

an independent energy solutions company

February 2013



## Energy Savings Performance Contracting

# Introductions

## About Ameresco, Inc.

Founded in 2000, **Ameresco**, Inc. (NYSE: [AMRC](#) - [News](#)) is a leading independent provider of comprehensive services, energy efficiency, infrastructure upgrades, and renewable energy solutions for facilities throughout North America.

**Ameresco's** services include upgrades: to a facility's energy infrastructure and the development, construction and operation of renewable energy plants.

**Ameresco** has successfully completed energy saving, environmentally responsible projects with federal, state and local governments, healthcare and educational institutions, housing authorities, and commercial and industrial customers. With its corporate headquarters in Framingham, MA.

**Ameresco** provides local expertise through its 59 offices in 34 states and five Canadian provinces.

**Ameresco** has more than 850 employees.

For more information, visit [www.ameresco.com](http://www.ameresco.com).

# Agenda

- Project goals and objectives
- Ameresco overview and capabilities
- Project Team
- Project development approach
- Proposed energy conservation measures
- Project management
- Project agreement and financing
- Measurement & Verification
- Ameresco advantage

# Project Goals and Objectives

- Reduce utility and operating costs
- Implement infrastructure improvements funded totally from savings
- Improve environmental conditions
- Improve facilities maintenance and operations
- Preserve capital funds
- Reduce deferred maintenance costs
- Implement facility-wide energy awareness
- Reduce greenhouse gas (GHG) emissions

# Ameresco Capabilities

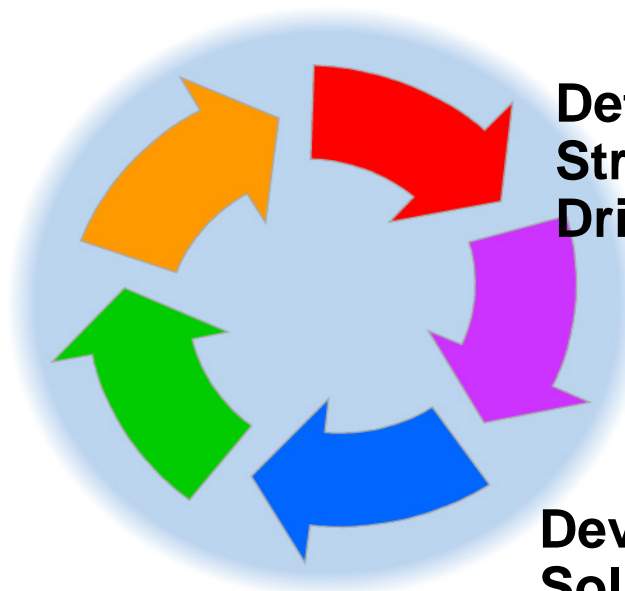
- Largest ***independent*** energy services company
- ***Industry leader*** - experience going back over 30 years
- Large National Operations
- Significant National Experience
- Over \$5 Billion in energy solutions delivered
- Significant public sector facility experience
- Over 800 energy professionals
- Strong performance track record
- **Performance Contracting** is our core business!

# Project Development and Management Approach

## Assess Needs and Objectives

**Measure,  
Monitor, and  
Report Results**  
(Commissioning, Training  
and M&V)

**Implement  
Solutions**  
(Project Implementation)



**Determine  
Strategic  
Drivers**

- SUSTAINABILITY
- EFFICIENCY
- COMMUNITY
- FINANCIAL
- INFORMATION

**Develop Tactical  
Solutions**  
(Investment Grade Audit)

**DECISION  
POINT**  
(Contract Award)

# Project Development / Audit Approach

- Acquire Utility Data Histories
  - Analyze with Corresponding Weather Data
- Conduct On-Site Audits
  - Interview Personnel
  - Inventory and Inspect Existing Systems
  - Identify “Energy Conservation Measures” (ECM)
  - Deploy Metering Loggers
- Perform “End-Use” Analysis
  - Allocate 100% of the Baseline Energy Among the Different Systems
- Calculate Savings for ECMs
  - Calculations are Based off of “End-Use” Baseline
- Review Potential ECMs with Client
  - Utilize “Selection Sheet” to Identify ECMs to Pursue
- Finalize Implementation Costs for Selected ECMs
  - Develop Scope of Work and Walk through Contractors
  - Open book pricing
- Incorporate Cost and Savings into Finance Model

# Project Development Value

- Single point-of-contact throughout all project phases
- Close up-front planning
- In-house engineering staff develops project scope
- Dedicated on-site project management
- Close communication throughout the process
- Major equipment providers selected on a best-value basis
- Use high-quality, local sub-contractors:
  - Utilize qualified M/WBE firms
  - Competitive project bidding process
- Ameresco senior management directly involved
  - Ensures prompt decision-making
  - Key decisions made locally



# Mock Conceptual Savings and Value

ECM Description	Total Savings
Lighting	\$ 648,580
Lighting Controls	\$ 24,808
EMS Upgrades and Expansion	\$ 160,749
Domestic Water Conservartion	\$ 44,625
Irrigation Sytem Upgrades	\$ 90,038
HVAC Equipment Upgrades	\$ 18,729
HVAC VFD Upgrades	\$ 47,646
Hydronic VFD Upgrades	\$ 20,129
Boiler Installation	\$ 37,666
Electric Water Heater to Natural Gas Conversion	\$ 3,198
Building Envelope Improvements	\$ 7,210
Pool Upgrades	\$ 30,878
Vending Machine Controls	\$ 5,110
High Efficiency Transformers	\$ 9,278
PC Power Network Management	\$ 5,109
Solar Hot Water Heaters	\$ 1,777
25 kW Solar PV Array	\$ 5,208
<b>Total</b>	<b>\$ 1,160,738</b>

***This level of annual savings enabled the implementation of approximately \$13.8 million in facility upgrades. Projected savings over the 13-year term will cover the entire project capital cost***

# Project Management Approach

- Local project management
- Use of local contractors
- Select preferred quality contractors
- Competitively bid material and labor
- Close coordination and communication
- Adhere to specific facility operational needs
- Conduct weekly project meetings
- An Ameresco officer will be directly involved in the project throughout the contract term

# Project Agreement and Financing

- Unique Two Party Agreement structure
  - Guaranteed savings fully funds the project payments
  - All financing costs and fees included
  - Payment does not start until project fully accepted
- The Customer receives benefit of savings during construction
- If savings not met – Ameresco pays the difference
- No impact to capital budget
- Preserves debt capacity
- Unique to Ameresco

# Measurement and Verification

- At end of construction, each measure fully commissioned to prove ability to perform
- Measurements performed according to agreed-upon verification plan
  - IPMVP Option A, B, C, D
- Annual inspections of installations
  - Identify maintenance concerns and opportunities for further improvement
- Periodic monitoring and reporting of facility performance throughout the term of the repayment period

# Energy Policy and Conservation Awareness Training

*Ameresco's goal is to assist the customer in everyway possible to enhance the resources available to further the level of training and resulting awareness of energy efficient behaviors.*

- Assist the customer in authoring an administration approved Energy Policy based on best practices and common sense behavioral policies
- Effective use of an Energy Policy to motivate all staff members to reduce wasted energy.
- Training to enhance the use of the central automation system as a supervisory tool to help analyze and reinforce energy efficient behaviors

# The Ameresco Advantage

- Largest independent energy services company
- Significant Higher Education Facility experience
- Manufacturer & technology neutral
- Our core business is performance contracting
- Committed to providing 'Best Value'
  - Competitive project bidding process
  - Lower overhead costs
- Proven track record - over \$5 billion in projects developed
- Financial strength and stability
  - Over \$500M in bonding capacity
- Commitment to long-term partnership with the CAU

# Questions & Answers

an independent energy solutions company

**AMERESCO**   
Green • Clean • Sustainable

**Thank You**