



What to Expect from a Pay for Performance Partner

Information in this document is meant as a reference to assist customers in the process of selecting a partner organization for participating in the New Construction component of the Pay for Performance Program. Actual contracts for work conducted as part of the program shall be finalized and agreed to by the customer and the partner.

Tips for Selecting a Partner

Factors to consider in choosing the right partner for your project:

- **Geography** - Does the partner service your region? Unlike the contractors in the Direct Install Program, Pay for Performance partners are not assigned to a specific region of New Jersey.
- **Experience** - Has the partner completed any Pay for Performance projects for other customers? If so, were any of the projects in buildings similar to yours? Ask for case studies.
- **Rate Structure** - Is the proposal for work in-line with your budget? The program does not control partner fees, so be sure to contact at least three partner organizations and compare costs.
- **Reputability** - Ask the partner for references. Contact former clients and ask questions about the projects and the working relationships.
- **Responsiveness** - Did the partner explain the program to you and provide you with an estimate of all costs pertaining to your project? Did the partner respond to all of your inquiries in a timely and thorough manner?
- **Timelines** - Be sure the partner is able to meet your project timeline.

Partner Responsibilities

Responsibilities and services provided by a partner for a typical New Construction project include:

Draft Energy Reduction Plan Development

- Conducting an initial information session with the participating customer, identifying program goals and presenting the various approaches and benefits of participating in the program, including the potential for obtaining an ENERGY STAR[®] label. The partner shall explain the purpose of the energy reduction plan, and discuss potential areas for energy savings available to the participant.
- Determining the potential to reduce energy costs by at least 15% below current energy code requirements.
- Conducting a comprehensive review of available schematic design building plans and determining what energy-efficiency improvements can be made to the existing design.
- Developing a simulation baseline from the design team's existing plans (schematics, initial design plans, etc.) to determine the baseline consumption.

- Engaging in a series of consultations with the design team to revise or further develop the initial design to incorporate energy efficient design, practices, and equipment in order to achieve energy costs 15% below the current energy code.
- Creating a proposed design model using approved simulation software that projects the energy consumption of the proposed building design and compares it to the projected consumption of the baseline.
- Determining the incremental costs of each of the recommended measures.
- Preparing the draft energy reduction plan which summarizes the original design, the energy efficiency recommendations and their projected costs, financial savings, and reductions in energy consumption, based on the program guidelines.
- Submitting the **draft energy reduction plan** to program representatives for review and approval.
- Once the draft energy reduction plan is approved, and the incentive levels are committed, preparing and submitting a request for the first incentive payment on behalf of the participant using the appropriate Incentive Request form.

Proposed Energy Reduction Plan Development

- Adjusting the proposed design model per final construction documents while maintaining the minimum performance requirement of energy costs 15% below current energy code.
- Adjusting the incremental costs of each of the recommended measures per final construction documents.
- Assisting in developing a preliminary construction schedule that includes all energy efficiency measures included in the scope of the project.
- Engaging a commissioning authority and preparing a commissioning plan for recommended measures.
- Preparing the proposed energy reduction plan which summarizes the original design, the final energy efficiency recommendations and their projected costs, financial savings, and reductions in energy consumption, based on the program guidelines.
- Submitting the **proposed energy reduction plan** to program representatives for review and approval.
- Once the proposed energy reduction plan is approved, and the incentive levels are committed, preparing and submitting a request for the second incentive payment on behalf of the participant using the appropriate Incentive Request form.

Installation of Recommended Measures

- Remaining involved during the construction period to ensure that recommended measures are reflected in the bid process and the construction documents.
- Reviewing the bid package(s), as appropriate, to ensure that sufficient detail is included to characterize the energy-related measures.
- Ensuring that, when appropriate, designers and installers of specific systems will hold applicable certifications, accreditations, and/or licenses.
- Attending pre-bid meeting(s), as necessary, to explain program goals and procedures to bidding contractors. The partner shall explain energy-efficiency scope of work in

sufficient detail to ensure that contractors understand program requirements for bidding purposes.

- Reviewing the construction schedule and offering suggestions regarding the timing and installation of the energy efficiency elements of the project as needed.
- Ensuring that the selected commissioning authority is fulfilling his or her responsibilities.

As-Built Energy Reduction Plan Development and Savings Verification

- After construction completion, developing the as-built energy reduction plan based on the program guidelines, and identifying any changes that occurred during construction and issues discovered through commissioning.
- Updating the model, as appropriate, to incorporate any changes and obtaining revised energy savings estimates.
- Submitting a final commissioning report to affirm that all energy efficiency measures are installed and functioning properly.
- Submitting the **as-built energy reduction plan** to program representatives for review and approval.
- Once the as-built energy reduction plan is approved, submitting a request for the third (final) incentive payment on behalf of the participant using the appropriate Incentive Request form.

Avoid Pitfalls

- Download the [Program Application](#), and [Incentive Structure](#) for your reference. Read through these documents, as well as the website, to learn the details of program participation.
- Do not agree to begin the energy reduction plan development unless the partner is confident that there is potential to reduce energy costs of your facility by 15% or more below current energy code.
- Remember that the first and second incentive payment is contingent upon moving forward with construction and implementation. If you decide not to install the scope of work outlined in the energy reduction plan, be prepared to pay the partner their fees for work provided despite not receiving the incentives.
- The third incentive is paid upon completed installation of recommended measures. The measures do not *need* to be installed by the partner's firm, but the partner does need to stay involved. You may subcontract the installation to other contractors, but the partner must maintain oversight to ensure that installation is performed properly and that all necessary documents are filed.
- Commissioning is required by the program, but only for the measures receiving incentives. You may choose to commission the entire building.

For additional information, visit NJCleanEnergy.com/P4P, e-mail P4P@trcsolutions.com or call 866-NJSMART to speak with a program representative.