Funding a Resource Efficiency Manager (REM) Program
Factsheet #REM-3

Meeting the Initial Criteria - Funding
A designated, salary-guaranteed Manager is key to the success of a REM program. Though the programs are designed to be self-funding, they need initial start-up funds sufficient to support the Manager until the utility savings realized from program efforts can be returned to pay for the program. How much will you need, and where do you find the initial funding to launch your REM program?

Cost Estimate.
The first year of a REM program will cost more than following years, due to program start-up and manager training. Following years will cost less, and the program will be generating savings for the facility. Initial start-up costs are estimated as follows:

- Salary and Benefits $50,000 - $60,000
- Training $10,000
- Equipment and Software $5,000
- Travel $2,000
- Administrative Support (mailing, copying, etc.) $5,000 - $10,000

Total $72,000 - $92,000

Funding Sources
- Utilities
  Utilities can offer assistance with REM programs in several ways:
  
  Salary Guarantee: Salary ranges from $35K to $60K depending on size of the organization and the level of expertise needed.
  
  Partial Funding: Start-up funds for computer equipment, software, etc. - ranges from $5K to $10K.
  
  Hiring and Training Assistance: In-kind support to train REM; also pays for job announcements and position advertising.
- Energy Service Companies (ESCOs)
  Large energy-efficiency projects through ESCOs, such as lighting retrofits, installation of energy management control systems, new plumbing or heating systems, or building envelope upgrades, can include a REM component. When negotiating the initial contract with the ESCO, consider bundling the hiring and training of a REM into the ESCO services. Utility savings will be verified by the ESCO before payments are dispursed. You will lose some control of the program with an ESCO REM.
- Self-Funded
  You can finance your own REM program by shifting FTEs and/or budget items.
- Partial Partnerships
  Your organization bears the cost of the program, but develops working relationships with other agencies, utilities, non-profits and ESCOs that can provide technical expertise, equipment, software, training, and support information.
- Project Service Centers
  The aim of the Service Center is to assist agency clients in implementing Energy Savings Performance Contracts. The Center coordinates with other Department of Energy (DOE) and Federal Energy Management Program (FEMP) programs, and assures Center partner’s work equity and optimization of results from available resources.
WSU Energy Program can help provide the information, training and support necessary to save money and resources through efficient resource management at large private and public facilities, with an emphasis on federal facilities. WSU Energy Program produces and distributes information to start and operate highly effective, self-funding resource awareness programs. (see Factsheet #REM-4: “Gaining Lateral and Horizontal REM Program Support”).

WSU Energy Program services include:
- Website
- Factsheets
- Newsletters
- Success Stories

WSU Energy Program has immediate access to a wide range of energy and resource information from these service areas:
- Energy Ideas Clearinghouse
- Renewable and Alternative Resources
- Industrial Services
- Education and Training
- Building Standards and Science
- Telecommunications/Telework
- Software Development
- Energy Library

For More Information:
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