



Council of Energy Resource Tribes

# Energy Efficiency in Tribal Communities

**Maximizing Your Potential  
with  
Energy Savings Performance  
Contracting**

**May 9, 2005**

**Honeywell**



# Information Included

- Concept
- Pre-Qualifying Your Facilities
- Project Development Process



# Concept

- A single firm provides turnkey improvements (facility, infrastructure, HVAC, water/wastewater) for you.
- They guarantee outcomes for you in terms of --
  - First cost
  - Life-cycle operating cost
  - Operating cost savings (energy, maintenance & repairs, etc.)
  - Occupant comfort
  - Improved indoor air quality
  - Improved equipment reliability



## Concept (cont.)

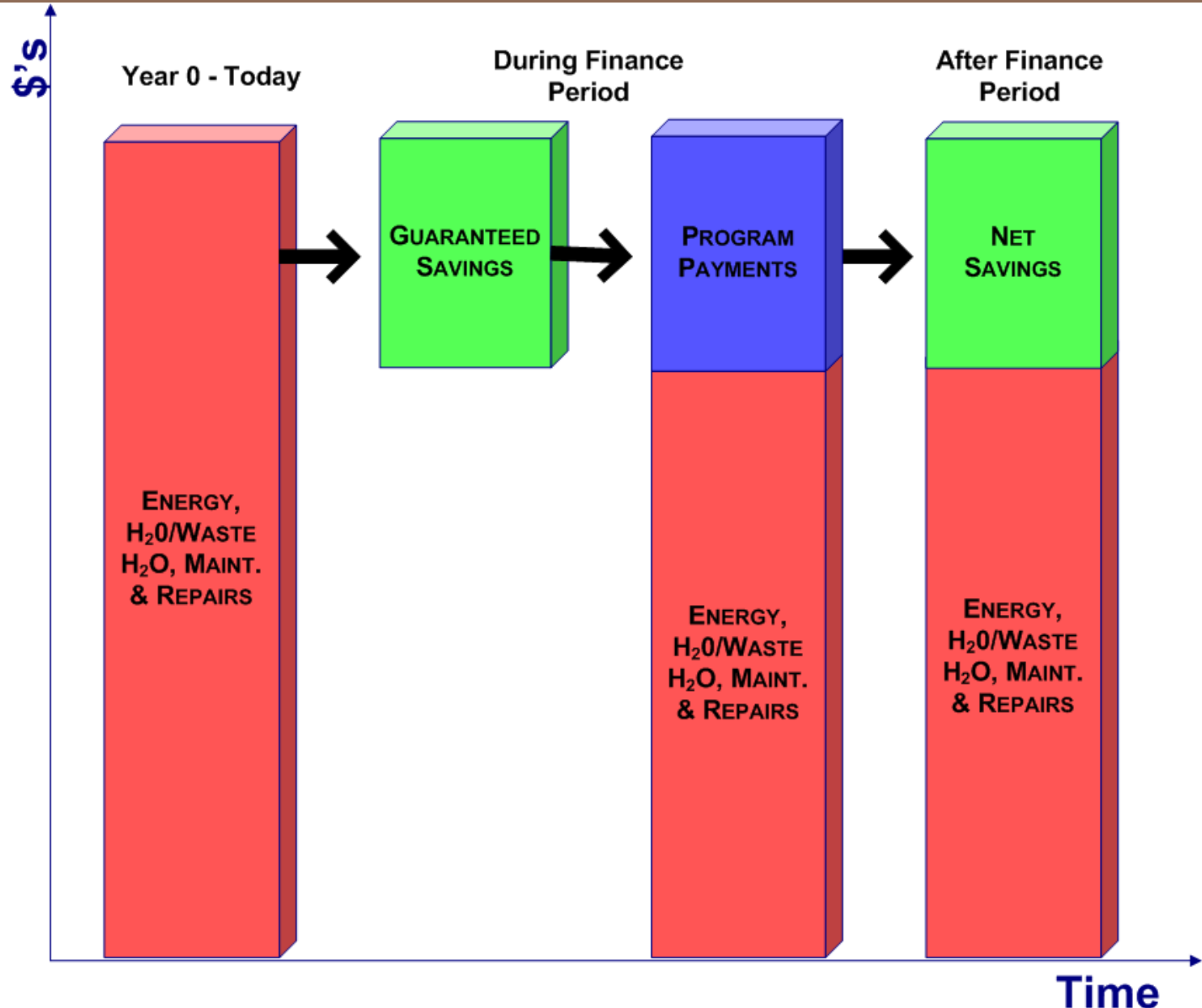
- Properly done, turnkey efforts are collaborative and include --
    - Needs assessment,
    - Planning,
    - Design,
    - Implementation &
    - Guaranteed performance.
- Life-cycle approach*



## Concept (cont.)

- Holistic approach creates total cost of operations savings --
  - Both sides of the utility meter (supply & demand)
  - Energy
  - Water/wastewater
  - Waste stream
  - Maintenance/repairs

If capital funding is an issue, a “pay from savings” financial can be used to reduce or eliminate the need for capital funding.





## Concept (cont.)

- The turnkey approach, combined with outcomes-based performance guarantees, **eliminates your technical, operational & financial risks** .
- Not a new concept. Pioneered by Honeywell in late 1970's.



# Pre-Qualifying Your Facilities

- Energy Services Companies/ESCOs need critical mass (= large enough project) to be a cost-effective solution for you...
- Public Housing
  - 300+ units
  - Water > \$2.50/1,000 gallons
  - Sewer > \$2.50/1,000 gallons

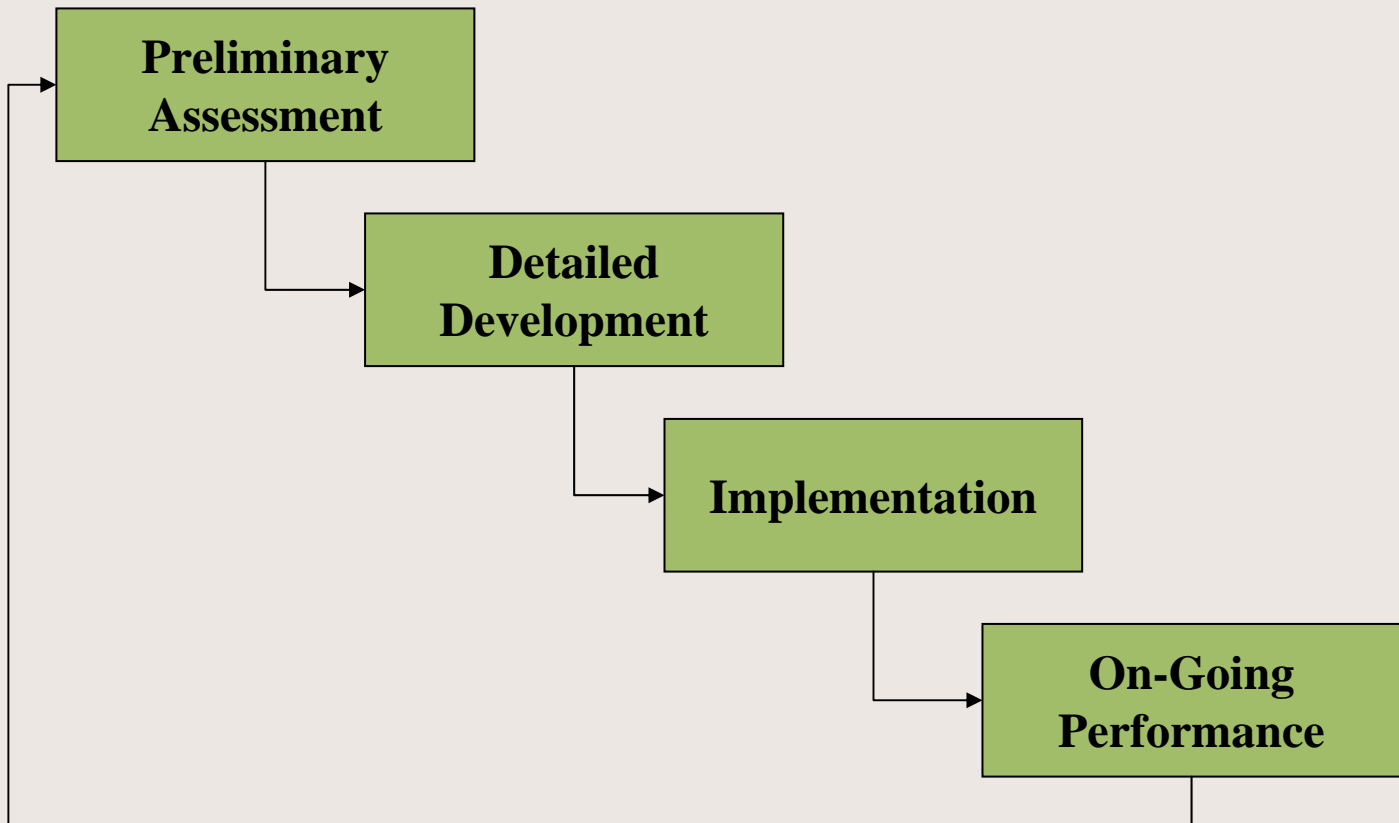


## Pre-Qualifying Your Facilities (cont.)

- Schools
  - Annual energy spend  $\geq$  \$100,000
  - Annual spend on mechanical/electrical maintenance/repair “band aids”  $\geq$  \$25,000
- Casinos
  - Annual energy spend  $\geq$  \$100,000
  - Annual spend on mechanical/electrical maintenance/repair “band aids”  $\geq$  \$25,000



# Project Development Process





# Preliminary Assessment

*(no financial obligation by client)*

- Collaborative definition of desired outcomes
- Alignment with all involved parties in client organization
- Preliminary assessment of needs, opportunities & potential solutions (your team + ours)
  - Data gathering
  - Site survey(s)
  - Interviews
- Preliminary financial modeling
- Joint determination if moving forward is appropriate

# Detailed Development

*(contingent fee obligation by client)*

- Collaborative refinement definition of desired outcomes
- Alignment with all involved parties in client organization
- Data gathering (interviews, field surveys, etc.)
- Modeling & design
- Alignment meetings
  - Implementation scope
  - Performance impact
  - Measurement & verification approach
  - On-going support scope
- Negotiation for implementation & support agreement



# Implementation

- Construction coordination kick-off
- Regular construction meetings
- Training
- Commissioning
- Measurement & verification of savings & system performance
- Transition to operations



# On-Going Performance

- Kick-off alignment meeting
  - Measurement & verification
  - Consultative interaction
  - Service & operations
- Regular updates for
  - Operations
  - Executive management
- Annual consultation for planning, etc.



# Questions???

---



**Thanks for your interest!!!**

Gary Bergard  
Manager of Business Development  
303-442-5700  
gary.berngard@honeywell.com

**Honeywell**