

Siemens Building Technologies, Inc.

On behalf of Siemens' Energy and Environmental Solutions Team, we are honored to have the opportunity to present our qualifications and capabilities in response to the Request for Proposal for As-Needed Energy Performance Contracting for the Governor's Energy Office (GEO) Colorado Energy Performance Contracting Program (CEPCP). We are excited by the opportunity of being the ESCO partner with one of Colorado's fine agencies; working with the GEO to plan, develop and implement seamless performance contracting programs that exceed client's financial, facilities, engineering and operational objectives.

Siemens is a global leader in energy services, renewable energies, mechanical system design and installation, technology, and performance solutions, having more than 117 years of experience in leveraging our global knowledge, presence, technology, leadership, project management, product depth and financial resources and maximizing client benefits utilizing our local Colorado offices. As a leading technology and energy management provider, we offer insight, innovation and in-depth understanding of the challenges confronting client facilities, and we are committed to providing clients with an exemplary performance contracting program.

In our ever-changing energy marketplace, our business focus is to provide intelligent, innovative, effective and open solutions. Our goal is to outline the key differences that distinguish Siemens above the rest—as both a company and as a team of professionals.

At Siemens we believe that a company is only as good as the people who make up that organization—locally and globally. In a world where technology, engineering and financial solutions are virtual commodities, with little or no differences in design and format, the key difference is the commitment, openness and capabilities of the professionals who are directly responsible for the delivery, service, innovation and operation of the technologies and programs clients adopt.

It Starts With Our Customers

We encourage clients to call our customers and references. What they will discover is a satisfaction, passion and support that are rarely achieved in today's marketplace. Whether they contact one of our large State of Colorado government clients such as the Department of Human Services, municipal customers such as the City of Arvada or the City of Westminster, one of our K-12 customers such as the Thompson, Lewis Palmer, or Adams County District 50 School Districts, one of our Higher Education customers, CU Department of Housing, our customer response is the same—overwhelming praise. Every Siemens' branch office has clearly defined measurements for performance, customer satisfaction, delivery and service. In addition to interviewing our own customers, we regularly utilize an independent research firm to contact facility management executives and consulting engineers that we work with to obtain an unbiased perspective of our performance. For the past four consecutive years, we have received the highest scores for customer satisfaction compared to our competitors. Because customers only rate suppliers who provide direct service or whose systems are installed at their facility, they register their preferences with authority and insight.

As a full-service ESCO we will work openly and collaboratively to develop the goals, strategies and tasks necessary to deliver the project the client expects and deserves. Single-point accountability means just that; clients will never hear us make justifications or excuses like blaming subcontractors or poorly written specifications. We take full financial and operational responsibility of our warranties and performance guarantees. We resolve potential problems by going "above and beyond".

A Full-Service ESCO

Siemens is a full-service ESCO. Our energy management and technology leadership provides our customers with access to every conceivable technology, product, and financial packaging available—from supply-side to demand-side energy services. At Siemens we can provide a vast array of equipment directly from other Siemens companies, or from the world-wide network of Siemens partner companies, at a significantly decreased cost than a client would pay through another ESCO. This means the client gets quicker paybacks and more capital with which to invest in more facility improvement measures.

In many cases equipment that is provided from sister companies within Siemens often comes with extended warranties beyond industry standards at no additional cost to the client. Also, our mechanical services group is fully capable to provide ongoing O&M or repair services. In all cases our "one company" delivery alleviates construction and warranty issues as we provide one number, one-call solutions to unresolved problems. However it should be noted again that we are equipment-neutral, our customers are never under any obligation or pressure to purchase Siemens equipment, but it may be a benefit to our client if it makes financial and operational sense. Our customer's interests always come first.

Specialized Groups for Special Projects, Facilities or Clients

Siemens Building Technologies has a number of specialized groups/teams within the organization to provide specialized solutions to our clients. The teams include: Energy and Environmental Solutions; Renewable Energy Team (subsets of specialization include; geothermal, solar, wind energy, fuel cells, land-fill gas, biomass), Major Projects (Waste to Energy Projects), Indoor Air Quality, Energy Services (subsets of specialization include; supply side energy consulting, energy risk management consulting, environmental responsibility, energy security, energy information services, energy awareness and communication).

Our Clients Get the Best of Both Worlds: Global Capabilities and Local People

At Siemens we believe in keeping Colorado money in Colorado by investing in local people, resources and communities. Currently, with over 125 local employees and fully staffed service centers in Littleton and Colorado Springs, we have Colorado covered. In addition, account management, engineering, design, delivery, project management, implementation, service, measurement and verification are primarily performed by local professionals who are residents of the communities in which they work, having a vested interest in the well-being of Colorado's economy. Our performance contracting team within the Rocky Mountain District is comprised of some of the highest quality individuals in the industry. Whether directly involved or as active support behind the scenes, our people are truly there for the client. Community commitment,

local expertise and the enormous resources and technical expertise of a global leader provide the client with the best of both worlds. Further, as the ESCO, we employ preferred and local subcontractors to support our local Colorado economy and insure that Colorado money stays in Colorado.

Value: Getting the Highest Return on Investment

Siemens Building Technologies is not an off-balance sheet subsidiary of a larger company. We are a distinct division with open financial statements that show our stability and security.

We offer the broadest range of solutions in the industry. We go well beyond the basic mechanical and lighting retrofits. Our solutions routinely include water conservation retrofits, waste management, building envelope improvements, co-generation, renewable energy solutions, alternate fuels, technology and communications solutions and other facility improvements. We are poised to apply any Demand Side Management rebates from the applicable utility company to the project. As a manufacturer of lighting products, electrical equipment, HVAC controls, energy management systems, fire alarm and security systems/closed circuit television (CCTV) and communications systems, we are in a unique position to provide more direct solutions with our own forces than anyone in our industry. This results in substantial cost savings to customers in the implementation phase of the project. In addition, Siemens has significant discounts on HVAC equipment through national agreements with suppliers, on variable speed drives as a manufacturer of the Siemens drive, and on lighting with our ownership of Osram Sylvania, to be passed on to our clients.

What Sets Siemens Apart in Each Project Phase

While each ESCO has similar project phases, processes and procedures, there are a few areas of distinction that set Siemens apart from the competition. The table below includes some highlights of each project phase that makes Siemens the ESCO of choice for a large number of customers.

Project Phase	Siemens Area of Distinction
Project Development	There is a dedicated team of Account Executives that see the project through all phases of development.
Energy Auditing	All Siemens energy audits look at all possible technological solutions available and couple that with process optimization opportunities. In addition, when a project or facility has a special need, Siemens calls in the expertise of one of the specialized groups mentioned above.
Performance/Savings Guarantee	Siemens self guarantees all projects which means that Siemens is willing to stand by its work at the client facility. A team of Performance Assurance Specialists are also assigned to each project to proactively track all savings and performance measures.

Financing	Siemens offers a wide range of inhouse or third party options. We can creatively finance almost any project.
Construction	Due to the volume of Siemens created and implemented business in the State of Colorado, Siemens has an excellent relationship with many contractors and has developed competitive procurement relationships with local businesses.
Commissioning	Siemens has a dedicated inhouse performance assurance team that continually checks for consistency and accuracy.
Measurement and Verification	Siemens has a dedicated inhouse performance assurance team that continually checks for consistency and accuracy.
Client/Staff Occupant Training	Siemens customizes training plans for each client and can provide training DVDs, annual training and has a full service, in house, professional training facility able to offer hands on, interactive training.
Post Construction Maintenance Support	Siemens offers full service HVAC, controls, and fire and security options customized for client needs.

Protecting The Investment: Equipment Neutrality

We recognize that there may be preferences that our clients may have with certain equipment types, building automation systems or mechanical equipment. As the ESCO partner, Siemens could protect the investment by expanding and installing components of the systems already in place, if the client desires. In addition, we could integrate our energy management, metering and utility cost management technology with existing or new DDC equipment. Because we are a leader in building automation, fire, security, CCTV, voice/data, and card access systems, we provide in-house expertise and experience in installing, integrating, commissioning and servicing both Siemens and third-party systems. In addition, because of our local expertise in these areas, as the ESCO partner we can provide an invaluable and unique consulting overview capability for systems specifications, design, installation and service.

Extensive Experience with Each Market Sector

Siemens has completed over 1100 energy performance contracts in its 13 years of performance contracting service solutions in which almost every market sector has been served and received a total quality program. Since 1999 Siemens nationally has completed over \$1.5 Billion in guaranteed energy performance contracts in over 1,000 projects. Through these numerous projects, Siemens has served state governments/departments, large and small school districts, large and small higher education facilities, large and small cities and counties, and multifamily clients in rewarding and performing projects.

Locally, Siemens has completed over 20 large performance contracting projects worth over \$35 Million in the last five years.

Siemens has extensive local experience in performance contracting solutions in each of the vertical markets listed above and is poised to provide additional services to various Colorado clients for years to come.

Guarantees and Warranties

In performance contracting the guarantee is one of the key components that set it apart from standard construction projects. However, an ESCO's guarantee is only as good as the financial stability of the company backing it. It is important to note that Siemens personally backs our Performance Contracts with our \$98 billion in annual international revenues and 160 year security. Although our track record indicates that we make our performance guarantee results 99.84% of the time, the client can be confident that if we miss the mark, the client will get a check directly from Siemens.

Financial Stability and Security

Siemens continues to be a dominant global and local leader in financial growth, stability and security. As the term for most Performance Contracts is 12 or more years, a company's longevity, stability and financial strength are key to insuring that the client's chosen ESCO will remain the strategic partner for the entire term of the contract.

Partnering with Clients

As the ESCO, we will work hard and creatively to see that the challenges are successfully met, client issues resolved and client wishes provided. We recognize that a quality internal and secure environment is of critical importance to the client. The infrastructure of the client's facilities is an integral part of the safe, secure, and orderly environment that the client must provide. We are anxious to put our experience and technical capabilities to work for clients to make this happen.

We are confident that we will provide a stellar performance contracting program to the client; one that will provide the most effective combination of measures to deliver significant savings and substantial facility improvements. We look forward to helping clients accomplish their full performance contracting potential and to many years of rewarding collaboration.

Thank you for your consideration.