

## **NAESCO NEWS**

July, 2020

# FROM THE DESK OF TIMOTHY D. UNRUH, NAESCO EXECUTIVE DIRECTOR

As I enter my fifth month working from home due to the coronavirus, I think it is important to communicate the changes we have implemented at NAESCO. First and foremost, I am very appreciative of our membership, and find that the highlight of my day is having the chance to speak with you. I have been making calls to various members during this time and have heard many stories of challenges being overcome. It makes me proud of our Association and members.



As I am sure you know by now, our in-person events remaining for 2020 are no longer going to happen. These include our June Technology and Financing Conference, November Renovate, Retrofit, Reduce (R3) Conference and our Regional meetings. We have taken the Regional Meetings to a virtual mode and

shifted the Technology and Financing Conference into three upcoming sessions called "A Conversation with Public Facility Executives" on August 18-20. If you have not registered, you should as criteria for speakers was that they all represent a customer group for our members. I am looking forward to hearing their perspectives and to learning more about what activities they are having to fulfill during the pandemic. I believe that hearing from the customers gives members the ability to better tailor solutions to their needs. The annual R3 Conference and Show is postponed until 2021 and will be replaced this year with additional webinars – check the NAESCO website under Events to see what is upcoming.

Another change is to the NAESCO office, which some of you visited last year at our open house. After working for several months at home, we have decided to continue that trend and reduce our office space in downtown Washington, DC. We will maintain a presence at the same address for occasional meetings, but will work primarily from home offices.

Finally, NAESCO has increased its footprint in social media and lobbying. We have hired Cascade Associates as our lobbying representative to continue to push for the implementation of the Mission Critical Facility Improvement program (information about it is on the home page of NAESCO's website). This program calls for stimulus investment into federal and state budgets to implement energy and resiliency projects through performance-based contracts. We are focusing on the leveraging effect of our industry, stating for every \$1 from the Federal Government our industry will bring at least \$4 from savings. It is one of the few places where the Federal Government can leverage its stimulus investment.

Our social media footprint has been enhanced through publishing articles about our industry by me, as well as substantial Twitter and LinkedIn posts highlighting industry news, including NAESCO Member projects. If you have not connected with me on LinkedIn, or followed NAESCO on Twitter, @NAESCONews and LinkedIn, "NAESCO," please do so to see what we are saying about the industry.

Stay safe.

## NAESCO ADVOCACY UPDATE - July 2020

## **NAESCO Regional Meetings**

NAESCO held the members-only meetings for Western states on July 16, and will hold the meeting for Southeastern states on September 22. Meeting details and minutes of past Regional Meetings can be found <a href="here">here</a>.

## NAESCO FEDERAL ADVOCACY

## Federal Stimulus Proposal

NAESCO worked with about 70 organizations to formulate a proposal to have the federal government invest around \$20 billion in a program we are calling *Mission Critical Facilities Renewal*. The federal investment would be leveraged 4:1 with private investment through ESPC contracts to make federal, state and local government facilities safe, secure, efficient, resilient and flexible. The proposal was introduced as the *Open Back Better* bill by Minnesota Senator Smith and Delaware Representative Blunt-Rochester and was subsequently passed as part of the House Infrastructure bill, HR-2 Moving Forward, on July 1. NAESCO has retained Cascade Associates, an experienced lobbying firm that also manages the Federal Performance Contracting Coalition, to help advocate for the bill. The original proposal, copies of the legislation and related documents can be found here.

Continue reading federal and state activities.

## NAESCO WELCOMES NEW COMPANY MEMBERS

as of July 15, 2020

## **Full Member**

## Stark ESCo

Stark ESCo has been an Energy Services Company (ESCO) for over 32 years and has accumulated extensive energy-related project experience in K-12 Schools, Higher-Ed/Universities, Municipalities and all Healthcare related markets. As a subdivision of Stark Tech Group, Stark ESCo (formerly Building Controls & Services and Smart Edge) has successfully completed more than 80 energy conservation projects that included savings guarantee provisions that have all successfully met the guaranteed savings thresholds established at the start of the project. Privately-owned and operated, Stark Tech Group is made up of a conglomerate of businesses focused on four strategic areas: integration, equipment, intelligence and turnkey implementation. Stark consists of experienced HVAC mechanical equipment suppliers, controls and security specialists, mechanical & electrical engineers, power and energy specialists and construction project managers. They are a comprehensive intelligent building solutions company specializing in facility optimization with highly innovative products and IT solutions, systems and support.

## **Affiliate Members**

## **Control Air Enterprises**

With 43+ years of experience, exceptional client trust, and 100% employee owned, Control Air is one the most trusted names in the industry. We focus on custom design, engineering, in-house fabrication, installation, building controls, maintenance, and ongoing service of commercial HVAC and plumbing systems.

## **Howard Lighting Products**

Howard Lighting offers a complete line of lighting products including fixtures, lamps, and ballasts. Their fixture line includes a full range of modern, high efficiency LED products, most of which meet the latest DLC requirements. They also continue to offer many popular legacy Fluorescent, HID, and Halogen lighting fixtures. Howard's lamp offerings include LED retrofit, linear fluorescent, compact fluorescent, high intensity discharge (HID), and halogen. Our ballast line-up includes electronic and magnetic fluorescent as well as magnetic HID ballasts. Howard Lighting is continually upgrading existing products and introducing new ones in order to provide leading edge products that meet the ever-changing demands of the lighting market.

#### **Metrus Energy**

Metrus Energy is a full-service specialty finance company, providing project development and financing services for energy efficiency, water efficiency, energy storage, electric vehicle charging infrastructure, cogeneration and solar projects at commercial, industrial and institutional facilities.

Through its comprehensive range of financing solutions, Metrus enables facilities to achieve immediate operational and environmental benefits from impactful efficiency measures without the capital expense. Metrus enables customers to treat energy and water efficiency as resources that improve their bottom line and enhance corporate sustainability. Metrus is a well-established efficiency financing leader and is the creator of the Efficiency Services Agreement (ESA) structure that has been utilized to finance numerous large-scale efficiency-as-a-service retrofit projects in the United States.

### Synergy Investment, Inc.

Providing innovative, turnkey lighting retrofit services nationally since 1994. Original founder and President Dan Gould started his career developing Performance Contracting for Johnson Controls before starting Synergy. They strive to support Performance Contracting and helping their ESCO partners win projects with the best overall LED lighting package.

### Verizon

At Verizon, their goal is to help improve the quality of life for people living in cities around the world and increase the ways and efficiency in which cities operate. It's not just about smart technology, connectivity or applications; it starts with a focus on the people and their basic wants and needs. They partner with each city to design infrastructure, systems and processes that elevate the way they provide services in new and cost-effective ways.

## MEMBER NEWS AND RECENT PROJECTS

## Ameresco Awarded \$3.6 Million School District Energy-Efficiency Project

Ameresco announced that it has partnered with the Bethel School District in Eugene, Oregon, on a comprehensive energy efficiency project.

Financed with a 2.37% loan, this \$3.6 million energy savings performance contract (ESPC) project will improve lighting, HVAC controls, plumbing, and irrigation systems in multiple facilities as part of the District's effort to reduce its utility and operational spending.

The Bethel School District joins South Lane and Junction City School District to become the third school district in Lane County to partner with Ameresco. Bethel School District serves more than 5,400 students in grades K-12 and is the third largest in Lane County, Oregon.

The improvements Ameresco will implement under this ESPC come at no upfront cost to the district, and will be paid for over a 16-year contract term with the guaranteed cost savings they generate. "We are excited to be reducing our utility spending by almost 19% and make upgrades that improve the teaching and learning environment. This program is a win-win because it also creates jobs in the State of Oregon and Lane County," said Chris Parra, Superintendent of Bethel School District. "Their team has worked seamlessly with our facilities staff to develop an incredible project that meets our current goals, and also helped us identify other improvements for the future."

## ECM Lighting Recruits Robert Quintal to Lead FED ESCO Group

The ECM Holding Group is pleased to announce that Robert Quintal is joining ECM Lighting as Director of Federal Market Sales. In this newly created position, <u>Mr. Quintal will manage the growth of ECM's Federal Market Group</u>, with a focus on turnkey lighting.

Mr. Quintal has 29 years of experience in the ESCO Lighting, Demand-Side Management, and Energy Efficiency Industries. He has also co-founded 3 companies:

- · Global Recycling Technologies, Inc., a recycler of lighting system components, now part of Veolia.
- ·Lighting Resource Management Inc., a firm that specifies, designs, and installs energy-efficient lighting systems. They were acquired by Horizon Solutions.
- · LFE Solutions, Inc., an ESCO-based Manufacturers Rep agency for LED lighting and controls.

Mr. Quintal joined an ECM Lighting team that recently acquired Lighting Integrated Technologies, LLC. (LIT) of Fort Worth, TX. For over 2 decades, LIT has been an independent, regional leader in large-scale retrofit lighting. They are known for delivering superior services in product evaluation, auditing, design, construction, and project delivery. LIT installed over 125 million square feet of FEMP compliant fixtures in collaboration with dozens of ESCO partners.

Mr. Quintal's lighting and controls background in the ESCO market, and his flexible approach to developing opportunities mark this as a potentially great collaboration. As he said, "For me, this is truly one of those rare opportunities to join a winning team at exactly the right time. ECM is a respected partner to ESCOs across the US at the highest level in an industry I have been a part of for 30 years. I think ECM's 1-Touch approach provides the most efficient delivery of multiple measures for ESPC project development through installation. This is a game changer for our industry, and I am excited to be a part of it."

## Johnson Controls Introduces Open-Source Energy Analysis Software for Targeting Building Efficiency Retrofits

Johnson Controls and Lawrence Berkeley National Laboratory (Berkeley Lab) recently announced the release of the Building Efficiency Targeting Tool for Energy Retrofits (BETTER) to the public. The easy-to-use, open source BETTER tool allows building owners and managers to rapidly convert readily available monthly building energy consumption data into specific, recommendations for improvement. In this unprecedented time of a global pandemic, creating a safe environment in schools, commercial and government buildings is more important than ever. This analysis can be performed without the need for on-site audits or inspections, allowing many currently unemployed energy efficiency workers to continue to plan and develop building retrofit and commissioning projects.

Johnson Controls, a global leader in smart building technologies and solutions, developed the core energy analysis technology over the past eight years and has used the tool to analyze retrofit opportunities in over 700 buildings. Beginning in 2016, under a cooperative research and development agreement (CRADA), Berkeley Lab partnered with Johnson Controls to automate and improve the energy analysis capabilities of the tool and create an open-source version of the tool for public use.

"Over 400,000 energy efficiency workers in the U.S. currently unemployed due to the COVID-19 pandemic because they can't get into buildings to do energy audits," said Clay Nesler, vice president of global sustainability and regulatory affairs, Johnson Controls. "This tool can help the efficiency industry get a jump start of identifying and developing projects that show the greatest opportunities for cost effective savings."

Read more here

## Metrus Completes \$1.78 million ESA Project with Queens University of Charlotte

Metrus Energy has announced the completion of a \$1.78 million project with Queens University of Charlotte. Improvements to the North Carolina-based university include new chillers, LED lighting, water-efficiency measures, and an updated building management system.

Metrus' Efficiency Services Agreement (ESA) enabled Queens to successfully address a range of issues including energy costs, sustainability, and the comfort and quality of the campus environment—without adversely impacting its balance sheet.

"It was exciting to watch the transformation of our campus with the installation of state-of-the-art equipment that will increase our efficiency and resiliency" said Troy Luttman, campus architect at Queens. "More than just savings, these upgrades reflect our values as a school and a community, and our belief in a sustainable energy future."

Metrus implemented upgrades in 25 campus buildings, with Centrica providing engineering, construction, and ongoing measurement and verification services. Under the 15-year ESA term, the project will net Queens an expected annual savings of nearly \$190,000 and reduce CO2 by 1,444 tons annually.

## Navy and NORESCO Mark Energy Security Initiative on SUBASE with Ceremonial Groundbreaking

Leadership from NORESCO of Westborough, Massachusetts and Shelton, Conn.; the Connecticut Office of Military Affairs; and Naval Submarine Base New London (SUBASE), marked the commencement of the Navy's and NORESCO's Energy Savings Performance Contract (ESPC) initiative with a small, physically-distanced, ceremonial groundbreaking near the base Power Plant, June 26.

The key energy conservation measure of the \$83.1 million contract will be a 10.75-MW Combined Heat and Power System or CHP to be installed in the base Power Plant. Additionally, the contract will ready the base for a new cyber-secure, micro-grid: automating electrical power load management and ensuring power to mission-critical operations in the event of a community utility grid disruption. Furthermore, the project will also increase energy efficiency throughout many base systems, which is anticipated to achieve some \$10 million, on average, in annual energy savings.

Capt. Todd Moore, SUBASE New London Commanding Officer, highlighted how the initiative assures continuation of the base's mission and complements the Navy's overall energy strategy. "Since SUBASE's establishment as our Nation's first permanent, continental Submarine base in 1916, our mission has been simple and straight forward: to deploy combat-ready submarines and crews, and to train a corps of professional submariners," said Moore. "Critical to ensuring SUBASE's mission success is energy... energy security, energy efficiency, energy resiliency, and energy reliability."

Read more here

## Veregy and McHenry Community High School District Announce Continuation of Project for Phase 2

Veregy, a leader in innovative energy solutions, announced the award of a \$6.8 million contract with the McHenry Community High School District #156 ("District"). The award is a Phase 2 energy-saving project which will focus on improvements to the West High School Campus.

Veregy member company, CTS Group, was selected by the District for the Phase 1 project at the East Campus in 2019. The project included energy-efficient ground source heat pump mechanical system upgrades and a 71 geothermal well field, building automation system, and LED lighting improvements throughout the 182,000 SF 4-story facility. Following the success of the Phase 1 project, the District has again partnered with Veregy member company, CTS Group, for Phase 2, which will bring similar improvements to the West Campus. Construction will begin this month and will be ready for the return of students this fall.

The improvements will be implemented through guaranteed energy savings performance contracts, which provides the District with a set contract amount and guaranteed savings. These optimizations at

both campuses will reduce the District's annual energy costs by \$192,000.

"The projects represent a long term financially sustainable commitment and investment in our schools, teachers, and community," said Dr. Ryan McTague, District Superintendent. "The money saved through increasing our energy efficiency can be reinvested in our programs, courses, and facilities for many years to come creating a bright and sustainable future for our district."

## NAESCO IN THE NEWS

## By Dr. Timothy D. Unruh

Can Cash-Strapped Schools Teach Commercial Buildings a Lesson About Funding Capital Improvements
Propmodo
July 23, 2020

"Among the more distinct impacts of the global coronavirus pandemic is the dramatic effect it's had upon how we engage with the spaces in which we work, play, and inhabit. From hospitals to prisons, grocery stores and restaurants, airports and public facilities, it's likely that the urgent need to practice social distancing and self-quarantine in order to slow the rate of new infections, or "flatten the curve," has forever changed not only the way we interact with our built environment, but how we make it work better for us. This fundamental rethink is top of mind for commercial real estate investors, developers, and managers nationwide, who today are facing a mounting imperative to design, construct, manage, and renovate facilities in a way that measurably and visibly improves occupant experience. Yet, under today's special circumstances, obliging this imperative is proving increasingly difficult."

\*Written in correspondence with Keith Watkins, President of the National School Plant Management Association (NSPMA)

## Read more here

## **Energizing Facility Improvements**

Facility Executive Magazine June 24, 2020

Facility Executive spoke with Timothy Unruh about energy service performance contracts and how facility management professionals can access and maximize the benefits to this approach to improve the energy performance of their buildings.

#### Read more here

# The urgent need to modernize the US electric grid and how buildings can play a role POWERGRID International June 10, 2020

"It is imperative that utilities and other players in the U.S. electric power sector consider all opportunities for grid stability enhancement. And our building infrastructure is a good place to start. Grid-interactive efficient buildings (GEBs), otherwise referred to as "smart buildings," are facilities that use sensors, data analytics, automated controls and other smart assets to integrate and optimize the interaction between the grid and a range of distributed energy resources (DERs), dramatically improving grid management and efficiency. Smart buildings not only have the opportunity to support grid operations, but also improve the working conditions inside the building – something clearly necessary in the post-pandemic world."

## Read more here

## Adapting to Changing Expectations

Energy Services Today March 20, 2020

"With renewable power becoming cost effective, what the future holds for our traditional methods of energy production and distribution, power generation, transmission and consumption is uncertain. What's indisputable, though, is the need for investors and executives in the U.S. energy sector to prepare for the inevitable: changing expectations. It's for this reason that we at the National Association of Energy Service Companies (NAESCO) are determined to make 2020 a year of reflection and renewal – a year of building trust among our customers, members and non-member energy service companies (ESCOs), policymakers, investors and other stakeholders in the U.S. energy community."

## Read more here (page 53)

## Other NAESCO Coverage

## Proposed Stimulus Plan Would Incentivize Energy Upgrades to Public Buildings

Propmodo
Justice Pendray
June 14, 2020

"The COVID-19 crisis has demonstrated why modernized facilities are so badly needed to better manage public health crises and other disasters. If we looked at applying the savings from performance contracts we could leverage the public dollar significantly so that we might get a trillion dollars of infrastructure improvements but it would cost us much less. By giving businesses the confidence they need to invest and hire, particularly in the energy efficiency sector, which has seen more than 413,000 jobs lost since the pandemic began. Dr. Unruh stated."

### Read more here

## Ep. 6 - Timothy Unruh, Executive Director of NAESCO

Building Efficiency Podcast Jim Schafer June 11, 2020

Jim speaks with Dr. Timothy Unruh about his and NAESCO's role in the ESCO industry. They discuss how Timothy got started, what it's like working for the Federal Government and what he wants his lasting legacy to be. This is an episode you don't want to miss!

### Listen here

## COVID Recovery - Mission Critical Facility Renewal

Energy Services Media

Donald Gilligan & Clay Nesler

June 3, 2020

"U.S. public buildings are critical infrastructure that enable federal, state, and local governments to fulfill their missions. Over many years, this infrastructure has been allowed to decay, building up a deferred maintenance backlog that is estimated to be more than \$1 trillion. A systematic approach to renewing this infrastructure should be an integral element of the economic recovery from the coronavirus pandemic."

#### Read more here

## Businesses, lawmakers urge \$22B in federal clean energy investment as sector job losses top 600K

Utility Dive Robert Walton June 3, 2020

"About 80 companies and organizations, led by the Alliance to Save Energy (ASE), National Association of Energy Service Companies, National Association of State Energy Officials, the Federal Performance Contracting Coalition and others, have proposed federal appropriations of \$22 billion over five years to retrofit critical public facilities. They say the federal funding could help leverage an estimated private investment of \$88 billion to deliver a total of \$110 billion in economic activity."

## Read more here

## Groups propose \$22B infusion for building retrofits

E&E News Jeremy Dillon June 3, 2020

Energy efficiency advocacy groups and businesses called on congressional leaders yesterday to direct pandemic-related relief to retrofit critical public buildings like hospitals and schools.

#### Read more here

## Is Energy Efficient Infrastructure No Longer A Priority?

Propmodo Justice Pendray May 25, 2020

"Although there is not much promise on the federal government providing any specific COVID-19 relief for energy efficient services, there are many voices making it known that it is wanted and needed for the industry. "The federal government should invest COVID-19 stimulus funds in energy efficiency services, which will not only generate jobs in the short term but also lay foundations for a stronger and

more resilient economy," <u>writes</u> Dr. Timothy D. Unruh, executive director of the National Association of Energy Service Companies."

#### Read more here

## NAESCO Sees Opportunity in Federal Energy Efficiency and Infrastructure Improvement Event

T&D World Chris Galford March 24, 2020

"The day-long conference was punctuated by presentations and panels from key industry leaders and ranking federal officials."

### Read more here

## NAESCO gathers energy service companies, suppliers and federal officials to talk energy efficiency and infrastructure

Daily Energy Insider Chris Galford March 20, 2020

"Federal officials, suppliers, as well as member and non-member energy services (ESCOs) of the National Association of Energy Service Companies (NAESCO), gathered this week for a conference focused on the steps and tools necessary to advance energy efficiency and infrastructure."

## Read more here

## MEMBER SPOTLIGHTS

NAESCO's new *Member Spotlight* series is one of several new initiatives designed to enhance NAESCO's membership experience and increase overall brand awareness. Member Spotlights are meant to give select NAESCO members, at no extra cost, a unique opportunity to publicize their corporate milestones, project developments, new and emerging initiatives, among other things.

Through it all, NAESCO aims to make 2020 a year of 'Building Trust' among its members and the wider ESCO industry, attracting new members and ensuring that energy savings performance contracting (ESPCs) remains a cornerstone of the nationwide transition toward a more resilient built environment.

### Executive Q&A: George Sakellaris, Ameresco

With more than 30 years of experience in the energy and energy efficiency sectors, Mr. George Sakellaris - Chief Executive Officer and Chairman of the Board of Directors of NAESCO member company Ameresco, Inc – is widely regarded as one of the "founding fathers" of the modern energy service company industry (ESCO).

Recently, Mr. Sakellaris took part in NAESCO's new Member Spotlight series, where he shared his reflections on the maturation of the ESCO market, his insights on leadership and his thoughts on what the future has in store for the energy efficiency industry.

## Read more here

## McClure Company Partners with Local School District to Improve Educational Programs, Reduce Energy Costs

McClure Company, a <u>NAESCO</u>-Accredited energy service company, is a fully integrated energy service, engineering, mechanical construction and maintenance organization dedicated to bringing energy-efficient solutions to communities.

The Elizabethtown Area School District (Elizabethtown, PA) is one such community with whom McClure Company is proud to be partnered. As part of Pennsylvania's Guaranteed Energy Savings Act 2016-163 (GESA), the district partnered with McClure Company to achieve its energy efficiency improvement objectives, which included updates to lighting systems, HVAC systems, electrical systems and the buildings themselves. Together, these energy conservation measures are expected to generate nearly \$400,000 in annual savings over the course of the facility renewal program. To further emphasize energy conscious design, the project also included a ground mounted solar photovoltaic (PV) system.

#### Read more here

## NAESCO ACCREDITATION NEWS

NAESCO accreditation has become a critical element in the ESCO selection process for many state and local governments. In this regard, we have been actively working to promote the accreditation program to customers as well as the energy efficiency industry.



We are pleased to announce the results of the Spring 2020 Accreditation Round. The Brewer-Garrett Company, CEG Solutions, Harshaw Trane, McClure Company, Performance Services and Schneider Electric were all re-accredited as ESCOs. Energy Systems Group was re-accredited as an Energy Service Provider (ESP) and Honeywell was newly accredited as an ESP. Click for more information about NAESCO Accreditation.

## FEATURED MEMBER PRODUCTS AND SERVICES

## IKIO Introduces Coloris RGBW Edge - Lit Panel Light



IKIO's Coloris RGBW LIT PANEL LIGHT offers multi-colored LEDs for your ambience. The LED and flat panel combination provides greater efficiency while you enjoy evenly distributed flicker-free light. Its thin and lightweight edge-lit design makes it easily fit into drop ceilings. These UL Listed CCT Tunable Panel Lights are excellent alternatives to traditional fluorescent lighting systems. It gives you various color options – Red, Green, Blue, Warm White or Cool White – that you can control with the flick of a switch.

### Salient Features:

- Multiple CCT options
- 80+ CRI for crisp colors
- No shadows or dark spots
- Evenly distributed flicker-free light
- High energy cost savings of up to 80%
- Remote / App Compatible
- Efficacy of 130 lm/W

www.ikioledlighting.com

## **UPCOMING EVENTS**

- A Conversation with Public Facility Executives August 18-20, 2020
- Southeast Regional Meeting -- Virtual (members only) September 22, 2020
- Sustainable Energy as a Service Webinar September 21
- GUV Disinfecting Solutions October 19
- Renovate Retrofit Reduce Conference and Show -- POSTPONED UNTIL 2021
   see the Events page for more details
- Upcoming <u>eProject Builder Trainings</u> hosted by the Lawrence Berkeley National Laboratory

## PROVIDING SUPPORT THROUGHOUT THE YEAR!

**Platinum** 









Gold







Silver











Visit our Website