23.202 Policy.

(a) Agencies *should* make maximum use of the authority provided in the National Energy Conservation Policy Act (42 U.S.C. 8287) to use an *energy savings performance contract* (ESPC), when life-cycle cost-effective to reduce energy use and cost in the agency's facilities and operations.

(b)

(1) Under an ESPC, an agency can contract with an energy service company for a period not to exceed 25 years to improve energy efficiency in one or more agency facilities at no direct capital cost to the *United States* Treasury. The energy service company finances the capital costs of implementing energy conservation measures and receives, in return, a contractually determined share of the cost savings that result.

(2) Except as provided in 10 CFR 436.34, ESPC's are subject to subpart 17.1.

(c) To solicit and award an ESPC, the *contracting officer*—

(1) *Must* use the procedures, selection method, and terms and conditions provided in 10 CFR part 436, subpart B; and

(2) *May* use the "Qualified List" of energy service companies established by the Department of Energy and other agencies.

(d) For procedures related to *unsolicited proposals* for *energy savings performance contracts*, see 15.603(e).

(e) For more information see https://energy.gov/eere/femp/energy-savings-performance-contracts-federal-agencies.

Parent topic: Subpart 23.2 - Energy Savings Performance Contracts