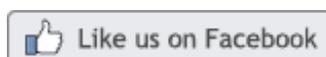




## Michigan ESC -- A Decade in Review

### Highlights of GESPC Successes from program to projects



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### 2019

**NOVEMBER 6, 2019** -- Five buildings in Michigan that used performance contracts to reduce energy waste were honored at the Energy Services Coalition -- Michigan Chapter's 9th annual awards ceremony in Lansing.

Baraga County and the Ecorse, Eastpointe, Flushing, and Mason County school districts were honored by the Michigan Energy Services Coalition as this year's leaders in energy efficiency for projects to upgrade heating, air conditioning, and lighting; and install a 1-megawatt solar array.

Together, the five projects represent a total investment of approximately \$13.37 million and projected to save over \$900,000 in energy costs per year over the lifespan of the improvements. Flushing Community Schools, for example, took a unique approach by combining energy efficiency and solar energy in a project that has resulted in an 80% reduction in its conventional power use. The \$3.2 million project also includes more than 4,000 LED lighting fixtures, stadium LED lighting, a Web-based building automation system, air cleaner systems, steam trap upgrades, and water efficiency.

In 2015, the Energy Services Coalition recognized the Michigan ESC Chapter's Annual Awards Program as a Best Practice and with support of the U.S. Department of Energy, included "Recognition" in an updated "10 Key Attributes for Guaranteed Energy Savings Performance Contracting (GESPC) Program Readiness." (The "10 Key Attributes" are preconditions for developing and maintaining statewide GESPC program success.)

Since 2011, Michigan local governments, state government, counties, K-12 schools, universities, hospitals, and others have invested more than \$240 million through performance contracts, resulting in annual energy cost savings of over \$16 million.

### 2018

**NOVEMBER 8, 2018** --- The Michigan ESC Chapter held its 8th annual awards program and among the honorees was Romulus Community School District for the completion of a

GESPC project with Honeywell. The Energy Services Coalition gave the school district an award for generating \$334,000 in annual energy savings. The project utilized energy conservation bonds, which allowed the district to borrow funding over 15 years.

"Without costing taxpayers a dime, we've made our district significantly more energy efficient," said School Supt. Marjie McAnally. "We are very proud of the fact that district-wide upgrades also resulted in \$149,877 in annual operational savings."

"We knew we had to do something to change the trajectory of our growing energy costs in our district," said Bill Garland, the district's manager of maintenance. "We couldn't go on just temporarily fixing things."

**SEPTEMBER 25, 2018** -- The Marquette City Commission received an update from Johnson Controls regarding the city's \$28 million GESPC. The project is expected to save the city \$42 million over 20 years. The city approved the GESPC in August 2017 which includes upgrades at 22 traffic intersections, replacing 3,300 water meters with a "smart city" advanced metering infrastructure system; renovations to city hall, LED lights on 2,500 street lights and 125 bike path lights, an electrical co-generation plant at the wastewater treatment plant, numerous building envelope, lighting and HVAC improvements, and completing the Lakeview Arena's ice system replacement. The extensive project has created 37 full-time jobs and over 78,000 hours worth of local labor with prevailing wages. A loan through Bank of America is funding the upgrades; however, the loan doesn't register as debt due to state laws enacted two years ago that allows local governments to use tax-exempt lease purchase, or TELP, agreements to finance energy conservation improvements. The work is anticipated to be completed by March 2019 and the city will payoff the cost over 20 years at an interest rate of 2.84 percent. The project will reduce utility costs from \$1.1 million to \$593,000 annually.

## 2017

**NOVEMBER 1, 2017** -- In recognition of significant energy efficiency investment and demonstrated energy cost savings at facilities throughout the state, Energy Services Coalition - Michigan Chapter (ESC) announced six recipients of the Leaders in Energy Efficiency award. The honorees at the ESC's 7th Annual Awards event included Branch County, City of Grand Rapids, Monroe County Community College, Oakland University, Parchment School District and St. Ignace Area Schools.

Collectively, this year's recipients invested over \$39.5 million in energy efficiency improvements through performance contracting. These investments will be recouped over time from the energy savings. The 2017 awardees are saving a combined \$2.1 million in energy annually. In the period of 2011-2017, the ESC Michigan Chapter Awards program has recognized recipients for a total of \$152.7 million in energy efficiency and renewable energy investments that have resulted in \$9.5 million in annual energy cost savings.

**AUGUST 18, 2017** -- The Gerald R. Ford Presidential Museum in Grand Rapids has installed 720 new solar panel modules. The museum says the solar panels are expected to reduce annual energy costs by some \$23,000 - offsetting 19 percent of its energy bill. The projected is funded under a GESPC with the work being undertaken by Honeywell International.

## 2016

**AUGUST 6, 2016** -- A new law, which provides local governments with flexible financing plans to conserve energy, is expected to make energy performance contracts more commonplace and affordable. House Bills 4990-4994, now Public Acts 119-123 of 2016,

was signed by Michigan Gov. Rick Snyder on May 19. Under the law, effective August 17, local governments - which include cities, counties, townships and village councils and governing bodies - can enter into a financing arrangement known as a Tax-Exempt Lease Purchase (TELP). TELPs are not considered debt for local governments, making energy performance contracts more attractive.

## 2015

**NOVEMBER 9, 2015** -- In recognition of significant energy waste reduction investments and proven energy cost savings at facilities throughout the state, the Energy Service Coalition-Michigan Chapter announced five recipients of its annual Leaders in Efficiency award. The honorees at the Energy Service Coalition Fifth Annual Awards event included the City of Roseville; the Michigan Agency for Energy Michigan Public Service Commission; Monroe Metropolitan Wastewater Facility; the Village of Grosse Pointe Shores; and Wayne State University. Click on the photo below to play the video of the 2015 award ceremony.



2015 Awards Highlights

**SEPTEMBER 27, 2015** --The City of Grand Rapids has completed the first phase of an ESPC at its Waste Water Treatment Facility. The project will save \$2.2 million in energy costs over the next 15 years. It also is contributing to broader City sustainability targets like reducing carbon emissions by 10,000 metric tons and increasing energy efficiency and conservation at City facilities by 10%.

**AUGUST 10, 2015** -- The Michigan ESC Chapter Awards program was recognized by the ESC as an outstanding chapter activity and included as a Key Attribute for Program Readiness. The Key Attributes acknowledge a recognition/award program as a powerful strategy that reinforces the importance and benefits of saving energy in public facilities. High-profile success can help GESPC gain acceptance and encourage others to take similar action.

## 2014

**APRIL 14, 2014** -- The City of Battle Creek is implementing a \$2.7 million GESPC at its Kellogg Arena facility. Some of the upgrades and energy conservation measures underway include LED exterior lighting retrofit, instituting water conservation measures, enhancing building envelop and replacing windows. The City also has completed an GESPC at Full Blast Recreation Department.

## 2013

**AUGUST 2 2013** -- Alpena County has entered into a \$1.6 million Energy Savings Performance Contract that is expected to the save the county more than \$100,000 in annual energy and operational savings through numerous energy efficiency and critical infrastructure improvements throughout County-owned buildings and facilities.

## 2012

**DECEMBER 14, 2012** -- A bill that would allow a governmental unit to enter into an energy performance contract to produce savings in utility or operation and maintenance costs has cleared the Senate Energy and Technology Committee. Under the bill, the Department of Technology, Management and Budget would become the lead agency for the development and promotion of a program of energy performance contracts in governmental units.

**DECEMBER 9, 2012** -- The Cost-Effective Government Energy Use Act (H.B. 5727) spells out an ESPC program for Michigan that is modeled after the ESC's Best Practices.

## 2011

**NOVEMBER, 2011** -- The Michigan ESC Chapter launched in 2010 and in 2011 held its first awards luncheon.