

Performance Contracting

Boston Housing Authority Boston, MA

Project Cost: \$16.6 million

Annual Cost Savings: \$2.1 million

Facility Description: Public housing complex

Contract Term: 10-year Energy Savings Performance Contract (ESPC)



“This effort is an excellent example of public/private partnership at its best and will greatly improve the livability of the public housing stock in the City of Boston”

Thomas M. Menino
Mayor
City of Boston

“This project is a triple win for residents, the Boston Housing Authority, and the taxpayers.”

Sandra B. Henriquez
Administrator
Boston Housing Authority

NORESCO recently completed two of the largest energy and water related public housing construction projects of their kind at the Boston Housing Authority's (BHA) Mary Ellen McCormack and West Broadway developments. The BHA chose to creatively finance this construction through the utility savings gained over a ten-year performance contract with NORESKO.

The \$8.6 million contract for the HUD assisted Mary Ellen McCormack site resulted in the abandonment of the central heating system and the installation of gas-fired steam boilers to provide heat and domestic hot water. The project also included the replacement of approximately 5,000 steam traps, the installation of a central energy management system, and the installation of low-flush toilets, low-flow showerheads, and faucet aerators at 35 buildings comprising almost 1,000 apartments.

Work at the state-assisted West Broadway development resulted in the conversion of twenty apartment buildings from a centralized steam distribution to a decentralized system with individual boilers in each building. Four of the twenty buildings were converted just a few months after contract signature. Annual heating costs for each apartment have been reduced from \$1,870 per unit prior to construction to just \$387 per unit today. This translates into an astounding 79% reduction in heating costs for the BHA. The remaining measures included a mix of building shell improvements, domestic hot water conversions, energy management controls, and water conservation retrofits.

Today, residents in more than 500 apartments in 221 buildings are benefiting from greater comfort levels and improved quality of life through more consistent unit temperatures and more reliable domestic water systems as a result of these improvements.

Recently, the BHA was honored by the U. S. Department of Energy's ("DOE") Rebuild America program. The BHA won the prestigious Public and Affordable Housing "Energy Champion of the Year" award over 325 competitors. The work completed by NORESKO at the Mary Ellen McCormack and West Broadway developments was a major component of the BHA's comprehensive energy efficiency strategy that was recognized by DOE.

NORESCO is the nation's most experienced energy service company providing comprehensive and proven energy-efficiency solutions and infrastructure development and operations strategies to a wide range of customers. A recognized industry leader installing and operating over \$1.4 billion of proven energy solutions in diverse markets across the nation, NORESKO has built on-site energy infrastructure generating more than 300 megawatts of power, and has helped customers improve energy efficiency saving over 31 billion-kilowatt hours of electricity and 71 trillion Btus of fuel.



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