FPCC
FEDERAL PERFORMANCE CONTRACTING COALITION

FPCC Praises Sponsors of the Energy Savings Through Public-Private Partnerships Act of 2017

FOR IMMEDIATE RELEASE
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WASHINGTON, DC—Today, the Federal Performance Contracting Coalition (FPCC) released the following statement and summary information:

The Federal Performance Contracting Coalition supports the Public Private Partnership Act of 2017 introduced on January 30, 2017 by Senators Gardner, Coons, Portman and Shaheen and by Representatives Kinzinger and Welch. This bill has been introduced each of the last two Congresses as well and enjoys broad bipartisan support, being included in comprehensive energy legislation that was negotiated, but not passed, late last year.

Energy Savings Performance Contracting (ESPCs) and Utility Energy Contracts (UESCs), collectively known as "performance contracts", allow Federal agencies to increase their efficiency and thereby reduce their energy costs using private sector funding and expertise. In both cases an accredited contractor (partner) designs and installs solutions and equipment which together reduce a facility's energy consumption. The Federal agency pays the partner back, over time, with actual utility bills savings resulting from the project. In the case of an ESPC, the private partner guarantees these energy savings – an agency will pay no more for the contract and energy bills together than they would have paid for energy bills if they hadn't done the project.

Performance contracts eliminate the need for the Federal agency to find appropriated funds to replace, operate, and maintain energy-using equipment. Over the past twenty years, 25 Federal agencies in all 50 states have awarded approximately 650 performance contracts worth $8 billion, resulting in almost $15 billion in savings. Approximately $11 billion went to repay project investments, accruing a net savings of nearly $4 billion to the Federal government. They also result in thousands of local and un-exportable jobs.

This bill, in short, clarifies the Energy Savings Performance Contracting statute. It specifically:

- Requires a report to Congress in each of 2017 and 2018 on the status of each agencies' energy-related performance contracts, the value of these contracts for the previous year, the goal for the coming year, and an explanation by agency about why goals were or were not met.
- Requires agencies to implement projects discovered in EISA 2007section 432-required energy audits that provide a 10 year or less return on investment .
- Clarifies that agencies cannot arbitrarily limit the inclusion of operations and maintenance savings in an ESPC.
- Makes consistent the definition of a "federal building" within federal energy provisions of law

- Clarifies in federal energy statute that plug loads are allowable energy conservation measures
- Clarifies that the following are classified as energy savings:
    - The use, sale or transfer of energy incentives, rebates, or credits (including Renewable Energy Credits) from federal, state, local governments or utilities;
    - Any revenue generated from a reduction in energy use, such as more efficient waste recycling; and
    - Additional energy generated from more efficient equipment (not including federal dams).

The FPCC is a coalition of energy service companies working with the Federal government. Members include AECOM, Ameresco, CEG Solution, Constellation Energy, Energy Systems Group, Honeywell, Johnson Controls, Lockheed Martin, Noresco, Schneider Electric, Siemens, and Trane.