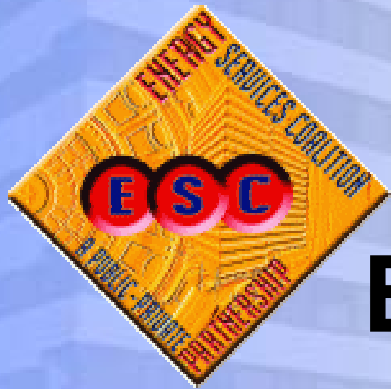


Performance Contracting for State Energy Offices

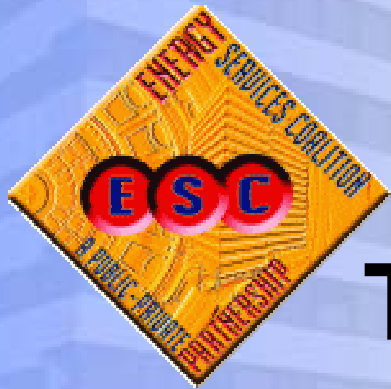
Presented by the Energy Services Coalition



Energy Services Coalition

- Public Private Partnership
- Outreach, Information Sharing, Resource Repository
- Federally Supported Acceleration Program

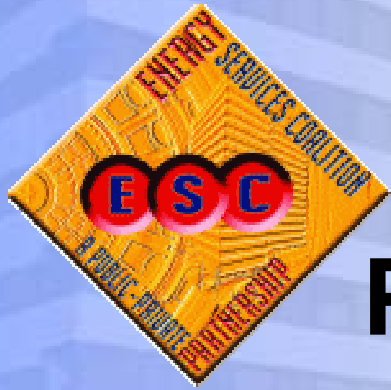
National Council of State Legislatures, National Association of State Energy Offices, and the National Association of Energy Services Companies



The Problem

Constituents and issues of the day call for ...

- Jobs
- Money
- Carbon Plans, Energy Codes, Efficiency Goals
- Needs for Infrastructure, i.e. roads, bridges, buildings
- National Safety

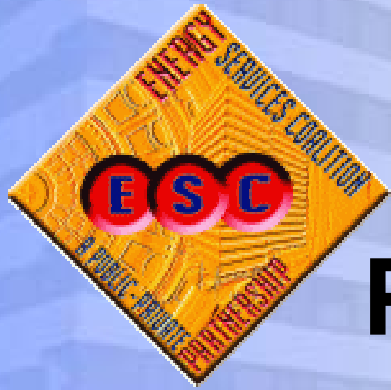


Performance Contracting

What it is:

A diversion of utility dollars to effect . . .

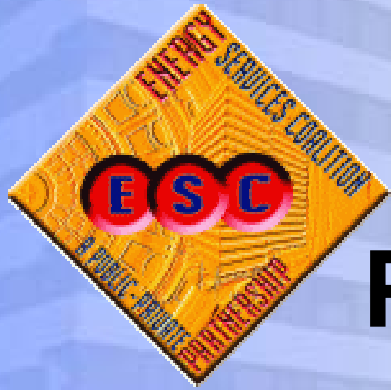
- Infrastructure Modernization
- Long Term Reduction in Energy Consumption
- Economic Development
- Environmental Stewardship
- Our Nation's Safety



Performance Contracting

What it isn't:

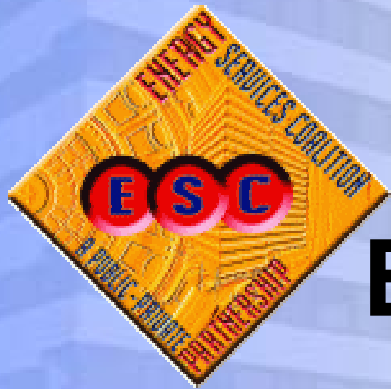
- Silver Bullet
- Savings Vehicle
- Failsafe



Performance Contracting

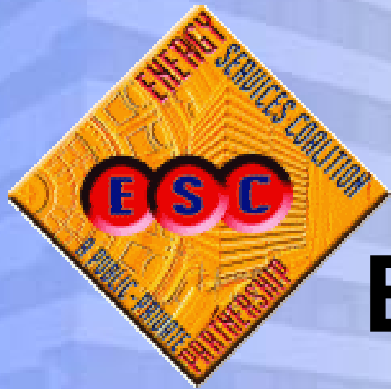
What it is:

- First Source of Energy Production
- Green Way to Improve Our Infrastructures without Additional Tax Dollars
- Fastest Way to Carbon Reduction
- Job Creation without Cost



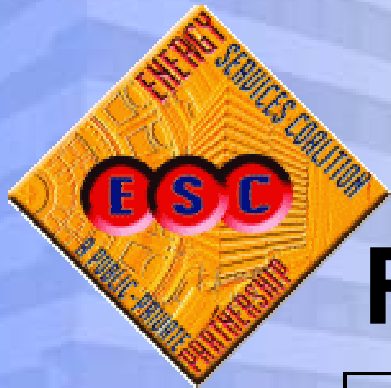
Best Practices

- Enabling Legislation
- Strong Executive, Legislative and Administrative Support
- Pre-approved Contract Instruments
- Pre-approved Providers
- A Process and an Administrator



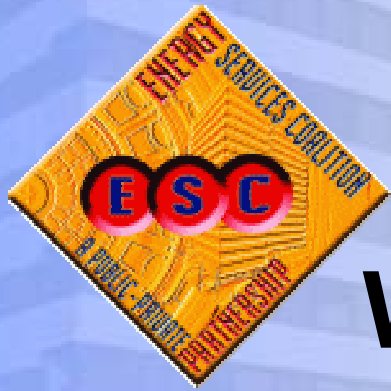
Best Practices

- ESC State Chapter
 - Free Education and Outreach Vehicle
 - Peer to Peer Information Exchange
 - Resource for Programmatic Support
 - Access to Technical Liaison



Results To Date Include

| Energy Services Coalition Market Transformation Metric | | | |
|--|--------------------|---|---------------|
| Sample: For Illustration Purposes Only | | | |
| Dollars of Performance Contracting Per Capita | | | |
| Revised 11-09-07 | | | |
| State | Population 2005 | Performance Contracting Completed | \$ per Capita |
| Kansas | 2,744,687 | \$ 139,000,000 | \$ 50.64 |
| Colorado | 4,665,177 | \$ 184,000,000 | \$ 39.44 |
| Hawaii | 1,275,194 | \$ 47,000,000 | \$ 36.86 |
| Mississippi | 2,921,088 | \$ 103,889,529 | \$ 35.57 |
| Idaho | 1,429,096 | \$ 33,700,000 | \$ 23.58 |
| New York | 19,254,630 | \$ 330,000,000 | \$ 17.14 |
| Nevada | 2,414,807 | \$ 40,000,000 | \$ 16.56 |
| Texas | 22,859,968 | \$ 353,647,300 | \$ 15.47 |
| Kentucky | 4,173,405 | \$ 59,500,000 | \$ 14.26 |
| Arizona | 5,939,292 | \$ 39,000,000 | \$ 6.57 |
| Alabama | 4,557,808 | \$ 26,500,000 | \$ 5.81 |



What You Can Do

- Provide Support
- Encourage Programmatic Adoption
- Bang the Drum