

A decorative graphic consisting of a teal circle on the left side, partially overlapping a horizontal teal bar. A white left square bracket is positioned on the left side of the bar, and a teal right square bracket is on the right side. The text 'State of Michigan' is centered within the bar.

# State of Michigan

Energy Performance  
Contract Experience

# [ Executive Directive 2007-22 ]

- Attain a 10% reduction in energy use
- Attain a 20% reduction in grid-based energy purchase

# Regional Performance Contracts

- Coordinated by the MI Dept of Management & Budget
- To help accomplish Executive Directive goals
- Involving multiple state agencies
- Pilot project
  - Newberry Correctional Facility
  - \$2.13 M investment; average annual cost savings \$198,000

# SOM Energy Performance Contract History

- Many contracts during the 1990's
  - Total investment in excess of \$17 M
  - Cost savings accumulating in excess of \$22 M
  - Final two contracts will end in 2010

# [ Staff Training ]

- June 26, 2008 performance contract procurement training
  - provided to DMB purchasing staff; state facility managers and operators
    - Elements of a contract; selecting an ESCo; project financing; service agreements; going GREEN; project commissioning and savings measurement & verification

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