Testimony of Eric Lafayette Project Developer, Energy Efficient Investments (EEI) Senate Education Committee – 4.11.25

Dear Chair Bongartz and Members of the Senate Education Committee,

My name is Eric Lafayette, and I serve as a Project Developer with Energy Efficient Investments, also known as EEI. I appreciate the opportunity to speak with you today about the role that Energy Savings Performance Contracting can play in addressing aging infrastructure in Vermont's public schools.

I was born and raised in Burlington and currently live in South Burlington with my wife and two daughters, both of whom attend Orchard School in the South Burlington School District. I served on the School Construction Aid Task Force and have spent the past five years working closely with school construction projects throughout the state.

EEI is an energy services company (ESCO) headquartered in Williston, Vermont. We work with multiple school districts across the state and have significant experience in Vermont, New Hampshire, and Maine. Our expertise includes school infrastructure improvement, long-term energy efficiency strategies, and innovative financing options. Notable clients include Addison Northwest SU, Springfield School District, Bennington Schools, Burlington School District, Missisquoi Valley SU, and Barre Unified Union School District.

A highlight from our work: in the Springfield School District, we helped reduce energy bills by 20% and observed a 30% reduction in teacher and student sick days—an outcome we attribute to the installation of a modern, energy-efficient ventilation system.

Energy Savings Performance Contracting: A Strategic Solution for School Infrastructure

Energy Savings Performance Contracting (ESPC) offers school districts a structured solution to address deferred maintenance, reduce energy consumption, and align with decarbonization goals. Under ESPC, energy service companies like EEI conduct investment-grade audits at no cost to school districts. Based on these findings, districts select Energy Conservation Measures (ECMs) that align with their goals and budgets.

These projects are:

- Designed with budget accuracy using real data from similar Vermont schools;
- Competitively bid to local subcontractors for transparency and community investment;
- Delivered with long-term performance monitoring and financial oversight.

Key Benefits to Schools Include:

No upfront costs for audits or capital needs assessments;

- Tax-neutral financing options where savings pay for improvements;
- Addressing long-term maintenance needs;
- Guidance for infrastructure planning;
- Healthier and safer learning environments for students and staff.

Types of Improvements Typically Include:

- Building envelope upgrades (e.g., roofs, windows, doors, insulation);
- Mechanical system modernization (e.g., boilers, ventilation, controls);
- Plumbing updates (e.g., fixtures, water heaters);
- Electrical improvements (e.g., lighting, solar, transformers).

Projects often trigger opportunities for broader improvements, such as ADA upgrades, fire safety compliance, or asbestos abatement. Combining such efforts into a single project helps districts streamline procurement and reduce overall costs.

Our Full-Service Approach

EEI provides turnkey services including:

- Investment-grade audits
- Engineering design
- Financing support and grant application assistance
- Project commissioning and post-project savings verification

For example, we recently helped the Hannaford Career Center obtain a \$96,000 direct-pay incentive through the Inflation Reduction Act for a solar installation. We also support districts in securing Efficiency Vermont incentives, USDA low-interest loans, and federal grants.

In New Hampshire, we're assisting several districts through a new building aid program that emphasizes educational visioning, long-term programming, and energy-efficient design—an approach that could benefit Vermont as well.

Proposed Statutory Change: Aligning Vermont's Performance Contracting Law

I'd like to raise one specific policy issue. Under current Vermont statute (16 V.S.A. § 3448f (c)(3)), school districts are required to obtain voter approval for energy performance contracts that exceed 10 years in duration. We respectfully request that this be extended to 20 years.

Proposed Amendment to 16 V.S.A. § 3448f(c)(3):

"(3) Voter approval of proposed performance contract. If the terms of the proposed performance contract permit the district to make payments to the contractor over a period of time exceeding $\frac{10}{20}$ years, then the district shall not enter into a final performance contract until it receives approval from the electorate to do so."

This change would:

- Reflect the actual lifespan of school infrastructure systems;
- Allow for deeper energy and capital improvements;
- Align with State of Vermont BGS standards (29 V.S.A. § 152(a)(27));
- Match approaches taken in neighboring states like Maine and New Hampshire.

Requiring a 10-year payback can severely limit the scope of improvements, particularly for projects involving ventilation, LED lighting, boilers, controls, and solar energy. Extending the payback period to 20 years allows us to design cost-neutral solutions that better meet the long-term needs of schools.

Conclusion

Thank you for the opportunity to testify today. I truly believe that Energy Savings Performance Contracting offers Vermont school districts a fiscally responsible and forward-looking approach to improving educational facilities. I would be happy to answer any questions you may have and provide additional details on how this model has worked in other Vermont communities.

Sincerely,
Eric Lafayette
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Williston, VT