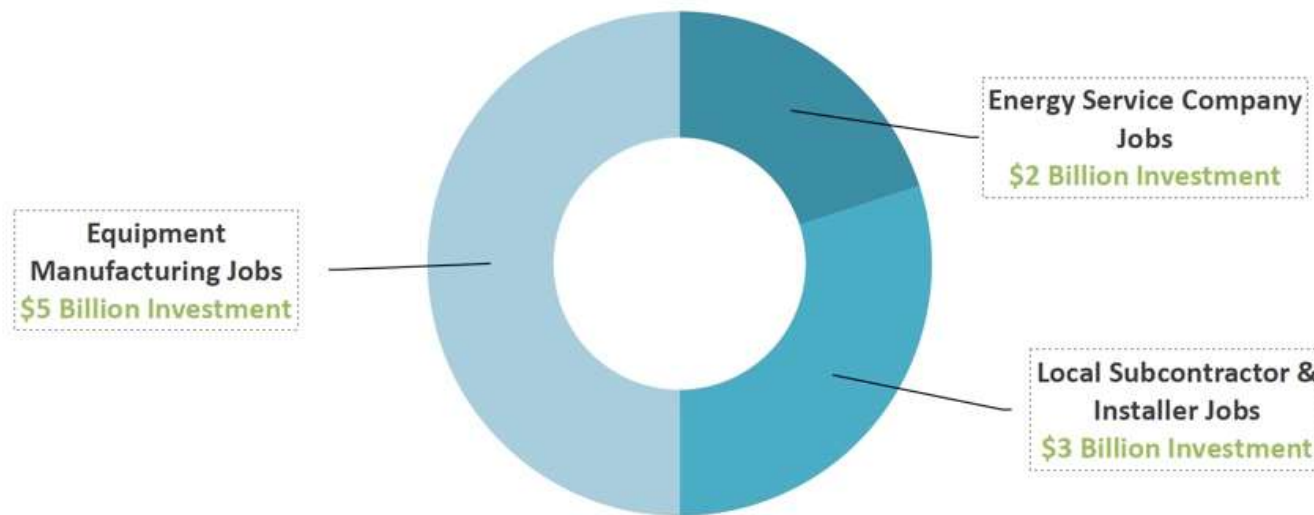
Energy Savings Performance Contracts (ESPCs) and Utility Energy Savings Contracts (UESCs) are **unique tools** the government can use to achieve energy efficient, resilient, and modern buildings without using appropriated funding.

The private-sector company designs and installs solutions and equipment which together reduce the energy consumption of a facility. These energy savings are **guaranteed** to occur by the contractor.

Through the life of the contract, the private-sector partner **measures and verifies the savings**.



# \$10 Billion in Energy Savings Performance Contracts Creates 95,000 American Jobs



**Background:** A typical \$10 million ESPC project has a job impact of 95 jobs. Direct jobs to Energy Service Companies (ESCOs) equates to 20 jobs at a cost of \$100,000 per employee for technical, engineering and management personnel. Direct jobs to local subcontractors for installation of equipment and other services equates to 40 jobs at \$75,000 per employee. Indirect jobs at equipment manufacturers (e.g. lighting, boilers, chillers, etc.) equates to 35 fully burdened jobs according to the National Association of Manufacturers estimates which are based on U.S. Commerce Department data.