



MCB Camp Lejeune

UESC and ESPC



Why do we use both?

- They are both available.
- We are a large installation with multiple sub-areas and can “divvy” out work without interference.
- Each has it’s own strengths.
- We didn’t want anyone to think they were the only kid on the block.

Brief Contract Tool Comparison

UESC

- Up to 10 Yr SPP and Term.
- No guarantee or M&V required.
- Typically considered to have lower overall cost due to no guarantee or M&V.

ESPC

- Up to 25 Yr SPP and Term.
- Guarantee and M&V required.
- Typically considered to have higher overall cost due to required guarantee and M&V.

Camp Lejeune General Guidelines for Contract Types

UESC

- “Tried and True” solutions with easily definable savings and less risk (remember . . . no guarantee).
- 10 Yr or less payback.
- Examples: Lighting, motors, some controls.

ESPC

- Solutions with “soft” or highly calculated savings and greater risk (we’ve got the guarantee).
- Need for > 10 Yr payback.
- Examples: Cogeneration, alternative fuel plants.

Camp Lejeune Policy for ALL UESC and ESPC Contracts

- No contract terms longer than 10 years for either contract mechanism . . .

Unless there are “unusual” and “beneficial” circumstances that come from extending the term.

Did Camp Lejeune follow these guidelines from the start?

NO!

- We formulated these guidelines over time.
- Formal SOP developed and signed by all parties



UESC Project Examples

- Family Housing Ground Coupled Heat Pumps (GCHP's)
 - Stand alone project with 10 yr SPP and Financing Term.
 - Buy down with rate rebate.
 - Savings Guarantee (where did that come from?).
- Bundle 1
 - Lighting and commercial size GCHP.
 - Bundled 10 Yr SPP.
 - Funded from rate rebate.
- Bundle 2
 - Lighting Only.
 - Funded from rate rebate (could easily have been financed for 10 years with no buy down).

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7



ESPC Project Examples

- ESPC
 - Lighting retrofits.
 - 11 Yr Financing Term.
 - Navy buy down
 - Under construction.
- ESPC – Biomass and Alternate Methane Fuel (BAMF)
 - Biomass and Landfill Gas (LFG) Steam Generation and possibly Electrical Generation.
 - Possible 20 Yr Term.
 - Initial Proposal Stage.

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8



Future UESC at MCBCL

- Continue with Bundles 3 through 5
- Aim for goals in Exec Order 13123 by 2010
- Utility contract with rebate agreement through 2005 with option through 2009

Clyde Hoelzer – 757-233-4698 or
HoelzerEC@efdlant.navy.mil

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9