

MEMORANDUM OF UNDERSTANDING
between KANSAS CORPORATION COMMISSION
and [CUSTOMER]

This MEMORANDUM OF UNDERSTANDING (MOU) is entered into by and between the Kansas Corporation Commission (KCC) and _____ (Customer).

WHEREAS, the State of Kansas issued a Request for Proposals (RFP) to energy service companies (ESCOs) to provide as needed energy performance contract services for the KCC Facility Conservation Improvement Program (FCIP); and

WHEREAS, as a result of the RFP process the State of Kansas maintains a list of pre-qualified ESCOs that are eligible for final selection by State agencies and local units of government to provide energy performance contracting services; and

WHEREAS, the purpose of this MOU is to provide the Customer with access to the services and support of the KCC FCIP.

NOW, THEREFORE, it is agreed that:

1. **Effective Date of MOU.** This MOU shall become effective upon the later date on which the authorized representative of the KCC or the Customer has signed it.
2. **Term of MOU.** The MOU shall commence on the Effective Date and remain in effect through the term for which the project is financed.
3. **Services Provided.** The KCC FCIP will:
 - Help the Customer procure services of an ESCO from the pre-qualified list;
 - Facilitate the performance contracting process to help ensure commitments are met by both the Customer and the ESCO;
 - Provide technical guidance to the Customer and attend on-site meeting between the Customer and the ESCO, as needed and subject to availability;
 - Attend meeting with governing bodies, as needed and subject to availability, to provide information on performance contracting;
 - Require the ESCO use KCC-developed standardized formats for audit reports and performance contracts;
 - Determine whether a proposed project would meet statutory and program payback requirements;
 - Review the audits, proposals, calculations, contracts, and measurement and verification reports provided to the Customer by the ESCO, offering advice and recommendations;
4. **Consideration.** In accordance with Kansas Statute 75-37,125 (e), an FCIP fee for administrative support, resources, third-party oversight and review and other services made available by and through the KCC will be calculated in accordance with the schedule below, where Project Fees and

Costs, for purposes of calculating the FCIP fee, include all payments due to the ESCO (eg. project costs, IGA Fee) and any consultant, but do not include financing.

Project Fees and Costs, Exclusive of Financing	FCIP Fee
First \$100,000	.04
Next \$100,001 to \$500,000	.03
Next \$500,001 to \$1,000,000	.02
Next \$1,000,001 to \$5,000,000	.01
Over \$5,000,000	.005

Attachment A provides an example of the fee schedule applied to various sizes of projects.

5. **Billing Procedure.** KCC shall submit a single invoice to the Customer upon signature of the Customer and the ESCO on an approved Energy Performance Contract (EPC). If the Customer, for any reason, does not enter into an EPC the Customer will have no payment obligation to the KCC.
6. **Payment Procedure.** The Customer shall pay the KCC within 90 days of receipt of a properly executed invoice. The Customer shall notify the KCC in writing if payment cannot be remitted within 90 days.
7. **Signatures.** The parties to this MOU, through their duly authorized representatives, have executed this MOU on the dates set out below, and certify that they have read, understood, and agree to the terms and conditions of this MOU.

Kansas Corporation Commission

Name and Title (print)

Signature

Date

Customer

Name and Title (print)

Signature

Date

Attachment A

FCIP FEE SCHEDULE EXAMPLE	1st \$100k		Next \$400k		Next \$500k		Next \$4m		Over \$5 m		Fee	Fee
	4%	3%	2%	1%	0.5%	Total	%					
Total	\$0-100k	\$100k-\$500k	\$500k - \$1m	\$1M - \$5 M	Over \$5 M	Fee Total	Fee %					
Amount of Project												
\$ 100,000	\$4,000	\$0				\$4,000	4.00%					
\$ 200,000	\$4,000	\$3,000				\$7,000	3.50%					
\$ 300,000	\$4,000	\$6,000				\$10,000	3.33%					
\$ 400,000	\$4,000	\$9,000				\$13,000	3.25%					
\$ 500,000	\$4,000	\$12,000	\$0			\$16,000	3.20%					
\$ 600,000	\$4,000	\$12,000	\$2,000			\$18,000	3.00%					
\$ 700,000	\$4,000	\$12,000	\$4,000			\$20,000	2.86%					
\$ 800,000	\$4,000	\$12,000	\$6,000			\$22,000	2.75%					
\$ 900,000	\$4,000	\$12,000	\$8,000			\$24,000	2.67%					
\$ 1,000,000	\$4,000	\$12,000	\$10,000	\$0		\$26,000	2.60%					
\$ 2,000,000	\$4,000	\$12,000	\$10,000	\$10,000		\$36,000	1.80%					
\$ 3,000,000	\$4,000	\$12,000	\$10,000	\$20,000		\$46,000	1.53%					
\$ 4,000,000	\$4,000	\$12,000	\$10,000	\$30,000		\$56,000	1.40%					
\$ 5,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$0	\$66,000	1.32%					
\$ 6,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$5,000	\$71,000	1.18%					
\$ 7,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$10,000	\$76,000	1.09%					
\$ 8,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$15,000	\$81,000	1.01%					
\$ 9,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$20,000	\$86,000	0.96%					
\$ 10,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$25,000	\$91,000	0.91%					
\$ 11,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$30,000	\$96,000	0.87%					
\$ 12,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$35,000	\$101,000	0.84%					
\$ 13,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$40,000	\$106,000	0.82%					
\$ 14,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$45,000	\$111,000	0.79%					
\$ 15,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$50,000	\$116,000	0.77%					
\$ 16,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$55,000	\$121,000	0.76%					
\$ 17,000,000	\$4,000	\$12,000	\$10,000	\$40,000	\$60,000	\$126,000	0.74%					