

BOMA International - Clinton Climate Initiative Building Energy Retrofit Program Overview

BOMA International (BOMA) has partnered with the Clinton Climate Initiative (CCI) and collaborated with major real estate companies and energy service companies (ESCOs) to develop a contracting model and a set of supporting template documents to help owners/operators execute more comprehensive energy efficiency retrofits in investment real estate through Energy Performance Contracting (EPC).

In the BOMA Energy Performance Contract (BEPC) model, the owner/operator sets the financial and environmental criteria for the project up front, and the ESCO provides a turn-key solution that meets or exceeds those criteria. The utility and operational savings derived from the building efficiency project are used to repay the cost of the project, and the ESCO financially guarantees the energy savings that will be achieved, assuming project risk and compensating the owner for any savings shortfalls.

In creating the BEPC model, many key aspects of the energy efficiency retrofit process were vetted by top ESCO's and real estate companies to create a "Tool Kit" of boiler-plate documents intended to streamline the project development process. The "Tool Kit" includes sample RFQ and RFP documents, a template Investment Grade Audit contract, and the BOMA Energy Performance Contract itself, along with an overview of the contracting process and other supporting documents.

The Clinton Climate Initiative (CCI) has signed a memorandum of understanding with a number of large ESCOs establishing a series of Energy Performance Contracting Best Practice Terms and Conditions for project procurement, development, and contractual processes, which the ESCOs have agreed to extend to CCI owner/operator partners. And since the contracts are standardized, real estate professionals need not become experts in energy performance contracting or performance guarantee provisions to execute a successful project.

Benefits of BEPC include

- ❖ Owner/operator controls the process and specifies all project criteria
- ❖ Streamlined project development
- ❖ Minimized project costs (legal costs, man-hours, project management, equipment costs)
- ❖ Easy editing of template documents to fit specific goals and objectives
- ❖ Higher confidence of successful project implementation
- ❖ Potential for projects to be self-funding, with energy savings covering costs and creating operating expense savings opportunities in short and long term
- ❖ Building performance assured through performance guarantee