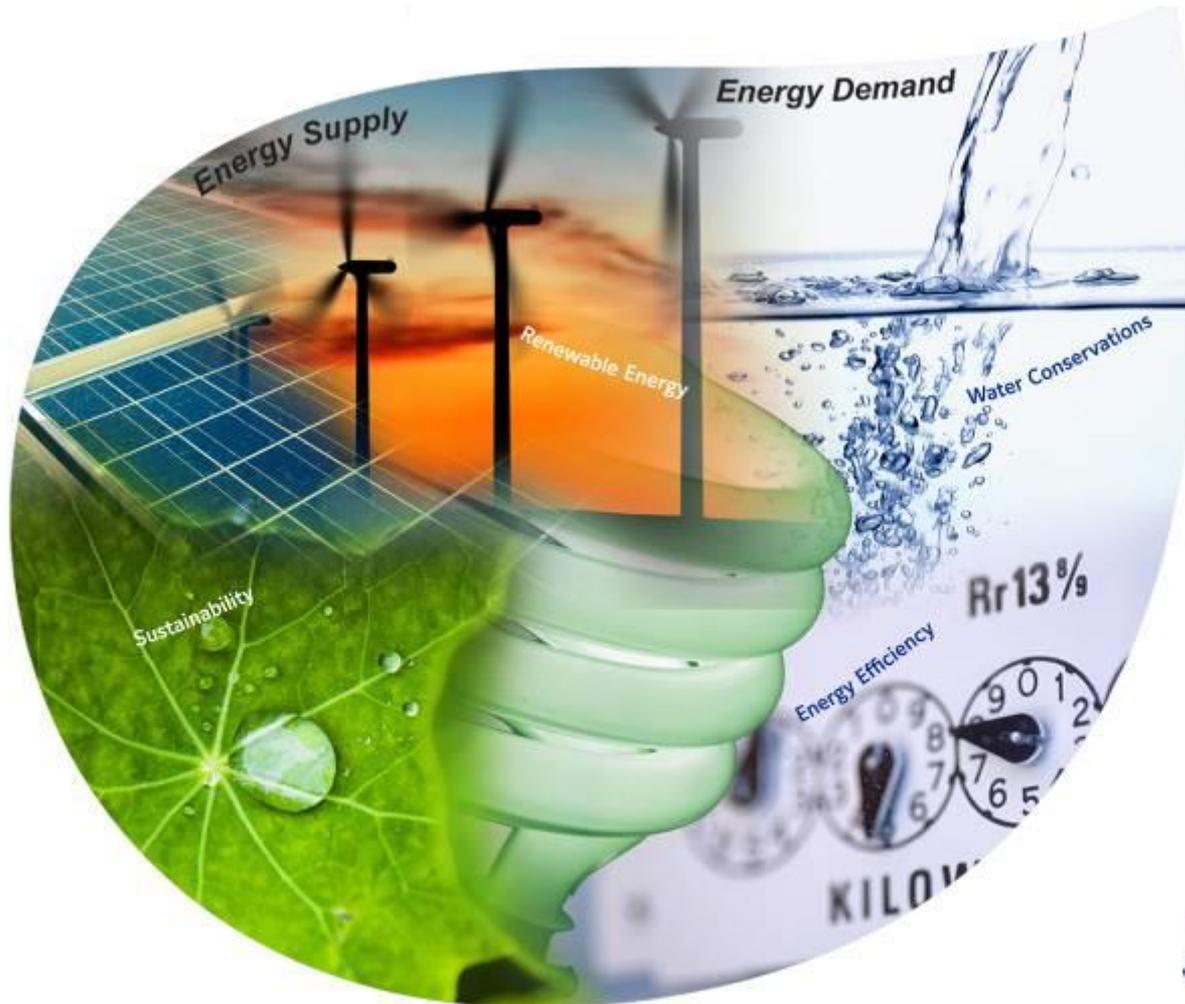


West Norriton Township Smart , Sustainable, Green

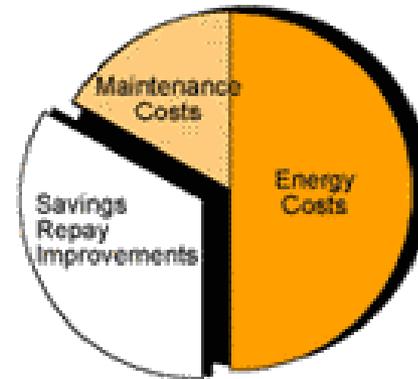
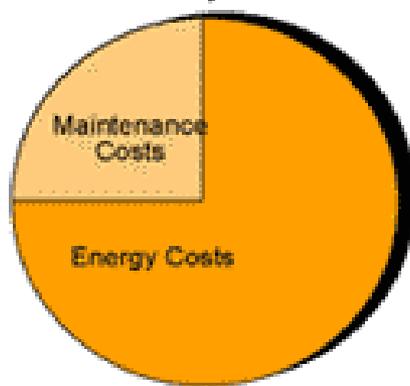


Performance Contracting: A Simple Explanation

Improvements and repairs that generate energy, operational, and maintenance savings in your Township normally require major investments.

Performance contracting is a no-risk way to fund these improvements using future savings instead of capital reserves.

These projects do not require up-front capital expenditures from the Municipality and contain contractually guaranteed savings.



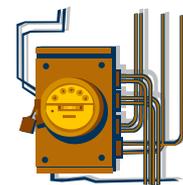
Energy Performance Contracting

- Performance Contracting governed by PA Act 77 and PA Act 39
- PA Acts 77 and 39 enable government entities to enter into a PC agreement for up to 20 years.
- Project cost, scope and savings are guaranteed. Savings must meet or exceed the cost of the project over project term.
- Stated energy savings are guaranteed and are generated thorough:
 - Energy
 - Operational/Maintenance
 - Capital Cost avoidance
- Engineering, Construction, Commissioning and Measurement & Verification are all managed through ONE company. Best value vice low bid.

Cut costs and improve services through your infrastructure

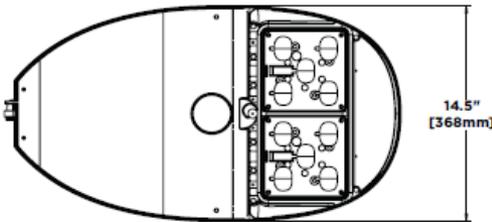
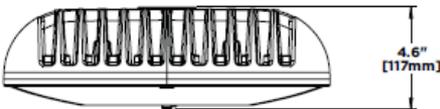
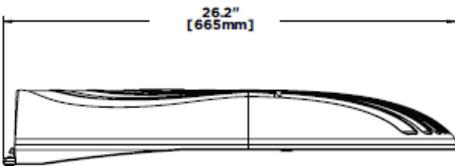


- Street and park lighting, traffic signal upgrade
- Water and wastewater efficiencies
- Facilities improvements, power procurement
- Green Building Solutions
- HVAC and mechanical upgrades
- Automated meter reading (water, gas, electric)
- Renewable energy (solar PV, solar thermal heating, geothermal, etc.)
- Demand Response, NIS, telecommunications, computing, etc.



LED Street Lights Highlights

Commercial Service –
Cobra head
400 w → 101 w



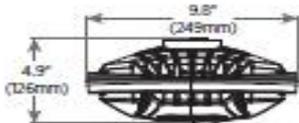
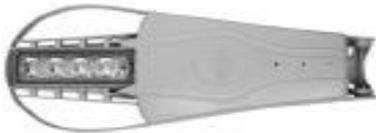
Streetlight Timeline

- 1900's - Incandescent
- 1930's - Mercury Vapor
- 1960's - HPS
- 1970's - Metal Halide
- 2010's - LED

LED Warranty

- 10 Years complete fixture
- 110,000 burn hours
- life expectancy
- 27 years

Residential Service –
Cobra head
150 w → 53w



West Norriton Township Energy Analysis

Street Lighting

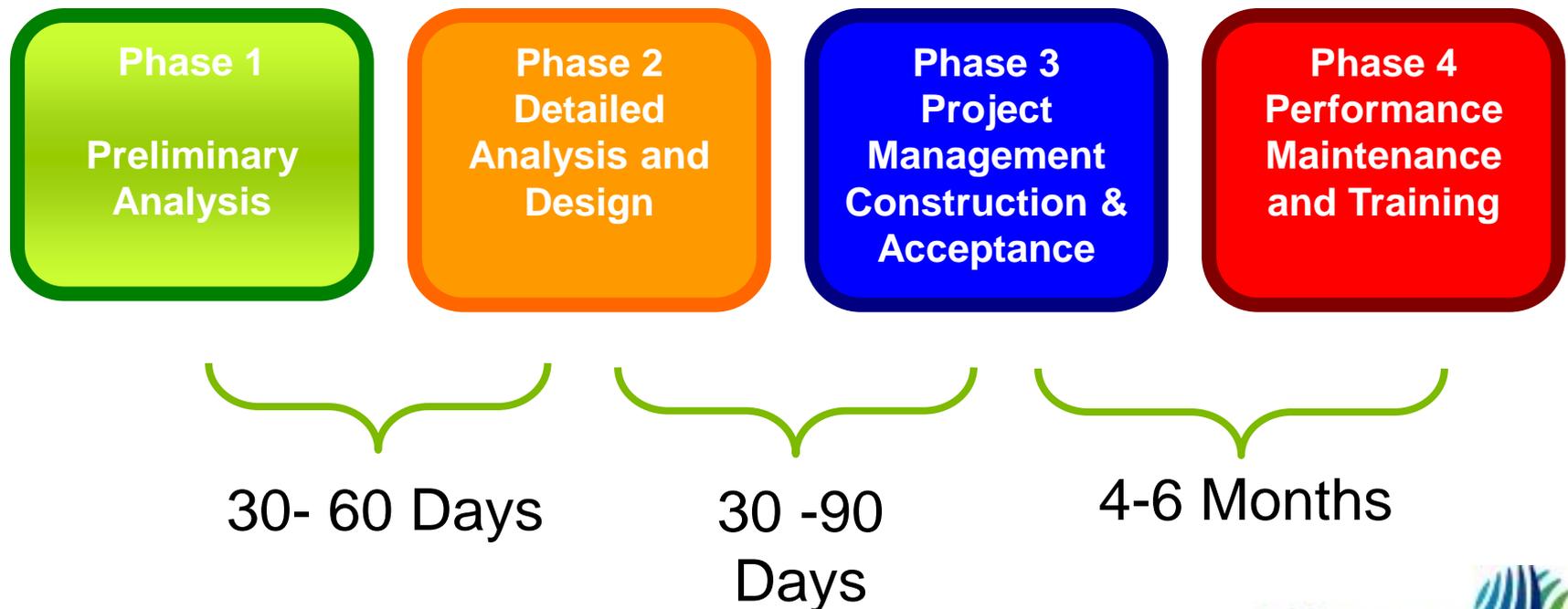
Type	Size	Existing					Proposed					% WATT Red
		# Luminaires	Watt per Lum	kW	Hrs per Day	kWh per year	# Luminaires	Watt per Lum	kW	Hrs per Day	kWh per year	
Sodium Vapor	25000S	3	294	0.88	11.21	3,609	3	101	0.30	11.21	1,240	65.6%
Mercury Vapor	20000M	4	429	1.72	11.21	7,022	4	101	0.40	11.21	1,653	76.5%
Sodium Vapor	16000S	1	192	0.19	11.21	786	1	101	0.10	11.21	413	47.4%
Mercury Vapor	12000M	31	275	8.53	11.21	34,884	31	101	3.13	11.21	12,812	63.3%
Sodium Vapor	9500S	2	131	0.26	11.21	1,072	2	53	0.11	11.21	434	59.5%
Mercury Vapor	8000S	101	191	19.29	11.21	78,939	101	53	5.35	11.21	21,904	72.3%
Sodium Vapor	5800S	67	94	6.30	11.21	25,771	67	53	3.55	11.21	14,531	43.6%
Mercury Vapor	4000M	303	115	34.85	11.21	142,586	303	53	16.06	11.21	65,713	53.9%
Incandescent	2500L	98	202	19.80	11.21	81,005	98	53	5.19	11.21	21,254	73.8%
Incandescent	1000L	277	103	28.53	11.21	116,749	277	53	14.68	11.21	60,075	48.5%
XYZ		0	0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ		0	0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ		0	0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ		0	0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ		0	0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ				0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ				0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ				0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ				0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ				0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
XYZ			0	0.00	11.21	0	0	0	0.00	11.21	0	#DIV/0!
Total		887		120.338		492,423	887		48.883		200,029	

West Norriton Township Financial Analysis

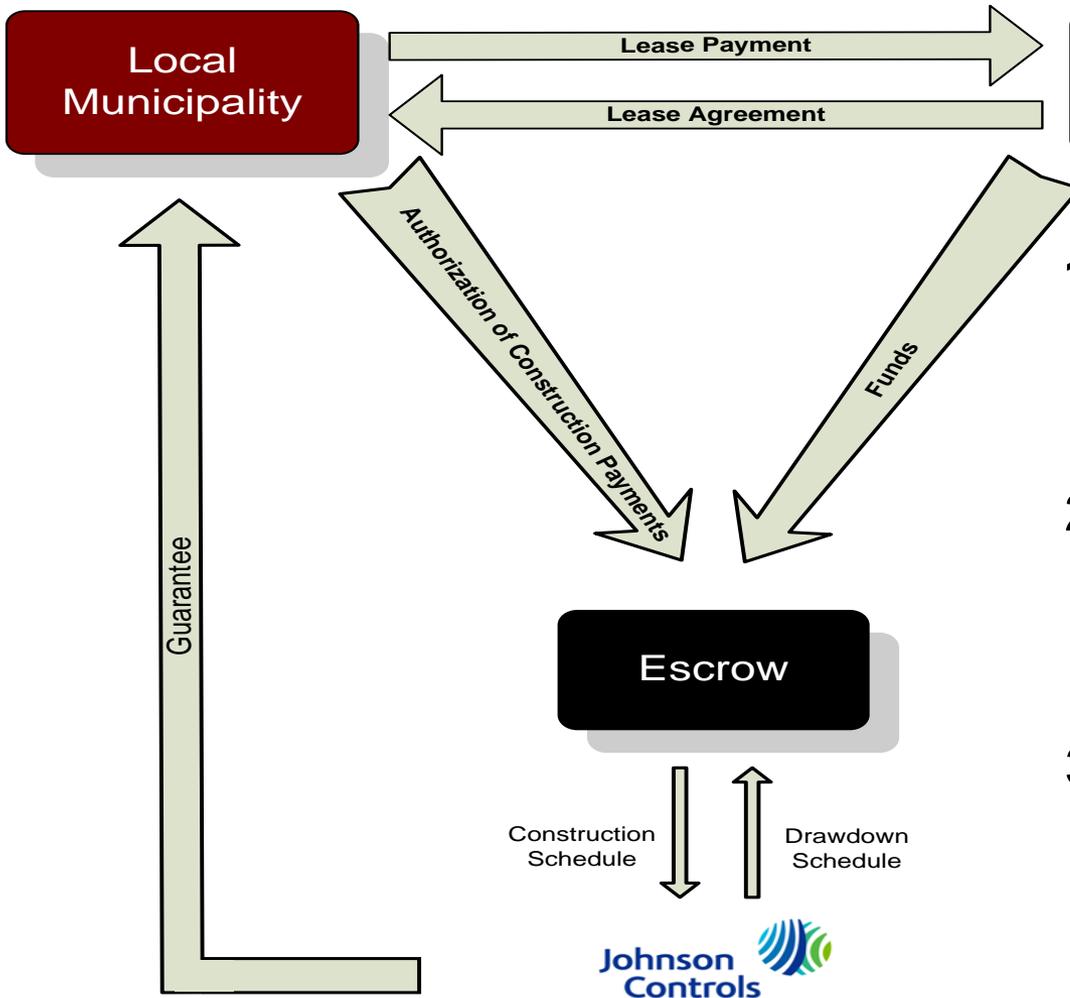
Total Project Cost	\$1,178,067
Construction Months	5
Interest Rate	3.00%
Construction Interest	
Estimated rebates	\$23,392
Total Cost to Finance	\$1,154,675
Annual Energy Savings Escalation	3.00%
Annual O&M Savings Escalation	3.00%
Annual M&V Cost Escalation	3.00%
Cashflow Over Term?	YES

Tax Exempt Capital Lease Financing										
Year	Annual Energy Savings	Annual O&M Savings from re-purchase	Annual M&V Cost & Maint Contract	Net Savings	End of Year Principle Balance	Principle Payment	Interest Payment	Total Debt Service	Annual Cash Flow	Cumulative Cash Flow
0	\$0		\$0	\$0	\$1,154,675	\$0	\$0	\$0	\$0	\$0
1	\$21,368	\$115,000	\$7,657	\$128,711	\$1,060,605	\$94,071	\$34,640	\$128,711	\$0	\$0
2	\$22,009	\$118,450	\$7,887	\$132,572	\$959,851	\$100,754	\$31,818	\$132,572	\$0	\$0
3	\$22,669	\$122,004	\$8,123	\$136,549	\$852,097	\$107,754	\$28,796	\$136,549	\$0	\$0
4	\$23,349	\$125,664	\$4,660	\$144,353	\$733,307	\$118,790	\$25,563	\$144,353	\$0	\$0
5	\$24,050	\$129,434	\$4,800	\$148,683	\$606,623	\$126,684	\$21,999	\$148,683	\$0	\$0
6	\$24,771	\$133,317	\$4,944	\$153,144	\$471,678	\$134,945	\$18,199	\$153,144	\$0	\$0
7	\$25,514	\$137,316	\$5,092	\$157,738	\$328,090	\$143,588	\$14,150	\$157,738	\$0	\$0
8	\$26,280	\$141,435	\$5,245	\$162,470	\$175,463	\$152,628	\$9,843	\$162,470	\$0	\$0
9	\$27,068	\$145,679	\$5,402	\$167,344	\$13,382	\$162,081	\$5,264	\$167,344	\$0	\$0
10	\$27,880	\$150,049	\$5,564	\$172,365	\$0	\$13,382	\$401	\$13,784	\$158,581	\$158,581
11	\$28,716	\$154,550	\$5,731	\$177,536	\$0	\$0	\$0	\$0	\$177,536	\$336,117
12	\$29,578	\$159,187	\$5,903	\$182,862	\$0	\$0	\$0	\$0	\$182,862	\$518,978
13	\$30,465	\$163,963	\$6,080	\$188,348	\$0	\$0	\$0	\$0	\$188,348	\$707,326
14	\$31,379	\$168,881	\$6,263	\$193,998	\$0	\$0	\$0	\$0	\$193,998	\$901,324
15	\$32,321	\$173,948	\$6,451	\$199,818	\$0	\$0	\$0	\$0	\$199,818	\$1,101,142
16	\$33,290	\$179,166	\$6,644	\$205,812	\$0	\$0	\$0	\$0	\$205,812	\$1,306,954
17	\$34,289	\$184,541	\$6,843	\$211,987	\$0	\$0	\$0	\$0	\$211,987	\$1,518,941
18	\$35,318	\$190,077	\$7,049	\$218,346	\$0	\$0	\$0	\$0	\$218,346	\$1,737,288
19	\$36,377	\$195,780	\$7,260	\$224,897	\$0	\$0	\$0	\$0	\$224,897	\$1,962,185
20	\$37,469	\$201,653	\$7,478	\$231,644	\$0	\$0	\$0	\$0	\$231,644	\$2,193,828
	\$574,160	\$3,090,093	\$125,076	\$3,539,177		\$1,154,675	\$190,673	\$1,345,349		\$2,193,828

Johnson Controls' Method and Plan Approach to Performance Contracting



Financially how it works



1. Guarantee meets or exceeds payments
2. Out of pocket costs to the Municipality = **ZERO**
3. In short, you are re-investing in yourself



Grant Writing Service

- We will research and identify all available federal, state and local funding sources.
- We will write and submit the grant packages for you.

Since 2009, Johnson Controls has helped secure more than **\$372 million** in government grants for our customers.



Snap shot of Johnson Controls

Pennsylvania by the Numbers

- **44** - Active PA Projects
- **\$330,548,139** – Total Savings Guarantees
- **47** - JCI locations
- **2,441** - Employees
- **\$6,970,466** - Payroll taxes paid annually
- **215,625** – tons of GHG Reductions = 44,920 passenger vehicles
- **2,408** – Jobs created from efficiency projects
- **0** - Risk

Vision

SMART

- Your project will be funded by the money it saves
- No risk
- No change orders

SUSTAINABLE

- Local companies from your local community will build your project
- Local companies spend money in your local economy
- We will train your local staff to maintain your new and upgraded systems

GREEN

- Together, we will reduce your use of non - replenishing natural resources
- Together, we will reduce your Green House Gas emissions
- Together, we will reduce your Carbon footprint



QUESTIONS?

