

PBEEEP Public Building Enhanced Energy Efficiency Program

As governmental units seek to contain operational costs, create jobs, reduce emissions, and save energy through energy-related infrastructure improvements and initiatives, the Public Building Enhanced Energy Efficiency Program (PBEEEP) will provide assistance through an easy access approach that combines expert technical services and financing. The program will target cost-effective energy efficiency building improvements via retrofit or retro-commissioning opportunities and will offer access to financing at attractive interest rates.

Key Program Features

- Comprehensive technical services to ensure that the best projects are identified, designed, implemented and commissioned.
- Integration with Public Buildings Benchmarking for cost-effective targeting.
- Designed to coordinate with utilities to incorporate existing Conservation Improvement Program (CIP) offerings and/or modified CIP offerings.
- Delivered by an energy services organization with fiduciary duties to the State and local governments.
- Financing of improvements with lease-purchase agreements (which function like installment loans).



The Center of Energy and Environment (CEE) has been engaged by the State of Minnesota, Department of Administration to develop and administer PBEEEP. CEE is a nonprofit organization that works to promote public interest through the responsible and efficient use of natural and economic resources. Key deliverables for the development phase of the program include technical standards and guidelines for participating consultants providing energy engineering services and administrative structures, tools, and documents to support roll out and scale up.

Projects conducted within the PBEEEP framework will follow a 4-phase process:

1) Application and Screening

- Individual or campus-level building participation interest established;
- Cost-effective establishment of potential energy savings opportunities;
- Prioritization and ranking of buildings for Program entry and application (operating status and conditions, funding availability, and other considerations to assist with the selection and prioritization process).

2) Investigation

- Standardized and consistent approach to the energy study for identification of energy saving opportunities;
- Applies standard analysis and investigation methods which determine technical and economic feasibility of energy improvements;
- Baselines energy savings and costs associated with implementing approved measures.

3) Implementation

- Development and execution of a standard project financing agreement;
- Execution of measures identified in Investigation (e.g. Operational changes, equipment optimization, and retrofits).

4) Measurement & Verification

- Post Implementation verification processes to measure actual project savings and costs.

It is anticipated that there will be two main types of projects identified as the Program rolls out:

1) Projects where immediate savings can be achieved at little to no effort or cost, including some changes to operation or by retrofit opportunity (examples of these types of projects may be related to lighting or insulation). In most cases, these projects would be prioritized for immediate realization of savings during or following completion of screening.

2) Longer term, more complex projects that will follow the PBEEEP Guidelines and PBEEEP process. Examples of these types of projects would likely include HVAC, controls, and envelope related measures.



Photo by Larry D. Nichols

Eligible Projects

Any project whose purpose is to improve the efficiency of energy-consuming equipment or equipment that affects energy consumption will be eligible to apply for Program participation. Educational and training programs will not be eligible. The primary activity of a project must be the purchase, installation or improvement of public building equipment. Once the application process has been completed, the proposed project will be screened by an energy engineering consultant following the screening guidelines. This screening process will be utilized to cost-effectively determine potential energy saving opportunities and rank and prioritize proposed projects. To obtain consultant services to screen and investigate proposed projects, agencies may utilize the energy engineering consultants under master contract with the Department of Administration or other consultants selected following the applicable procurement policies and procedures.

Screening and Investigation Funding

The initial source of funding to screen and investigate projects will be through technical assistance and/or federal stimulus funding made available to the Department of Administration. In addition, State agencies may elect to use other funding sources available to them.

Implementation Financing

In order to be deemed a qualified energy improvement project and selected for implementation, the project must be determined to be technically and economically feasible in accordance with the rigorous standards set for PBEEEP.

Upon such determination, the project is ready for implementation. The primary financing instrument for projects is expected to be through lease-purchase financing. Minnesota Management & Budget, in consultation with a financial advisor, will determine the structure of the financing program for PBEEEP.

Agencies will be required to certify that they have sufficient resources to make debt service payments, recognizing that lease-purchase financing obligations must be paid before all other obligations including salaries.

Federal stimulus funding of \$6,922,000 is being made available to the Department of Administration for completing energy efficiency projects in state buildings. This funding will be used in combination with lease-purchase agreement financing to provide a cost-share for projects.

Proceeds of financing will also be utilized to reimburse costs for program administration and technical services provided to state agencies.

Contact Information

For more information visit www.PBEEEP.org or email PBEEEP@mncee.org.

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State Government