

SAMPLE ORAL INTERVIEW QUESTIONS FOR ESCOs

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The following questionnaire was written by Patricia Donahue, President of Donahue & Associates, Inc. and David Birr, President of Synchronous Energy Solutions, Inc. It was provided for this toolkit with their permission. Contact details are in the 'Contributors' section of the toolkit.

EXPERIENCE

1. Please give the total number of guaranteed performance contracts your firm or branch office has implemented that are currently in repayment. How many are under construction? How many are in similar types of buildings?
2. Describe and summarize your firm's experience with a project that is most similar in size and scope to this project.
3. Which individuals will be assigned to this project over the life of the contract and exactly what roles will they play? How many energy performance contracts have these individuals been involved in over the course of their careers?
4. Discuss the qualifications of the personnel who will be responsible for performing the investment grade energy audits and formulating the recommended measures to be installed.
5. What percentage of your performance contracting projects have had the construction schedule delayed and why?
6. In your opinion, what is your company's greatest strength?
7. In your opinion, what is your company's greatest weakness?
8. Based upon your experience, identify any major administrative obstacles that prevent or delay expeditious project implementation.

PROJECT MANAGEMENT

9. Please discuss your firm's approach to the management of this project and the plan to ensure the owner's satisfaction throughout project implementation and for the duration of the contract.
10. What is your best estimate of an initial project mobilization cost?
11. Describe any economies of scale you expect to achieve through bulk purchasing of equipment or other means.
12. What are the best strategies for the owner to minimize their project management costs?
13. Discuss how your firm will be represented on-site during project implementation.
14. How will disputes be handled? Has your firm been involved in any contract disputes and if so, how were they resolved?
15. Describe any standard terms for the buyout or early termination of the contract.
16. Describe how your firm will involve the owner's personnel throughout the audit, construction and post- construction phases of the project.
17. Elaborate on the types of technical training your firm is capable of and typically provides for projects. To whom will this training likely be given?

18. *Will any training be provided beyond the first year of the contract and if so, are there any additional charges? How does the training program address personnel changes over the term of the contract?*
19. *Estimate the total number of facilities in which your firm can reasonably implement an energy performance contract at the same time.*

TECHNICAL

20. *Based on your experience in these types of buildings, describe the problems you observe regarding equipment inefficiencies, building comfort issues, and operational and safety conditions.*
21. *Describe the proposed energy improvements and their specific benefits.*
22. *Explain how the energy baseline will be determined. What type of energy analysis and/or computer modeling will the firm use to project savings and paybacks from Facility Improvement Measures?*
23. *Following the energy audit, what criteria will be used to determine recommendations for modifications? How do you determine what brands of equipment will be installed?*
24. *What Operations and Maintenance (O&M) services does your firm typically provide? Who will be responsible for maintaining new equipment?*
25. *What role, if any, will your firm play in the O&M of existing energy consuming equipment?*
26. *How will the firm's O&M procedures be specified in the contract? To what extent will you use existing facility personnel?*
27. *How are existing O&M contracts typically treated by your company for these types of projects?*
28. *Is it typical for your firm to provide software or hardware upgrades on computerized energy management systems? When new control upgrades are available for equipment, does the firm automatically install them at no cost or is there an additional cost?*
29. *Does your firm provide 24-hour emergency response service? Will your firm provide on-site response or will you subcontract that function?*
30. *How does your contract accommodate the owner's control over building and conditions, and changes in occupancy or operations? What constitutes a "material change" and how will changes in the facilities be accommodated in the contract?*
31. *What happens if installed equipment fails to operate properly after the first year warranty period? Who is responsible for repairs or replacement? What constitutes a failure?*
32. *Describe how you propose to monitor and verify project performance for the duration of the contract. Will any metered measurements be used to track performance? How will utility meter readings be incorporated into the monitoring program and how will those actual readings be reconciled against any facility data (e.g. operating schedules, changes in equipment, etc.) that may effect energy savings?*
33. *Based on your experience, what are the most common variables that tend to degrade energy savings over time? How quickly does your monitoring and/or maintenance program identify savings degradation and what provisions are typically made to restore optimum conditions?*
34. *Explain how your firm will commission this project to ensure the energy savings performance as specified in the design and engineering of the systems.*

FINANCIAL

35. *How do you propose to finance this project?*
36. *Describe, in detail, the mechanics of the financing arrangement including projected interest rate, financing term, equipment ownership, responsibilities/liabilities of each party, and any special terms and conditions that may be associated with the financing of this project.*
37. *What specific cost components and services will be financed over the term of the contract? Are there any costs that will not be financed?*
38. *Will your firm fully disclose all project costs and provide an itemized cost breakdown for all equipment, labor and service fees as a part of the final audit report and prior to contract execution?*
39. *What are your standard markups for overhead and profit on equipment and services?*
40. *Describe how your firm will purchase the equipment to be installed for this project.*
41. *Will your firm provide instruction for the owner's financial managers on your company's project billing procedures and back-up documentation?*
42. *Explain your savings guarantee in detail including the method used to assign dollar values to savings. Does your firm propose to guarantee savings in energy units or dollars?*
43. *Describe your firm's method to reconcile annual performance with the guarantee and how any achieved savings beyond the guarantee will be treated.*
44. *Discuss any projects that have fallen short of the energy savings guarantee, how they were reconciled, and the causes of the shortfall.*
45. *What is the typical percentage of the total energy savings available that is guaranteed by your firm?*
46. *Does your firm calculate dollar savings based on the true incremental costs of the energy units saved?*
47. *How are the energy savings that may be generated during the construction phase of the project be measured and verified? Will these savings be credited 100% to the owner or do you propose to count them towards the first year guarantee?*