

June 25, 2013

The Honorable Cory Gardner
213 Cannon House Office Building
U.S. House of Representatives
Washington, DC 20515

The Honorable Peter Welch
2303 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Representatives Gardner and Welch:

We are writing to commend your leadership as the Co-Chairs of the Energy Savings Performance Caucus, and to endorse your recent introduction of legislation that would extend the Federal goal for Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs) for five years.

As you are aware, the Federal government spends over \$6 billion on energy costs per year. Although the government's employment of energy efficiency strategies is relatively small in scope compared to the deployment of such measures in the private sector and in other public buildings, it is important that the Federal government lead by example on its approach to energy efficiency. To that end, performance contracting can play a critical role, particularly in these times of declining budgets.

Enactment of your proposal would increase utilization of ESPCs and UESCs by Federal agencies to upgrade their facilities and buildings with no upfront cost to the government. Moreover, your measure would maintain the existing law that requires the private sector contractor to measure, verify and guarantee the energy savings associated with the project. This guarantee ensures that the company is repaid solely from energy savings. The bill will improve transparency and accountability of ESPCs and UESCs, and further ensure that taxpayers benefit from the energy-related cost savings with no additional appropriations.

We look forward to working with you to advance this important legislation, and to collaborating with you to make certain that the Administration continues to expand its ongoing efforts on Federal performance contracting.

Thank you again for your support of energy efficiency and performance contracting.

Sincerely,

ABM
AO Smith Corporation
Alliance for Industrial Efficiency
Alliance to Save Energy
Ameresco
American Council for an Energy Efficient Economy (ACEEE)

Business Council for Sustainable Energy (BCSE)
Conservation Services Group (CSG)
Constellation
Danfoss
Digital Energy & Sustainability Solutions Campaign (DESSC)
Energy Future Coalition
Environment America
Environmental and Energy Study Institute (EESI)
Federal Performance Contracting Coalition (FPCC)
Honeywell
Information Technology Industry Council (ITIC)
Institute for Market Transformation (IMT)
Johnson Controls
National Association of Energy Service Companies (NAESCO)
National Association of State Energy Officials (NASEO)
National Electrical Manufacturers Association (NEMA)
National Grid
Natural Resources Defense Council (NRDC)
NORESO
Northeast Energy Efficiency Council (NEEC)
Schneider Electric
Siemens
Sierra Club
Trane/Ingersoll Rand
U.S. Chamber of Commerce
U.S. Green Building Council