INVESTMENT GRADE AUDIT: GUIDELINES CHECKLIST

Project name: ____________________________________________
Agency: ____________________________________________
Owner’s Representative: ____________________________________________
Date of Review: ____________________________________________

GENERAL INFORMATION

☐ Overview
  o ESCO is approved by SEU.
  o IGA content consistent with Agency requirements.
  o OMB boiler plate schedules used.
  o All buildings included in the scope are appropriate given facility master plan that has been shared with IOR.
  o Overall percentage energy and cost savings are reasonable.
  o Rebates and incentives were adequately pursued by ESCO.
  o Reviewer’s written comments provided to Agency, and all comments, analysis, and supporting work archived and recallable upon request.

☐ IGA Development Process
  o 100% IGA submission is a completed document, and includes resolutions from all comments from previous versions.

☐ Baseline
  o Documentation includes historic utility analysis, weather normalized baseline, and utility rate analysis. Software, methods, and calculations disclosed.
  o Proposed baseline utility rates were compared to current State utility rates and are agreeable.

☐ ECMs
  o ECMs have not been included in previous ESPC project.
  o The application of the ECM is appropriate.
  o The ESCO has discussed and properly identified the risks of emerging/underutilized technologies and brought them to the Agency’s attention as necessary.
  o ECMs are appropriately grouped, where possible, to provide a well-rounded ROI containing both “low hanging fruit” and higher payback capital projects. Agencies priority were addressed.

☐ Cash Flow Analysis
  o The project is under a 20-year payback term.
In-house labor, deferred maintenance, or any other operational costs are not included in the savings.

Cash flow analysis is shown in two utility rate scenarios 1. Zero % escalation 2. EIA/NIST for each fuel. The ESCO is to use default EIA/NIST inflation rate, which will be the maximum escalation scenario.

The project should deliver 10% annual net savings to the agency based on guaranteed savings.

Measurement and Verification
- Reviewer has examined percentage of project savings from electricity, gas, other fuels, water, and O&M, to identify where M&V should be focused.
- Plans are suitable to ECMs.
- Plans adhere to the IPMVP guidelines.
- Defines how the static factors will be tracked throughout the performance period. Static factors are those that are not expected to frequently change such as schedules, occupancy, installed equipment, etc.
- Defines the responsibilities of both parties.
- Defines how non-routine and routine adjustments will be applied.
- Plan includes a minimum of one inspection of ECMs by the ESCO during each savings year.
- M&V costs should be targeted between 2-5% of annual savings range, and no greater than 10%.
- Strategies and costs provide good balance between cost and Agency risk.

O&M Responsibilities
- Where Agency accepting O&M responsibilities, reviewer has assessed the likelihood of problems and their potential impacts, and has brought these to the Agency’s attention.
- Agency was provided a clear list of their responsibilities, and list has been reviewed with appropriate facilities and maintenance staff.

ENERGY

Complete for each form of energy and water:

- Energy type: 
- Baseline unit rate adequately documented.
- If blended rates are used, the methodology for calculating them is valid.
- Escalation rate adequately documented and consistent with SEU Guidebook.
ECM DETAIL

Complete for each ECM (For the project as a whole, not necessarily for each building):

☐ Technical Category: _______________________________________________________

☐ ECM Name: _______________________________________________________________

☐ Proper technology expert reviewed as necessary.

☐ ECM suitable for intended purpose and consistent with agency requirements.

☐ Construction cost consistent with similar ECMs in recent projects.

☐ Proposed construction schedule reasonable and consistent with previous projects.

☐ Commissioning plan is adequate.

☐ Methodology used to calculate baseline energy use adequate and supported by the included measured data.

☐ Operating hour and other assumptions are reasonable and well-documented.

☐ Energy savings estimate consistent with similar ECMs in recent projects, and is adequately documented.

☐ Interactive effects with other ECMs considered in the calculations.

☐ Assessed the need for expert review of building models (DOE-2, EnergyPlus, etc.) and obtained secondary reviews as necessary.

☐ Simulation models adequately calibrated.

☐ Sampling of equipment to calculate baseline performed correctly.

☐ Energy cost savings calculation consistent with energy savings estimate and baseline energy unit prices.

☐ Added O&M costs for additional equipment adequately documented, and included in cash flow i.e. solar maintenance plans.

☐ For ECMs with expected useful life less than project term, replacement plan is documented.

☐ Implementation expense of ECM is traceable to pricing calculations in body of IGA.

☐ Post-installation M&V activities appropriate and adequate to determine potential to provide savings.

☐ Annual M&V activities adequate and consistent with IPMVP guidelines.

☐ Planned measurements during post-acceptance M&V confirm performance as opposed to confirming operation.

☐ Any sampling performed during M&V is adequate and consistent with IPMVP guidelines.

☐ Where M&V method depends on customer-maintained equipment, reviewer comments address the ESCO’s assessment of potential risks and/or recommended backup plan.

☐ Where ECMs or M&V depend on connection to government LAN, reviewer comments address the ESCO’s assessment of potential risks.

☐ M&V expense for each ECM adequately documented.
☐ Services during the performance period are adequately documented and consistent with previous projects of this size.

_________________________________________ of ___________________________________________

(Signature of Reviewer)                         (Contracted Independent Owners Representative)

certifies that they have reviewed the attached Investment Grade Audit of the proposed ESPC project for __________________ and verified that the required content items are completed.

(Agency)

This verification does not remove the responsibility for the submission from the agency.