



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)
(d/b/a TEESI Engineering)

Austin, Laredo, San Antonio

July 21th, 2017

Joe A. Lopez
Webb County Purchasing Agent
1110 Washington Street – Suite 101
Laredo, Texas 78040

Re: Webb County Energy Savings Performance Contract (ESPC) 3rd Party Review

Dear Mr. Lopez:

TEESI has completed its review of the Investment Grade Audit (IGA) and the engineering technical review of the proposed energy savings performance contract (ESPC) for Webb County as prepared by Schneider Electric. Please see Attachment A for 3rd Party Review certification document. The report includes two Utility Cost Reduction Measures (UCRMs) identified for implementation in the current ESPC phase: Central Plant Renovation at the Downtown Campus and County-wide Building Automation System (BAS) Upgrades. Upon our initial review of the report, TEESI compiled some comments, questions, and clarifications. These may be found in Attachment B to this letter. The issues were discussed with County staff, communicated to the Energy Services Contractor (ESCO) and were addressed in a series of revisions and clarifications, as logged in Attachments C & D. The ESCO agreed to the applicable changes to UCRMs and corresponding report pages, and has provided the compiled report including all backup documentation and 3rd party review correspondence to the Owner.

It should be noted the scope of this review was limited to assessing the general feasibility of the scope of work outlined in the Investment Grade Audit (IGA) and the engineering technical review of the proposed ESPC by the ESCO, as well as the reasonableness of savings calculations based on methodologies and assumptions by the ESCO. Pursuant to Texas Local Government Code relating to ESPCs, TEESI reviewed the IGA report, "focusing primarily on the proposed improvements from an engineering perspective, the methodology and calculations related to cost savings, increases in revenue, and, if applicable, efficiency or accuracy of metering equipment." The actual savings achieved from implementation of the measures identified in the IGA will depend on a number of factors in practice related to the quality of measure execution by the ESCO, follow-up and upkeep by ESCO and the County, training, maintenance, etc., as well as those beyond the ESCO and Owner's control. In any case, any guarantees or warranties as to the realization of savings once implemented lie solely with the ESCO in accordance with terms of agreement reviewed and approved by the County.

The IGA report dated July 13th, 2017 is approved by TEESI for further processing by the County. If you have any questions regarding TEESI's review, please let us know.

Sincerely,

Saleem Khan, P.E.
TEESI Engineering

Encl.: Attachments A, B, C & D

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