



Energy Performance Contracting. First step to Zero Energy



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History and Improvements to make it work

- **Law was passed in 1993 – Maximum 10 year project**
- **Amendment 2009 – Maximum 25 year project**
- **By 2005 did 39 project in school and universities -\$44 Million \$4.4 Million in annual savings**
- **In 2014 the legislature passed House Memorial 61 to study why the law was not being used. Results:**
 - **Third Party Evaluator**
 - **Construction Management**
 - **Monitoring and verification**
 - **EMNRD Fee for service**

Energy, Minerals and Natural Resources Dept. and Office of State Engineer Responsibilities

EMNRD:

- **Certifies Qualifications of ESCO**
- **Certifies energy audit savings calculations.**
- **Provides 3rd party oversight of projects:**
 - **Site visits to review facility to check ESCO findings**
 - **Review final IGA**
 - **Conduct site inspections to verify installations of measures**
 - **1% is added to the cost of project to reimburse EMNRD.**

Office of State Engineer: certifies water conservation projects



ESPC Tools:

<http://www.emnrd.state.nm.us/ECMD/CleanEnergyPerformanceFinancing/cleanenergyperformancefinancing.html>

- **Contract Templates**
 - **Investment Grade Audit Contract**
 - **Energy Savings Performance Contract**
 - **RFP for Financing**
- **State Price Agreements - 7 Qualified Vendors**
- **3-rd Party Evaluators – 4 on contract**
- **Technical Assistance - 4 engineering on staff**
- **Verification of Savings**
 - **M&V reports reviewed-some field verification**
 - **Annual Reports provided to the Governor's Office, Legislative Finance and Department of Finance and Administration**

ESCO Project Impact in the last 6 years

- **28 ESPC Projects:**

- **\$199.3 million invested**

- **Several projects include PV systems**
 - **Projects leveraged \$69 million**
 - **12 Local Government Projects**
 - **9 Higher Education**
 - **4 k-12**
 - **3 State Agencies**

- **\$10.2 Million/year savings, guaranteed**

- **74 thousand tons of CO₂e reduction in GHG**

- **109.4 Million kWhs saved**

- **6 PPA Projects:**

- **\$31.3 million invested**

- **8,939 tons of CO₂e reduction in GHG**

- **Reduced utility rates**