

## **2010 Performance Contracting Annual Report**

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**Receiving Entities:**

The Joint Legislative Commission on Governmental Operations

**Submitting Entity:**

The North Carolina Energy Office in the Department of Commerce

## Performance Contracting Annual Report FY 2009-2010

There are three performance contracts where construction is complete. The actual energy savings are exceeding the guaranteed savings in all of these contracts. Three additional contracts have been approved by Council of State and are in the construction phase at this time. There are currently eleven performance contracts in process. These contracts have an estimated investment of 182.8 million dollars. The current cap on performance contracts is 500 million dollars.

The table below shows the status of all performance contracts in process and complete.

Agency	Estimated Project \$	Actual Project \$	Project Status	Vendor
DOA Museum of Art		\$4,966,763	Third guarantee year complete	Trane
DOA downtown complex		\$21,436,007	Second guarantee year complete	Pepco
UNC Greensboro		\$5,808,994	Second guarantee year complete	Trane
Appalachian State University		\$5,430,596	Construction 90% complete	Pepco
NC State University		\$19,700,703	Construction 45% complete	Schnieder
UNC Wilmington		\$4,542,387	Construction 45% complete	Trane
Department of Correction	\$14,920,040		ESA being negotiated	Noresco
NC Central University	\$6,700,000		IGA complete	Chevron
NC State University (Cogen)	\$58,000,000		IGA complete	Ameresco
Western Carolina University	\$5,100,000		IGA in process	Con Ed
UNC Asheville	\$3,458,505		IGA in process	Ameresco
Elizabeth City State University	\$4,666,641		IGA in process	Honeywell
UNC Pembroke	\$3,342,630		IGA in process	Siemens
UNC Charlotte	\$10,000,000		IGA in process	Ameresco
Winston Salem State University	\$2,916,602		IGA in process	Siemens
Department of Transportation	\$9,766,628		Application approved	
Fayetteville State University	\$2,051,454		Application approved	
Sub-Totals	\$120,922,500	\$61,885,450		
<b>Total potential investment</b>	<b>\$182,807,950</b>			

IGA = Investment Grade Audit

ESA = Energy Services Agreement

Details on the specific contracts that are complete are presented below:

### Museum of Art:

**Agency:** Department of Administration

**ESCO:** Trane Comfort Solutions Inc

**Amount:** \$5,808,994      **Rate:** 3.608%

**Guarantee period started:** February 1, 2007

**Financing:** SunTrust Banks, Inc.

**Term:** 12 years

**Guaranteed Energy Savings**

Year	Guaranteed \$	Actual \$	Difference \$	Validated by
1	\$ 578,389	\$ 592,848	\$ 14,459	Industrial Extension Service
2	\$ 582,213	\$ 594,900	\$12,687	SCO
3	\$ 553,834	\$ 572,193	\$18,359	SCO

**Downtown Complex includes legislative buildings:****Agency:** Department of Administration**Facility:** (18 buildings)**ESCO:** PEPCO Energy Services**Financing:** Banc of America**Amount:** \$ 18,863,659      **Rate:** 3.64%**Term:** 12 years**Guarantee period started:** May 1, 2008**Guaranteed Energy Savings**

Year	Guaranteed \$	Actual \$	Difference \$	Validated by
1	\$ 2,190,293	\$ 2,238,191	\$ 47,901	EMC
2	\$ 2,250,527	\$ 2,349,168	\$ 98,641	preliminary

Validation not complete for year two

**UNC at Greensboro:****Facility:** Graham Building, Mossman Administration Building, Bryan Business & Education Building, Jackson Library and McIver Chiller Plant**ESCO:** Trane Comfort Solutions Inc**Financing:** Banc of America**Amount:** \$ 5,808,994      **Rate:** 3.608%**Term:** 12 years**Guarantee period started:** September 1, 2008**Guaranteed Energy Savings**

Year	Guaranteed \$	Actual \$	Difference \$	Validated by
1	\$ 548,474	\$ 565,088	\$16,614	Engineering Economics Inc.

Reconciliation report for year two due 11/30/2010

**Appalachian State University:****Facility:** Farthing Auditorium, Walker Hall, Raley Hall, Thomas Hall, Scott Hall, Varsity Gymnasium, Holmes Convocation Center, Physical Plant Buildings, Procurement Services, Printing & Publication Warehouse and Water Treatment Plant**ESCO:** PEPCO Energy Services**Financing:** SunTrust Banks, Inc.**Amount:** \$ 5,430,596      **Rate:** 5.1%      **Term:** 12 years**Guarantee period started:** Guarantee period will begin when construction is complete. Project under construction approximately 90% complete**UNC at Wilmington:****Facility:** Deloach Hall, Kenan Auditorium, Kenan Hall, Randall Library, King Hall, Westside Hall, Westside Energy Plant, Alderman Hall, James Hall, and Hoggard Hall**ESCO:** Trane Comfort Solutions**Financing:** BB&T**Amount:** \$ 4,542,387      **Rate:** 4.97%      **Term:** 20 years**Guarantee period started:** Guarantee period will begin when construction is complete. Project under construction approximately 45% complete

**NC State University:**

**Facility:** Cox Hall, Poe Hall, Tompkins Hall, Caldwell Hall, Winston Hall, College of Textiles, McKimmon Center, Monteith Research Center, Research 1, Dabney Hall, Carmichael Gym, Structures Lab, and MRC Parking Garage

**ESCO:** Schneider Electric Buildings America's

**Financing:** BB&T

**Amount:** \$ 19,700,703      **Rate:** 4.97%      **Term:** 20 years

**Guarantee period started:** Guarantee period will begin when construction is complete. Project under construction approximately 45% complete