



DEPARTMENT OF THE NAVY
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CNICINST 4101.1

N4

8 Feb 2013

CNIC INSTRUCTION 4101.1

From: Commander, Navy Installations Command

Subj: STANDARDIZATION FOR MANAGEMENT OF UTILITY ENERGY SERVICE
CONTRACTS AND ENERGY SAVINGS PERFORMANCE CONTRACTS

Ref: (a) OPNAVINST 4100.5E
(b) NAVFAC BUSINESS MANAGEMENT SYSTEM B-5.1.3
(c) NAVFAC BUSINESS MANAGEMENT SYSTEM B-5.1.4
(d) NAVFAC NAVY AND MARINE CORPS ENERGY PROJECT
MANAGEMENT GUIDE

1. Purpose. To implement policy outlined in reference (a) and to provide guidelines and procedures for the management of Utility Energy Service Contracts (UESC) and Energy Savings Performance Contracts (ESPC), both also known and referred to as third-party financed projects.

2. Background. Reference (a) identifies the requirement to utilize third-party financed projects in order to meet Federal and Navy shore energy goals and mandates.

a. This increased reliance on third-party financing to meet energy requirements creates more financial risk and requires revision to existing processes to better manage UESC and ESPC in order to mitigate these risks.

b. Revisions to these processes are detailed in references (b) through (d), and major revisions include:

(1) Centralization and standardization for UESC and ESPC project submission and approval through an annual call for work.

(2) Establishing a central program by budgeting for upfront and startup costs at CNIC Headquarters.

(3) As part of measurement and verification (M&V), track progress of UESC and ESPC projects towards energy reduction by

annually updating the Energy Return on Investment (eROI) tool during project performance period.

3. Policy. All UESC and ESPC projects to be funded through CNIC shall follow the guidelines and procedures as established in references (b) through (d).

4. Responsibilities

a. CNIC Commander (N00) is responsible for approving the UESC and ESPC integrated project list (IPL) generated from the annual call for work, and directing regions and installations to proceed with the planning, development, award, and execution of projects.

b. CNIC Facilities & Environmental (N4) is responsible for the overall coordination and management of the UESC and ESPC programs to include:

(1) Coordinating the annual call for work with regions and compiling all project submissions into the IPL.

(2) Ranking all projects and providing the list of recommended projects to be approved in the IPL to CNIC N00.

(3) Budgeting for all UESC and ESPC upfront and startup costs in annual budget submissions, and coordinating distribution of funding based on CNIC N00-approved IPL.

(4) Coordinating with regions on requirements for financed-project payments in annual budget submissions, and distributing to regions for execution when controls are provided.

(5) Reviewing the progress and status of projects towards meeting shore energy goals and mandates.

(6) Coordinating with Naval Facilities Command (NAVFAC) Echelons II and III commands, as required.

c. Region Commanders and Installation Commanding Officers are responsible for coordinating and managing UESC and ESPC projects within their area of responsibility (AOR) to include:

(1) Reviewing and submitting all project packages, along with Regional IPL of prioritized projects to CNIC Headquarters in annual call for work.

(2) Ensuring all financed-project payment requirements are captured in annual budget submissions up to CNIC HQ.

(3) Coordinating with respective NAVFAC Echelons III and IV commands as required, to include approval/buy-in of all bill-payers to cover their share of costs for the financed project prior to project award.

d. Regional Engineers and Public Works Officers are responsible for planning, developing, awarding, and executing UESC and ESPC projects within their AOR to include:

(1) Generating and submitting project packages (installation level DD 1391 and eROI for each project) in the annual call for work.

(2) Coordinating development of projects, determining their feasibility, and ensuring they are awarded on time.

(3) Overseeing the construction of projects during the installation period.

(4) Coordinating the M&V of projects during the performance period and documenting the findings by updating the eROI annually.

(5) Providing input to the Regions for all financed-project payment requirements to be included in annual budget submissions and coordinating payments to contractors when controls are received.

(6) Coordinating with respective NAVFAC Echelons III and IV as required.

5. Forms and Reports. DD Form 1391, FY__Military Construction Project Data, is available on the DoD Forms Management Site at: <http://www.dtic.mil/whs/directives/infomgt/forms/dd/ddforms100-1499.htm>. All references and eROI templates are available in the CNIC Gateway 2.0 N442 Utilities Team Site in the UESC & ESPC

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Projects section:

<https://g2.cnic.navy.mil/TSCNICHQ/N4/N44/N442/N442C/UESC%20%20ESPC%20Projects/Forms/AllItems.aspx?View=%7B4A6314CD-AF51-473C-9B57-F0E7AC8511CA%7D>.



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