



**Energy Services Coalition  
Massachusetts Chapter**

October 6, 2015

Via email to [steven.venezia@state.ma.us](mailto:steven.venezia@state.ma.us)

Energy Efficiency Advisory Council  
Department of Energy Resources  
100 Cambridge Street, Suite 1020  
Boston, MA 02114

RE: 2016-2018 Massachusetts Joint Statewide Three-Year Electric and Gas Energy Efficiency Plan

Dear Council Members:

The Energy Services Coalition (ESC) is a national non-profit corporation composed of members from both the public and private sector working together at the state and local level to increase energy efficiency and building upgrades through guaranteed energy savings performance contracting (GESPC). As a true public-private partnership organization, the ESC's mission is to develop and disseminate information on how GESPC can be used to deliver energy efficiency. Our efforts focus on educating all appropriate stakeholders on the power and application of GESPC. In that spirit the Massachusetts Chapter of the ESC would like to offer our support to help the EEAC, DPU, and Program Administrators more fully understand how GESPC could be used to augment the initiatives outlined in the current draft of the 2016-2018 Massachusetts Joint Statewide Three-Year Electric and Gas Energy Efficiency Plan (Plan).

GESPC is a well-established policy with a long history of being used by public agencies at all levels to reduce energy costs, minimize environmental impact, and upgrade infrastructure. All 50 states have enabling legislation that encourage the use of this contracting vehicle that allows the creation of real jobs and modernization of public facilities through the repurposing of dollars that would otherwise be used to pay the utility bill. Annually GESPC is used to complete nearly 7 billion dollars of construction without raising taxes for new budget funds. When rebate programs such as those described in the current Plan are incorporated into a GESPC the impact of those rebate programs in terms of both energy savings and job creation is typically two to three times greater than when they are used on a stand-alone basis.

We recognize that GESPC is not the right tool for every market but during its over thirty year history GESPC has proven to be an especially effective tool for providing deep energy retrofits with measured and verified savings in the Cities, Towns and Special Purpose Districts markets. As stated in the current draft of the Plan "Local public bodies have unique challenges and opportunities with regard to efficiency

investment". Expressly designed to address these unique aspects of delivering energy efficiency to local public bodies, GESPC would provide a positive contribution to achieving the goals of the new Plan.

The current draft of the Plan does not preclude the use of GESPC. However, we believe that explicitly including it as one of the available implementation strategies will significantly increase the use of GESPC and build upon the success achieved under the current three-year plan. The use of GESPC enhances utility DSM programs since it is based on contractually required and annually measured & verified energy savings, which provides greater confidence and persistence of savings over time than typical EEM implementation. Additionally, since GESPC contracts are built on an alternatively financed design/build model, they are not subject to capital constraints like most energy efficiency projects, and result in more comprehensive projects, driving greater, and more efficient use of incentive funds, and utility manpower. The MA Chapter of the Energy Services Coalition would welcome the opportunity to help the EEAC, DPU and Program Administrators understand how GESPC could more specifically be incorporated into the new Plan.

Respectfully,



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