

# Energy Savings Contract Question and Answer List



The Ohio State University  
400 Central Classroom Building, 2009 Millikin Rd  
Columbus, Ohio 43210

www.fod.osu.edu  
Phone: 614-292-4458

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Project Name Energy Savings Contract Project Number OSU-130135  
Project Location Columbus Campus

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Date revised: October 30, 2012  
Date revised: November 8, 2012  
Date revised: November 28, 2012

Below are the questions that have been received to date for the RFQ of the above-referenced project:

1. What does the term “self-finance the estimated \$250,000,000 project” mean?
  - A. A qualified Firm will have the financial plan and capacity to upfront all associated project cost, including however not limited to, the evaluations/audits, design and implementation with payback based upon performance savings realized in accordance with the terms & conditions negotiated between the Firm and The Ohio State University.
2. Page 2 item’s #3 and #4 state that our reply must comply with your Green Build Policy and Building Design Standards. Very understandable. Can I pick up a copy of these documents or can you send me a copy of these documents electronically?
  - A. The Building Design Standards can be found at the following address:  
<http://fod.osu.edu/bds/index.htm>  
  
While the Green Build Policy can be accessed at: [http://www.busfin.ohio-state.edu/FileStore/PDFs/310\\_InterimGreenBuildandEnergy.pdf](http://www.busfin.ohio-state.edu/FileStore/PDFs/310_InterimGreenBuildandEnergy.pdf)
3. Would the University consider the historical experience of a team of companies we would like to bring together to support OSU in this ambitious project?
  - A. The University would consider submissions from teams of companies.
4. Would the University consider a two week extension from the 11/16 deadline to 11/30? This will afford us the minimal time required to assemble as broad and deep of a response as is warranted for this ambitious program.
  - A. The deadline for response has been revised to November 30<sup>th</sup>, 2012
5. Regarding the RFP stage, what is the expected level of investment the short listed firms will undergo during this competitive phase? Will this consist of all 450 buildings or will there be a much smaller portion for the RFP stage?
  - A. The Ohio State University reserves the right to request investment grade audits, for a small sample set of buildings during the RFP evaluation process, and will address the level and scope with those short-listed firms.

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6. Regarding general PC work, how many energy performance contracts has the University completed over the last 10 years? When were they completed and by whom? Is this project following the same approval path?
  - A. The University declines to respond, as the question does not seek information relevant to firms' submission of qualifications.
7. Please confirm that the 22 million square feet of potential in-scope buildings does not include branch campuses.
  - A. This project covers the Columbus main campus only
8. Are there any buildings or related infrastructure on campus that are currently under, or anticipated to be under, a similar guaranteed energy savings program? Can you provide details? (buildings and start/end dates of the performance contracts).
  - A. Project # 110670 includes; Scott Lab, Physics Research Building (PRB), Biomedical Research Tower (BRT), Recreation Physical Activity Center (RPAC), and the Veterinary Hospital are in the contracting phase with Johnson Controls Inc.
9. Stage I – Energy Audit – will the firms shortlisted in your RFQ selection be required to provide an investment grade energy audit for all campus buildings as part of the RFP selection process?
  - A. See response to question 5.
10. Approach to Project Financing – “The owner will consider different financing approaches . . . that do not reduce the Owner’s bonding ability”. Of the \$250,000,000 potential capital requirement, will OSU consider utilizing its own cash or debt financing for any portion of this project? As we are not privy to the effect of additional debt financing on OSU’s bonding ability it is difficult to ascertain this independently.
  - A. The University expects prospective Firms to finance energy conservation measures associated with the energy savings contract.
11. Bonding requirement – Will OSU require Performance and Payment bonds? Will OSU require an Energy Savings Guarantee Bond?
  - A. Yes to all of the above
12. A similar project was put out for RFP last year for a small set of OSU buildings. Was the project awarded? completed successfully? And by whom?
  - A. See Response to question 8

## Question and Answer List continued



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13. When the set of short listed firms is selected is it OSU's intention to source all projects to one of the selected firms or divide the work between more than one of the short listed firms?
- A. It is The Ohio State University's intention to contract with one Firm for all aspects of the project.
14. Who will be on the RFQ review committee? Who will be on the later short listed RFP review committee?
- A. The University declines to respond, as the question does not seek information relevant to firms' submission of qualifications.
15. Does the University have a list of priorities within the scope of the project that would become available to responding short listed firms?
- A. The University declines to respond, as the question does not seek information relevant to firms' submission of qualifications.
16. What is the Universities internal rate of return requirement?
- A. The University declines to respond, as the question does not seek information relevant to firms' submission of qualifications.
17. Does the University have an Energy Management System/ Building Automation System of choice or an Energy Management System/Building Automation System specification?
- A. No
18. In your RFQ, you state: "The Owner will consider different financing approaches that ...that do not reduce the Owner's bonding ability".
- a) Please provide more detail regarding this objective. For example, does the term "bonding ability" refer to the University's total borrowing capacity (including bonds, loans, leases, etc.); its ability to issue additional bonds at without triggering a ratings downgrade or something else?
- A. Yes, this reference in the RFQ is related to the University's total borrowing capacity from a Rating Agency perspective. We will only entertain proposals that DO NOT adversely impact our borrowing capacity
- b) The RFQ defines Ohio State University as "Owner". Will the University consider a financing solution which transfers commercial ownership of the Project to a third party in order to meet the objective of not reducing the "Owner's bonding ability"?
- A. No.

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19. On follow up to Q1 – In your Q&A posted October 26, 2012 regarding “self-financing” you state: “A qualified Firm will have the financial plan and capacity to upfront all associated project cost, including however not limited to, the evaluations/audits, design and implementation with payback based upon performance savings realized in accordance with the terms & conditions negotiated between the Firm and The Ohio State University.”
- a) Please provide more detail regarding the underlined structural consideration. In particular, what does “financial plan and capacity” mean? For example, is it the intention of the University to enter into a bilateral set of contracts with only the Selected Firm for delivery of all Project components including financing?
- A. It is The Ohio State University’s intention to contract with one Firm for all aspects of the project.
- b) Further, is the University seeking a Firm with the financial capacity to fund 100% of the \$250 million Project directly from the Selected Firm’s own capital resources **OR**
- c) Is the University seeking a firm which will assemble a consortium of participants to provide a) the various ECMs, b) source / arrange debt and equity providers?
- A. The University does not have a preference regarding whether a firm assembles a consortium as described.
- d) Will the Selected Firm have the ability to coordinate with the University and access the University’s relationships and resources in the financial community to optimize and enhance financing execution?
- A. No
- e) Is it the University’s intention to provide payment **ONLY** upon completion and commissioning of a designated phase of the Project?
- A. No, the University’s payment obligation will be contingent upon the realization of targeted savings
20. The RFQ indicates OSU is only looking for a straight performance contract that is paid for out of energy savings with guaranteed performance. Would you consider other models besides this ESPC model?
- A. The Ohio State University is open to other models that will not impact its bonding rating.
21. Would the University be willing to look at extending the lifecycle of their buildings and improving other factors like productivity, deep energy savings, water reduction, carbon reduction, space planning, etc. in addition to energy savings?
- A. Submittals should be focused toward the contents contained within the RFQ; however, the university is open to other innovative approaches and ideas.