

# State of Minnesota

## Guaranteed Energy Savings Program (GESP)

### Contracting Process Overview

#### Pre-qualified Contractors

The State issued an RFP for Contractors, also known as Energy Services Companies (ESCOs) to pre-qualify to provide Energy Savings Performance Contracting Services to state institutions. The following eleven Contractors were qualified and have entered into a Master Contract with the Department of Commerce:

- AMERESCO, Inc.
- Consolidated Edison Solutions, Inc.
- Control Technology & Solutions LLC
- Harris Mechanical Contracting Company
- Honeywell
- Johnson Controls, Inc.
- McKinstry Essention, Inc.
- Noresco, LLC
- OpTerra (formerly Chevron U.S.A. Inc.)
- Siemens Industry, Inc.
- Trane U.S. Inc.

#### Department of Commerce Website

All contract documents can be obtained from the Minnesota Department of Commerce website:

<http://mn.gov/commerce/industries/energy/technical-assistance/gesp.jsp>

### GESP Master Contract

Master Contract	Each of the 11 Contractors has a Master Contract with the Department of Commerce to provide Energy Savings Performance Contracting Services on an as needed basis.
Exhibit A – Contractor’s Duties	Exhibit A includes a Sample Work Order Contract along with the Work Order Contract’s sample Exhibit A and Exhibit B.
Exhibit B – Contractor’s Fees	These are the maximum markups and fees included in Contractor’s RFP response to pre-qualify. They differ by Contractor.
Attachment 1 – Measurement and Verification Guidelines	
Attachment 2 – System Startup and Commissioning Guidelines	
Attachment 3 – General Conditions of the Contract for Construction	AIA Document A201 – 2007 as modified by the Minnesota Department of Commerce
Attachment 3 – General Conditions of the Contract for Construction (MnSCU)	AIA Document A201 – 2007 as modified by the Minnesota State Colleges and Universities <a href="http://www.finance.mnscu.edu/facilities/design-construction/AIA_documents/index.html">http://www.finance.mnscu.edu/facilities/design-construction/AIA_documents/index.html</a> Site-Specific RFP’s for MnSCU facilities substitute MnSCU’s version of the A201 for Commerce’s.
Amendment No. 1	
Parties to Contract	Minnesota Department of Commerce, and Contractor (ESCO)

### Interagency Agreement

The Interagency Agreement (IA) is issued by the Department of Commerce. An IA is required for State Agencies to access the GESG Master Contract.

Interagency Agreement	The IA is provided by the Department of Commerce.
Parties to Agreement	Minnesota Department of Commerce and other State Agency.

### Joint Powers Agreement

The Joint Powers Agreement (JPA) is issued by the Department of Commerce. A JPA is required for Local Governmental Units and Independent School Districts to access the GESG Master Contract.

Joint Powers Agreement	The JPA is provided by the Department of Commerce.
Parties to Agreement	Minnesota Department of Commerce and Local Governmental Unit or Independent School District.

### Site-Specific RFP

The Site-Specific RFP (SSRFP) is issued by the state agency, political subdivision or governmental unit for the purpose of selecting one ESCO from the pool of eleven Master Contract holders, who they determine is best suited to provide Energy Savings Performance Contracting Services for their site. The Site-Specific RFP also provides for a second round of competition in which the responders may offer lower markups, overheads and fees for the specific site, than those they agreed to in the Master Contract.

Site-Specific RFP	Site-Specific RFP template provided by the Department of Commerce. Site-specific data is added by the state agency, political subdivision or governmental unit.
Attachments	Site-Specific RFP will include a link to Commerce's website to showing sample Exhibits and Attachments added via the Work Order Contract Amendment.
Parties to Site-Specific RFP	The state agency, political subdivision or governmental unit will issue the Site-Specific RFP to all Contractors with a GESP Master Contract.

### GESP Work Order Contract

The Work Order Contract (WOC) is issued by the state agency, political subdivision or governmental unit to the selected ESCO for the purpose of conducting an Investment Grade Audit (IGA) and developing the Energy Savings Performance Contract project proposal. This Work Order Contract enables the ESCO to perform design and engineering services that are required to provide guaranteed maximum pricing and guaranteed savings for the proposed Energy Conservation Measures (ECM) included in the project proposal. This is also when the ESCO performs necessary pre-installation measurements and proposes their plan for the Measurement and Verification of savings. Assumptions agreed to in this process form the basis of the Energy Savings Performance Contract and are added as exhibits to the Work Order Contract via Amendment.

Work Order Contract	Issued by state agency, political subdivision or governmental unit to Contractor selected from Site-Specific RFP respondents, under authority of GESP Master Contract.
Exhibit A – Contractor's Duties	Exhibit A includes: Section I: Contractor's Duties for performing Investment Grade Audit and developing Project Proposal Section II: Scope Guidelines and Requirements for Energy Savings Performance Contract Proposal
Exhibit B – Contractor's Fees	Maximum markups and fees provided by Contractor in response to Site-Specific RFP. These fees can be lower, but not higher, than fees in the Contractor's Master Contract.

Parties to Work Order Contract	The state agency, political subdivision or governmental unit, and Contractor.
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**GESP Work Order Contract Amendment**

The amended Work Order Contract becomes the Energy Savings Performance Contract, also referred to in statute as the Guaranteed Energy Savings Agreement.

Work Order Contract, Amendment No. 1	Issued by state agency, political subdivision or governmental unit to Contractor that is party to Work Order Contract.
Exhibit A – Contractor’s Duties, is amended and becomes Exhibit A-1	Exhibit A-1 includes: Section I: Contractor’s Duties for performing Investment Grade Audit and Project Proposal. Section II: Scope Guidelines and Requirements for Energy Savings Performance Contract proposal. (Section I and II duties completed at the time of the amendment).  Amendment adds: Section III: Facility Description is a list of facilities installation work will be performed in. Section IV: Contractor’s Duties for ESPC, is the scope of work for installation of Energy Conservation Measures.
Exhibit B – Contractor’s Fees, is amended and becomes Exhibit B-1	Maximum markups and fees provided by Contractor in response to Site-Specific RFP. These fees can be lower, but not higher, than fees in Contractor’s Master Contract. Amendment adds the Total Project Price, detailed by Energy Conservation Measure.

**Work Order Contract Amendment adds the following Exhibits and Attachments:**

Exhibit C – Savings Measurement and Verification Plan	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit D – Savings Guarantee	Standard GESP document provided by Department of Commerce. Savings amount agreed to in Savings Measurement and Verification Plan.
Exhibit E – Equipment Installed by Contractor	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit F – Construction and Installation Schedule	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit G – System Startup and Commissioning Plan	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit H – Standards of Comfort	Contractor deliverable from Investment Grade Audit and Project Proposal. Template provided by Department of Commerce.
Exhibit I – Training by Contractor	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit J – Project Pro Forma	Contractor deliverable from Investment Grade Audit and Project Proposal. Template provided by Department of Commerce.
Exhibit K – Rebates, Incentives and Grants	Contractor deliverable from Investment Grade Audit and Project Proposal.
Exhibit L – Lease Purchase Agreement (State Agency)	Standard GESP document provided by Department of Commerce. Commerce issues a Financing RFP for project financing with responses evaluated by Minnesota Management and Budget (MMB) to determine low cost responder.
Exhibit L – Lease Purchase Agreement (MnSCU)	Standard GESP document provided by Department of Commerce. Commerce issues a Financing RFP for project financing with responses evaluated by Minnesota Management and Budget (MMB) to determine low cost responder.
Exhibit L – Lease Purchase Agreement (Local Governmental Unit or Independent School District)	Local Governmental Units and Independent School Districts have the ESCO issue the Financing RFP on their behalf.
Exhibit M – Contractor’s Measurement and Verification Services	Standard GESP document provided by Department of Commerce. Scope and fee are Contractor deliverable from Investment Grade Audit and Project Proposal. M&V Services are required to maintain the Savings Guarantee.
Exhibit N – Institution’s Maintenance Responsibilities	Contractor deliverable from Investment Grade Audit and Project Proposal.
Attachment 4 – Investment Grade Audit Report	Contractor deliverable from Investment Grade Audit and Project Proposal.
Attachment 5 – Certificate of Substantial Completion and Acceptance	Template provided by Department of Commerce.
Attachment 6 – Certificate of Final Completion and Acceptance	Template provided by Department of Commerce.

Parties to Work Order Contract Amendment	The state agency, political subdivision or governmental unit, and Contractor.
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