

From: Carter, Kenneth E CIV USARMY IMCOM (USA) <kennith.e.carter.civ@mail.mil>
Sent: Friday, June 25, 2021 10:52 AM
To: Scott, Mary E CIV USARMY USAMC (USA)
Cc: Rhonda Hayes
Subject: RE: [Non-DoD Source] FW: Puerto Rico ESPC contract
Attachments: Contract ESPC Fort Buchanan.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Rhonda

Attached copy of ESP Fort Buchanan contract as requested.

Comments listed below from Mr. Anibal Negrón, Chief Environmental Division and Installation Energy Manager

In regard of the ESPC Contract, the only benefit that the Housing units are getting is coming from the renewable energy we generate since all solar systems are connected to the Installation Electrical Grid, also known as "Grid Tie" connection.

Attached is a copy of the ESPC Contract awarded in December 2011 (FY12). The specific CLIN is 0010, which is associated with the aforementioned renewable energy initiative. The rest of the initiative that were implemented thru ESPC Contract are not related neither impact Housing on Post.

In the event of a future housing demolition, the best approach is to meter the electric demand required by the new Housing units in order to determine the new rate/fees.

Respectfully,

Kenneth Carter
G4 - DPW - Housing Division, Suite 2-148
U.S. Army Installation Management Command (IMCOM)
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From: Scott, Mary E CIV USARMY USAMC (USA) <mary.e.scott.civ@mail.mil>

Sent: Thursday, June 24, 2021 12:52 PM
To: Carter, Kenneth E CIV USARMY IMCOM (USA) <kennith.e.carter.civ@mail.mil>
Cc: Rhonda Hayes <rhonda.hayes@rer-solutions.com>
Subject: Fwd: [Non-DoD Source] FW: Puerto Rico ESPC contract

Kennith

Can you please work with Rhonda to get the information below.

Thanks

Mary

Sent from my iPhone

Begin forwarded message:

From: Rhonda Hayes <rhonda.hayes@rer-solutions.com>

Date: June 24, 2021 at 10:43:13 AM CDT

To: "Scott, Mary E CIV USARMY USAMC (USA)" <mary.e.scott.civ@mail.mil>

Cc: "Greene, Robin A CIV USARMY USAMC (USA)" <robin.a.greene.civ@mail.mil>

Subject: [Non-DoD Source] FW: Puerto Rico ESPC contract

All active links contained in this email were disabled. Please verify the identity of the sender, and confirm the authenticity of all links contained within the message prior to copying and pasting the address to a Web browser.

Hi Mary,

Did you have a chance to ask IMCOM for the Fort Buchanan ESPC information as outlined below?

Thanks,

Rhonda Hayes

Senior Consultant

RER Solutions

Rhonda.Hayes@rer-solutions.com < Caution-mailto:Rhonda.Hayes@rer-solutions.com >

479-422-2020

From: Rhonda Hayes

Sent: Thursday, June 17, 2021 9:34 AM

To: mary.e.scott.civ@mail.mil

Cc: Jason Kallivokas <Jason.Kallivokas@rerfin.com>

Subject: Puerto Rico ESPC contract

Mary,

One of the disclosure items that we will need to include in a project description

to potential partners is information about the ESPC contract in Puerto Rico.

My notes from the 2019 SIPI kickoff visit state:

“A challenge to the privatization initiative is the existence of an Energy Savings Performance Contract owned by Johnson Controls. Although the wind and solar projects have reduced electric costs by approximately 35%, the housing portion of the ESPC contract is \$218K per year in addition to the cost of the electricity (\$275K per year). It was unclear during the visit whether the overall cost to the installation is more or less than they were paying prior to the ESPC contract. The photovoltaic panels were significantly damaged in the recent hurricane, costing the installation over \$4M to make repairs. Previous RCI privatization efforts required that the ESPC contracts be bought out before the housing could be privatized. Since this ESPC has only been in place three years, a buyout of the housing portion of the contract could be very costly.”

Existing Army ESPC contracts at MHPI projects must be bought out prior to or at closing. The Army bought out all existing ESPCs at the RCI projects and LL bought them out at the PAL sites.

Can you ask IMCOM for the following:

What housing services are included in the ESPC contract?

When Los Colinas is demolished to support the new construction project, how is that being addressed in the ESPC contract, i.e., was it bought out or is there an obligation to add the newly constructed homes to the ESPC? If there is no obligation to add the new homes to the ESPC project, it is in the best interest of the potential RCI project for them not to be added.

Can the ESPC contracting officer provide a total buyout cost for the housing portion of the ESPC contract?

Can we obtain a copy of the contract?

I'm asking the question now because it does need to be disclosed and it may take the

Garrison some time to obtain the answer.

Thanks,

Rhonda Hayes

Senior Consultant

RER Solutions

Rhonda.Hayes@rer-solutions.com < Caution-mailto:Rhonda.Hayes@rer-solutions.com >

479-422-2020