SECTION/PROVISION CHANGES

PART I — THE SCHEDULE

SECTION B — SUPPLIES OR SERVICES AND PRICES/COSTS

B.4 FAR 52.216-18 (MODIFIED) ORDERING (OCT 1995)

SECTION C — DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 GENERAL REQUIREMENTS/PROJECT SCOPE

C.2.1 TYPES OF ENERGY CONSERVATION MEASURES

C.2.3 CONTRACT REQUIREMENTS FOR ECMS

C.4.2 M&V SUBMITTALS DURING DELIVERY ORDER DEVELOPMENT AND POST AWARD

C.5.4 ECM COMMISSIONING

C.6 OPERATION OF ECMS

C.7 PREVENTATIVE MAINTENANCE OF ECMS

C.8 REPAIR OF ECMS

C.12 UTILITY OR SYSTEM BENEFIT FUND ENERGY EFFICIENCY/RENEWABLE PROJECT FINANCIAL INCENTIVES

SECTION E – INSPECTION AND ACCEPTANCE

E. 2 ACCEPTANCE

SECTION F — DELIVERIES OR PERFORMANCE

F.1.1 CONTRACT TERM

SECTION G — CONTRACT ADMINISTRATION DATA

G.1 CONTRACT ADMINISTRATION FOR THE GOVERNMENT

G.3 INVOICE SUBMITTALS FOR DELIVERY ORDER PROJECTS

G.4 PAYMENT TO THE GOVERNMENT FOR ANNUAL GUARANTEED SAVINGS SHORTFALL

SECTION H — SPECIAL CONTRACT REQUIREMENTS

H.1 CONFIDENTIALITY OF INFORMATION (APR 1984)

H.2 REPRESENTIONS, CERTIFICATIONS AND OTHER STATEMENTS OF THE OFFEROR

H.3 TECHNICAL DIRECTION (JAN 1990)

H.4 MODIFICATION AUTHORITY (APR 1984)

H.5 GOVERNMENT PROPERTY AND DATA (MODIFIED)(JAN 1992)

H.6 GOVERNMENT PROPERTY REGULATIONS

H.7 RESPONSIBILITY FOR LOSS OR DAMAGE TO CONTRACTOR PROPERTY

H.8 SUBCONTRACTS (MODIFIED) (SEP 1996)

H.9 ADDITIONAL DELIVERY ORDERCLAUSES FOR WORK ON DEPARTMENT OF ENERGY (DOE) FACILITIES HAVING CLASSIFIED INFORMATION

H.10 USE OF NON-FEDERAL PERSONNEL IN EVALUTIONS

H.11 FLOWDOWN OF SAFETY AND HEALTH CLAUSE (JAN 1993)

H.12 QUALITY ASSURANCE SYSTEM (DEC 1995)

H.13 WAGE DETERMINATIONS AND DAVIS BACON WAGE RATES

H.14 LIQUIDATED DAMAGES

H.15 TITLE TO AND RESPONSIBILITY FOR CONTRACTOR-INSTALLED EQUIPMENT

H.16 REQUIRED INSURANCE

H.17 NOTICE OF PAYMENT AND PERFORMANCE BOND REQUIREMENTS

H.18 PROTECTION OF FINANCIER'S INTEREST

H.19 ADDITIONAL OR DIFFERENCE CLAUSES AND PROVISIONS FOR DELIVERY ORDERS AND DELIVERY ORDER REQUEST FOR PROPOSAL

H.20 PROCEDURES FOR AWARDING DELIVERY ORDERS

H.21 REQUIREMENTS FOR INITIAL PROPOSAL CONTENTS FOR DELIVERY ORDER ECM PROJECTS

H.22 REVIEW OF INITIAL PROPOSALS FOR DELIVERY ORDER ECM PROJECTS

H.24 REQUIREMENTS FOR FINAL PROPOSAL CONTENTS FOR DELIVERY ORDER ECM PROJECTS

H.25 PROPOSAL EVALUATION AND AWARD FACTORS

H.26 PREAWARD REQUIREMENTS

H.27 REQUIREMENTS FOR COMPETITIVE FINANCING ACQUISITION

PART II — CONTRACT CLAUSES

SECTION I — CONTRACT CLAUSES

52.225-9 Buy American Act – Construction Materials (May 2002)

52,225-11 Buy American Act - Construction Material Under Trade Agreements (July 2002)

PART III — LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J — LIST OF ATTACHMENTS

ATTACHMENT 1 — DEFINITIONS OF TERMS APPLICABLE TO THIS CONTRACT

ATTACHMENT 2 — SCHEDULES OF SUBMITTALS FOR DELIVERY ORDERS

ATTACHMENT 3 — NEGOTIATED CONTRACT B-1 SCHEDULE

ATTACHMENT 4 — REVISED SCHEDULES DO-2 AND DO-4

ATTACHMENT 5 — RISK/RESPONSIBILITY MATRIX

ATTACHMENT 7 — M&V PLAN AND REPORTING OUTLINES

ATTACHMENT 8 - DESCRIPTION OF DELIVERY ORDER (DO) SCHEDULES AND PLACEMENT OF PRICING INFORMATION

ATTACHMENT 9 - INVESTOR DEAL SUMMARY TEMPLATE

ATTACHMENT 10 – STANDARD FINANCE OFFER TEMPLATE

PART I — THE SCHEDULE

SECTION B — SUPPLIES OR SERVICES AND PRICES/COSTS

B.4 FAR 52.216-18 (MODIFIED) ORDERING (OCT 1995)

Delivery Orders under this Contract may be issued beginning on November 1, 2004. The Ordering period terminates on September 30, 2006. ESPC reauthorization authority, as provided in the Public Law 108-375 Section 1090, dated October 28, 2004, unless extended by Congress.

SECTION C – DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 GENERAL REQUIREMENTS/PROJECT SCOPE

This Contract is to acquire under an energy savings performance, indefinite delivery/indefinite quantity (IDIQ) contract energy conservation services for the DOE region identified in **Section B.1**, to reduce energy, water consumption and associated utility costs, and energy-related operations and maintenance costs as specified in each Delivery Order issued against this contract. The Contractor shall be responsible for providing all labor, material, and capital to install energy and water conservation projects and provide operations and maintenance as specified in each Delivery Order. The cost of an Energy Conservation Measure (ECM) project must be covered by the reduced energy and related operation and maintenance cost savings incurred at the Federally-owned facility. The energy cost savings must be verified annually.

The scope of the Contract includes all Federally-owned facilities located in the region defined in **Section B.1** . The Contract may be used by authorized Federal agencies to acquire Energy Conservation Measures in accordance with the ordering procedures found at **Sections H.20 through H.26** of this Contract.

C.2 ENERGY CONSERVATION MEASURES (ECMs)

C.2.1 Types of Energy Conservation Measures (See Attachment 3 – Table B-1 for markup information)

This Contract and its Delivery Orders require the Contractor to possess the capability to implement ECMs that include one or more of the following energy efficiency or renewable energy technology categories:

1. Boiler Plant Improvements, such as, but not limited to
   - boiler control improvements
   - upgrade of natural-gas-fired boilers with new controls

2. Chiller Plant Improvements, such as, but not limited to
   - chiller retrofits or replacements

3. Building Automation Systems / Energy Management Control Systems (EMCS), such as, but not limited to
   - HVAC upgrade from pneumatics to Direct Digital Control
   - Upgrade or replacement of existing EMCS systems

4. Heating, Ventilating, and Air Conditioning (HVAC, not including boilers, chillers, and BAS/EMCS) such as, but not limited to
   - packaged air conditioning unit replacements
   - HVAC damper and controller repair or replacement
   - replacement of air conditioning and heating units with heat pumps
   - window air conditioning replacement with high efficiency units
   - cooling tower retrofits or replacements
   - economizer installation
   - fans and pump replacement or impeller trimming
   - thermal energy storage
   - variable air volume (VAV) retrofit

5. Lighting Improvements, such as, but not limited to
   - interior and exterior lighting replacements
   - lighting control improvements
   - occupancy sensors installation
   - LED exit sign installation
   - daylighting

6. Building Envelope Modifications, such as, but not limited to
   - insulation installation
   - weatherization
   - window replacement
   - reflective solar window tinting

7. Chilled Water, Hot Water, and Steam Distribution Systems, such as, but not limited to
   - piping insulation installation
   - hot water heater repair and replacement
   - steam trap repair and replacement

8. Electric Motors and Drives, such as, but not limited to
   - motor replacement with high efficiency motors
   - variable speed motors or drives

9. Refrigeration, such as, but not limited to
   - replacement of ice/refrigeration equipment with high efficiency units

10. Distributed Generation such as, but not limited to
    - cogeneration systems installation
    - microturbines installation
    - fuel cells installation

11. Renewable Energy Systems, such as, but not limited to
    - photovoltaic system installation
    - solar hot water system installation
    - wind energy system installation
    - passive solar heating installation
    - alternatively fueled vehicle refueling station installation

12. Energy/Utility Distribution Systems, such as, but not limited to
    - transformers installation
    - power quality upgrades
    - power factor correction
    - gas distribution systems installation

13. Water and Sewer Conservation Systems, such as, but not limited to
    - installation of low-flow showerheads
    - installation of low-flow plumbing equipment
    - installation of water efficient irrigation
    - installation of on-site sewer treatment systems

14. Electrical Peak Shaving/Load Shifting, such as, but not limited to
    - thermal energy storage
    - gas cooling

15. Energy Cost Reduction Through Rate Adjustments, such as, but not limited to
    - recommendations for change to more favorable rate schedule
    - recommendations for Government negotiation of lower rates, same supplier
    - recommendations for lower energy cost supplier(s) (where applicable)
    - energy service billing and meter auditing recommendations

16. Energy Related Process Improvements, such as, but not limited to
    - production and/or manufacturing improvements
    - recycling and other waste stream reductions

17. Commissioning, such as but not limited to
    - retro-commissioning services
    - continuous commissioning services

18. Miscellaneous

19. Proposal Development Energy Surveys, such as, but not limited to
    - detailed energy surveys
    - feasibility studies

C.2.3 Contract Requirements for ECMs

(a) Installed ECMs shall comply with the Contract Requirements, and/or with the requirements of each Delivery Order. Contract Requirements also incorporate all Government-approved Contractor submittals, including equipment design; installation specifications; the Design and Construction Package(s); Commissioning Plan; compliance with codes and standards; design drawings; installation schedules; startup and testing procedures; operation and maintenance procedures; and any other submittals required by Delivery Orders issued against the Contract.

(b) The Contractor may elect to modify, replace, or change the ECM systems and equipment during the term of the Delivery Order from those originally approved. However, any proposed ECM modification, replacement, or change shall require notification and coordination with and approval of the Agency Contracting Officer. Any such ECM modification, replacement, or change of systems or equipment shall be performed by the Contractor at no cost to the Government and shall not interfere with Government operations and mission.

C.4.2 M&V Submittals During Delivery Order Development and Post Award

(a) The Contractor shall prepare and submit a general measurement and verification (M&V) approach with its Initial Proposal, identifying the M&V options and methods to determine a site-specific pre-installation baseline and post-installation ECM performance for each proposed ECM.

(b) The Contractor shall prepare and submit a site-specific M&V Plan with its Final Proposal per requirements in **Section H.24.1 (b), Attachment 7** of this Contract. This site-specific M&V plan shall include a schedule indicating M&V activities and post-award M&V reporting milestones for each ECM. The approval of this Post-Installation Report shall constitute Government Acceptance of the energy savings performance guarantee.

(c) The Contractor shall prepare and submit a Post-Installation Report to the Government (**Attachment 2, Item 15**) pursuant to the Post-Installation Reporting Requirements and Submittals **(Attachment 7)** verifying that installed ECMs demonstrate the guaranteed annual energy, energy-related, and water cost savings specified in the awarded Delivery Order. The approval by the Government of this Post-Installation Report shall constitute Government Acceptance of the Contractor's energy savings performance guarantee.

(d) The Contractor shall prepare and submit an Annual Measurement and Verification Report to the Government **Attachment 2, Item 17** pursuant to **Attachment 7** including data and calculations that demonstrate that continued ECM performance achieves the guaranteed annual energy, energy-related, and water cost savings as required by the Delivery Order.

C.5.4 ECM Commissioning

The Contractor shall assure the Government through the ECM Commissioning that the ECMs performance achieves facility performance requirements as set out in the Delivery Order. The ECM Commissioning shall be accomplished through a process of verification and documentation, from the post-award design phase to Acceptance.

C.5.4.1 ECM Commissioning Approach - The Contractor shall submit in it's Final Proposal a severable ECM Commissioning Approach document that utilizes data and factors derived from the Detailed Energy Survey, needed to achieve facility performance requirements in accordance with the Delivery Order contract.

C.5.4.2 ECM Commissioning Plan - The Contractor shall provide a Commissioning Plan **Attachment 2, Item 8** that finalizes the Commissioning Approach and addresses each ECM with specific steps that will be taken during the commissioning process.

C.5.4.3 ECM Commissioning Report - The Contractor shall submit a Commissioning Report documenting the ECM's affect upon facility performance requirements in accordance with the Commissioning Plan **(Attachment 2, Item 14**). The approval of this ECM Commissioning Report by the Government shall constitute Acceptance of the Contractor's achievement of facility performance requirements.

C.6 OPERATION OF ECMs

C.6.1 The Contractor shall be responsible for operation of all Installed ECMs. The operations work effort for Installed ECMs shall include operations tasks at specific stations, continuous or periodic equipment monitoring, and minor on-line equipment adjustments required to achieve all facility and energy conservation performance requirements of the Delivery Order.

C.6.2 When the implementation of an Installed ECM results in a change in an existing operations work procedure, the Contractor shall prepare a new written operations work procedure for approval by the Agency Contracting Officer.

C.6.3 Operations of ECMs may be assumed by the Government through a determination by the Agency Contracting Officer. In such cases the Government will operate and maintain the ECM in accordance with the Contractor-provided work procedures. If the Government fails to operate an ECM pursuant to the Contractor-provided work procedures, the Government will compensate the Contractor for losses directly attributable to that action.

C.6.4 The Contractor shall maintain adequate and necessary records which will be made available during the annual M&V review. Said records will contain at a minimum the ECM affected, initial date of incident, date repair and/or replacement implemented, and description of activities performed and be included in the annual ECM report **(Attachment 2, Item 17)**.

C.7 PREVENTATIVE MAINTENANCE OF ECMs

C.7.1 Preventive maintenance work includes periodic equipment inspections, tests, calibrations, and preventive maintenance tasks and actions required to ensure that systems operate as intended. The Contractor shall be responsible for preventive maintenance of all Installed ECMs, unless this activity is assumed by the Government, in writing, by the Agency Contracting Officer.

C.7.2 The Contractor shall prepare a written preventive maintenance work procedure for each Installed ECMs. The Contractor shall train Government personnel in the new approved preventive maintenance work procedures.

C.7.3 If the Government assumes preventive maintenance work, the equipment shall be maintained in accordance with the preventive maintenance work procedures and checklists provided by the Contractor and approved by the Agency Contracting Officer. If the Government fails to perform preventive maintenance per Contractor-provided preventive maintenance procedures and checklists, and the performance of the Installed ECMs is adversely affected, (including manufacturer equipment warranties) the Government will compensate the Contractor for the losses directly attributable to that action.

C.8 REPAIR OF ECMs

C.8.1 The Contractor shall be responsible for the repair and replacement of all Installed ECMs unless otherwise negotiated by the Agency Contracting Officer.

C.8.2 Repair of ECMs includes all material and equipment associated with the replacement or rebuilding of facilities, systems, and/or equipment that have failed and/or to be in a condition of diminished ECM performance as determined by the Contractor, and concurred to by the Agency Contracting Officer.

C.8.3 If equipment failure or damage is a result of Government negligence, the Government will provide repair or replacement. If repaired or replaced by the Contractor as directed by the Government, the Government will reimburse the Contractor for losses attributable to that negligence.

If equipment failure or damage is a result of Contractor negligence, the Contractor will provide repair or replacement at its expense, or if repaired or replaced at Government expense, will reimburse the Government for losses attributable to that negligence.

C.8.4 If determined appropriate by the Agency Contracting Officer, a Delivery Order under this Contract may provide for the establishment of an escrow account by the Contractor which can accumulate Contract payments to be used by the Contractor for the repair and replacement of equipment installed under the Delivery Order. The Delivery Order shall set out how unused funds in the account will be dispersed at the end of the contract term. Any escrow account so established shall be in accord with federal fiscal law and not alter the rights and responsibilities of the Parties as set out in this Section.

C.12 UTILITY OR SYSTEM BENEFIT FUND ENERGY EFFICIENCY/RENEWABLE PROJECT FINANCIAL INCENTIVES

The Contractor shall be responsible for determining the source, value, and availability of any applicable financial incentives to the project offered by the local utility serving the facility and/or the state in which the facility is located, and if the value of the incentives exceeds the administrative costs to be incurred by the Contractor or the Government in acquiring such incentives.

The Contractor shall be responsible for coordinating with the Agency Contracting Officer as to the preparation of any and all documentation required to apply for any such applicable financial incentives and to effectively apply such incentives to the project.

SECTION E – INSPECTION AND ACCEPTANCE

E.2 ACCEPTANCE

E.2.1 Execution by the Agency Contracting Officer of a Delivery Order under this Contract constitutes acceptance of the Final Proposal as offered by the Contractor.

E.2.2 Government Acceptance, for purpose of payment under Section G.3 occurs when the following approvals are completed: approval by the Agency Contracting Officer of the Contractors Post-Installation Report (**Section C.4.2(c)**) and the approval by the Agency Contracting Officer of Contractor's ECM Commissioning Report (**Section C.5.4.3**), and the project inspection and acceptance is obtained pursuant to **Section E.4**.

SECTION F — DELIVERIES OR PERFORMANCE

F.1.1 Contract Term

The Contract Term shall consist of a performance period not to exceed twenty-five (25) years from date of Delivery Order award, but with a limitation on the ordering period for placement of Delivery Orders, beginning on October 28, 2004 through September 30, 2006.

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 CONTRACT ADMINISTRATION FOR THE GOVERNMENT

(a) ADMINISTRATION OF THE CONTRACT: Administration of this Contract shall be accomplished by the Department of Energy's Golden Field Office and the DOE *[insert]* Regional Office. The following individuals in these offices are responsible for that administration as follows:

1. DOE Contracting Officer: The Contracting Officer for this Contract is Joyce L. Ziesler, telephone no.: (303) 275-4725; fax no.: (303) 275-4788. E-mail: Joyce.ziesler@go.doe.gov. The Contractor shall use the DOE Contracting Officer as the focal point for all matters regarding this Contract except technical matters.

2. DOE Contracting Officer's Representative (COR): The Contract COR for projects in the DOE *[insert]* Region is [insert], telephone no.: (XXX) XXX-XXXX; fax no.: (XXX) XXX-XXXX; e-mail: [insert]. The Contractor shall use the COR as the focal point for all technical matters ONLY.

G.3 INVOICE SUBMITTALS FOR DELIVERY ORDER PROJECTS

(a) Payments will commence when all ECMs have been installed and Acceptance by the Government is obtained as required under Section E.

(b) The frequency of payments from the government to the Contractor shall be as negotiated and specified in the Delivery Order.

G.4 PAYMENT TO THE GOVERNMENT FOR ANNUAL GUARANTEED SAVINGS SHORTFALL

(a) If the Contractor fails to meet the annual performance requirement as verified by the Measurement and Verification documents, the Government shall adjust the payment schedule to recover the Government's overpayments in the previous year and to reflect the lower performance level into the current year.

(b) When the ECM performance level is restored, the Government will adjust the Contractor payment schedule accordingly.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 CONFIDENTIALITY OF INFORMATION (APR 1984)

(a) To the extend that the work under this Contract requires that the Contractor be given access to confidential or proprietary business, technical, or financial information belonging to the Government or other companies, the Contractor, shall, after receipt thereof, treat such information as confidential and agree not to appropriate such information to its own use or to disclose such information to third parties unless specially authorize by the Contracting Officer in writing. The foregoing obligations, however shall not apply to:

1. Information which, at the time of receipt by the Contractor, is in the public domain;

2. Information which is published after receipt thereof by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;

3. Information which the Contractor can demonstrate was in his possession at the time of receipt thereof and was not acquired directly or indirectly from the Government or other companies;

4. Information which the Contractor can demonstrate was received by it from a third party that did not require the Contractor to hold it in confidence.

(b) The Contractor shall obtain the written agreement, in a form satisfactory to the Agency Contracting Officer, of each employee permitted access, whereby the employee agrees that he will not discuss, divulge or disclose any such information or data to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the Contract.

(c) The Contractor agrees, if requested by the Government, to sign an agreement identical, in all material aspects to the provisions of this section, with each company supplying information to the Contractor under this Contract, and to supply a copy of such agreement to the Contracting Officer. From time to time upon request of the Agency Contracting Officer, the Contractor shall supply the Government with reports itemizing information received as confidential or proprietary and setting forth the company or companies from which the Contractor received such information.

(d) This section shall flow down to all sub-contracts.

H.2 REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF THE OFFEROR

The Representations, Certifications, and Other Statements of the Contractor for this Contract, dated [*insert by ESCO into awards*], are incorporated by reference. They are located in the official Contract file for the award.

Additional representations and certifications may be required by the Agency Contracting Officer for specific Delivery Order awards.

H.3 TECHNICAL DIRECTION (JAN 1990)

(a) Performance of the work under this Contract shall be subject to the technical direction of the Contracting Officer's Representative (COR) identified in **Section G.1 (a)** of this Contract, or of the Agency COR for a specific Delivery Order issued against this Contract. "COR" and "Contracting Officer" throughout this provision refer to either the DOE or Agency personnel, as applicable, and/or indicated. The term "technical direction" is defined to include:

1. Directions to the Contractor which redirect the Contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details or otherwise serve to accomplish the Contractual Statement of Work.

2. Provision of written information to the Contractor which assists in the interpretation of drawings, specifications or technical portions of the work description.

3. Review and, where required by the Contract, approval of technical reports, drawings, specifications and technical information to be delivered by the Contractor to the Government under the Contract.

(b) Technical direction must be within the scope of work stated in the Contract. The COR does not have the authority to, and may not, issue any technical direction which:

1. Constitutes an assignment of additional work outside the Statement of Work;

2. Constitutes a change as defined in the Contract clause entitled "Changes";

3. Causes an increase or decrease in the total price or the time required for Contract performance;

4. Changes any of the expressed terms, conditions or specifications of the Contract; or

5. Interferes with the Contractor's right to perform the terms and conditions of the Contract.

(c) All technical direction shall be issued in writing by the COR.

(d) The Contractor shall proceed promptly with the performance of technical direction duly issued by the COR in the manner prescribed by this section and within his authority under the provisions of this clause. If, in the opinion of the Contractor, any instruction or direction by the COR falls within one of the categories defined in (b) (1) through (5) above, the Contractor shall not proceed but shall notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and shall request the Contracting Officer to modify the Contract accordingly. Upon receiving the notification from the Contract, the Contracting Officer shall:

1. Advise the Contractor in writing within thirty (30) days after receipt of the Contractor's letter that the technical direction is within the scope of the Contract effort and does not constitute a change under the "Changes" section of the Contract;

2. Advise the Contractor within a reasonable time that the Government will issue a written change order.

(e) A failure of the Contractor and the Contracting Officer to agree that the technical direction is within the scope of the Contract, or a failure to agree upon the Contract action to be taken with respect thereto shall be subject to the provisions of the clause entitled "Disputes Alternate I" of the Contract.

H.4 MODIFICATION AUTHORITY (APR 1984)

Notwithstanding any of the other provisions of this Contract, the Contracting Officer shall be the only individual authorized to:

(a) accept nonconforming work;

(b) waive any requirement of this Contract, or

(c) modify any term or condition of this Contract.

H.5 GOVERNMENT PROPERTY AND DATA (MODIFIED) (JAN 1992)

Except as otherwise authorized by the Contracting Officer in writing, the Contractor is not authorized to acquire as a direct charge item under this Contract any real or personal property items. The Agency Contracting Officer for a specific Delivery Order issued against this Contract may authorize the acquisition of Government property or data, as agreed upon and indicated in the specific Delivery Order.

H.6 GOVERNMENT PROPERTY REGULATIONS

The Contractor and its employees shall be knowledgeable of and observe all Government property regulations, posted or otherwise, at the site where performance occurs for specific Delivery Order projects. A copy of the applicable agency regulations for the specific project site will be provided by the Agency COR for the project, upon Contractor request.

H.7 RESPONSBILITY FOR LOSS OR DAMAGE TO CONTRACTOR PROPERTY

The Government shall be responsible for loss or damage to the property of the Contractor and its employees only to the extent authorized by the Federal Tort Claims Act.

H. 8 SUBCONTRACTS (MODIFIED) (SEP 1996)

(a) Prior to the placement of sub-contracts and in accordance with the section, "Sub-Contracts – Fixed-Price Contract," the Contractor shall ensure that:

1. They contain all of the clauses of this Contract (altered when necessary for proper identification of the Contracting parties) which contain a requirement for such inclusion in applicable sub-contract. Particular attention should be directed to the potential flowdown applicability of the clauses entitled "Utilization of Small Business Concerns" and "Small Business Sub-Contracting Plan" contained in **Part II, Section I** of the Contract;

2. Any applicable sub-contractor Representations and Certifications are obtained; and

3. Any required prior notice and description of the sub-contract is given to the Agency Contracting Officer and any required consent is received. Except as may be expressly set forth therein, any consent by the Agency Contracting Officer to the placement of sub-contracts shall not be construed to constitute approval of the sub-Contractor or any sub-contract terms and conditions, determination of any price revision of the Delivery Order issued against this Contract or any of the respective obligations of the parties thereunder, or creation of any sub-contractor privity of Contract with the Government.

(b) The Contractor shall also obtain and furnish to the Agency Contracting Officer either an Organizational Conflict of Interest (OCI) Disclosure Statement or Representation form in accordance with DEAR 952.209-72 "Organizational Conflicts of Interest Disclosure or Representation" for all sub-contractors to be utilized under this Contract at DOE project sites. No work shall be performed by the sub-contractor until the Agency Contracting Officer has cleared the sub-contractor for OCI.

H.9 ADDITIONAL DELIVERY ORDER CLAUSES FOR WORK ON DEPARTMENT OF ENERGY (DOE) FACILITIES HAVING CLASSIFIED INFORMATION

(a) If the ECM project covered by a Delivery Order involves work to be performed at a Department of Energy facility that has classified information (Section 41 of the Atomic Energy Act of 1954, as amended), DEAR 952.204-2 SECURITY (SEP 1997) may apply to that Delivery Order. The specific Delivery Order for such site shall incorporate these clauses, if applicable. In addition a new contractor shall comply with all security requirements as specified on the Delivery Order.

(b) If the ECM project covered by a Delivery Order involves work to be performed at a Department of Energy facility that has classified information (Section 41 of the Atomic Energy Act of 1954, as amended), the Contractor may be required to submit its representation concerning DEAR 952.204-73 FOREIGN OWNERSHIP, CONTROL OR INFLUENCE OVER CONTRACTOR (JUL 1997), AND THE CLAUSE dear 952.204-74 FOREIGN OWENERSHIP, CONTROL OR INFLUENCE OVER CONTRACTOR (APR 1984) may apply to that Delivery Order. The solicitation for such site would request the representation, and the specific Delivery Order for such site would incorporate the clause, if applicable.

H.10 USE OF NON-FEDERAL PERSONNEL IN EVALUTIONS

The Government requires non-government personnel from Federally-Funded Research and Development Centers (FFRDCs) and their sub-contractors as advisors in proposal evaluation and as project facilitators for Delivery Order projects because aspects of the technical proposal evaluations and project facilitation requires specialized training, experience and skills available from the FFRDCs that are not available in the Department of Energy.

H.11 FLOWDOWN OF SAFETY AND HEALTH CLAUSE (JAN 1993)

The clauses at DEAR 952.223-17 and DEAR 970.5204-2, appropriately adjusted to reflect the Contractor/sub-contractor relationship, shall be included in sub-contracts awarded under this Contract if the sub-contractor will be performing work under the sub-contract at a government-owned or leased facility where DOE has required the Contractor to submit a management program and implementation plan (MPIP) in accordance with DEAR 970.5204-2. However, DOE reserves the right to require the

Contractor to submit sub-contractor MPIPs to the Agency Contracting Officer for review prior to approval by the Contract and prior to the start of work.

H.12 QUALITY ASSURANCE SYSTEM (DEC 1995)

In the conduct of the work performed under this Contract, the Contractor agrees to establish and/or maintain the quality assurance system described in the Delivery Order issued against this Contract. If the Contractor has responsibility to perform activities in connection with a nuclear facility, as defined by Title 10, Section 830.3, Code of Federal Regulations, the applicability of the requirements in Section 830.120 shall be determined. Any sub-contracts in support of this work shall require sub-contractors to comply with the Contractor's quality assurance system.

H.13 WAGE DETERMINATIONS AND DAVIS BACON WAGE RATES

In the performance of Delivery Order projects issued against this Contract, the Contractor shall comply with the requirements of any applicable U.S. Department of Labor Wage Determination(s) and Wage Rates which may be issued, or are otherwise applicable relative to that project. A copy of the Wage Determination(s) and/or Wage Rates shall be attached to the Delivery Order award, in accordance with agency format requirements, or otherwise provided or referenced.

H.14 LIQUIDATED DAMAGES

Delivery Orders under this Contract may include liquidated damages as specified in the Delivery Order.

H.15 TITLE TO AND RESPONSBILITY FOR CONTRACTOR-INSTALLED EQUIPMENT

Title to all equipment installed by the Contractor shall be vested in the Government after Acceptance by the Government, and shall not relieve the Contractor's responsibility for ECM performance. Title may be vested in the Contractor as determined by the Contracting Officer. Consideration that should be taken into account by the Contracting Officer in vesting title in the Contractor should include use of financial incentives by the Contractor for the project such as production tax credits and/or other incentives.

H.16 REQUIRED INSURANCE

(a) The Contractor shall procure at its expense and maintain during the entire period of performance under this IDIQ Contract and the Delivery Orders awarded to the Contractor against it, the following minimum insurance coverage:

1. Comprehensive general liability: $500,000 per occurrence.

2. Automobile liability: $200,000 per person, $500,000 per occurrence, $20,000 per occurrence for property damage.

3. Workman's compensation: As required by Federal and state workers' compensation and occupational disease statutes.

4. Employer's liability coverage: $100,000 except in states where workers' compensation may not be written by private carriers.

5. Other insurance as required by State law.

(b) Specific Delivery Orders may require less, additional, or different insurance coverage, which will be specified in the Delivery Order. If different insurance coverage is specified as required for a specific Delivery Order project, the Contractor shall maintain at its own expense for the Delivery Order term, the revised insurance coverage, in accordance with the following:

1. Prior to commencement of work, the Contractor shall furnish to the Agency Contracting Officer a copy of the insurance policy endorsement. The policies evidencing required insurance coverage shall contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of the Government in such insurance shall not be effective for such period as may be prescribed by the laws of the State in which the Delivery Order is to be performed and in no event less than thirty (30) days after written notice thereof to the Agency Contracting Officer.

2. The Contractor agrees to insert the substance of this clause in all sub-contracts hereunder.

3. Nothing herein shall relieve or limit the Contractor of liability for losses and damages to person or property as a result of its operations. The Contractor shall indemnify and hold harmless the Government from any and all liability associated with the Contractor's operations.

H.17 NOTICE OF PAYMENT AND PERFORMANCE BOND REQUIREMENTS

The Contractor shall use standard bond forms, SF-25 and SF25A, or other agency–required documentation as required for a Delivery Order project. The Bonds shall be in accordance with the following clause **H.17.1** below.

1. Within 30 days of award of the delivery order or acceptance of the Design and Construction Package, whichever is later, the selected contractor shall furnish a certified copy and duplicate of a performance bond, with project financier as co-beneficiary along with the Government. The performance bond shall be in a penal sum equal to 100 percent of the total Bonded Amount for all ECMs cited in Schedule DO-2. The selected contractor shall furnish a payment bond (Standard Form 25A) in duplicate. The payment bond shall be in a penal sum equal as follows:

From Schedule DO-2	Payment Bond Penal Sum
$0 - $999,999	50% of Schedule DO-2 Bonded Amount
$1 - $5 million	40% of Schedule DO-2 Bonded Amount
>$5 million	$2.5 million

2. The performance and payment bonds shall remain in effect during the total implementation period for all ECMs. The ECM implementation period shall include all time required for installation, testing, measuring initial performance, and Government acceptance of all installed ECMs. The performance bond shall be released upon Government acceptance of all contractor-installed ECMs. The payment bond shall be released upon receipt of satisfactory evidence that all subcontractors, laborers, etc., have been paid in full.

H.17.1 PERFORMANCE BONDS BY CONTRACTOR OR THIRD PARTY

1. Contractor Performance Bonds: Pursuant to **Section H.26**, Preaward Requirements, the selected Contractor shall furnish acceptable evidence of a surety's commitment to provide performance and payment bonds to the Government.

2. Third Party Surety Commitment: Pursuant to **Section H.26**, Preaward Requirements, the selected Contractor shall provide, to the Government, proof of project financing and acceptable evidence of a surety's commitment to provide performance and payment bonds.

3. Required Deliverables: Within 30 days after award of Delivery Order or acceptance of the Design and Construction Package, whichever is later, the selected Contractor shall provide a Performance Bond (Standard Form 25 or other) and a Payment Bond (Standard Form 25A or other) in duplicate. If Performance Bonds are to be provided by a third party, the Contractor shall furnish a certified copy and duplicate of a Performance Bond, with project financier as co-beneficiary along with the Government. The selected Contractor shall furnish a Payment Bond (Standard Form 25A) in duplicate.

   The Performance Bond shall be in a penal sum equal to 100 percent of the estimated project cost of all ECMs set out in **Schedule DO-2**.

   The Performance and Payment Bonds shall remain in effect during the Implementation Period for all ECMs. The ECM Implementation Period shall include all time required for installation, testing, measuring initial performance, and Government acceptance of all installed ECMs. The Performance Bond shall be released upon Government acceptance of all Contractor-installed ECMs. The Payment Bond shall be released upon receipt of satisfactory evidence that all sub-contractors, laborers, and other sub-contractors have been paid in full.

4. The Contractor shall not file any mechanics liens against the Government for the ECM projects and this requirement shall flow down to all sub-contractors. Therefore, the Payment Bond shall secure the Contractor's obligations for payment of laborers, suppliers, and all sub-contractors.

H.18 PROTECTION OF FINANCIER'S INTEREST

The Government recognizes that project financing associated with Contractor performance of Delivery Orders issued against this Contract may be accomplished using third-party financing, and as such, will permit the financing source to perfect a security interest in the Installed ECM, subject to and subordinate to the rights of the Government. To provide protection of any financier's interest, the Contractor may be required to assign to its lenders, some or all of its rights under a Delivery Order. The Government will consider:

a. Requests for assignments of monies due or to become due under a Delivery Order provided the assignment complies with the Assignment of Claims Act.

b. Requests for the Government to provide financiers copies of any cure or show-cause notice issued to the Contractor.

c. Requests by financier or secured interest holders for extension of response time to cure or show-cause notices.

d. Requests for change of Contractor (assignment, novation, etc.,) of a Delivery Order on substantially the same terms and conditions will be considered by the Government and approved if acceptable to the Government.

H.19 ADDITIONAL OR DIFFERENCE CLAUSES AND PROVISIONS FOR DELIVERY ORDERS AND DELIVERY ORDERREQUEST FOR PROPOSAL

Solicitations for a specific Delivery Order (DO RFP) may contain additional clauses and provisions that are site specific to the agency's requirements. Should there be a conflict between the terms and condition provisions in the Delivery Order and the IDIQ Contract, the Contractor shall notify the Agency Contracting Officer for resolution.

H.20 PROCEDURES FOR AWARDING DELIVERY ORDERS

(a) Selection of the Contractor for issuance of a specific Delivery Order will be made pursuant to the provisions in either paragraph (1) or (2) below:

1. **Single Source Awards**

The Agency Contracting Officer may issue a Delivery Order to any one of the Contractors with a Contract award for this DOE Region if an Agency Contracting Officer has determined:

A.) The agency's need for the services ordered is of such unusual urgency that providing such opportunity to all Contractors would result in unacceptable delays in fulfilling that need;

B.) Only one such Contractor is capable of providing the services or property required at the level of quality required because the services or property ordered are unique or highly specialized;

C.) It is a Contractor-Identified project for which rationale can be identified and documented that consideration of other IDIQ Contractors offers for the project site is not in the best interest of the Government;

D.) It is necessary to place an order with a particular Contractor in order to satisfy a minimum guarantee of this Contract;

E.) The Delivery Order should be issued on a sole source basis in the interest of economy and efficiency because it is a logical follow-on to a Delivery Order previously issued to a Contractor on a competitive basis.

2. **Awards Based on Competition Among Eligible IDIQ Contractors:**

The Agency Contracting Officer may make selections of Delivery Order awards through competition amongst the IDIQ Contractors for a Government-Identified project. Competition may be limited as determined by the Agency Contracting Officer.

(b) The Agency Contracting Officer for a specific Delivery Order project shall have the final decision authority as to the extent to which offers will be solicited for individual Delivery Orders, taking into account technical, economic and performance risk consideration; past performance on previous Delivery Orders issued against this Contract and the factors described in (a) above. Such decisions shall not be subject to protest unless the issuance of a Delivery Order increases the scope, term or maximum value of the Contract. The DOE Task and Delivery Order Ombudsman shall be responsible for reviewing complaints brought by the Contractor regarding scope increases, term or maximum value of the Contract arising from the Agency Contracting Officer decisions, and for ensuring that all of the Contractors are afforded a fair opportunity to be considered.

(c) The Contractor agrees that issuance of a Delivery Order in accordance with any of the procedures in this provision is deemed to have provided the Contractor with a "fair opportunity to be considered."

(d) Delivery Orders issued against this Contract will be fixed price Delivery Orders.

(e) Projects will either be a Contractor-Identified Delivery Order Project or a Government-Identified Delivery Order Project. A Contractor-Identified Delivery Order Project is one initiated and developed by the Contractor and accepted by the agency. A Government-Identified Delivery Order Project is one initiated by a Federal agency's release of a DO RFP.

(f) Unless modified in the DO RFP for a Contractor-Identified project, the Delivery Order process for both types of projects are usually in three steps; requiring the Contractor to submit an Initial Proposal followed by submission of a Detailed Energy Survey, and a Final Proposal. Ordering agencies will identify instructions and procedures in the submission of a DO RFP.

(g) The Contractor must first obtain the concurrence of the DOE COR prior to submitting a Contractor-Identified Proposal. The request for concurrence should be in writing and provide sufficient information such that the DOE COR is able to discuss the request with the agency where the project is proposed to be performed. The DOE COR will provide concurrence, or non-concurrence, in writing and within fifteen (15) days of the request. If concurred, an Initial Proposal within the scope of this Contract may be submitted as set out in **Section H.21** below.

H.21 REQUIREMENTS FOR INITIAL PROPOSAL CONTENTS FOR DELIVERY ORDER ECM PROJECTS

(a) Initial Proposal

The Contractor shall submit an Initial Proposal (IP) to the Government which sets out the merits, technical feasibility and economics, and price of the project. The Agency Contracting Officer will respond to the Contractor in writing, indicating whether or not the project will be pursued and by what means. If pursued, the Agency Contracting Officer will issue a Notice of Intent To Award

(NOI), followed by a DO RFP which identifies the agency's requirements. The Government will not be liable for allocable and allowable costs associated with audits and preparation of the IP unless the project addressed by the IP later becomes a Delivery Order award, or as negotiated by the Agency Contracting Officer.

(b) Contents

The Contractor shall include in its IP a technical and price proposal in both electronic (Word and Excel) and hardcopy formats. The technical and price proposal shall be in accordance with the following requirements:

Technical Proposal:

1. Identification of ECM Project: Identify the location of the ECM project, the Federal Agency and site, the facility manager's name and telephone number, the building and site address, and provide a narrative summary of the proposed ECM project to include:

   (a) proposed system or component upgrade, deficiency correction, repair or replacement; and

   (b) proposed system operational changes

2. Savings Proposed: Complete a **Schedule DO-4** for the ECM project. Include documentation which support the **Schedule DO-4** consisting of:

   (a) assumptions on current facility or energy system operating conditions

   (b) assumptions on proposed facility or energy system operating conditions

   (c) energy savings calculations using formulae and procedures based on accepted engineering principles, including synergistic effects of other ECMs, and

   (d) references used for data, assumptions or empirical formulas

3. M&V Overview: Provide a general description of the Measurement and Verification Plan proposed for this project, referenced to the latest version of the FEMP M&V Guidelines or the International Performance Measurement and Verification Protocol.

4. Management Approach: Provide the following:

   (a) Organization: Show the Contractor's organization (by name as available) for implementing and managing the project, to include the responsibilities of each individual element shown and the lines of authority within the overall organization. Also identify what portions of the effort if any, are to be sub-contracted, and if so, provide the same information for sub-Contractor organization and personnel.

   (b) Risk/Responsibility Matrix: The Contractor shall complete and submit with its IP a Risk/Responsibility Matrix detailing its proposed approach or method to address each area in the Risk/Responsibility Matrix. The format and content of this Risk/Responsibility Matrix set out in **Attachment 5**.

Price Proposal:

The Contractor shall submit completed **Schedules DO-1(Initial), DO-2, DO-3 and DO-4**, and the documentation to support the entries on the form. Direct and indirect expenses must be consistent with the Contractor's approved accounting system. Direct and indirect expenses shall be submitted in the DO schedules in a manner consistent with **Attachment 8**.

Price proposals shall be evaluated to assess:

1) The completeness and traceability of the proposed price (i.e. sum of annual Contractor payments) to the offeror's technical approach to and understanding of the ECM project proposed.

2) The reasonableness as well as realism of the proposed price (payments), relative to the technical project proposed, and the estimated savings indicated as achievable, based on an evaluation of the DO Schedules submitted by the Contractor, as well as supporting documentation for the price proposed.

3) The guaranteed annual energy cost savings exceed the annual Contractor payment for each year of the performance period.

4) The mark-up(s) and added premiums proposed for the project are in accordance with the negotiated maximums for the Contractor, as identified in **Schedules B-1 and B-2** of this Contract.

H.22 REVIEW OF INITIAL PROPOSALS FOR DELIVERY ORDER ECM PROJECTS

(a) Contractor-Identified Project: The Government will review the Initial Proposal submitted by the Contractor and make a determination as to whether the Contractor-Identified project is a project that the Government wants to pursue further. If the Government determines to pursue the Contract-Identified Project, a NOI and a DO RFP will be issued to the Contractor. The NOI will request a Detailed Energy Survey and a Final Proposal in accordance with the requirements of the DO RFP and the proposal contents included in **Sections. H.23 and H.24** of the Contract.

(b) Government-Identified Project: Should the Government determine to pursue a Government-Identified Project, a DO RFP with a technical data package and/or site description will be issued by the Government. The Government-Identified Projects will be competed among eligible Contractors and evaluated in accordance with the evaluation factors identified in the specific DO RFP. The selected Contractor for award will be notified by the Agency Contracting Officer with the issuance a NOI and request for a Final Proposal with specific instructions.

H.23 DETAILED ENERGY SURVEY

The selected Contractor for both Contract and Government-Identified Projects shall conduct a Detailed Energy Survey (DES) of facilities and energy systems at the project site to confirm the Contractor's ability to achieve the estimated annual cost savings as provided in **(Schedule DO-1 (Initial), column (a))**.

The DES shall identify the relevant existing conditions of applicable Government facilities, including but not limited to:

- Building physical condition i.e assumptions on current and proposed facility or energy system operating conditions
- Hours of use or occupancy
- Area of conditioned space
- Inventory of energy-consuming equipment or systems
- Energy-consuming equipment operating conditions and loads
- Baseline weather (i.e. Cooling and Heating Degree Days)
- Proposed construction and M&V schedule
- Energy savings calculations using formulae and procedures based on accepted engineering principles, including synergistic effects of other ECMs
- Cite references used for data, assumptions or empirical formulae

For each ECM proposed, the Contractor shall provide a detailed energy analysis documenting the proposed annual energy savings performance of the ECM after installation, startup and testing.

The Contractor shall document the results of the DES and provide the documentation to the Agency Contracting Officer. The documentation shall identify any existing conditions that vary from the Government's provided data and must include a proposed energy baseline and a site specific M&V Plan. The Government will review and provide comment on the DES results.

H.24 REQUIREMENTS FOR FINAL PROPOSAL CONTENTS FOR DELIVERY ORDER ECM PROJECTS

The Contractor shall submit a Technical and Price proposal in its Final Proposal in electronic (Word and Excel) format as required in the DOR RFP. The format requirements are:

1. Volume I - Technical Proposal shall include:

(a) ECM description - For each ECM proposed, the Contractor shall submit narrative information for items as applicable, in the format specified below:

1. ECM No.____
2. Location affected
3. ECM Interface with Government equipment
4. Proposed equipment identification including manufacture, model number and optional equipment proposed for each ECM component
5. Physical changes – list major physical changes to equipment or facilities required to install proposed ECM such as relocation or removal of equipment. Include manufacturer's literature and specifications for each ECM component proposed
6. Utility interruptions – Specify extent of any utility interruptions needed for installation of proposed ECM.
7. Agency support required – Specify any government agency support required during implementation of the ECM.
8. Briefly describe any potential environment impact resulting from installed ECM.
9. Utility rebate or system benefit fund financial incentive – If applicable specify ECM financial incentive(s) available, source, estimated payment amount, how and when payment will be applied and impact on project cash flow (e.g. pre-performance-

period payment before acceptance, reducing implementation price (DO2) and financing among), and proposed percentage of estimated financial incentive payment Contractor guarantees as submitted in DO schedules.

10. ECM project schedule – provide a project schedule to include the duration of the following key phases:
    (a) Engineering/design/acceptance
    (b) Equipment procurement/lead time, (i.e. date required to acquire equipment and delivery on-site)
    (c) Installation and commissioning

(b) ECM Performance Measurement:

(1) The Contractor shall prepare a severable portion that describes a complete Measurement and Verification (M&V) Plan. The M&V Plan shall use the template and outline provided in **Attachment 7**. The M& V Plan shall include an electronic version of the methods for calculating the ECM energy savings for the Government's review and approval.

(2) ECM Commissioning Approach – The Contractor shall prepare a severable portion that describes the ECM Commissioning Approach for each of the proposed ECMs.

(c) Management Approach:

(1) **Organization.** Show the organization for implementing and managing the site-specific project through the use of an organizational chart. The proposed organization shall contain the responsibilities of each element shown on the organization chart. Identify primary personnel by name in each element. Show the lines of authority within the organization. If portions of the project are to be sub-contract (e.g., design of an energy conservation system), identify the sub-contracted function, and which element of the Contractor's organization will manage the sub-contract(s).

(2) **Risk/Responsibility Matrix.** The Contractor shall complete and submit a final Risk/Responsibility Matrix detailing its proposed approach or method to address each area in the matrix. Final Proposal submission of this Risk/Responsibility Matrix should reflect revisions based on results of agency discussions and agreements with the Contractor on Risk/Responsibility Matrix it submitted in the IP. The format and content for the Risk/Responsibility Matrix is provided at **Attachment 5**.

(3) **Operations, Maintenance, Repair, and Replacement.** Show the organizational structure and describe the approach for performance of the proposed ECM operations, maintenance and repair and replacement requirements. Each ECM will identify the organization(s) (Agency or Contractor/sub-contractor) responsible for operations and maintenance of Contractor-installed equipment. Detail how responsibilities are shared or reference where this information is located. Identify reporting requirements of Agency or Contractor during the performance period. Responsibilities and risks of operations shall be briefly defined in the Risk/Responsibility Matrix.

(4) **ECM Training.** Describe in detail how training for each ECM will be provided for Government personnel. Approach should be customized depending on the level of operations and maintenance responsibility to be assumed by Government personnel.

2. **Volume II -Price Proposal** shall include:

Based on the results of the DES, the Contractor shall submit a completed **Schedule DO-1 (Final), DO-2, DO-3, DO-4 and DO-5**, with supporting documentation as identified by the Agency Contracting Officer. The supporting documentation shall be organized by the proposed Contractor work as follows:

(a) Section 1. Summarize project-level expenses from project development through Delivery Order award (no ECM breakout required).

(b) Section 2. Summarize Pricing and expenses of implementation and construction phases allocated by ECM.

(c) Section 3. Summarize performance-period expenses aligned with proposed DO-3 line item expenses.

(d) In addition to the submission of DO schedules and supporting documents, the Contractor shall provide a summary of the finance offer being proposed. At a minimum, the finance summary shall include the Investor Deal Summary (IDS), selected financier's Standard Finance Offer (SFO) and Selection Memorandum.

H.25 FINAL PROPOSAL EVALUATION AND AWARD FACTORS

Final proposals will be evaluated and selected in accordance with the criteria set forth the in the DO RFP. The Government shall not be responsible for any costs incurred, such as proposal preparation costs or the costs incurred in conducting the DES unless authorized by the Agency Contracting Officer.

H.26 PREAWARD REQUIREMENTS

1. Pre-Award Requirements – Project Financing by Contractor for ECM project:

(a) If the selected Contractor is to provide its own financing for project execution, the Contractor shall provide evidence of surety's commitment for bonding upon Government's acceptance of the DES.

(b) Should the Contractor fail within the specified timeframe to provide acceptable evidence of bonding capability the Government may determine that the Final Proposal is not acceptable.

2. The Government recognizes the unique aspects of third party financing for ECM projects. The Government is willing to discuss and consider third party financier needs for any notification(s) during the Delivery Order term.

H.27 REQUIREMENTS FOR COMPETITIVE FINANCING ACQUISITION

H.27.1 Investor Deal Summary

The Contractor shall submit the IDS **(Attachment 9**), along with the Contractor's Point of Contact, electronically in Microsoft Word format, to the Agency Contracting Officer, DOE CO and COR after completion of the DES.

H27.2 Competitive Financing Offers Based on Investor Deal Summary And Standard Financing Offers

(a) The Contractor shall solicit and select financing offers from the commercial market place through a competitive selection process. This process must incorporate the final IDS and require the financing offers to be in the form of the Standard Financing Offer (SFO) as set out in **Attachment 10** to this Contract. Once this process is completed and a selection is made, the Contractor shall prepare a Selection Memorandum describing the selection process including the number of offers solicited and received, the rationale for selecting the financier, and the reasons why the selection is the best value for the project. This process may be subjected to audit by the government.

(b) The Contractor shall certify to the Government that the contents of the Selection Memorandum are true and correct and in accord with best business practice.

(c) The Contractor shall submit the IDS, SFO, Selection Memorandum and certification with its Price Proposal in the Final Proposal (**H.24.2 (d)**).

SECTION I — CONTRACT CLAUSES

FAR 52.252.2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

The following clauses are applicable to the construction phase(s) of the Contract and Delivery Orders.

52.225-9 Buy American Act — Construction Materials (May 2002)

52.225-11 Buy American Act — Construction Material Under Trade Agreements

PART III — LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

PART III — LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J — LIST OF ATTACHMENTS

Attachment	Title
1	DEFINITIONS OF TERMS APPLICABLE TO THIS CONTRACT
2	SCHEDULES OF SUBMITTALS FOR DELIVERY ORDERS Sample Schedule of Required Pre-Award Deliverables Sample Checklist/Schedule of Post-Award Reporting Requirements and Submittals
3	CONTRACT B SCHEDULES Schedule B-1 - Revised IDIQ Contract Maximum Markups
4	DELIVERY ORDER(DO) SCHEDULES: DO-2 – Revised Implementation Price by ECM DO-4 – Revised First Year Energy and Cost Savings by ECM, Technology Category, and Delivery Order Annual Cancellation Ceiling Schedule
5	ESPC CONTRACT RISK/RESPONSIBILITY MATRIX
7	M&V PLAN & REPORTING OUTLINES M&V Plan Outline M&V Post-Installation Report Annual Report Outline
8	DESCRIPTION OF DELIVERY ORDER (DO) SCHEDULES AND PLACEMENT OF PRICING INFORMATION
9	INVESTOR DEAL SUMMARY TEMPLATE
10	STANDARD FINANCE OFFER TEMPLATE

ATTACHMENT 1

DEFINITIONS OF TERMS APPLICABLE TO THIS CONTRACT

Acceptance - The term Acceptance means an authorized representative of the Government has inspected and accepted the Contractor-Installed Energy Conservation Measures, and that these Installed Energy Conservation Measures are operational and comply with the Delivery Order's: Facility Performance Requirements as verified by ECM Commissioning, and with the energy savings performance requirements as confirmed by the Measurement and Verification Reporting. Government acceptance shall allow the Contractor to be paid but shall not relieve the Contractor responsibility for continued compliance with Delivery Order requirements during the Delivery Order's term.

Annual Percentage Rate (APR) — A percentage calculation that reflects the total cost of a loan (interest plus fees) on an annual basis. The APR calculated by the government on financing offers for Super ESPCs includes the base interest rate, the ESCO's added premium, and the up-front finance procurement price. The APR is invariably higher than the interest rate quoted by the financier for the loan, but more accurately reflects the total cost of credit. It also provides a benchmark for comparing competitive loan offers.

At-Risk Savings — The portion of guaranteed cost savings that is subject to ongoing measurements (as part of the annual measurement and verification process) to determine that the savings were realized. At-risk savings are more likely to be contested than "low-risk" or "no-risk" savings.

Commissioning – The process that measures the extent that the Installed ECM achieves the facility performance requirements as established in the Delivery Order.

ECM Commissioning – The process that measures the extent that Installed ECM achieve facility performance requirements as established in the Delivery Order and Acceptance by the Government..

Continuous Commissioning — Is an energy conservation measure that consists of systematic way of identifying and correcting building system problems and optimizing system performance in existing buildings. Continuous commissioning, however, more rigorously addresses the issue of savings persistence. A key goal is to ensure that building systems remain optimized continuously. To achieve this, continuous commissioning requires benchmarking pre- and post-energy use via metering equipment that is permanently installed.

Financier — The entity providing financing for the design and construction of the ESPC project. This entity can be either a third-party lender or the ESCO.

Financing Procurement Price (FPP) — The price offered by the Contractor for the service of arranging the project financing, obtaining any required payment and performance bonds, and

providing construction-phase financing. The FPP comprises flow-through costs to the Government agency and therefore is not subject to Contractor mark-ups.

Hedge Costs — Finance procurement costs associated with locking an interest rate for a period of time longer than that deemed by the financier to represent an acceptable calculated risk.

Implementation Period – The period between the date of the Delivery Order award to the date that all ECMs are Accepted by the Government.

Investor Deal Summary (IDS) — A required document prepared by the ESCO and reviewed by the Government that summarizes essential cost, savings, schedule, and risk data for the purpose of establishing a common basis for competitive financing offers.

Installed ECMs – ECM's that have been installed and tested by the Contractor and for which the Contractor is responsible for the performance throughout the term of the Delivery Order.

Low-Risk Savings — The portion of guaranteed cost savings that is subject to a lesser degree of measurement and verification than at-risk savings, which are subject to ongoing measurements. Low-risk savings include those that are determined to some extent by stipulated parameters (e.g., operating hours). Low-risk savings are less likely to be contested than at-risk savings.

No-Risk Savings — The portion of guaranteed cost savings that is not likely to be contested during the annual savings review process (e.g., recurring cost savings associated with energy-related operations and maintenance activities that were eliminated because old, failing equipment was replaced).

Retro-commissioning — An Energy Conservation Measure consisting of the investigative process for improving and optimizing a building's O&M. Retro-commissioning is applied to buildings that have *not* previously been commissioned. Retro-commissioning assures system functionality.

Standard Financing Offer (SFO) — A required document in the form set out in **Attachment 10** that is prepared by the financier that provides a summary of the terms of the financing offer.

ATTACHMENT 2

SAMPLE SCHEDULE OF REQUIRED PRE-AWARD DELIVERABLES

SCHEDULE OF PRE-AWARD DELIVERABLES					
Item	Deliverable	Frequency	Due	[a]Copies	[a]Recipient
1	Initial Proposal	One time	Per Contractor schedule	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)
2	Draft DES/Final Proposal	One time	Per Contractor schedule	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)
3	Proposed Investor Deal Summary	One time	Per Contractor schedule	6 (3/3)	• Agency Contracting Officer (1/0) • Agency COR (1/1) • DOE COR (1/2)
4	DES/Final Proposal	One time	Per Contractor schedule	5	• Agency Contracting Officer (1/0) • Agency COR (2/1 copies) • DOE COR (1/2)

[a]Required formats for and numbers of submittals are indicated in parentheses — (hard copy/electronic pdf).

SAMPLE CHECKLIST/SCHEDULE OF
POST-AWARD REPORTING REQUIREMENTS AND SUBMITTALS

SCHEDULE OF POST-AWARD DELIVERABLES					
Item	Deliverable	Frequency	Due	[a]Copies	[a]Recipient
1	Certificate of Insurance	One time	15 days after DO award	1 (1/0)	• Agency Contracting Officer (1/0)
2	Performance Bond	One time	30 days after award of delivery order	1 (1/0)	• Agency Contracting Officer (1/0)
3	Payment Bond	One time	30 days after DO award	1 (1/0)	• Agency Contracting Officer (1/0)
4	Work Schedule	Monthly	10 days before work start	3 (2/1)	• Agency Contracting Officer (1/0) • Agency COR (1 copy) (1/1)
5	Work Outside Normal Hours	Per occurrence	5 days before work start	3 (2/1)	• Agency Contracting Officer (1/0) • Agency COR (1/1)
6	Design & Construction Package	One time	Due date based on final proposal and negotiations ___ days after DO award	5 (5/0)	• Agency Contracting Officer (1/0) • Agency COR (2/0) • DOE COR (2/0)
7	ECM Installation Quality control Inspection Program	One time	With Item 6 above	4 (3/1)	• Agency Contracting Officer (1/0) • Agency COR (2/1)
8	Commissioning Plan	One time	After Approval of item 6 above	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)
9	Safety & Health Plan	One time	With Item 6 above	3 (2/1)	• Agency Contracting Officer (1/0) • Agency COR (1/1)
10	Notification of Utility Interruption	Per occurrence	15 working days prior to outage	3 (1/1)	• Agency Contracting Officer (1/0) • Agency COR (1/1)
11	Operation Work Procedure	One time	With training class	6 (6/0)	• Agency Contracting Officer (1/0) • Agency COR (1 master for reproduction and 4 copies)
12	Maintenance Work Procedure	One time	With training class	6 (5/1)	• Agency Contracting Officer (1 copy) • Agency COR (1 master for reproduction and 4 copies)
13	O&M Manuals	One time	With training class	6 (5/1)	• Agency Contracting Officer (1 copy) • Agency COR (1 master for reproduction and 4 copies)
14	Commissioning Report	One time	Upon ECM installation and commissioning	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)
15	Post-Installation Report	One time	30-60 days after project acceptance	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)
16	As-built Drawings	Per ECM	Prior to Government's acceptance	3 (3/0)	• Agency Contracting Officer (1 copy) • Agency COR (2 copies)
17	Annual Report on ECM Performance	Annual	30 days after each year during performance period	7 (4/3)	• Agency Contracting Officer (1/0) • Agency COR (2/1) • DOE COR (1/2)

[a]Required formats for and numbers of submittals are indicated in parentheses — (hard copy/electronic pdf).

ATTACHMENT 3

NEGOTIATED CONTRACT B SCHEDULES

TABLE OF CONTENTS

SCHEDULE NO.	TITLE
B-1	IDIQ Contract Maximum Markups

SCHEDULE B-1

IDIQ CONTRACT MAXIMUM MARKUPS

TECHNOLOGY CATEGORY		MAXIMUM MARKUP (%)
C.2.1	Boiler Plant Improvements	
C.2.2	Chiller Plant Improvements	
C.2.3	Building Automation Systems(BAS)/Energy Management and Control Systems (EMCS)	
C.2.4	Heating, Ventilating, and Air Conditioning (not including boilers, chillers, and BAS/EMCS)	
C.2.5	Lighting Improvements	
C.2.6	Building Envelope Modifications	
C.2.7	Chilled Water/Hot Water and Steam Distribution Systems	
C.2.8	Electric Motors and Drivers	
C.2.9	Refrigeration	
C.2.10	Distributed Generation	
C.2.11	Renewable Energy Systems	
C.2.12	Energy/Utility Distribution Systems	
C.2.13	Water and Sewer Conservation Systems	
C.2.14	Electrical Peak Sharing/Load Shifting	
C.2.15	Energy Cost Reduction Through Rate Adjustments	
C.2.16	Energy Related Process Improvements	
C.2.17	Commissioning	
C.2.18	Miscellaneous	
C.2.19	Proposal Development Energy Surveys	
	Performance-Period Services	

The markups indicated in this Contract schedule are the negotiated MAXIMUM markups which may be applied in price proposals for all delivery orders against the IDIQ Contract during it's ordering period. Markup amounts shall include all indirect cost elements and profit. The indirect elements of expense in the markups include such things as overhead, G&A expense, general program marketing and management, etc. They DO NOT include any direct expenses. The Contractor shall identify the elements of indirect expense included in the proposed markups for specific Delivery Order projects.

Attachment 3 – B Schedules

ATTACHMENT 4

REVISED SCHEDULE DO-2 —
IMPLEMENTATION PRICE BY ECM

REVISED SCHEDULE DO-4 —
DELIVERY ORDER PROPOSED FIRST YEAR ANNUAL COST SAVINGS

SCHEDULE DO-2
IMPLEMENTATION PRICE BY ECM

Project Site: Delivery Order No.: Contractor Name:

Tech Category	ECM No.	Equipment Description — Title	ECM Size	M&V Expense	(a) Total Implementation Expense	(b) Markup (%)	(c) Implementation Price (c) = (a) x (b)
C.2.17		Proposal Development Energy Surveys			$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
					$		$ -
Bonded Amount ($)							

Notes:
1) Total Implementation Expenses shall include only direct costs, and no performance-period expenses.
2) Contractor shall identify direct costs for DES and proposal development costs as a separate line item, as applicable.
3) Contractor shall attach adequate supporting information detailing total implementation expenses (direct costs), in accordance with Section H.24.2 of the contract.
4) Contractor shall propose bonded amount representing the basis of establishing performance and payment bonds per Section H.17 of the contract, as required.
5) Attached supporting information shall be presented to identify portions of ECM or project expenses included in proposed bonded amount.
6) Proposed Bonded Amount is assumed to include markup applied to implementation expenses above, unless otherwise specified by Contractor.
7) For the following ECMs, enter the *total installed capacity of new equipment* in the units specified (e.g. chillers-150); chillers & packaged units in tons, VFDs in hp, boilers & furnaces in input Btu/hr, BAS/EMCS in number of points, transformers in kVA, generators in kW. For lighting ECMs, specify baseline kW treated.
8) M&V Expense shall include only direct costs, and no performance-period expenses.

SCHEDULE DO-4
Delivery Order Proposed First Year Annual Cost Savings

Project Site: Delivery Order#: Contractor Name: Project Square Footage (KSF):

Tech No.	ECM No.	a. ECM energy baseline (MBtu/yr)	b1. Electric energy savings (kWh/yr)	b2. Electric energy savings ($/yr)	c1. Electric demand savings (kW/yr)	c2. Electric demand savings ($/yr)	d1. Natural gas savings (MBtu/yr)	d2. Natural gas savings ($/yr)	e1. Other savings (MBtu/yr)	e2. Other savings ($/yr)	f. b1+d1+e1 Total energy savings (MBtu/yr)	g.=b2+c2+d2 +e2 Total energy cost savings ($/yr)	h. Other energy-related & O&M cost savings ($/yr)	i. Water savings (kgal/yr)	j. Water savings ($/yr)	k=g+h+-j Estimated annual cost savings ($yr)	l. Implementa-tion price ($)	m=l/k Simple Payback (yrs.)
TOTALS																		

Notes:
1) Project Square Footage (in 1000 SF) - Include only building square footage affected by installed ECMs in project.
2) For column (a) insert estimated energy baseline by ECM and total project in MBtu based on DES and Final Proposal data.
3) For column (c1), Annual electric demand savings (kW/yr) is the sum of the monthly demand savings
4) Energy conversion factors for MBtu: MBtu=10^6 BTU; Electricity - 0.003413 MBtu/kWh; Natural Gas - 0.1 MBtu/therm ; #2 Oil -0.128 MBtu/gal.
5) Specify "Other" energy savings in (e)(1) & (e)(2) as applicable. Include energy type _____; energy units _____; and MBtu conversion factor _____ MBtu/ _____ (unit)

ATTACHMENT 5

RISK/RESPONSIBILITY MATRIX

RESPONSIBILITY/DESCRIPTION	CONTRACTOR PROPOSED APPROACH	AGENCY ASSESSMENT
1. Financial:		
a. **Interest rates**: Neither the Contractor nor the agency has significant control over prevailing interest rates. During all phases of the project, interest rates will change with market conditions. Higher interest rates will increase project cost, financing/project term, or both. The timing of the Contract / Delivery Order signing may impact the available interest rate and project cost.	(1)	
b. **Energy prices:** Neither the Contractor nor the agency has significant control over actual energy prices. For calculating savings, the value of the saved energy may either be constant, change at a fixed inflation rate, or float with market conditions. If the value changes with the market, falling energy prices place the Contractor at risk of failing to meet cost savings guarantees. If energy prices rise, there is a small risk to the agency that energy saving goals might not be met while the financial goals are. If the value of saved energy is fixed (either constant or escalated), the agency risks making payments in excess of actual energy cost savings. **Clarify how future energy costs will be treated.**		
c. **Construction costs:** The Contractor is responsible for determining construction costs and defining a budget. In a fixed-price design/build Contract, the agency assumes little responsibility for cost overruns. However, if construction estimates are significantly greater than originally assumed, the Contractor may find that the project or measure is no longer viable and drop it before Contract award. In any design/build Contract, the agency loses some design control. **Clarify design standards and the design approval process (including changes) and how costs will be reviewed.**		
d. **M & V costs:** The agency assumes the financial responsibility for M & V costs directly or through the Contractor. If the agency wishes to reduce M & V cost, it may do so by accepting less rigorous M & V activities with more uncertainty in the savings estimates. **Clarify how project savings are being verified (e.g., equipment performance, operational factors, energy use) and the impact on M&V costs.**		

e. **<u>Non-Energy Cost Savings</u>:** The agency and the ESCO may agree that the project will include savings from *recurring* and/or *one-time* costs. This may include one-time savings from avoided expenditures for projects that were appropriated but will no longer be necessary. Including one-time cost savings before the money has been appropriated entails some risk to the agency. Recurring savings generally result from reduced O&M expenses or reduced water consumption. These O&M and water savings must be based on actual spending reductions. **Clarify sources of non-energy cost savings and how they will be verified.**		
f. **<u>Delays:</u>** Both the Contractor and the agency can cause delays. Failure to implement a viable project in a timely manner costs the agency in the form of lost savings, and can add cost to the project (e.g. construction interest, re-mobilization). **Clarify schedule and how delays will be handled.**		
g. **<u>Major changes in facility:</u>** The agency (or Congress) controls major changes in facility use, including closure. **Clarify responsibilities in the event of a premature facility closure, loss of funding, or other major change.**		
2. **<u>Operational:</u>**		(2)
a. **<u>Operating hours</u>:** The agency generally has control over operating hours. Increases and decreases in operating hours can show up as increases or decreases in "savings" depending on the M&V method (e.g., operating hours multiplied by improved efficiency of equipment vs. whole-building/utility bill analysis). **Clarify whether operating hours are to be measured or stipulated and what the impact will be if they change.** If the operating hours are stipulated, the baseline should be carefully documented and agreed to by both parties.		
b. **<u>Load:</u>** Equipment loads can change over time. The agency generally has control over hours of operation, conditioned floor area, intensity of use (e.g. changes in occupancy or level of automation). Changes in load can show up as increases or decreases in "savings" depending on the M & V method. **Clarify whether equipment loads are to be measured or stipulated and what the impact will be if they change**. If the equipment loads are stipulated, the baseline should be carefully documented and agreed to by both parties.		

c. **Weather:** A number of energy efficiency measures are affected by weather. Neither the Contractor nor the agency has control over the weather. Changes in weather can increase or decrease "savings" depending on the M&V method (e.g. equipment run hours multiplied by efficiency improvement vs. whole-building/utility bill analysis). If weather is "normalized," actual savings could be less than payments for a given year, but will average out over the long run. **Clearly specify how weather corrections will be performed.**		
d. **User participation:** Many energy conservation measures require user participation to generate savings (e.g., control settings). The savings can be variable and the Contractor may be unwilling to invest in these measures. **Clarify what degree of user participation is needed and utilize monitoring and training to mitigate risk.** If performance is stipulated, document and review assumptions carefully and consider M&V to confirm the capacity to save (e.g., confirm that the controls are functioning properly).		
3. Performance:		
a. **Equipment performance:** Generally the Contractor has control over the selection of equipment and is responsible for its proper installation, commissioning, and performance. Generally the Contractor has responsibility to demonstrate that the new improvements meet expected performance levels including specified equipment capacity, standards of service, and efficiency. **Clarify who is responsible for initial and long-term performance, how it will be verified, and what will be done if performance does not meet expectations.**		
b. **Operations:** Responsibility for operations is negotiable, and it can impact performance. **Clarify responsibility for operations, the implications of equipment control, how changes in operating procedures will be handled, and how proper operations will be assured.**		
c. **Preventive Maintenance:** Responsibility for maintenance is negotiable, and it can impact performance. Clarify how long-term preventive maintenance will be assured, especially if the party responsible for long-term performance is not responsible for maintenance (e.g., Contractor provides maintenance checklist and reporting frequency). **Clarify who is responsible for long-term preventive maintenance to maintain operational performance throughout the Contract term. Clarify what will be done if inadequate preventive maintenance impacts performance.**		

d. **<u>Equipment Repair and Replacement</u>:** Responsibility for repair and replacement of Contractor-installed equipment is negotiable, however it is often tied to project performance. **Clarify who is responsible for replacement of failed components or equipment throughout the term of the Contract.** Specifically address potential impacts on performance due to equipment failure. Specify expected equipment life and warranties for all installed equipment. Discuss replacement responsibility when equipment life is shorter than the term of the Contract.		

ATTACHMENT 7

MEASUREMENT AND VERIFICATION (M&V) PLAN AND REPORTING OUTLINES

TABLE OF CONTENTS

M&V Plan and Savings Calculation Methods Outline

Post-Installation Report Outline

Annual Report Outline

M&V Plan and Savings Calculation Methods Outline

1. Executive Summary / M&V Overview & Proposed Savings Calculations

1.1 Proposed Annual Savings Overview

Table 1. Proposed Annual Savings Overview

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

ECM	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Total savings									
First Year Guaranteed Cost Savings: $									

Notes
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
MBtu=10^6 Btu.
If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

1.1.1 Site Use and Savings Overview (Optional)

Fill in Table 2 or provide equivalent information.

Table 2. Site Use and Savings Overview (Optional)

	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)
Total proposed project savings						
Usage for entire site**						
% Total site usage saved						
Project square footage (KSF)						
Total site square footage (KSF)						
% Total site area affected						

Notes
MBtu=10^6 Btu
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
**Define usage period.
KSF = 10^3 square feet.
If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

1.2 M&V Plan Summary

Table 3. M&V Plan Summary

ECM No.	ECM Description	M&V Option Used*	Summary of M&V Plan

→ * M&V options include A, B, C, and D. Guidelines include *M&V Guidelines: Measurement & Verification for Federal Energy Projects, Version 2.2*; and *International Performance Measurement & Verification Protocol (IPMVP), Volume I, March 2002*, available at www.eere.energy.gov/femp/financing/superespcs_mvresources.cfm.

2. Whole Project Data / Global Assumptions

2.1 Risk & Responsibility

2.1.1 Summarize allocation of responsibility for key items related to M&V.

Reference location of Risk & Responsibility Matrix (if required).

Note: The Risk/Responsibility Matrix is Attachment 5 of the Super ESPC IDIQ Contract and is also available on FEMP's web site at www.eere.energy.gov/femp/financing/superespcs_mvresources.cfm.

2.2 Energy, Water, and Operations & Maintenance (O&M) Rate Data

2.2.1 Detail baseline energy and water rates.

2.2.2 Provide performance period rate adjustment factors for energy, water, and O&M cost savings, if used.

2.3 Schedule & Reporting for Verification Activities

2.3.1 Define requirements for witnessing of measurements during:

a. Baseline development
b. Post-installation verification activities
c. Performance period

2.3.2 Define schedule of verification reporting activities.

Table 4. Schedule of Verification Reporting Activities

Item	[a]Recommended time of submission	[a]Owner's review and acceptance period*
Post-Installation Report	30 to 60 days after acceptance	30 days
Annual Report	30 to 60 days after annual performance period	30 days

[a]Times are recommended based on industry practice; modify as needed.

2.3.3 Define content and format of reports:

d. Post-installation report. Use of Post-Installation Report Outline is recommended (available on FEMP's web site at www.eere.energy.gov/femp/financing/superespcs_mvresources.cfm).

e. Annual M&V reports. Use of Annual Report Outline is recommended (available on FEMP's web site at www.eere.energy.gov/femp/financing/superespcs_mvresources.cfm).

f. Interval M&V reports

2.4 Operations and Maintenance (O&M) Reporting Requirements

2.4.1 Define Government and ESCO reporting requirements:

g. Summarize key verification activities and reporting responsibilities of government and ESCO on operations and maintenance items from details in ECM specific M&V Plans.

h. Define content of reports and reporting schedule.

2.5 Construction Period Savings

2.5.1 Provide overview of how construction period savings will be calculated, if applicable.

2.6 Status of Rebates

Include if applicable.

2.6.1 Provide a summary of the source of any third-party rebates or incentives provided on this project.

2.6.2 Provide status of any third-party rebates or incentives.

2.7 Dispute Resolution

2.7.1 Describe plan for resolving disputes regarding issues such as baseline, baseline adjustment, energy savings calculation, and the use of periodic measurements.

3. ECM-Specific M&V Plan and Savings Calculation Methods

Develop section for each ECM.

3.1 Overview of ECM, M&V plan, and Savings Calculation for ECM

3.1.1 Summarize the scope of work, location, and how cost savings are generated.

i. Describe source of all savings including energy, water, O&M, and other (if applicable).

3.1.2 Specify the M&V guideline and option used.

Guidelines include *M&V Guidelines: Measurement & Verification for Federal Energy Projects, Version 2.2*; and *International Performance Measurement & Verification Protocol (IPMVP)*, Volume I, March 2002 (both available on FEMP's web site at www.eere.energy.gov/femp/financing/superespcs_mvresources.cfm). M&V options include A, B, C, and D.

3.1.3 Provide an overview of M&V Activities for ECM.

j. Explain intent of M&V plan, including what is being verified.

3.1.4 Provide an overview of savings calculations methods for ECM.

k. Provide a general description of analysis methods used for savings calculations.

3.2 Energy and Water Baseline Development

Describe in general terms how the baseline for this ECM is defined.

3.2.1 Describe variables affecting baseline energy or water use.

l. Include variables such as weather, operating hours, set point changes, etc.

m. Describe how each variable will be quantified, i.e. measurements, monitoring, assumptions, manufacturer data, maintenance logs, engineering resources, etc.

3.2.2 Define key system performance factors characterizing the baseline conditions.

n. Include factors such as comfort conditions, lighting intensities, temperature set points, etc.

3.2.3 Define requirements for government witnessing of measurements if different than whole project data requirements included in Section 2.3.

3.2.4 Provide details of baseline data collected, including:

o. Parameters monitored

p. Details of equipment monitored, i.e. location, type, model, quantity, etc.

q. Sampling plan, including details of usage groups and sample sizes

r. Duration, frequency, interval, and seasonal or other requirements of measurements

s. Personnel, dates, and times of measurements

t. Proof of government witnessing of measurements (if required)

u. Monitoring equipment used

v. Installation requirements for monitoring equipments (test plug for temperature sensors, straight pipe for flow measurement etc.)

w. Certification of calibration / calibration procedures followed

x. Expected accuracy of measurements/monitoring equipment

y. Quality control procedures used

z. Form of data (.xls, .cvs, etc.)

aa. Results of measurements (attach appendix and electronic forma as necessary)

bb. Completed data collection forms, if used

3.2.5 Provide details of baseline data analysis performed, including:

cc. Analysis using results of measurements

dd. Weather normalized regressions

ee. Weather data used and source of data

3.3 Proposed Energy & Water Savings Calculations and Methodology

3.3.1 Provide detail description of analysis methodology used.

ff. Describe any data manipulation or analysis that was conducted prior to applying savings calculations.

3.3.2 Detail all assumptions and sources of data, including all stipulated values used in calculations.

3.3.3 Include equations and technical details of all calculations made. (Use appendix and electronic format as necessary.) Include description of data format (headings, units, etc.).

3.3.4 Details of any savings or baseline adjustments that may be required.

3.3.5 Detail energy and water rates used to calculate cost savings.

gg. Provide performance period energy & water rate adjustment factors, if different from in section 2.2.2.

3.3.6 Detail proposed savings for this energy conservation measure for performance period.

hh. Include Table 5.

3.4 Operations and Maintenance Cost Savings

3.4.1 Provide justification for O&M cost savings.

ii. Describe how savings are generated

jj. Detail cost savings calculations.

3.4.2 Provide performance period O&M cost savings adjustment factors, if different from in section 2.2.2.

3.5 Details of other savings (if applicable)

3.5.1 Provide justification for cost savings.

kk. Describe how savings are generated.

ll. Detail cost savings calculations.

3.5.2 Provide performance period O&M cost savings adjustment factors, if different from in section 2.2.2.

3.6 Proposed Annual Savings For ECM

Table 5. Proposed Annual Savings For ECM

[Include all applicable fuels / commodities for project, such as: electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

	Total energy use (MBtu/yr)	Electric energy use (kWh/yr)	Electric energy cost, Year 1 ($/yr)	Electric demand* (kW/yr)	Electric demand cost, Year 1 ($/yr)	Natural gas use (MBtu/yr)*	Natural gas cost, Year 1 ($/yr)	Water use (gallons/yr)	Water cost, Year 1 ($/yr)	Other energy use (MBtu/yr)	Other energy cost, Year 1 ($/yr)	Other energy-related O&M costs, Year 1 ($/yr)	Total costs, Year 1 ($/yr)
Baseline use													
Post-installation use													
Savings													

Notes

*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.

MBtu = 10^6 Btu.

→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

3.7 Post-Installation M&V Activities

Describe the intent of post-installation verification activities, including what will be verified.

3.7.1 Describe variables affecting post-installation energy or water use.

mm. Include variables such as weather, operating hours, set point changes, etc.

nn. Describe how each variable will be quantified, i.e. measurements, monitoring, assumptions, manufacturer data, maintenance logs, engineering resources, etc.

3.7.2 Define key system performance factors characterizing the post-installation conditions such as lighting intensities, temperature set points, etc.

3.7.3 Define requirements for government witnessing of measurements if different than whole project data requirements included in Section 2.3.

3.7.4 Provide details of post-installation data to be collected, including:

oo. Parameters to be monitored

pp. Details of equipment to be monitored (location, type, model, quantity, etc.)

qq. Sampling plan, including details of usage groups and sample sizes

rr. Duration, frequency, interval, and seasonal or other requirements of measurements

ss. Monitoring equipment to be used

tt. Installation requirements for monitoring equipment

uu. Calibration requirements / procedures

vv. Expected accuracy of measurements/monitoring equipment

ww. Quality control procedures to be used

xx. Form of data to be collected (.xls, .cvs, etc.)

yy. Sample data collection forms (optional)

3.7.5 Detail data analysis to be performed.

3.8 Performance Period Verification Activities

3.8.1 Describe variables affecting performance period energy or water use.

zz. Include variables such as weather, operating hours, set point changes, etc.

aaa. Describe how each variable will be quantified, i.e. measurements, monitoring, assumptions, manufacturer data, maintenance logs, engineering resources, etc.

3.8.2 Define key system performance factors characterizing the performance period conditions.

bbb. Include factors such as comfort conditions, lighting intensities, temperature set points, etc.

3.8.3 Describe the intent of performance period verification activities – what will be verified.

3.8.4 Provide detailed schedule of performance period verification activities and inspections.

3.8.5 Define requirements for government witnessing of measurements if different than whole project data requirements included in Section 2.3.

3.8.6 Provide details of performance period data to be collected, including:

ccc. Parameters to be monitored

ddd. Details of equipment to be monitored (location, type, model, quantity, etc.)

eee. Sampling plan, including details of usage groups and sample sizes

fff. Duration, frequency, interval, and seasonal or other requirements of measurements

ggg. Monitoring equipment to be used

hhh. Installation requirements for monitoring equipment

iii. Calibration requirements / procedures

jjj. Expected accuracy of measurements/monitoring equipment

kkk. Quality control procedures to be used

lll. Form of data to be collected (.xls, .cvs, etc.)

mmm. Sample data collection forms (optional)

3.8.7 Detail data analysis to be performed.

3.8.8 Define Operations & Maintenance (O&M) and repair reporting requirements.

nnn. Detail verification activities and reporting responsibilities of government and ESCO on operations and maintenance items.

ooo. Define reporting schedule, if different than in global section 2.4.

Post-Installation Report Outline

Contract # / Delivery Order# / Task #/ Modification #: (include as appropriate)

Performance Period Dates Covered: _____ to_____

1. Executive Summary

1.1 Project Background

1.1.1 Provide an overview of project background, including:

ppp. Contract # / Delivery Order# / Task # / Modification # (as appropriate)

qqq. Dates of relevant Contract modifications

rrr. Performance period dates covered

sss. Project acceptance date (actual or expected)

1.2 Brief Project and ECM Descriptions

1.2.1 Provide an overview what was done and how savings are generated.

1.2.2 Note any changes in project scope between the Final Proposal (including any relevant Contract modifications) and as-built conditions.

1.3 Proposed and expected energy and cost savings for Year 1 of the performance period

Include Table 1.

Compare expected savings for first performance year to first year guaranteed cost savings. State whether guarantee is expected to be fulfilled for first year.

Note: Expected savings are prediction for first year based on post-installation M&V activities. Verified savings for first year of performance period will be documented in annual report. The proposed savings for each ECM are included in DO-4 of the Contract.

Table 1. Proposed Annual Savings Overview

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

ECM	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Total savings									

Notes
MBtu=10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

Table 2. Expected Savings Overview for 1st Performance Year

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

ECM	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Total savings									

Notes
MBtu=10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

Table 3. Guaranteed Cost Savings for First Performance Year

[Note: Guaranteed cost savings are defined in cost schedule DO-1 in Contract.]

First Year Guaranteed Cost Savings:	$

1.4 Energy, Water, and O&M Rate Data

1.4.1 Detail energy and water rates used to calculate cost savings for this period.

1.4.2 Provide performance period rate adjustment factors for energy, water, and O&M cost savings, if used.

1.4.3 Report actual energy and water rates at site for same period (optional).

1.5 Savings Adjustments

1.5.1 Provide summary of any energy and/or cost savings adjustments required between Final Proposal (including any relevant Contract modifications) and as-built conditions.

1.5.2 Describe the impact in changes between the Final Proposal (including any relevant Contract modifications) and as-built conditions based on post-installation M&V results.

1.6 Construction Period Savings

1.6.1 Provide a summary of construction period savings, if applicable.

1.6.2 Provide overview of how construction period savings are calculated.

1.7 Status of Rebates

Include if applicable.

1.7.1 Provide a summary of the source of any third-party rebates or incentives provided on this project.

1.7.2 Provide status of any third-party rebates or incentives.

2. ECM-Specific M&V Activities and Expected First Year Savings

Develop section for each ECM.

2.1 Overview of ECM, M&V Plan, and Savings Calculation for ECM

2.1.1 Summarize the scope of work, location, and how cost savings are generated.

Describe source of all savings including energy, water, O&M, and other (if applicable).

2.1.2 Provide an overview of M&V activities for ECM.

Explain the intent of M&V plan, including what is being verified.

2.1.3 Provide an overview of Savings Calculation Methods for ECM.

Provide a general description of analysis methods used for savings calculations.

2.2 Installation Verification

2.2.1 Detail any changes between Final Proposal (including any relevant Contract modifications) and as-built conditions.

2.2.2 Provide details of energy and cost savings impact from changes between Final Proposal (including any relevant Contract modifications) and as-built conditions based on post-installation M&V results. Include Table 4.

Table 4. Impact to energy and cost savings from changes between final proposal and as-built conditions for ECM

	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric energy cost savings, Year 1 ($/yr)	Electric demand savings* (kW/yr)	Electric demand cost savings, Year 1 ($/yr)	Natural gas savings (MBtu/yr)**	Natural gas cost savings, Year 1 ($/yr)	Water savings (gallons/yr)	Water cost savings, Year 1 ($/yr)	Other energy savings (MBtu/yr)	Other energy cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Proposed													
Expected													
Variance													

Notes
MBtu = 10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g. 0.003413 MBtu/kWh).

Note: Expected savings are prediction for first year based on post-install M&V activities. Verified savings for first year of performance period will be documented in annual report. The proposed savings for each ECM are included in DO-4 of the Contract.

2.2.3 Describe construction period savings (if applicable). Include date ECM was in effect, and reference acceptance documentation.

2.2.4 Detail savings calculations for construction period savings.

2.3 Post-Installation M&V Activities Conducted

Detail measurements, monitoring, and inspections conducted in accordance with M&V plan (include all that apply for each one):

2.3.1 Measurement equipment used

2.3.2 Equipment calibration documentation

2.3.3 Dates/times of data collection or inspections, names of personnel, and documentation of government witnessing

2.3.4 Details to confirm adherence to sampling plan

2.3.5 Include all post-installation measured values. Include periods of monitoring and durations and frequency of measurements. (Use appendix and electronic format as necessary). Include description of data format (headings, units, etc.)

2.3.6 Describe how performance criteria have been met.

2.3.7 Detail any performance deficiencies that need to be addressed by ESCO or Government.

2.3.8 Note impact of performance deficiencies or enhancements on generation of savings.

2.4 Expected Savings Calculations and Methodology

2.4.1 Provide detailed description of analysis methodology used.

Describe any data manipulation or analysis that was conducted prior to applying savings calculations.

2.4.2 Detail all assumptions and sources of data, including all stipulated values used in calculations.

2.4.3 Include equations and technical details of all calculations made. (Use appendix and electronic format as necessary.) Include description of data format (headings, units, etc.).

2.4.4 Details of any baseline or savings adjustments made.

2.4.5 Detail energy and water rates used to calculate cost savings.

Provide performance period energy and water rate adjustment factors, if used.

Report actual energy and water rates at site for same period (optional),

2.4.6 Detail expected savings for this energy conservation measure for first year.
ttt. Include Table 5.

2.5 Details of O&M Savings (if applicable)

2.5.1 Describe source of savings.

2.5.2 Describe verification activities.

2.5.3 Provide performance period O&M cost savings adjustment factors, if applicable.

2.6 Details of other savings (if applicable)

2.6.1 Describe source of savings.

2.6.2 Describe verification activities.

2.6.3 Provide performance-period adjustment factors, if applicable.

Note: Expected savings are prediction for first year based on post-installation M&V activities. Verified savings for first year of performance period will be documented in the annual report. The proposed savings for each ECM are included in DO-4 of the Contract.

Table 5. Expected Year 1 Savings for ECM

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

	Total energy use (MBtu/yr)	Electric energy use (kWh/yr)	Electric energy cost ($/yr)	Electric demand* (kW/yr)	Electric demand cost ($/yr)	Natural gas use (MBtu/yr)	Natural gas cost ($/yr)	Water use (gallons/yr)	Water cost ($/yr)	Other energy use (MBtu/yr)	Other energy cost ($/yr)	Other energy-related O&M costs ($/yr)	Total costs ($/yr)
Baseline use													
Post-installation use													
Savings													

Notes

MBtu = 10^6 Btu.

*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.

→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g. 0.003413 MBtu/kWh).

Annual Report Outline

Contract # / Delivery Order# / Task #: (include as appropriate)

Performance Period Dates Covered: _____ to_____

Contract year #: _____

1. Executive Summary

1.1 Project Background

1.1.1 Provide an overview of project background, including:

uuu. Contract # / Delivery Order# / Task # / Modification # (as appropriate)
vvv. Dates of relevant Contract modifications
www. Performance period dates covered
xxx. Project acceptance date (actual or expected)

1.2 Brief Project and ECM Descriptions

1.2.1 Provide an overview what was done and how savings are generated.

1.2.2 Note any changes in project scope between the Final Proposal (including any relevant Contract modifications) and as-built conditions.

1.3 Summary of proposed and verified energy and cost savings

yyy. Define performance period.
zzz. Include Table 1.

Table 1. Proposed Annual Savings Overview

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

ECM	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Total Savings									

Notes
MBtu = 10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

Note: The proposed savings for each ECM are included in DO-4 of the Contract.

Table 2. Verified Savings for Performance Year [No.]

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

ECM	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)
Total savings									

Notes
MBtu = 10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g. 0.003413 MBtu/kWh).

1.4 Savings Adjustments

aaaa. Provide summary of any energy and/or cost savings adjustments required.

1.5 Performance and O&M Issues

bbbb. Note impact of operating deficiencies or enhancements on generation of savings.
cccc. Note impact of maintenance deficiencies on generation of savings.
dddd. Detail any deficiencies needed to be addressed by ESCO or Government.

1.6 Energy, Water, and O&M Rate Data

1.6.1 Detail energy and water rates used to calculate cost savings for this period.

1.6.2 Provide performance period rate adjustment factors for energy, water and O&M, if used.

1.6.3 Report actual energy and water rates at site for same period (optional).

1.7 Verified Savings To Date

eeee. Include Table 3.

Table 3. Verified Savings for Performance Period To Date

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

Year #	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)	Water savings (gallons/yr)	Other energy savings (MBtu/yr)	Total energy & water cost savings, Year 1 ($/yr)	Other energy-related O&M cost savings, Year 1 ($/yr)	Total cost savings, Year 1 ($/yr)	Guaranteed cost savings for year
Total savings										

Notes
MBtu = 10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

2. Details for each ECM

Develop section for each ECM.

2.1 Overview of ECM, M&V Plan, and Savings Calculation for ECM

2.1.1 Summarize the scope of work, location, and how cost savings are generated.
Describe source of all savings including energy, water, O&M, and other (if applicable).

2.1.2 Discuss any changes in scope / results recorded in post-install M&V report.

2.1.3 Provide an overview of M&V Activities for ECM.
Explain the intent of M&V plan, including what is being verified.

2.1.4 Provide an overview of savings calculation methods for ECM.
Provide a general description of analysis methods used for savings calculations.

2.2 M&V Activities Conducted This Period

Detail measurements, monitoring and inspections conducted this reporting period in accordance with M&V plan (include all that apply for each one):

2.2.1 Measurement equipment used

2.2.2 Equipment calibration documentation

2.2.3 Dates/times of data collection or inspections, names of personnel, and documentation of government witnessing

2.2.4 Details to confirm adherence to sampling plan

2.2.5 Include all measured values for this period. Include periods of monitoring and durations and frequency of measurements. (Use appendix and electronic format as necessary). Include description of data format (headings, units, etc.).

2.2.6 Describe how performance criteria have been met.

2.2.7 Detail any performance deficiencies that need to be addressed by ESCO or Government.

2.2.8 Note impact of performance deficiencies or enhancements on generation of savings.

2.3 Verified Savings Calculations and Methodology

2.3.1 Provide detailed description of analysis methodology used.
Describe any data manipulation or analysis that was conducted prior to applying savings calculations.

2.3.2 Detail all assumptions and sources of data, including all stipulated values used in calculations.

2.3.3 Include equations and technical details of all calculations made. (Use appendix and electronic format as necessary.) Include description of data format (headings, units, etc.).

2.3.4 Details of any baseline or savings adjustments made.

2.3.5 Detail energy and water rates used to calculate cost savings.

Provide performance period energy & water rate adjustment factors, if used.

Report actual energy and water rates at site for same period (optional).

2.3.6 Detail verified savings for this energy conservation measure for performance year.

Include Table 4.

2.4 Details of O&M Savings (if applicable)

2.4.1 Describe source of savings.

2.4.2 Describe verification activities.

2.4.3 Provide performance period O&M cost savings adjustment factors, if applicable.

2.5 Details of other savings (if applicable)

2.5.1 Describe source of savings.

2.5.2 Describe verification activities.

2.5.3 Provide performance period adjustment factors, if applicable.

Table 4. Verified Annual Savings For ECM for Performance Year #

[Include all applicable fuels / commodities for project, e.g., electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

	Total energy use (MBtu/yr)	Electric energy use (kWh/yr)	Electric energy cost, Year # ($/yr)	Electric demand* (kW/yr)	Electric demand cost, Year # ($/yr)	Natural gas (MBtu/yr)**	Natural gas cost, Year # ($/yr)	Water use (gallons/yr)	Water cost, Year # ($/yr)	Other energy use (MBtu/yr)	Other energy cost, Year # ($/yr)	Other energy-related O&M costs, Year # ($/yr)	Total costs, Year # ($/yr)
Baseline use													
Performance Year # use													
Savings													

Notes
MBtu = 10^6 Btu.
*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings.
→ If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).

2.6 O&M Activities

2.6.1 Operating requirements:

ffff. State organization(s) responsible for equipment operations. If appropriate, detail how responsibilities are shared.

gggg. Summarize key operating procedures and any related verification activities.

hhhh. Detail any deficiencies needed to be addressed by ESCO or Government

iiii. Note impact of operating deficiencies or enhancements on generation of savings.

2.6.2 Preventive Maintenance requirements:

jjjj. State organization(s) responsible for performing maintenance. If appropriate, detail how responsibilities are shared.

2.6.3 Verification of scheduled maintenance items completed by ESCO or Government.

kkkk. Detail any deficiencies needed to be addressed by ESCO or Government.

llll. Note impact of maintenance deficiencies on generation of savings.

2.6.4 Repair & replacement requirements:

mmmm. State organization(s) responsible for performing maintenance. If appropriate, detail how responsibilities are shared.

nnnn. Summary of activities conducted this period by ESCO or Government.

oooo. Detail any deficiencies needed to be addressed by ESCO or Government.

pppp. Note impact of maintenance deficiencies on generation of savings.

Attachment 8

Descriptions of Delivery Order (DO) Schedules
And
Placement of Pricing Information

Descriptions of DO Schedules

(All of the DO schedules are provided in Part III, Section J, Attachment 4, of this Contract.)

Schedule DO-1 (Initial) — Proposed Guaranteed Annual Cost Savings and Annual Contractor Payments:

Schedule DO-1 (Initial) is used to submit the offeror's proposed estimated annual cost savings, and annual Contractor payments for a specific Delivery Order ECM project, and shall be submitted with all Delivery Order proposals. The values submitted on Schedule DO-1(Initial) are for 12-month periods, beginning after completion by the Contractor of the implementation period for all ECMs, and acceptance by the Government. The estimated annual cost savings proposed for each year of the proposed Delivery Order performance period shall be based on projected energy savings presented in the technical proposal for the Delivery Order project, and trace to the other DO Schedules required for submission. The annual Contractor payments proposed shall be for each year of the proposed Delivery Order performance period after ECM implementation and acceptance by the Government.

Each DO RFP shall specify the rates and any applicable escalation that will be used for utilities during the delivery order's period of performance. The estimated annual cost savings in column (a) of Schedule DO-I (Initial) shall be based on the specified rates for utilities and any applicable escalation. If specified rates are not used, then the DO RFP must indicate how the Contractor is to propose.

Schedule DO-1 (Final) — Guaranteed Annual Cost Savings and Annual Contractor Payments

Schedule DO-1 (Final) shall be submitted to present the selected Contractor's DES proposed annual cost savings, guaranteed annual energy savings, and annual Contractor payments. Based on the DES results, the selected Contractor only shall submit a completed Schedule DO-1 (Final), reflecting the Contractor's guaranteed annual cost savings in column (b). The selected Contractor shall submit a copy of the detailed energy survey findings, data, and calculations used to support Schedule DO-1 (Final) with the DO-1 (Final) submission.

The Contractor shall receive payments in the frequency specified in Section G.3 based on the negotiated annual fixed payment schedule, as established in the Schedule DO-1(Final), column (c), and included in the Delivery Order award. This represents the Delivery Order price and will be supported by the information submitted in the other DO schedules submitted with the Delivery Order proposal, originally or as revised as part of the DES.

Schedule DO-2— Implementation Price for ECMs:

Schedule DO-2 shall be submitted for all Delivery Order project proposals with estimated pricing, and the schedule may be revised and resubmitted by the selected Contractor upon completion of their Detailed Energy Survey and submission of a final proposal. Schedule DO-2 presents the offeror's implementation period investment for each ECM included in a specific Delivery Order project. It reflects the equipment proposed for installation for each ECM indicated along with its implementation price, the Contract mark-up (up to the maximum proposed in Schedule B-1) applied to this pricing, the subtotals of investment for each discrete ECM, and then the calculation of the total estimated implementation price, or investment for all proposed ECMs for the Delivery Order project. This information is requested as a trace to the information provided in Schedule DO-3.

The total bonded amount on DO-2 will be used to establish performance and payment bond requirements for the ECM implementation period, if applicable, in accordance with Section H-17.

Schedule DO-3 — Performance Period Cash Flow

Schedule DO-3 shall be submitted for all Delivery Order project proposals with estimated pricing, and the schedule may be revised and resubmitted by the selected Contractor upon completion of their Detailed Energy Survey and submission of a final proposal. Schedule DO-3 presents the offeror's proposed project cash flow for a specific Delivery Order project. The schedule is divided into two sections. The Implementation Period section pertains to the implementation price (which should trace back to the Schedule DO-2 price) less any pre-performance period payments, plus the debt service stream on that investment. The Performance Period section pertains to the total expenses associated with the services the Contractor supplies to manage the project, and maintain and verify ECM performance during the performance period of the Delivery Order term. The offeror shall propose the estimated Delivery Order cash flows for each year of the proposed Delivery Order term. The pricing provided in this schedule shall be traceable to the information provided in DO-1 (Initial) or DO-1(Final)) and DO-2.

As required by the Schedule, the offeror shall specify the Applicable Financial Index used with its source and date, the financing term of the project (in years), the index rate (derived for the project's term from the financial index), the added premium being applied to amortize the investment (up to the maximum Added Premium, based on Schedule B-2), and the resultant Project Interest Rate. The effectivity of the proposed Project Interest Rate is also required to be identified on the Schedule.

Schedule DO-4 — First Year Energy and Cost Savings by ECM, Technology Category, and Delivery Order

Schedule DO-4 shall be submitted for all Delivery Order project proposals. Schedule DO-4 presents a summary of the proposed estimated annual cost savings that will be achieved following the installation of the ECM's included in the Delivery Order proposal. Both the ECM number and technology category, per Section C.2 numbering, shall be provided, as well as an adequate description of each ECM and the other indicated energy information. The ECM numbers indicated in this Schedule shall be consistent throughout the offeror's proposal, both technical and price. The annual cost savings requested for each ECM shall be broken down into energy and O&M cost savings. The energy savings shall be presented in the energy type consumed by the equipment and also converted to Btu's for a project summary. Subsequent demand and dollar savings shall be derived from the utility rates presented in the DO RFP for the project site.

Contractors/Offerors shall provide adequate supporting documentation for the estimated annual cost savings submitted in Schedule DO-4, to include whatever detail is pertinent to the specific project.

Schedule DO-5 — Annual Cancellation Ceiling

Schedule DO-5 shall be submitted for all final Delivery Order project proposals. Column (b) of Schedule DO-5, "Total Cancellation Ceiling," is a presentation of proposed, and later negotiated, annual cancellation ceilings to establish the maximum termination liability in the event of Contract cancellation or termination. Actual termination charges will be negotiated as part of any cancellation or termination settlement, per established FAR requirements. Column (a) of Schedule DO-5, "Outstanding Capital Investment," is a fixed subset of the Total Cancellation Ceiling in Column (b). It constitutes the remaining unamortized principal on Total Amount Financed for each time period specified in the Schedule DO-5, plus any prepayment charges as negotiated and included in the pricing (including financing) of the project.

Placement of Pricing Information

Pricing Element	Markups for tech categories, performance-period services (B-1)	Added premium (B-2)	Implement-ation expenses (DO-2)	Performance -period expenses (DO-3)	Financing procurement price (DO-3)
Pre-Award Project Development Expenses Prior to Notice of Intent to Award **Contractor –Identified Projects ONLY**					
Develop and submit the Initial Proposal			X		
Pre-Award Project Development Expenses Prior to Notice of Intent to Award **Government-Identified Project ONLY**					
Obtain and read the DO RFP and site data package			X		
Attend the pre-proposal conference and/or site walk-through			X		
Submit written questions, read questions and answers submitted by all			X		
Develop and submit the Initial Proposal (oral or written as per DO RFP)			X		
Implementation Period **These pricing elements apply to the selected Contractor only after receiving notice of intent to award a Delivery Order from the Contracting officer.**					
Pre-award requirement: perform the detailed energy survey			X		
Pre-award requirement: submit revised detailed energy survey			X		
Pre-award requirement: negotiate acceptance of report establishing mutual agreement on feasible ECMs, baseline & M&V plan			X		
Pre-award requirement: develop revised final proposal including DO-1 (Final), DO-5 and revised DO-2 through DO-4			X		
Pre-award requirement: arrange financing					X
Pre-award requirement: secure payment and performance bonds					X
Preliminary design submittal and review			X		
Final design submittal and backcheck			X		
Request Government approval of equipment schedules, order equipment, pay for it			X		
Direct construction expense including all sub-Contracts, permits, insurance, construction management & QC, waste removal, commissioning, training, documentation as per M&V plan and DO, etc.			X		
Construction financing expenses					X

Pricing Element	Markups for tech categories, performance-period services (B-1)	Added premium (B-2)	Implement-ation expenses (DO-2)	Performance -period expenses (DO-3)	Financing procurement price (DO-3)
Request Government inspection, Government acceptance			X		
Contractor indirect labor, i.e., any labor that cannot be directly attributed to a specific task and therefore must be distributed across several tasks or projects as overhead	X				
Overhead costs other than indirect labor -- sales, general and administrative, regional overheads	X				
Contractor markup of sub-Contractor-supplied equipment, material, or labor	X				
Contractor profit	X				
Performance Period					
Contractor or third-party debt repayment		X			
Project management and administration				X	
ECM operation and maintenance				X	
ECM repair and replacement				X	
Measurement and Verification				X	
Permits and licenses				X	
Insurance				X	
Property taxes				X	
Contractor indirect labor, i.e., any labor that cannot be directly attributed to a specific task and therefore must be distributed across several tasks or projects as overhead	X				
Overhead costs other than indirect labor, e.g., sales, general and administrative, regional overheads	X				
Contractor markup of sub-Contractor-supplied equipment, material, or labor	X				
Contractor profit	X				

Attachment 9

Investor Deal Summary Template

Project:

Date:

ESCO:

1. Project Investment				
ECM description	Implementation expense ($)	Markup (%)	Implementation price ($)	Percentage of implementation price (%)
Totals				100

2. Key Project Dates	
Key event	**Date**
a. Period over which to hold firm: (i) offered premium over index interest rate (ii) financing procurement price	
b. Anticipated delivery order award	
c. Anticipated financial closing	
d. Index rate lock	
e. Notice to proceed w/construction[a]	
f. Construction progress milestones[a]	
25% completion	
50% completion	
75% completion	
100% completion	
g. Government acceptance	

[a]The ECM Progress Schedule (required in the final proposal per H.24.1(a) 10 may be substituted for these items.

3. Payment to Reduce Total Financed Amount		
Type of payment	**Amount ($)**	**Anticipated date**
a. Pre-performance-period payment		
b. Utility rebate		
c. Other ECM financial incentive (i.e. state system benefit fund)		

4. ESCO's Portion of Financing Procurement Price	Amount ($)
ESCO's portion of financing procurement price (FPP), (e.g., payment and performance bonds, contractor costs for arranging financing, etc)	

5. Summary Risk Analysis on Guaranteed Cost Savings (Payment Stream)						
	Year 1		Year 2		Year 3	
Guaranteed annual cost savings	$	%	$	%	$	%
[a]At risk						
[b]Low risk						
[c]No risk						
Total guaranteed savings						

[a]Guaranateed savings "at risk" are subject to verification by ongoing measurements, such as M&V Options B, C, and D.

[b]Low-risk guaranteed savings are subject to annual verification that ECM is in place and functioning, and savings from ECMs verified by M&V Option A.

[c]No-risk guaranteed savings are from energy-related O&M.

6. Comparison of estimated and guaranteed cost savings Amount by which annual estimated cost savings exceed guaranteed cost savings (Values for Year 0, no escalation applied)		
Total project	$	%
Total estimated savings		
Total guaranteed savings		
Amount total estimated savings exceeds total guaranteed savings		
Savings in at-risk category		
Estimated at-risk savings		
Guaranteed at-risk savings		
Amount estimated at-risk savings exceeds guaranteed at-risk savings		

7. Payments for Performance-Period Services			
	Amount ($)	Anticipated start date	Frequency of payments (monthly, quarterly, annual)
Total performance-period services payment			

8. Savings Shortfall Required Before Exceeding Payment for ESCO Performance-Period Services			
	Year 1	**Year 2**	**Year 3**
At-risk guaranteed savings ($)			
Performance-period services payment ($)			
Percent shortfall in at-risk savings before performance-period-services payment is exceeded			

9. Events Required to Trigger Government Withholding of Payments and Likelihood of Occurrence
[Text — Brief narrative describing post-acceptance events required to trigger government withholding of payments and likelihood of occurrence of those events.]

10. Applicable Financial Index (i.e. U.S. Treasury, Swap Rate, etc)
[All financing offers are to be based on the financial index specified here.]

11. Risk Assignment Summary: Refer to Completed Risk and Responsibility Matrix
[Attach completed Risk and Responsibility Matrix.]

ATTACHMENT 10

Standard Finance Offer Template

Project:

Date:

ESCO:

Narrative description of finance package:

Financier Note: This section is intended to communicate full understanding of the finance offer, addressing issues such as:

- *Third party or internal financing of capitalized construction-period interest costs*
- *Establishment of escrow or trust accounts for construction draws, performance-period administration, or other purposes*
- *Timing of project financing closing and date certain for initiation of repayments (if applicable)*
- *Timing of Government payments (monthly, quarterly, annually in advance, monthly in arrears, etc.)*

Implementation Price (IP) (value from IDS):

Itemized Financing Procurement Price (FPP):

Financier Note: Itemize all up-front charges that flow to Financing Procurement Price (FPP) in Schedule DO-3 of the Contractor's final proposal, such as:

- *All fees, professional services, etc. (itemize individually)*
- *Capitalized construction-period interest (state all interest rate and other assumptions not specified in IDS)*
- *Hedge costs (only applicable if IDS indicates Government desires the index portion of total project interest rate to be held firm along with premium over index and FPP)*
- *Plug figure for Contractor's portion of FPP (price to arrange financing, pass-through of payment and performance bond cost, etc.; value from IDS)*

Pre-performance-period payments (P4s, value from IDS):

Total Amount Financed (IP + FPP – P4):

Financial Summary:

Date to which all aspects of the offer are held firm (from IDS):

Premium over index interest rate (annual):

Attachment 10 – SFO

Financier Note: If Government desires the index to be held firm, then specify project interest rate (annual).

Financier portion of FPP :

Financier Note: Total FPP, less plug figure for Contractor's portion

Performance period (i.e., financing repayment) term (months):

Financier Note:

1. *Schedule of Government debt service payments, electronically in Excel format, including all supporting calculations shall be provided with SFO.*
2. *Backup for the value of capitalized construction period interest, electronically in Excel format, including all supporting calculations, shall be provided with SFO.*
3. *All financing offers shall be based upon the applicable financial index specified in the IDS. The maturity of the index rate shall be equal to the performance period term (i.e. 17-year performance period = 17-year index). If the performance period is not exactly equal to the maturity of a specific index, then it is recommended that a smoothed cubic spline fit be used to approximate the rate curve. This method allows the interpolation of interest rates for given maturities even when no paper was sold at those maturities. For a discussion of econometric techniques for fitting the term structure of interest rates, including bibliographic information, see, for example, Mark Fisher, Douglas Nychka, and David Zervos, "Fitting the Term Structure of Interest Rates with Smoothing Splines," Finance and Economics Discussion Series 95-1 (Board of Governors of the Federal Reserve System, January 1995).*