



International District Energy Association

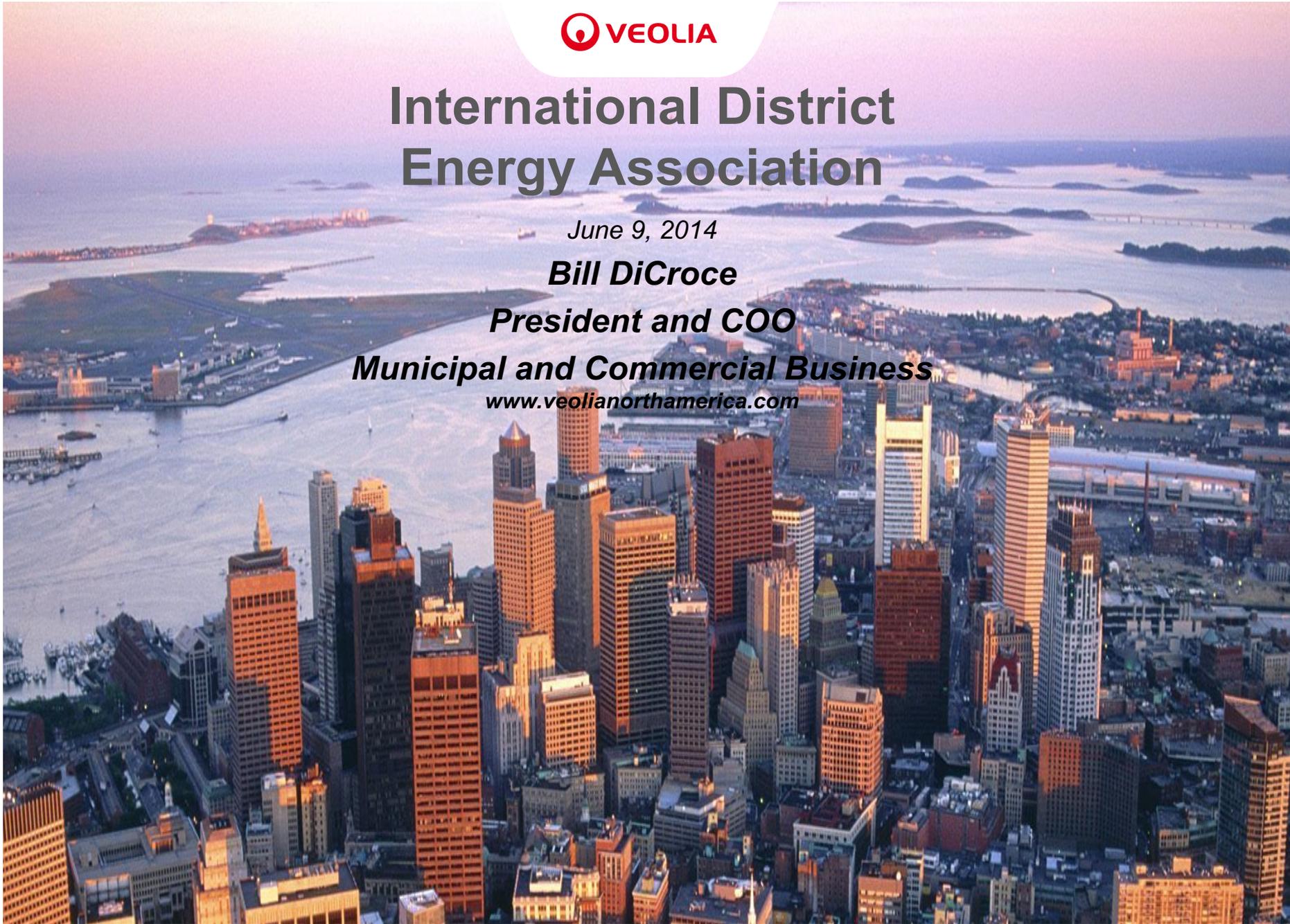
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Bill DiCroce

President and COO

Municipal and Commercial Business

www.veolianorthamerica.com



Global Environmental Leader

- World's leading environmental services company
 - *\$31 billion in annual global revenue*
 - *220,000 employees*
 - *No. 1 largest environmental firm*
 - *No. 1 in water partnerships*
- North America
 - *\$2.6 billion in annual revenue*
 - *8,250 employees*
- *Municipal & Commercial Business*
 - *No.1 district energy portfolio in the US*
 - *No. 1 water services company in the US*
 - *\$1 billion in annual revenue*
 - *3,800 employees*
 - *200 cities*



Municipal & Commercial Solutions



Veolia delivers essential water, energy, and waste solutions to cities and campuses.

Long-Term Investor



- **Veolia Commitment to Boston**
 - *Municipal & Commercial HQ*
 - *Boston and Cambridge district energy networks*
 - *MATEP – Longwood Medical CHP*
 - *On-site CHP at Biogen Idec*
- **240 Boston Employees, and Growing**
 - *Signed new HQ lease at 53 State Street*
 - *Participant in Boston summer jobs program*
 - *670 Massachusetts employees*
 - *40 Cambridge employees*
- **Regional Investment**
 - *Capital investment since Veolia ownership: \$168 million*

Three Veolia Boston-Cambridge District Networks



Boston District Energy

- 70% of high-rise office buildings in Boston – 90,000 workers
- All large healthcare facilities in Boston – 1,740 hospital beds
- Hotels in Boston
- Universities in Boston
- Biotechnology and Pharmaceutical leaders in Cambridge
- Nationally recognized in 2011 for adding the most sq ft for District Energy Systems in the US
- 20 million sq ft of new connections and renewals over last 3 years

342MW

Efficient CHP Capacity

250

Customers

Kendall Station Opportunity



Reconfiguring Kendall Station



- Peaking plant reconfigured for base load
- Thermal heat discharge into the Charles River
 - *No CHP, wasted thermal heat resource*
 - *Lawsuit from environmental groups*
- Previous owner IPP focus
 - *Not long-term district energy/CHP*

Boston Green Steam Project: \$112 million



- **Kendall Station:**
 - Acquisition: \$50 million
 - Reconfiguration: \$35 million
- **Charles River Transmission Pipe :**
\$27 million
- **Job Creation:**
 - *\$21 million in labor costs*
 - *147,500 man hours – welders, pipe fitters, insulators*

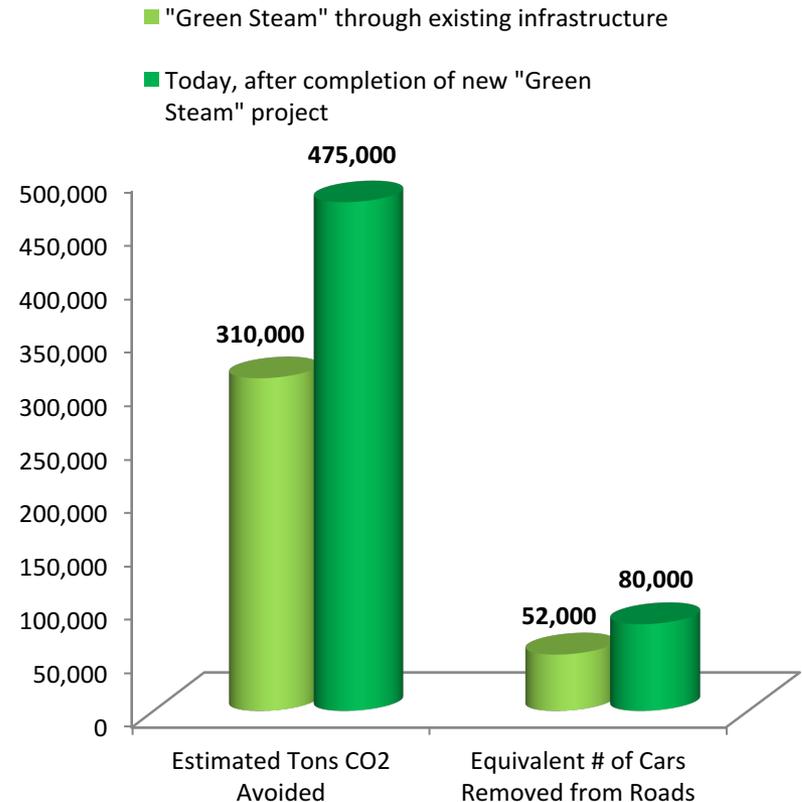
Reducing Boston's Carbon Footprint

o Carbon Impact

- o *Reduces carbon emissions by 475,000 tons/year, equivalent to:*
- o *Removing 80,000 cars from the streets annually*
- o *Installing 600 football fields of solar PV*

o Other Project Benefits

- o *75% of Boston's heating district requirements*
- o *Eliminates waste heat from the Charles River ecosystem*



Massachusetts – State Policy



- **Green Communities Act of 2008**
 - *Requires utilities to invest in energy efficiency measures*
 - *Alternative Energy Portfolio Standard (APS) established January 1, 2009*
 - *Made Kendall acquisition feasible; AECs credits for incremental useful output*
- **MA Department of Energy Resources (DOER)**
 - *New program - Energy Resiliency for Climate Adaption Initiative*
 - *Funded by \$40M in Alternative Compliance Payments (ACP)*
 - *Asset hardening includes district energy*

Massachusetts – Local Policy

- Cambridge Zoning

- *Planned Unit Development (PUD) District zoning*
- *Kendall Square PUD-5 District Zoning (26 acres), adopted 4.08.13: “A Development Proposal for a commercial building shall include a study, prepared by the Developer, considering the feasibility of connecting the building identified in the Development Proposal to the existing district steam system”.*

- Stretch Energy Code

- *MA Stretch Energy Code: buildings reduce energy by at least 20% over the state code*
- *Based on ASHRAE 90.1, does NOT credit benefit of CHP*



A blurred image of a woman in a red top and dark pants walking from left to right in the foreground. Behind her is a large, illuminated Veolia logo on a blue wall. The logo is a red circle with a white dot inside, and a red teardrop shape below it. The background is a blue wall with two spotlights illuminating the logo area. A small sign on the right wall reads "SOUTH STAIR RE-ENTRY UPPER LOBBY" with a staircase icon and "© 2015 Veolia".

**Innovative environmental solutions
in energy, water and waste**