



**RETURN BIDS TO:**

**RETOURNER LES SOUMISSIONS À:**

Bid Receiving - PWGSC / Réception des soumissions -  
TPSGC

11 LaurierSt./ 11, rue Laurier

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Québec

K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT  
MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

**Comments - Commentaires**

This document contains a security requirement.

Ce document contient une condition de sécurité.

**Vendor/Firm Name and Address**

Raison sociale et adresse du  
fournisseur/de l'entrepreneur

**Issuing Office - Bureau de distribution**

Infrastructure Maintenance and Solution Services

Division (FK)

L'Esplanade Laurier,

East Tower 4th Floor

L'Esplanade Laurier,

Tour est 4e étage

140 O'Connor, Street

Ottawa

Ontario

K1A 0R5

<b>Title - Sujet</b> FBI - CSC - LAVAL	
<b>Solicitation No. - N° de l'invitation</b> EP168-210569/A	<b>Amendment No. - N° modif.</b> 003
<b>Client Reference No. - N° de référence du client</b> 20210569	<b>Date</b> 2021-05-05
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$FK-307-79825	
<b>File No. - N° de dossier</b> fk307.EP168-210569	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> Eastern Daylight Saving Time EDT <b>on - le 2021-06-07</b> Heure Avancée de l'Est HAE	
<b>F.O.B. - F.A.B.</b>	
<b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Cowell, Philip	<b>Buyer Id - Id de l'acheteur</b> fk307
<b>Telephone No. - N° de téléphone</b> (613) 296-1922 ( )	<b>FAX No. - N° de FAX</b> ( ) -
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

Instructions: See Herein

Instructions: Voir aux présentes

<b>Delivery Required - Livraison exigée</b>	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm</b> <b>(type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/</b> <b>de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

Solicitation Amendment 003 is raised to:

1. **Modify Appendix A – Definitions**
  2. **Modify Appendix F – Monthly Reporting Requirements**
  3. **Modify Appendix I – Detail of Energy Measure**
- 

**1. Modify Appendix A – Definitions**

Delete: **Appendix A – Definitions** in its entirety; and

Insert: The following new **Appendix A – Definitions**

(Please see attached)

**2. Modify Appendix F – Monthly Reporting Requirements**

Delete: **Appendix F – Monthly Reporting Requirements** in its entirety; and

Insert: The following new **Appendix F – Monthly Reporting Requirements**

(Please see attached)

**3. Modify Appendix I – Detail of Energy Measure**

Delete: **Appendix I – Detail of Energy Measure** in its entirety; and

Insert: The following new **Appendix I – Detail of Energy Measure**

(Please see attached)

*No other changes apply*

### DEFINITIONS

In this Contract, unless the context otherwise requires,

"Canada", "Crown", "Her Majesty" or "the Government" means Her Majesty the Queen in right of Canada;

"Approval Period" means ten (10) Working Days from receipt of materials supplied by the ESCo, except for the Energy Audit Report which must be 30 Working Days.

"Assignee" means the entity to whom the ESCo assigns the payments which are payable to the ESCo by the Department pursuant to this Contract.

"Baseline Data" means the total monthly energy consumption for each utility at the Facility, calculated over a twelve (12) consecutive month period prior to the installation and commencement of operation of the Improvements.

"Comfort Conditions" means that the space temperature must be maintained between 21°C and 24°C. The relative humidity must be maintained between 25% in winter and 60% in summer. The amount of outside air must be as set out in the latest ASHRAE Standard, unless design compliance is impractical due to the pre-existing design limit of the building. The impact of outside air quantity and other operational parameters must not raise the carbon dioxide (CO<sub>2</sub>) concentration by more than 450 ppm above the concentration outdoors and not over 850 ppm at any time when the workstations are occupied.

"Commencement Date" means the first day of the calendar month immediately following:

- a. Approval of the Notice of Completion of Measures; or
- b. The date determined pursuant to [Annex "A", section 7.3](#).

whichever occurs first.

"Commissioning" means the testing and verification of equipment and systems for their actual performance relative to their design requirements and the documentation of the tests and results. For testing requirements reference must be made to PWGSC's Commissioning Manual.

"Completion of Measure" means the completion of ninety-five percent (95%) or more of a Measure in terms of its cost and installation.

"Contingency Fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a Government Contract or negotiating the whole or any part of its term.

"Contract" means the written agreement between the Parties including the supplementary conditions, the general conditions, the annexes, and the appendices and every other document specified or referred to in any of them as forming part of the Contract, all as amended by agreement of the parties from time to time

"Contractor" means an Energy Service Company (ESCo) with whom *Canada* enters, or intends to enter, into a *Construction Contract*,

"Days" means continuous calendar days, including weekends and statutory public holidays;

"Demand" means the highest rate of energy consumption recorded during a utility meter-reading period.

"Department" means the federal Department of Public Works and Government Services.

"Departmental Balance" means the sum of the funds provided by Canada as early paydown payments plus interest charges on such payments. This balance must be reduced in accordance with GC 30.3.2

"Drawings":

"As-Built Drawings" means the drawings prepared by the ESCo to form an accurate record of the Improvements as built.

"Design Drawings" means the drawings prepared by the ESCo, showing the design developed for the approved Measures from the Energy Audit Report.

"Shop Drawings" means the drawings prepared by Subcontractors, manufacturers or others, illustrating their detailed interpretation of the Working Documents, and necessary for the fabrication and installation of the Improvements.

"Working Drawings" or "Working Documents" means the final design plans and specifications, for the approved design of Measures, in sufficient detail to construct the Measure. The Working Documents must include:

- Operating instructions, related to the installation and operation of the Improvements.
- A definition of the key performance parameters to be tested to verify that acceptable space conditions can be met.
- A description of any changes to the design capabilities of the space.
- Key text to be used by Canada in describing the Measure to Tenants.

"Employee" means a person with whom the ESCo has an employer/employee relationship.

"Energy" means a commodity supplied by a utility supplier or by Canada's Utilities Group or from any other source, including electricity, water, steam and chilled water.

"Energy Audit" means a thorough and professional examination and review of the existing energy systems which form part of the overall Work performed by the ESCo as part of this Contract.

"Energy Audit Report" (EAR) means the written report the contents of which are based on the findings of the Energy Audit, prepared and provided by the ESCo, which must include, for each Measure, as a minimum:

- A description of the existing equipment, its condition, operating methods, its capability to provide the required service and any deficiencies.
- A description of the intent of the Measure, with design concept.
- An outline of any impact the Measure may have on space conditions, and any variances from established codes, regulations and standards.
- An outline of any expected change in the capacity of the existing equipment and systems.
- Budget costs for the Measure, showing fees, rebates, incentives, or subsidies expected.
- Expected lifetime of all new equipment and the impact on the lifetime of existing equipment.
- Any special warranty period for new equipment, and special service arrangements proposed.
- An outline of the effort expected of building staff in the process of implementing the Measure.
- Estimated savings by energy type.
- A method of proving the savings if not simply from the submeter readings.

- An estimated impact on non-energy operating costs, whether increasing or decreasing operating or maintenance costs.
- A clear statement of non-energy operating or maintenance costs savings.
- An outline of the implementation process and schedule, identifying locations where Work must be performed and the impact on normal building occupancy, including an estimated date for Completion of the Measure.
- An outline of any new operating or maintenance procedures required.
- An outline of any new skills required of operating and maintenance staff.
- Budget costs and detailed scope of Work to be provided in compliance with [Annex "A", Section 4.4, consistent](#) with the scope of Work outlined in the Proposal Brief.

"Energy Costs" means the cost for the energy or water consumption and demand of the Facility for a specified period of time but excludes late payment charges or any other charge that is unrelated to the actual energy consumption or demand.

"Energy Savings" means those savings described in [Appendix "C"](#).

"Energy Service Company (ESCO)" means the person or entity whose name appears on the signature page of the written agreement and who is to supply goods or services to Canada under this Contract.

"Estimated Project Cost": means one of the following, as applicable:

- a. Upon the approval of the Energy Audit Report by Canada and prior to the start of Construction, the revised estimate of the Cost of Design Engineering and Cost of Construction for the acceptable Measures as shown in the ESCO's Energy Audit Report.
- b. During Construction of Accepted Measures, the non-incurred remaining costs [of item](#) above, and Bid prices must be used where available.

"Facility" means the CSC Federal Training Centre located in Laval, Quebec.

"Fees" means those set out in [Appendix "B", Section 3](#).

"Financing Charges" means those described in [Appendix "B", Section 4](#).

"Guaranteed Payback Period" means the number of consecutive months specified in the Energy Audit Report and agreed to between the Departmental Representative and the ESCO that are necessary to provide full compensation to the ESCO for the Work performed, in accordance with the terms of the Contract, and beginning at the Commencement Date.

"Guaranteed Performance Premium" means the amount charged by the ESCO to guarantee the measures detailed in the ESCO's approved Energy Audit Report.

"Improvements" means all the proposed energy saving retrofits contained in the approved Energy Audit Report(s), the implementation of which must result in Energy Savings or Net Energy Savings.

"Interest" must mean the following:

- a. "Nominal Interest Rate (NIR)" means applicable annual interest rate compounded annually.
- b. "Effective Interest Rate (EIR)" means an annual rate of interest equal to the monthly compounding of the Nominal Interest Rate.
- c. "Compounding Floating Interest Rate Premium" means the premium applicable during construction and prior to Milestone Securitisation. It must be identified by the

ESCO in its Proposal and is added to the Bank Prime interest rate selected by the ESCO as published in the Globe and Mail. The date of publishing from which the specific Bank Prime interest rate is chosen must be within a week of the closing date for submission of the Proposal. The submission of the Energy Audit Report must also identify the Bank Prime interest rate published within the prior week. This rate must apply to funds expended by the ESCo during construction and prior to Milestone securitisation.

- d. "Financier Floating Interest Rate Premium" means the premium applicable after Milestone Securitisation. It must be identified by the ESCo in its proposal and is added to the Bank Prime interest rate selected by the ESCo as published in the Globe and Mail. The date of publishing from which the specific Bank Prime interest rate is chosen must be within a week of the closing date for submission of the Proposal. The submission of the Energy Audit Report must also identify the Bank of Canada interest rate published within the prior week. This rate must apply to funds advanced by a financier or Assignee other than the ESCo or the ESCo's normal source of line of credit for funds approved via Milestone Securitisation.
- e. "Fixed Interest Rate Premium" means the premium applicable if fixed rate financing is implemented. It must be identified by the ESCo in its Proposal and it is added to a 10-year fixed rate benchmark selected by the ESCo. The fixed rate benchmark must be based on average term financing for a 10-year financing term. The fixed rate benchmark must also include rates for terms shorter than 10 years. The ESCos must provide three years of historical data on the selected fixed rate benchmark. The date from which the fixed rate benchmark is chosen must be within a week of the closing date for submission of the Proposal. The submission of the Energy Audit Report must also identify the 10-year fixed rate benchmark applicable within the prior week.

"Lender" means the entity that provides short-term line of credit monies to the ESCo.

"Measure" means a discrete portion of the Improvements.

"Milestone Certificate" means a certificate as set out in [Appendix "G"](#), prepared by the ESCo, for the approval of Canada, and executed by Canada and the ESCo. The purpose of the certificate is to certify that the Energy Savings claimed by the ESCo are reasonable and justified.

"Milestone Securitisation" means that point in time when the ESCo receives its funds from the Assignee.

"Minister" means the Minister of Public Works & Government Services and includes a person acting for, or if the office is vacant, in the place of the Minister and also their successors in the office, or their lawful deputy.

"Net Energy Savings" means the Energy Savings adjusted by the predetermined sum of all incremental operating and maintenance costs changes incurred as a direct result of the installation of the Improvements.

"Notice of Completion" means a written document from the ESCo to Canada indicating that the Improvements are complete.

"Open Book" means that there must be full disclosure of costs charged by the ESCo, to the Project Balance and these costs must be subject to audit and approval by Canada.

"Outside Costs" means the costs for items shown in [Appendix "B", Sections "1" and "2"](#).

"Party" means Canada or the Contractor or any other signatory to the Contract and "Parties" means all of them.

"Person" includes an individual or group of individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to Section 5 of the Lobbyists Registration Act R.S. 1985 c.44 (4<sup>th</sup> Supplement) as the same may be amended from time to time.

**"Prime Contractor" For the purposes of applicable legislation and regulations, the ESCO agrees to be, or will cause their subcontractor to be, at all times during Construction at a Building, the Prime Contractor as defined in the Workers Compensation Act for that building site and accordingly will comply, or will cause to be complied, with all resulting requirements and obligations including:**

**(a) ensuring continuing coordination of the occupational health and safety activities of all employers on the Building Site, including the ESCO, the ESCO's delegated on-site supervisor, any other contractors and everyone engaged by or through any of them; and**

**(b) delivering any notices of the Project as required by applicable regulations.**

"Project Balance" means the outstanding balance of the Total Cost of Project less payments for Energy Savings and other payments by Canada which are intended to be applied to the Project Balance. It must comprise two components, one of which must consist of funds expended by the ESCo prior to Milestone Securitisation and the other must consist of those funds provided by the Assignee by means of Milestone Securitisation to the ESCo.

"Project Reserve" means 10% of the projected monthly energy savings not paid to the ESCo as set out in [GC 28.1.1](#). This is paid out to the ESCo based on actual energy savings in accordance with GC 28.1.1.2. Incremental interest is added monthly to the Project Reserve in accordance with GC 28.1.1.1.

"Proposal" or "Proposal Brief" means the written proposal based on the preliminary findings of the ESCo submitted to PWGSC as a requirement of the Request for Proposal.

"The ESCo's Representative" means the employee of the ESCo who is designated by the ESCo as being in full charge of the ESCo's operations for the purpose of this Contract.

"Request for Proposal" (RFP) means the public document issued by Canada to solicit proposals from ESCos.

"Schedule of Energy Savings" means the monthly schedule set out in the most recently approved Milestone Certificate and is a forecast of Energy Savings arising from Measures which have been partially or fully completed. If Canada makes a paydown payment to the ESCo, this Schedule of Energy Savings must set out the allocation of Energy Savings between Canada and the ESCo.

"Subcontract" includes a contract let by any subcontractor at any tier for the performance or supply of a part of the Work and the derivatives of the word must be construed accordingly;

"Subcontractor" means any person or firm to whom the ESCo has subcontracted any part of the Work.

"Supplier" means any person or firm from whom the ESCo purchases in excess of \$1,000 of supplies, materials or goods used in any part of the Work.

"Summer" means the period between the months of April to September.

"Total Cost of Project" means the sum of the charges as outlined in [Appendix "B"](#).

"Tenant" means the occupant of the Facility and may include members of PWGSC and Correctional Service Canada, other federal Departments and private sector groups.

"Work" means the work required to be done, furnished and performed by the ESCo under this Contract and includes all services, matters and things required to be done, furnished and performed for the full execution and completion of the project.

"Working Days" means Monday to Friday except statutory holidays.

"Working Hours" means the normally occupied hours within the building, for which the referenced environmental conditions must be maintained.

"Winter" means the period between the months of October to March.

**LIST OF ACRONYMS**

1) ASHRAE	American Society for Heating, Refrigerating, and Air Conditioning Engineers
2) DDC	Direct Digital Control
3) EAR	Energy Audit Report
4) EMCS	Energy Monitoring Control System
5) EPCs	Energy Performance Contracts
6) ESCo	Energy Service Company
7) GPP	Guaranteed Payback Period
8) MD	Mechanical Division
9) MSDS	Material Safety Data Sheets
10) PCBs	PolyChlorinatedBiphenols
11) PPM	Parts per Million
12) PWGSC	Public Works & Government Services Canada
13) RFP	Request for Proposal
14) WHMIS	Workplace Hazardous Materials Information System
15) MD 15000	Mechanical Environmental Standard for Federal Office Buildings

## **Monthly Reporting Requirements**

The monthly report must address as a minimum the following requirements:

**1. Project Savings Report** - Details the estimate of Energy Savings per Measure.

Identifies Energy Savings per month as set out in the Energy Audit Report, current forecast, and current achievements.

It also compares the Energy Savings achieved or claimed by the ESCo per Measure per month against what was set out in the Energy Audit Report.

Explanation and commentary to address additional efforts and expectations regards increasing energy savings for completed work must be documented.

Documentation of the methodology used in calculating the estimated monthly Energy Savings.

Documentation of any changes to the Baseline Data.

Documentation of adjustments to the Construction Schedule as set out in [Annex "A", Section 7](#). Approved adjustments must be clearly separated from requested adjustments.

**2. Project Costs Report** - Details the budgeted costs per Measure.

Project costs should identify the separate components as set out in [GC25.4](#).

Committed and expected costs must be documented.

Charges for Guaranteed Performance Premium, overhead and profit must be separately identified.

Charges for financing need not be identified per Measure, but must be documented for the entire project. Incurred charges must be separated from future charges. The calculation of incurred charges must be documented per month.

Labour costs of the ESCo must be summarized per month per Measure and per Employee.

Copies of all outside cost invoices must be provided. A summary to organize and reconcile the invoices to charges per Measure must be prepared and returned by the ESCo.

Cost amounts per Measure that have been claimed for financing in submitted Milestone Certificates must be separately identified.

**3. Critical Definitions Update**

Documentation of the following is required:

Identification or estimation of the start and end dates of the Guaranteed Payback Period.

Identification of the Guaranteed Payback Period must be reconciled with that of the Energy Audit Report;

Identification of the maximum savings that can be claimed during construction. The relationship to the annual savings, both projected and achieved to date, must be clarified. Also, the relationship of actual payments to the amortization schedule must be documented;

The Company Floating Interest Rate Premium, Financier Floating Interest Rate Premium, and Fixed Rate Premium must be confirmed; and

The base published rate for floating and fixed interest rates must be documented as to source and date.

#### 4. Financing Report

If the Bank of Canada prime interest rate increases to the maximum Nominal Interest Rate set out in [GC29.1](#), then every three (3) months, the ESCo must prepare the following report on financing:

- The date of calculation of interest;
- The prime rate in effect;
- Interest charged to the Project Balance;
- Amount of any payment received by the ESCo;
- Amount of the Project Balance;
- Total of all payments received; and
- Total of all interest charged to the Project Balance.

#### 5. Amortization Report

This must be a revision of the cash flow prepared for the Energy Audit Report.

It must update costs and savings expected per month over the duration of the Contract.

It must be inclusive of the total project using estimates of costs and Energy Savings if necessary for uncompleted Measures of the Improvements.

It must calculate interest charges with floating interest rates until completion of all Measures, then use the 10-year term fixed rate benchmark plus the Fixed Interest Rate Premium as set out in the Proposal for the remainder of the Contract.

## Detail for Energy Measure

(To be completed by Proponent for each energy Improvement)

Energy Improvement:

- 1) Detailed Scope of Work: (See below for details of building automation and lighting control systems.)
- 2) Substantiation of Energy Savings:
- 3) Impact on Maintenance:
- 4) Impact on Indoor Environment:
- 5) Expected Service Life of Measure:
- 6) Impact on Power Quality:
- 7) Impact on GHG Emissions:
- 8) **Expected Actions to Maximise Benefits in Support of Indigenous Procurement Content (See GC6):**

Note: Each ESCo must provide the following information regarding their choice for a building automation system, if applicable:

- Operator Work Station: provide a detailed description of the equipment that will be provided. Include details of the graphics package and its ability to be upgraded from remote workstations;
- System Architecture: Provide a description of the system architecture;
- List the systems that will be controlled by the building automation system; and

For a lighting control system, the ESCo must provide details about the following:

- State the number of zones that will be provided for each floor in each building;
- State the type of user interface will be provided for override; and
- Provide details regarding the operator workstation and its graphics package.



## Summary of All Proposed Measures

Item	Name of Measure	Construction Cost <sup>(1)</sup>	Total Cost <sup>(2)</sup>	Cascaded Energy Savings <sup>(3)</sup>	Simple Payback Period	Capital Cost Contribution
<b>Total for all Measures</b>						
<b>Energy Audit Report</b>						
<b>Training</b>						
<b>Grand Total<sup>(4)</sup></b>						

**Note:**

- (1): Without markup
- (2): Includes cost of Project Management, Design Engineering, Construction, Monitoring and Mark-up
- (3): Additional saving on top of the previous measures
- (4): Must equal the appropriate total of Appendix "I", Page 5

## Baseline Status

	Start Date	End Date	Energy Units	Energy Cost	Unit Cost
<b><u>Electrical:</u></b>					
Base Year:	_____	_____			
Peak			_____	_____	_____
Non-Peak			_____	_____	_____
<b><u>Fuel Oil:</u></b>					
Base Year:	_____	_____	_____	_____	_____
<b><u>Natural Gas:</u></b>					
Base Year:	_____	_____	_____	_____	_____
<b><u>Diesel Oil:</u></b>					
Base Year:	_____	_____	_____	_____	_____
<b><u>Propane:</u></b>					
Base Year:	_____	_____	_____	_____	_____
<b><u>Total Baseline:</u></b>				_____	_____

Note: Baseline Period **MUST** be a 12-month period. Energy Units are the basis of the Baseline.

## Total Proposed Project Value Summary

(Cost exclusive of Savings)

	<u>Cost</u>		<u>Mark-up</u>	<u>Total Cost</u>
	<u>Internal</u>	<u>External</u>		
Energy Audit Report	\$ _____	\$ _____	\$ _____	\$ _____
Design Engineering	\$ _____	\$ _____	\$ _____	\$ _____
Cost of Construction (Including materials, labour, and supervision)	\$ _____	\$ _____	\$ _____	\$ _____
Commissioning	\$ _____	\$ _____	\$ _____	\$ _____
Training	\$ _____	\$ _____	\$ _____	\$ _____
Monitoring	\$ _____	\$ _____	\$ _____	\$ _____
Project Management	\$ _____	\$ _____	\$ _____	\$ _____
Guaranteed Performance Premium	\$ _____	\$ _____	\$ _____	\$ _____
<b>Total Project Cost (Current Dollars)</b>			\$ _____	
<b>Expected Canada's Capital Contribution</b>			\$ _____	
<b>Fees to Establish Project Financing</b>			\$ _____	
<b>Annual Energy Savings at Current Prices</b>			\$ _____	
<b>Projected Indigenous Procurement Content (See GC6)</b>			\$ _____	
Baseline annual energy cost at Current prices			\$ _____	

The selected **10-year** term fixed rate benchmark on \_\_\_\_\_ was: \_\_\_\_\_

(The selected benchmark must be within 1 week of the closing date of Proposal submission)

For GC 29.1.1 ESCo's Floating Interest Rate Premium above the selected  
Bank Prime Interest Rate \_\_\_\_\_

For GC 29.1.2 Financier Floating Interest Rate Premium above the selected  
Bank Prime Interest Rate \_\_\_\_\_

For GC 29.1.3 ESCo's Interest Rate Premium above **10-year** bond rate: \_\_\_\_\_

- Note:**
1. All costs shown are in actual dollars and not present value.
  2. The relative value of each item shown above will not be allowed to change by greater than five percent (5%) without prior approval of the Departmental Representative under the authority of the Minister.

### Cash Flow Table

Month No.  (1)	Monitoring and Post Construction Charges  (2)	External Resource, Mark-up & Overhead  (3)	Internal Costs  (4)	Interest Cost  (5)	Monthly Project Cost  (6)=2+3+4+5	Energy Savings  (7)	Capital Cost Contribution  (8)	Project Balance  (9)

- Calculation Instructions:
1. In column 1, place the month name, year and number.
  2. In column 2, place all charges for monitoring and post construction charges expected to be incurred that month. Monitoring charges before and during construction should be included in columns 3 or 4.
  3. In column 3, place all charges for all external resources, mark-up and overhead expected to be incurred that month. The total for this column should equal the appropriate total of Appendix "J", Page 5.
  4. In column 4, place all charges for internal costs expected to be incurred that month. The total for this column should equal the appropriate total of Appendix "J", Page 5.
  5. In column 5, place the interest charges that have been incurred on the previous month's Project Balance (Column 8 of previous month).
  6. Column 6 is the sum of columns 2 through 5.
  7. In column 7, place the projected energy savings that will be incurred during that month. This level of savings must correspond to sequencing that is shown for that Measure in the accompanying Gantt chart.
  8. In Column 8, enter the Capital Cost Contribution
  9. Column 9 is equal to Column 9 of the previous month, plus column 6, (minus column 8) of the current month, minus the energy savings that have been shown in column 7 of the current month.

Note:

1. This cash flow simplifies the contracting cash flow for evaluation purposes only.
2. **Ensure that the cash flow corresponds with the Gantt chart.**
3. The **180-month** guaranteed payback period begins on the Commencement Date.
4. Month number one begins the month that the Contract is awarded.
5. Allow 1 month for PWGSC approval of the Energy Audit Report.
6. The interest rate to be applied in column 5 is calculated as the **10-year** published rate + ESCo premium.
7. Interest cost is calculated against the Project Balance in the previous month.
8. The Proposal cash flow must be simplified by assuming no set off.