

FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

November 15-16, 2017
Ontario, California

VA Energy Performance Contracting Program - Update

Hosted by:

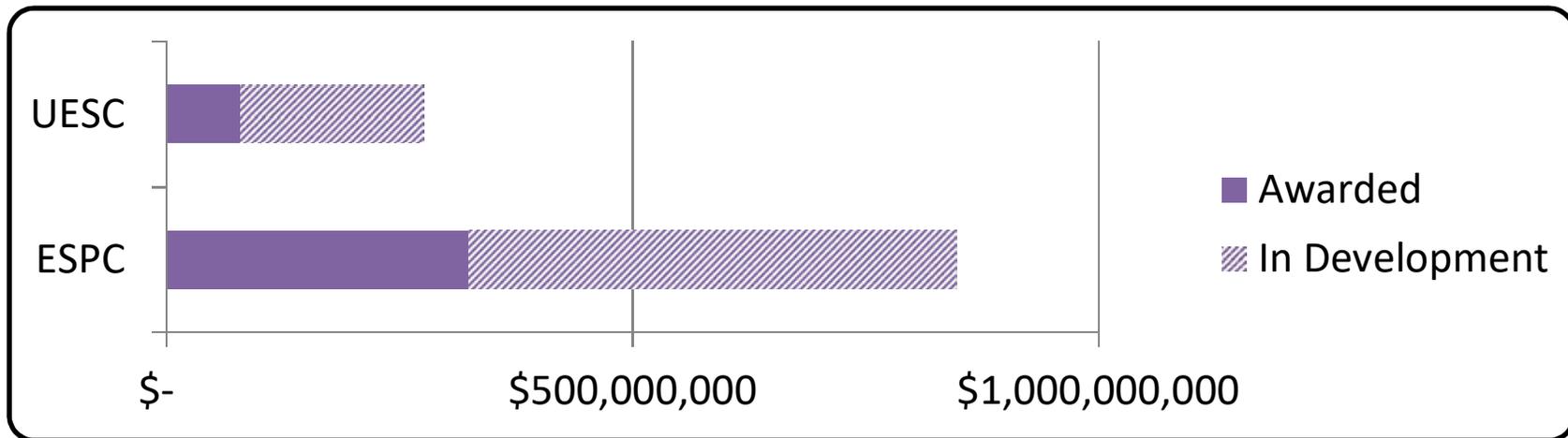


Program Updates

- Budget reallocation for FY18 shifted oversight of several energy programs in VA
- Continuous updating of equipment safety and cyber security requirements
- VA Modernization efforts include a focus on addressing facility maintenance issues and deficiencies
- Increasing support for blending appropriations with financing to maximize benefit
- Utilities and their ESCO partners developing reputations across VA
 - Delivery during implementation is key
 - Successes leading to more work

Pipeline Updates

- Program is supporting:
 - \$404 million in construction or M&V
 - \$650 million in development
 - 88 VA Medical Center campuses
 - Approx. 80 million square feet of medical center space



Best Practices/Lessons Learned – Phase 1: Planning

– Site Data Package

Site Development Package Checklist
to begin an Energy Performance Contract

Department of Veterans Affairs
Office of Asset Enterprise Management, Energy Management Program
VA Energy Performance Contracting Program

Facilities included in Project:

Project Role	Name	Email
Contracting Officers Representative (COR)		
EMP Program Office	Lara Spader	Lara.Gast...
Program Contracting Activity Central (PCAC)	Nathan Pennington	Nathan.Pe...

This Site Development Package (SDP) checklist is intended to assist engineers, architects, and other project team members in the solicitation of an energy savings performance contract (ESPC) or utility energy service contract (UESC). The SDP is the important "first step" in the procurement process. Additional submittal information may be required.

SDP requirements include:

1. Training Completion from Attachment A
2. Project Goals in Attachment B
3. Energy Audit Report or Attachment C
4. Other Identified Facility Activities in Attachment D
5. ECM list (MS Excel spreadsheet)
6. Project facilitator support Performance Work Statement and IGCE
7. Customer Service Agreement (CSA)*

ECM #	ECM Name	ECM Description (Quantification)	Estimated Values					Recurring Savings (Est. Annual)	Water	O&M	Install Cost	Payback (Years)
			Electric	Natural Gas	Purchased	Water Savin	Energy					
Chilled Water and Air Conditioning Systems												
3.01	Install Heat Exchanger to Cooling Tower	Install waterside economizer system, also	76,782 k/wh	0 Therm	0.00 MMbtu	0 Gal						
3.02	Install Cross Connection on Piping for CT	Install chilled water from the central plant to	44,250 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$2,942	\$0	\$0	\$128,690		
Boiler/Boiler Systems												
4.02	Reduce Steam Pressure	Lower the pressure from 120 psig to 80 psig	120,443 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$5,065	\$0	\$0	\$128,690		
4.04	Replace selected Steam Traps	Replace damaged steam traps. There are					\$8,007	\$0	\$0	\$3,075		
Interior Lighting												
6.01	Replace 32W T8 with LED fixtures	Remove and install remaining 4-foot 32 watt	221,577 k/wh	19,799 Therm	0.00 MMbtu	0 Gal	\$9,665	\$0	\$0	\$2,100		
6.02	Replace F17T8 with LED fixtures	Remove 2-foot by 2-foot fixtures and	74,788 k/wh	42,621 Therm	0.00 MMbtu	0 Gal	\$33,961	\$0	\$0	\$95,000		
6.03	Replace 34V T12 with LED fixtures	Remove All remaining 4-foot 34 watt linear	2,280 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$43,626	\$0	\$0	\$97,100		
6.05	Replace HIDz with LED fixtures	Retrofit HID lighting LED by replacing the	68,201 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$14,729	\$0	\$0	\$92,791		
6.06	Replace CFLz with LED fixtures	Replace All CFL lamps with LED lamps. The	70,141 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$4,972	\$0	\$0	\$53,126		
Others												
			436,917 k/wh	0 Therm	0.00 MMbtu	0 Gal	\$147	\$0	\$0	\$740		
							\$4,663	\$0	\$0	\$20,020		
							\$23,045	\$0	\$0	\$5,768		
										\$172,445		5.94

Best Practices/Lessons Learned – Phase 1: Planning

– Communication – getting leadership involved early and often.

- Customer Service Agreement
- Program office briefings

CUSTOMER SERVICE AGREEMENT

VA GREEN MANAGEMENT PROGRAM SERVICE (GMP)
VHA CONTRACTING ACTIVITY CENTRAL (PCAC)
VETERANS INTEGRATED SERVICE NETWORK 3 (VISN 3)
AND
NORTHPORT VA FACILITIES

1. Purpose
The purpose of this Customer Service Agreement (CSA) is to provide business value to the parties pursuing development and implementation of a utility energy service contract (UESC) project.

This CSA will:

- Clearly define the services and support to be provided to/received from the parties
- Identify the responsibilities of each party
- Establish a UESC core team, document its purpose, identify members, and set individual roles, responsibilities and operating rules
- Establish procedures for effective communication, decision-making and reporting among all parties
- Lay out a blueprint for the UESC development and implementation process
- Facilitate stakeholder buy-in by including key members in the decision-making process and obtaining their concurrence along the way.

The VISN and facility signatories to this CSA indicate concurrence with its content and with the validity and practicality of the service and performance measures and objectives it contains.



What are the benefits of a UESC?

- Infrastructure improvements with minimal or no upfront appropriations

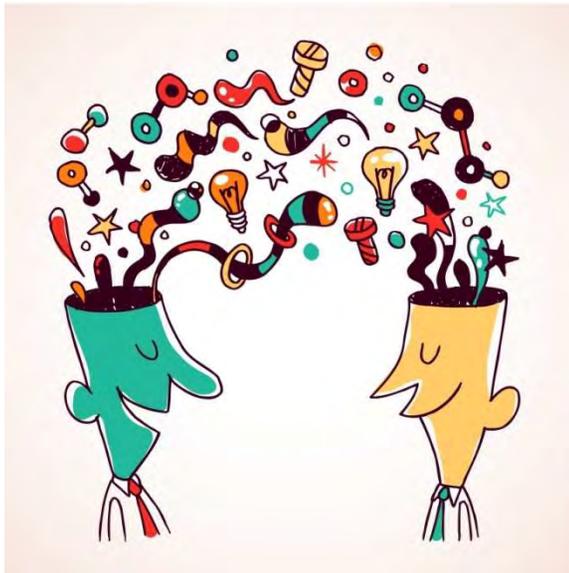
**Energy Management Program Service (EMP)
VA Energy Performance Contracting Program**

Overview of Utility Energy Services Contract (UESC)

to receive payment

Best Practices/Lessons Learned – Phase 1: Planning

- Sharing common issues from program office/Contracting levels
 - E.g., metering & IT, technical issues with code compliance, etc.



Best Practices/Lessons Learned – Phase 2: PA/IGA (Pre-Award)

- Communication – ensuring all key stakeholders are involved continuously, at hospital, network, and central office levels (e.g., Chief engineer, site engineers, maintenance, nursing/medical staff, VISN/network staff, central office approvers, etc.)
 - Involved & responsive COR (/technical monitors, for multisite projects) are key

Best Practices/Lessons Learned – Phase 2: PA/IGA (Pre-Award)

- Utilization of a Government accessible FTP site
- Tracking ECMs as they are eliminated/added/changed so there are no surprises
- Tracking Requests for Information/submittals at (bi-)weekly meetings, as well as keeping open items/key issues on the agenda so things don't slip through the cracks

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Best Practices/Lessons Learned – Phase 2: PA/IGA (Pre-Award)

- Integrating Project facilitator and Federal Project Executive (for ESPCs) / making use of expertise
- Think outside the box

Northport UESC helicopter lift –
<http://irt.defense.gov/>



Best Practices/Lessons Learned – Phase 2: PA/IGA (Pre-Award)

- Use of a reserve account for potential asbestos
- Applying capital funds strategically (end of year dollars, infrastructure upgrades, funded projects that relate to other scope).
- Rebates & Incentives – incorporating in TO schedules to reduce the amount financed
- Performance Period Services (M&V, O&MRR) should NOT be financed



Best Practices/Lessons Learned – Phase 3: Implementation (Post-Award)

- Implementation Kick Off Meeting
 - In person (preferably)
 - Identification of the COR/Technical Monitor
 - Payroll submission
 - Daily Reports
 - Badging, facility access issues/ parking/ behavior etc.
 - Infection Control
 - Environmental coordinator – Recycling credits etc.
 - List of Utility/ESCO POCs for facility reference – emergency contacts
 - OSHA Certifications Competent person etc.
 - Preconstruction kickoff meetings
 - Submission of schedules/3 week look ahead etc.

Best Practices/Lessons Learned – Phase 3: Implementation (Post-Award)

- Interconnection issues (renewables or CHP)
 - Early and frequent communication with the utility from 30% design on
 - Reserve fund for interconnection costs



Best Practices/Lessons Learned – Phase 3: Implementation (Post-Award)

- Modifications
 - Funded or financed



MODIFICATION OF CONTRACT	DATE SIGNED SEE B
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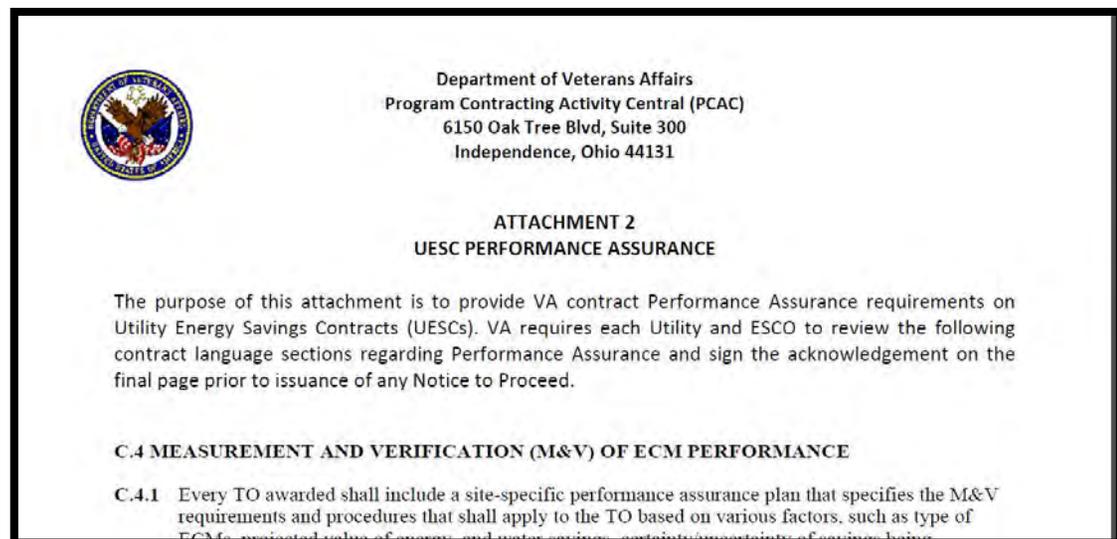
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Continued)

A. CHANGE IN SCOPE OF WORK:

This modification provides the final suitable adjustment to the

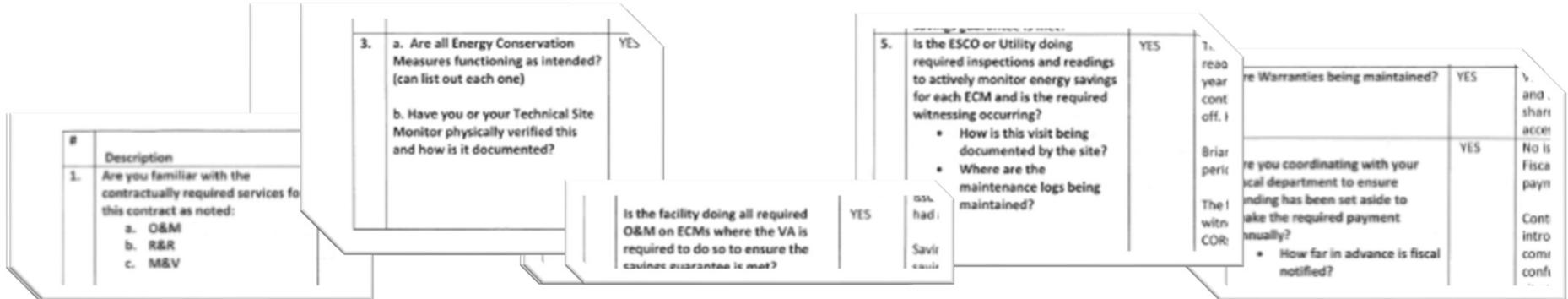
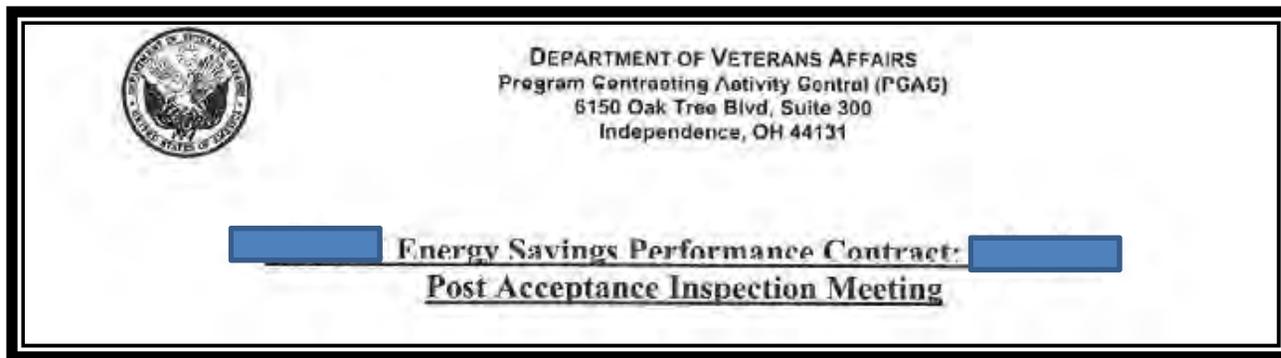
Best Practices/Lessons Learned – Phase 4: M&V/Performance Assurance

- Having Project Facilitator review M&V reports, act as technical support for COR
- Ensuring performance assurance is included (sign off on language in NTP for PA)



Best Practices/Lessons Learned – Phase 4: M&V/Performance Assurance

- Annual post acceptance CO/COR verification Government witnessing/checklist/trip.



Northport UESC video



**U.S. Department of
Veterans Affairs
Northport VAMC**

**A UESC
Success Story**

<https://youtu.be/4tRtuyK7FEI>

Federal Utility Partnership Working Group
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Questions?

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