

U.S. DEPARTMENT OF VETERANS AFFAIRS (VISN 6) Energy Savings Performance Contract (ESPC, 2019*)



In 2013, the Department of Veterans Affairs Program Contracting Activity Central Office released a Notice of Opportunity for an ESPC Energy Project for the Veterans Integrated Service Network 6 (VISN 6): VA Mid-Atlantic Health Care Network. Under this solicitation, the VA included seven Veterans Affairs Medical Center (VAMC) facilities: the Asheville, Durham, Fayetteville, and Salisbury VAMCs in North Carolina, the Richmond and Salem VAMCs in Virginia, and the Beckley VAMC in West Virginia.

VISN 6 chose to pursue an Energy Savings Performance Contract (ESPC) to solve their infrastructure needs. An ESPC allowed the VA to complete its procurement process by leveraging the existing Department of Energy (DOE) IDIQ contract. This contracting vehicle allowed the VA to competitively bid its ESPC project to existing DOE IDIQ contract holders.

In February 2015, the VA selected RWE Clean Energy as the ESCO to execute the VISN 6 ESPC project. At that point, RWE Clean Energy then began the Investment Grade Audit (IGA) and developed a viable ESPC project for VISN 6 based on infrastructure needs and financial paybacks.



PROJECT DATA

SIZE

7 VA Medical Centers (VAMC)
6,331,525 Square Feet
\$75 Million Implementation Cost

CONSTRUCTION DATES

Started: December 2016
*Expected Completion: January 2019

TERM

24-month construction period
21-year performance measurement period

GUARANTEE STATUS

In construction

FINANCING

Tax exempt lease purchase



The IGA presented a comprehensive package of energy conservation measures across the seven VA installations encompassing 6,331,525 square feet.

Approximately one-third of the investment focused on eliminating years of deferred maintenance and avoiding capital replacement expenditures, such as the following:

- New frictionless bearing, high efficiency chillers at Asheville, Beckley, Durham, Fayetteville, Salem and Salisbury
- Installation of new steam, condensate, and chilled water site piping at Fayetteville and Durham
- Reconfiguration of chilled water distribution systems to take advantage of variable primary pumping systems
- Installation of new cooling towers at Durham and Salem
- Rebuilding of nine (9) air handling units at Richmond
- Replacement of seven (7) steam condensate pump systems at Salem

The balance of the investment for the seven medical centers focused on substantial reductions in energy and water use, including the following:

- A site energy reduction of 12% (148,702 MMBtu) compared to the FY 2015 baseline
- A source-adjusted energy reduction of 31% (380,224 MMBtu) compared to the FY 2015 baseline using the FEMP guideline for projects that save source energy but increase site-delivered energy
- A site water/sewer reduction of 18% (48,686 kgal) compared to the FY 2015 baseline

PROJECT HIGHLIGHTS	ENERGY CONSERVATION MEASURE DESCRIPTION						
	Asheville VAMC	Beckley VAMC	Durham VAMC	Fayetteville VAMC	Richmond VAMC	Salem VAMC	Salisbury VAMC
ECM 1.02 Boiler Blowdown			X	X			
ECM 2.01 Chiller Replacement and/or Plant Controls	X	X	X	X		X	X
ECM 3.01 Unoccupied Controls for HVAC	X	X		X	X	X	X
ECM 3.02 Modify Kitchen and/or Dental Hood Exhaust	X	X					
ECM 4.01 Provide Heat Recovery for OR AHU	X						
ECM 4.01 Rebuild Air Handling Units					X		
ECM 5.01 Interior Lighting	X	X	X	X	X	X	X
ECM 6.01 Building Envelope Exfiltration Reduction (BEER)	X						
ECM 7.01 Piping Insulation	X	X	X	X	X	X	X
ECM 7.02 Steam Systems Repairs			X			X	
ECM 8.01 Bldg. 62 Air Cooled Chiller Conversion to VPF	X						
ECM 8.01 Install Energy Efficient Motor					X		
ECM 10.01 Combined Heat and Power Plant	X			X		X	
ECM 11.01 Solar Domestic Hot Water	X						
ECM 12.01 Transformers	X		X	X	X	X	
ECM 13.01 Plumbing Fixture Replacements	X	X	X	X	X	X	X
ECM 13.02 Change Radiation Oncology Cooling Source					X		
ECM 17.01 Re-commissioning			X	X		X	
ECM 19.01 TV Controls			X				

RWE Clean Energy
100 Summit Lake Drive Valhalla, NY 10595 914.286.7000