

ENERGY PERFORMANCE CONTRACTING

In 2014, the Michigan Energy Office joined a U.S. Department of Energy challenge for state and local governments to increase public investment in building energy efficiency through energy performance contracting. Performance contracts typically achieve results through comprehensive strategies and ongoing measurement and verification of energy savings during the contract period. The selected contractor agrees to achieve a level of annual energy savings and, if not achieved, will reimburse the building owner the difference. With a focus on municipalities and public schools, Michigan is working with the Performance Contracting Accelerator to develop better tools, a streamlined process and local examples of projects that can significantly reduce energy waste and costs for building owners, invest in public infrastructure and create more energy-related jobs in our communities.

Energy Services Coalition – Michigan Chapter is a public/private partnership formed to educate and remove barriers to using energy performance contracting in municipalities, schools and health care facilities. Membership is open to individuals representing customer groups, contractors, consultants, equipment vendors and Energy Services Companies (ESCOs). The Chapter offers information via monthly conference calls, meeting presentations and an annual awards event to highlight the benefits and recognize the successes of energy performance contracting projects in Michigan.

Public Act 625 of 2012 builds on previous enabling legislation to encourage the use of energy saving performance contracts (EPCs) by state and local government units. The Act designates the Michigan Department of Technology, Management & Budget (DTMB) as lead state agency in developing and promoting EPCs in governmental units by assembling a list of qualified energy service providers, developing a standardized process and standardized documents. The

Act also enables DTMB to charge fees for administrative support/technical assistance from the governmental units that use its services; and outlines cost-savings measures that can be implemented, including the maximum timeframe by which a measure must demonstrate cost-effectiveness.

CONTACT INFORMATION

For more information contact the MEDC Customer Contact Center at 517.373.9808 to speak with a Michigan Energy Office associate.