

## *Energy*

Third-Party Funding of Energy Efficiency  
Seen Resonating With Trump Administration

### **Third-Party Building Efficiency Funding Has Promise: Reicher**

- Trump administration might like third-party building efficiency finance, ex-Google exec Reicher says
- Dan Reicher, also a former federal official, suggests cost savings might appeal to Trump

By [\*William H. Carlile\*](#)

Nov. 18 --The idea of bringing private-sector investment to improving the energy efficiency of buildings deserves a look from the incoming Trump administration, Google's former director of climate change and energy initiatives told a conference of energy service companies.

"There are lots of questions about what Donald Trump might do in this area," said Dan Reicher, but the cost- and energy-savings approach of third-party investment might appeal to him.

Trump would understand the Energy Service Company (ESCO) business because his career has been focused on developing and operating buildings, Reicher said in an address at an annual meeting of the National Association of Energy Service Companies in Scottsdale, Ariz.

#### **Role of ESCOs**

ESCOs contract with private and public entities to provide energy efficiency retrofits. The national association said that these companies have used performance-based contract business models and implemented more than \$50 billion in energy efficiency retrofits over the last 30 years.

Reicher was co-chair of President Obama's Energy and Environment Team and served in the Clinton administration as an assistant secretary of energy for renewable energy and energy efficiency. He currently is the executive director of the Steyer-Taylor Center for Energy Policy and Finance at Stanford University.

#### **Public and Private Buildings**

The fundamental concept of ESCOs involves third-party investment in the energy upgrade of a public or private building.

The challenge will be to convince Trump that this kind of investment is worthwhile, Reicher said.

But this should not be difficult because the more successful ESCOs are in the federal building context, and the use of private investment to reduce the federal energy bill leaves money for other federal priorities, he said.

Tommy Shallenberger of San Diego, a regional manager for Synergy Companies, said the concept “seems to be in line with Trump’s campaign, which is a no-nonsense, business-oriented, bottom-line approach.”

Another speaker, Dan Lashof, said that businesses and state and local governments must step in to maintain the momentum on fighting climate change if the Trump administration withdraws federal support for those efforts as Trump has pledged.

Lashof, chief operating officer of NextGen Climate America, a non-profit group that calls for a level playing field so that low-carbon energy sources can compete with fossil fuels, said deployment of cleaner sources of energy is not moving fast enough to meet the challenge of climate change.

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