

Item: 4

Energy Savings Performance Plan

INFORMATION ITEM

Project Name: ENERGY SAVINGS PERFORMANCE PLAN	Date: 06/26/2006
Prepared by: H. Charles Woodruff, II	
Prepared for: July 6, 2006 Budget Board Committee	

BACKGROUND:

- With the rising cost of energy, the Authority seeks to develop a comprehensive approach to WMATA's energy needs, consumption, and conservation efforts.
- The primary objective is to deliver a preliminary report that provides a summary of existing energy consumption by building, by facility, and by utility, and a projection of what the potential savings could be after implementing energy efficiency improvements.
- Another objective is the development of a preliminary list of energy conservation measures that are most appropriate for WMATA's needs and use, along with an estimated investment and financial cash flow for the project, as a whole.

BUDGET IMPACT:

- The Energy Savings Performance Plan is a cost savings program slated to begin late FY 2007.
- To complete the plan, the Authority intends to borrow the funds to purchase necessary equipment to implement the improvements. The debt will be paid back with savings from reduced energy.
- Presently, the Authority's average annual electricity expense is approximately \$20 million. As a result of an Energy Savings Performance plan, the Authority could potentially realize a 15% - 20% savings conservatively based on the industry assessment. In addition, potential savings could be identified and quantified in the reduction of maintenance, which would be adjusted due to the energy efficient improvements.

NEXT STEPS:

- The Authority intends to issue a Request for Proposal (RFP) to conduct an Energy Savings Performance Engineering Evaluation.