



Energy Savings Performance Contracting

A Pathway to Sustainable Infrastructure

SEPTEMBER 18, 2025



Agenda

Current Challenges & Opportunities

An Energy Savings
Performance Contract Overview

Learning from Real ESPC Projects

Getting Started

What's Next



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Account Manager*



Current Challenges & Opportunities





Challenges

Deferred Maintenance
Aging Systems
Uncomfortable Classrooms
Unattractive Spaces
Critical Infrastructure Hazards
Rising Utility Costs
Tight Operational Budgets
Lack of Capital for Improvements



Opportunities

Less Burden for Building Management
More Comfortable, Attractive Spaces
Improved Staff and Visitor Attraction
More Resilient Facilities
Progress Towards Sustainability Goals
Lower Energy Expenses
Redeploy Funds to Support Mission-Critical Needs
Leverage Federal and Other Funds to Maximize Impact



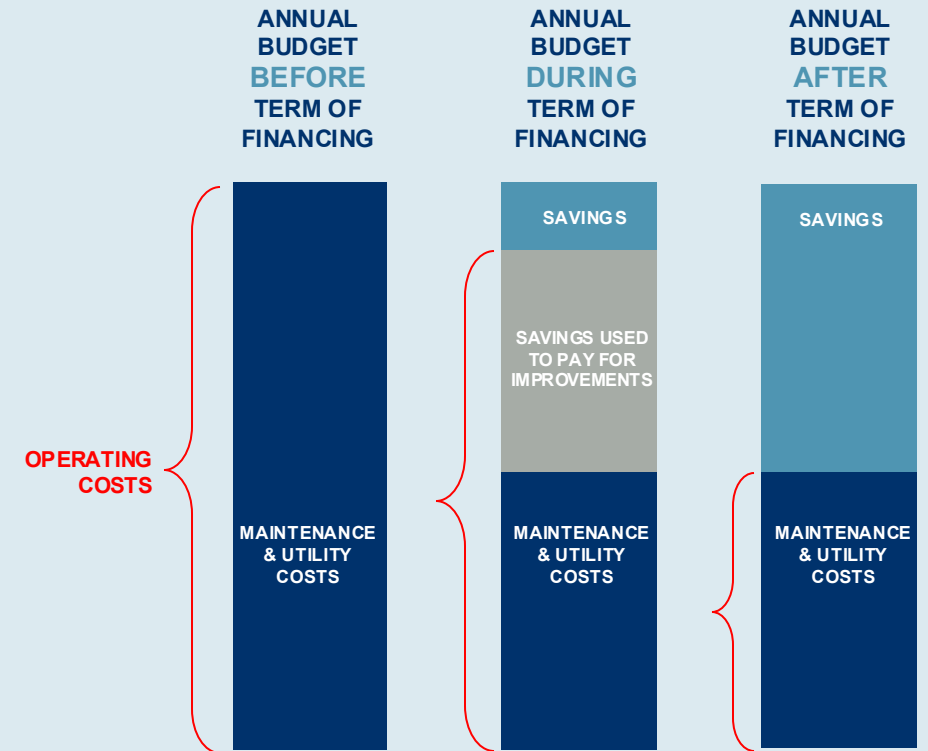


An Energy Savings Performance Contract (ESPC) Overview





What is an ESPC?



Organizations can pay for **today's building upgrades** with **tomorrow's guaranteed energy savings** with ESPC



What Industries Can Use ESPCs?



COMMERCIAL
REAL ESTATE



DATA CENTERS



GOVERNMENT



HEALTHCARE



HIGHER EDUCATION



K-12



INDUSTRIAL



HIGH-TECH



ESPC Improvements Can Include:



HVAC



Energy Efficient Lighting



Renewable Energy Systems



Chiller/Boiler Plants



Water and Sewer Conservation



Other Energy and Infrastructure Upgrades



Building Automation



Building Envelope



Battery Storage



How ESPCs Can Benefit Your Facility

Energy and Cost Savings

Implement energy efficient technologies to reduce energy use and utility bills, freeing up financial resources.

Financial and Operational Benefits

Undertake upgrades without upfront costs; ESCOs guarantee energy savings, reducing risks.

Improved Building Resiliency

Create contingency plans to ensure facilities continue to operate effectively in the face of emergencies.

Improved Indoor Environment

Enhance comfort and air quality with upgraded systems, better lighting, and more.

Reduce Maintenance Cost

Modernize infrastructure to reduce maintenance frequency and costs, extending equipment lifespan.

Sustainability and Environmental Impact

Lower energy consumption reduces carbon footprint and enhances the institution's sustainability reputation.

Five Phases of an ESPC



Paying for Your Project



ESPCS ARE USUALLY FINANCED AND REPAID USING
THE GUARANTEED ANNUAL ENERGY SAVINGS

OWNERS CAN ENERGIZE THEIR PROJECTS AND
MAXIMIZE OUTCOMES BY ADDING AVAILABLE FUNDS



Example Financing Options

Tax Exempt Lease
Bond
Loan
On-Bill Financing
Revolving Loan Fund

Example Funding Options

Capital Budget
Utility Rebates
Grants
Tax Incentives

Where to Look

Private Financier
Federal Government
State / Local Government
Green Bank
Utility

*With an ESPC, for every **\$1 leveraged** (from incentives, for example), **1.3 – 2.1x in scope** can be added to the project*



Learning from Real ESPC Projects



CASE STUDY

Georgia World Congress Center



CHALLENGE

- Aging Infrastructure
- Limited Capital Funding
- 100% Uptime Requirement

SOLUTION

- Energy Efficient LED Lighting
- High Efficiency Chillers
- High Efficiency Boilers
- Optimized Heating and Cooling Plant Controls
- High Efficiency Water Fixtures
- Retro-commissioning

RESULTS

- Reduced energy use by more than 39%
- Saved 20 million+ kWh of electricity and \$2.5 million+/yr
- Reduced natural gas by more than 240,000 therms a year
- Reduced water usage by 17 million gallons per year



Resource improvements advance **sustainability** and reliability



CASE STUDY



Northern Illinois University

CHALLENGE

- Ambitious Sustainability Goal of 50% Emissions Reduction by 2030
- Aging Buildings
- Financial Constraints

SOLUTION

- Energy Efficient LED Lighting
- Smart Building Controls
- High Efficiency Heating and Cooling Upgrades
- Thermal Energy Storage
- Solar PV
- EV Charging Stations
- Water Conservation
- Building Weatherization Improvements

RESULTS

- 26% reduction in energy consumption
- 11% reduction in emissions
- Student and Community Engagement
- Budget-Neutral Program (leverages federal, state, and utility incentives, in addition to energy and operational savings)



Savings and incentives empower campus **engagement** in sustainability.

CASE STUDY



Ozark School District

CHALLENGE

- Aging HVAC breakdowns prevented the use of the gym and auditorium.
- High energy costs—maintenance costs reached \$153,000 annually.
- Limited funding for upgrades needed across 12 buildings

SOLUTION

- Energy Efficient LED Lighting
- Solar PV
- Smart Building Controls
- HVAC System Replacement

RESULTS

- \$14.1M in comprehensive, energy-efficient upgrades
- \$98K in annual savings from solar panels at one elementary school
- Improved indoor air quality and comfort for students and staff



Facility upgrades boost **efficiency** and improve learning environments.



CASE STUDY



SC Department of Transportation

CHALLENGE

- High maintenance workload and limited upgrade funding
- Uncomfortable environment for occupants
- Inefficient heating/cooling from remote, aging central plant

SOLUTION

- LED Lighting Upgrade
- High Efficiency Chillers
- Boiler Upgrades
- Smart Building Controls
- Updated Air Handling System
- Building Management Systems

RESULTS

- Reduced building energy use by 41%
- 19% reduction in kWh and 85% reduction in therms
- Projected annual savings over \$258,500, with a guarantee of more than \$75,425 in operational cost savings.



Modernizing infrastructure delivers lasting **resilience** and savings.





Getting Started



ESPC Resources



U.S. DOE Better Buildings Program

[ESPC Toolkit](#)

- Considering ESPC?
- Implementing ESPC Projects
- Evaluating ESPC Results

[ESPC Financing Options](#)

U.S. DOE Performance Contracting National Resource Center (PCNRC)

[Hub for ESPC resources \(e.g., state legislation, on-demand trainings\)](#)

[DOE Qualified List of Energy Service Companies](#)

U.S. DOE Office of State and Community Energy Programs (SCEP)

[ESPC Campaign](#)

[Office of State and Community Energy Programs](#)

National Association of State Energy Officials

[Connect with your State Energy Office](#)

[Learn about Energy Financing](#)

National Association of Energy Service Companies

[Find Accredited Member Companies](#)

Georgia Environmental Finance Authority

[Information for State Agencies | Georgia Environmental Finance Authority](#)

[Prequalification List | Georgia Environmental Finance Authority](#)

The Department Of Energy's ESPC Campaign



Through U.S. Department of Energy (DOE) **technical assistance, peer knowledge sharing, and recognition**, the ESPC Campaign works with partners to:

- Expand and Enhance the use of performance contracting to increase efficiency, modernize public buildings, reduce utility expenses, increase resilience, and meet lead-by-example goals
- Share and Leverage Practical Resources to build ESPC knowledge across state and local government
- Amplify and Implement Best Practice Approaches for ESPC projects and programs
- Showcase Achievements and share examples of successful ESPC implementation
- Demonstrate Impact with measured and verified energy and cost savings



The **ESPC CAMPAIGN GOAL** is for participants to collectively achieve **\$1 BILLION** in measured and verified savings by 2030

CAMPAIGN RESOURCES:



TRAINING
SERIES



WEBINARS



OFFICE
HOURS



PEER EXCHANGE
SESSIONS



RESOURCE
LIBRARY



SUPPORTER
DIRECTORY



What's Next



Steps to Success



Do you have an active or upcoming ESPC project?

YES

NO

Visit the DOE
ESPC Campaign
Website and consider
becoming a Participant

Learn More
about ESPCs



[ESPC Campaign | Department of Energy](#)



[Using Energy Savings Performance Contracting for Infrastructure and Sustainability Improvements](#)



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Questions

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