

# FACT SHEET

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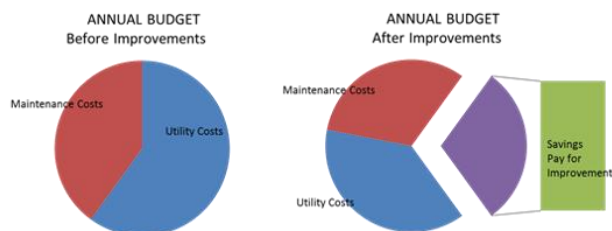


Nevada Governor's  
Office of Energy

## Performance Contract Audit Assistance Program (PCAAP)

Energy conservation is important to the Governor's Office of Energy (GOE) as a cost-effective way to reduce energy consumption while reducing costs to building owners. In March 2014, the GOE launched the Performance Contract Audit Assistance Program (PCAAP) that provides no-cost assistance for Financial-Grade Operational Audits (FGOA) for eligible Nevada government entities. These include local cities, counties, and school districts, along with state colleges, universities, and agencies. Some of the guaranteed health and quality assurance benefits of performance contracting is listed below.

- **Upgrade Government Buildings:** Performance contracting offers an opportunity to upgrade and modernize government facilities by replacing aging HVAC equipment and thermostats, installing indoor and outdoor LED lighting, improving plug load management systems, and improving water conservation. These improvements decrease operations and maintenance costs and simplify the management of municipal energy budgets. This is all accomplished with no upfront capital costs.



- **Financial Benefits:** A few financial examples include, but are not limited to: reduced taxpayer burden of growing energy budgets, incorporation of renewable energy, and job creation right here in Nevada. Also, the *contractually guaranteed and measured savings* reduce the risk of savings erosion over time. Finally, the use of a third party financing mechanism ensures that energy efficiency improvements are completed and that the guaranteed reduced energy costs are achieved.
- **Improved Health:** Investments in energy efficiency can create a healthier work environment, which results in more efficient and productive employees. The absence of cold drafts, through air sealing, and the introduction of LED technology in the fixtures give buildings a compelling return on investment.
- **Quality Assurance:** All contractors performing the Financial-Grade Operational Audit (FGOA) are Nevada licensed Energy Service Companies (ESCO) pre-approved through the Public Works Division (PWD). The ESCO's are also overseen by PWD prequalified third party consultants for performance contracting projects. The GOE has also developed model contract documents to guide municipalities through the process. Additionally, applicants must utilize e-Project Builder to store and track the performance contract progress and document best practices.

**Nevada Impacts:** Since PCAAP's inception in 2014, GOE has awarded \$1.5 million to accelerate performance contracting resulting in projects totaling \$89 million, while creating an estimated 670 jobs, saving over 46 million kilowatt hours, and 410,000 therms annually.

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