

10 Ten Benefits of Energy Performance Contracting (ESPC)

The positive impacts to surrounding community are many:

1. **Improved Facilities:** By updating or replacing old and obsolete equipment with new efficient technologies, districts will lower energy use, experience fewer equipment breakdowns, and reduce maintenance costs.
2. **Positive Cash Flow:** Energy conservation initiatives can save money in excess of project costs and these savings can then be used for under funded programs or additional capital projects. Energy performance contracting can be structured for annual positive cash flow for operating or capital budgets.
3. **More Productive Working Environment:** When visitors and employees experience improved lighting, better air quality and more comfortable room temperatures, they are likely to be more productive, healthier, and happier.
4. **Guaranteed Construction Cost and Savings Equals Less Risk:** For many departments, one of the most challenging areas of traditional construction is the inherent risk of cost overruns. Energy performance contracting eliminates this risk with guaranteed construction costs and guaranteed savings.
5. **Supplement Bonding Funds:** Energy performance contracting can act as a tool to supplement bond funds. By using this option to purchase energy-efficient equipment, you may be able to eliminate budget short falls.
6. **Little or No Up-Front Capital:** Energy performance contracting allows cities, counties, schools to undertake facility improvement projects now even if funds are not available. This permits cities, counties, schools to implement improvements even when faced with budget cuts or competing priorities.
7. **Best Value vs. Low Bid:** Departments have the ability to negotiate with qualified contractors and vendors for services without being limited by a "low-bid" process. This allows districts to receive the best value as well as obtain the expertise required for exceptional results.
8. **Enhanced Community Relations:** By redirecting dollars into facility improvements that would normally go to pay for utilities, cities, counties, schools can be responsible stewards of taxpayer dollars. Demonstrating the commitment to maximize current funds shows taxpayers that you have their best interests in mind.
9. **Boost to Local Economy:** Studies show that for every \$1.00 invested in an energy efficiency retrofit, \$0.40 is returned to the local community in payment for labor and other direct costs of goods purchased.
10. **Good for the Environment:** Everyone benefits from cities, counties, schools that use energy more efficiently because energy-savings improvements result in reduced harmful greenhouse gas emissions.