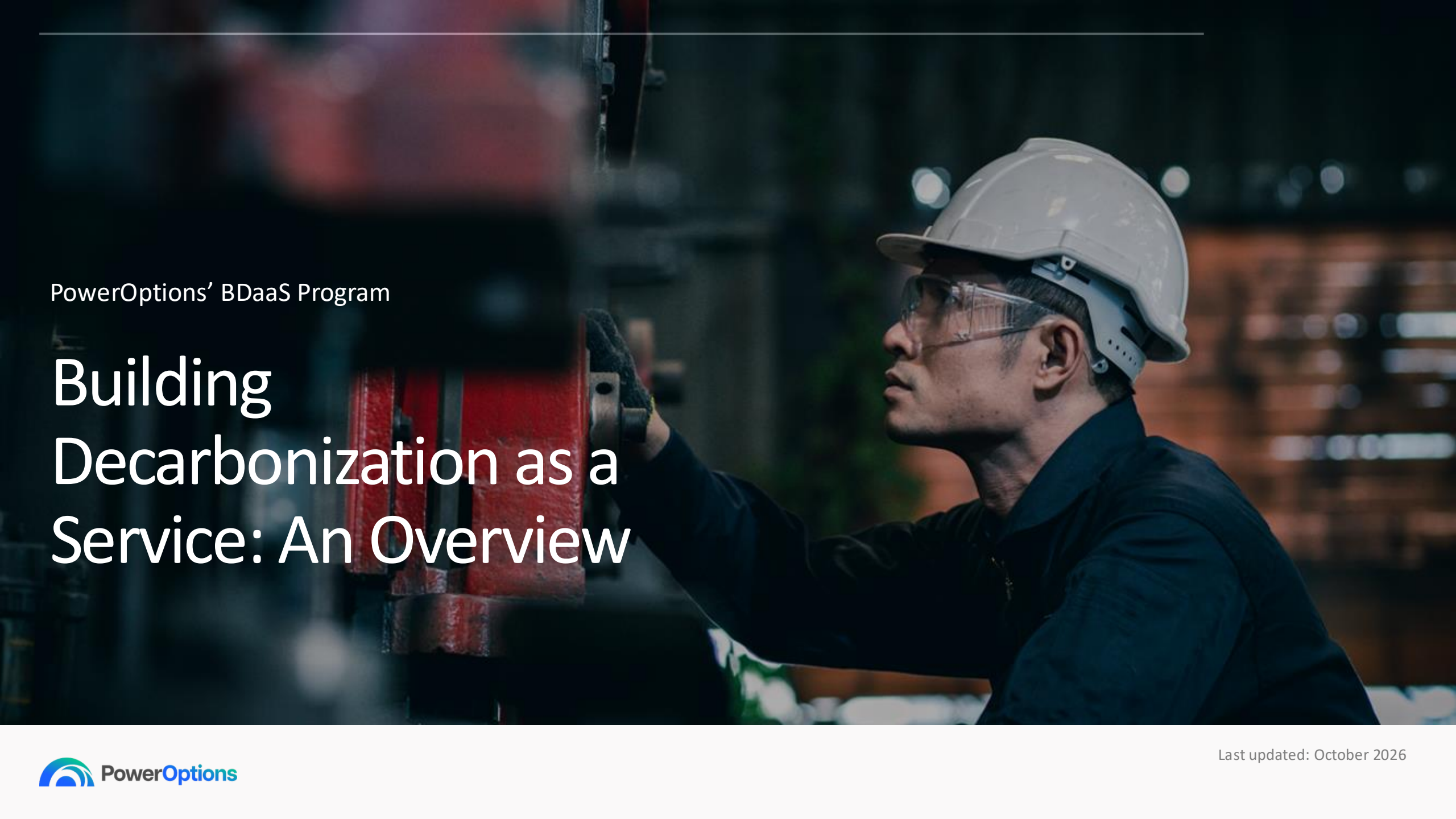




PowerOptions' BDaaS Program

Building Decarbonization as a Service: An Overview



A Nonprofit Empowering Other Nonprofits



An Affordable, Resilient, Sustainable Energy Future for Non-Profits

A Trusted Advisor to non-profits since 1998, we offer a one-stop-shop for energy and decarbonization solutions, from roadmaps to implementation of building decarbonization and fleet electrification, as well as solar, electricity, and natural gas procurement. With 800+ Members of every size and sector across Massachusetts, Maine, Connecticut, and Rhode Island, **PowerOptions has the market strength to negotiate very competitive prices and the Member demand to drive innovation.** As a member-based mission-driven non-profit, our Members rely on us to reduce their cost, carbon and complexity of energy.



800+ Members



1.2B kWh Electricity

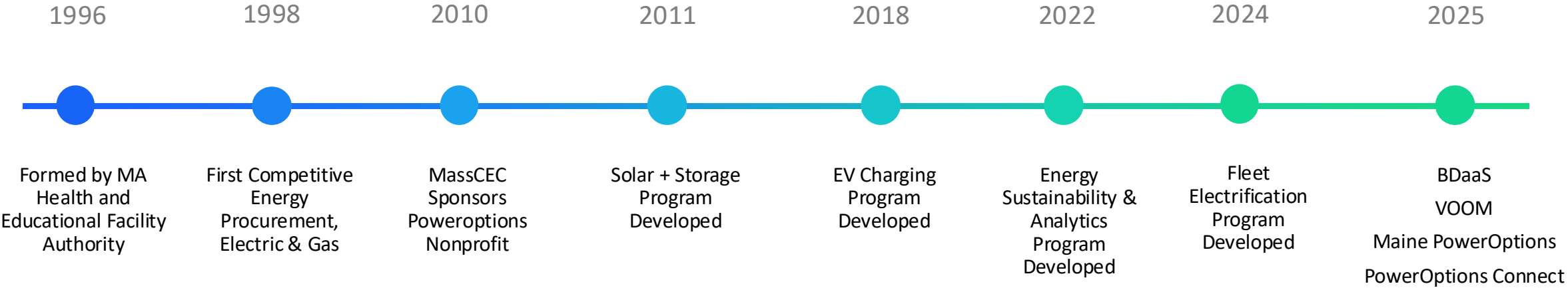


9.2M Dth Natural Gas



370 MW+ Solar

Constantly Evolving to Meet Members Needs



Program Motivation



- Nearly all PowerOptions Members own **aging buildings** with mounting deferred maintenance, capital upgrade needs, and decarbonization needs (e.g. BERDO)
- Capital is **scarce**, and Members would rather spend it on their missions than on buildings —requiring an **innovative financing mechanism**
- Many Members are public entities bound by **competitive procurement** requirements
- PowerOptions conducted a competitive procurement to address this need and launched a new program in 2025 called “**Building Decarbonization as a Service**”(BDaaS)



BDaaS Program Design



WHAT IT IS

- **One contract** covering design, financing, install, O&M, and a performance guarantee
- **Scope** spans HVAC, envelope, mechanical, infrastructure, and deferred maintenance
- **Member sets the scope**, based on what the vendor finds is feasible; full decarbonization is not guaranteed

HOW IT IS PAID FOR

- **\$0 capital upfront**, financed over 10-20 years
- Projects **funded** partially or in full by energy and O&M savings, avoided capital costs, grants, and incentives

WHY IT IS UNIQUE

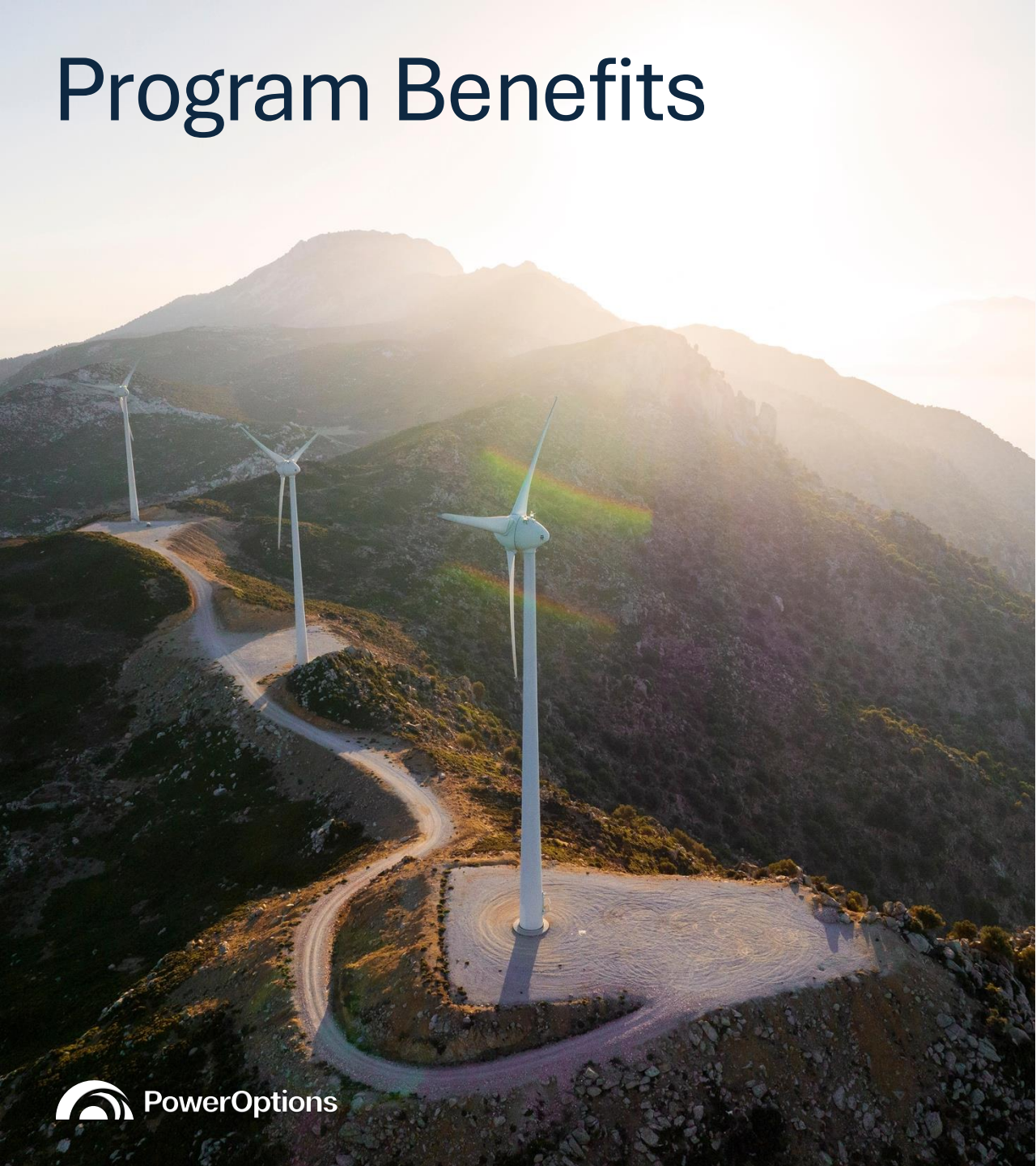
- **Open-book pricing** with vendor profit caps yields best-in-industry cost
- **Pre-negotiated contracts** with protective terms for PowerOptions Members

Members modernize buildings without diverting capital from their missions.

How is BDaaS Different from EPC projects?

	BDaaS	Energy Performance Contract (EPC)
No up-front cost	✓	✓
Financing arranged for you	✓	✗
Guarantees	✓	✓
Cash flow positive ¹	✗	✓
Flexible equipment ownership	✓	✗
O&M service included	✓	✗
M&V service included	✓	✗

Program Benefits



PROTECTS YOUR BUDGET

- **Stable costs:** level service payments remove spikes and emergency replacement costs
- **Cost-neutral by default:** vendors must offer a cost-neutral project; Members may choose a larger scope at higher cost
- **Incentives monetized:** developer captures tax credits and depreciation, passed through as lower fees
- **Grants pursued:** the vendor and PowerOptions work together to identify every available grant to buy down project cost

SHIFTS RISK, IMPROVES BUILDINGS

- **Risk moves to the vendor:** maintenance, reliability, savings, and lifecycle performance guaranteed
- **Better comfort and efficiency:** holistic upgrades improve comfort, air quality, building optimization, and emissions

MOVES FASTER

- **Faster upgrades:** tackle all energy priorities at once, including emissions
- **Streamlined process:** one integrated 10-20 year solution instead of reactive upkeep

RFP Process and Evaluation

RFP PROCESS

- RFI released in 2024.
- RFP released in February 2025:
 - Sent to 80+ firms
 - Received 10 bids

EVALUATION COMMITTEE

- 3 PowerOptions staff
- 3 PowerOptions Members
- MassCEC representative
- Expert consultant

EVALUATION CRITERIA

- Experience/Qualifications
- Pricing/Methodology
- Process, Performance Guarantees, and M&V
- DEI
- Willingness to agree on key PowerOptions contract terms

Vendor Segmentation



- Municipalities
- Public K-12 Schools



- Healthcare
- Public Higher Education
- Private K-12 Schools



- Cultural Institutions
- Human Services
- Religious Institutions



- Low-Income Housing
- Private Higher Education
- Senior Living

Participation Journey

PHASE 1

GET STARTED

- 1 Send 1-2 years of utility bills to PowerOptions
- 2 Meet with PowerOptions and assigned vendor
- 3 Sign a Project Development Agreement (PDA)

PHASE 2

DEVELOP THE PROJECT

- 4 Vendor conducts audit of building(s)
- 5 Discussion with vendor of possible projects, pros and cons of each
- 6 Receive executable proposal from vendor

PHASE 3

DELIVER

- 7 Contract execution
- 8 Vendor secures financing
- 9 Turnkey Project installation

Questions? Get in touch.



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