

Ameresco to Build Microgrid Integrating Onsite Generation and Storage at Marine Corps Recruit Depot Parris Island, South Carolina

Energy infrastructure project will support mission assurance through ten megawatts of onsite electrical generation and fast load-shedding microgrid control system.

FRAMINGHAM, Mass. & PARRIS ISLAND, S.C.--(BUSINESS WIRE)-- Ameresco, Inc., (NYSE:AMRC), a leading <u>energy efficiency</u> and <u>energy infrastructure</u> company, today announced it has been issued a task order to build a site-wide microgrid integrating 10 megawatts (MW) of new onsite generation and a battery energy storage system at Marine Corps Recruit Depot (MCRD) Parris Island, South Carolina, by the Naval Facilities Engineering and Expeditionary Warfare Center (NAVFAC EXWC).

Ameresco will engineer, construct and operate the energy generating assets through a \$91.1 million self-funding Energy Savings Performance Contract (ESPC) to provide energy infrastructure upgrades to the 8,095 acre military installation.

"Ameresco is proud to support the mission of Marine Corps Recruit Depot Parris Island through energy assurance and new infrastructure," said Nicole A. Bulgarino, Senior Vice President and General Manager, Federal Solutions, Ameresco. "This project will provide MCRD a reliable source of heat and power combined with advanced controls and energy storage technology to allow the site to operate in island-mode during a loss of utility connection ensuring operation of mission-critical systems. Overall, the project will revitalize Parris Island's existing energy infrastructure."

Under the cost-neutral ESPC, Ameresco will provide comprehensive energy and water efficiency upgrades to 121 buildings to improve system performance and to reduce operations and maintenance costs at Parris Island. The installation of new onsite energy systems will offset electricity purchases from the grid and will provide energy security and resiliency.

Ameresco will replace the existing end-of-life steam plant with a new fully automated natural gas-fueled Combined Heat and Power (CHP) plant capable of producing 3.5 MW of electricity and the full steam load required for MCRD's operations. The CHP plant will be connected to the MCRD's electric grid and can be used to reduce utility purchases or to support the site in a utility isolated microgrid. The CHP plant will also eliminate the site's use of fuel oil #6 and its reliance on a cost-intensive aged plant—addressing a longstanding infrastructure need for MCRD.

Through multiple energy conservation measures, Ameresco expects to reduce MCRD's utility energy demand by 79 percent and its water consumption by 27 percent. More than

29,000 high-efficiency light emitting diode (LED) based fixtures and retrofits will be installed to replace existing lighting systems. Other measures include upgrades to the controls system, heating ventilation and air conditioning, chillers, cooling towers, lighting controls, water fixtures and steam traps.

Ameresco will install a state-of-the-art microgrid including 10 MW of new onsite electrical generation to support the site's critical energy load and mission-critical systems. The microgrid system will include the new CHP plant, 6.7 MW-DC of solar photovoltaic generation assets integrated with an 8.0 MWh battery energy storage system and a microgrid control system capable of optimized dispatch and fast load shedding.

The microgrid control system will monitor and coordinate the dispatch of the energy assets and emergency diesel generators as required in response to site electrical loads. The microgrid control system will also continuously monitor the health of the utility connection and, when a utility disturbance is sensed, safely disconnect the site while matching load to available onsite generation through fast load shedding. Overall, the microgrid control system is designed to optimize dispatch of the onsite generation and storage assets and island the site from the utility when the utility connection is lost.

Other energy monitoring and control system upgrades installed under the project will improve the energy efficiency of Parris Island and are designed to lower its utility costs, optimize operations and maintenance of building systems, and preserve the operating lifespan of the site's mechanical and electrical equipment.

Construction on the project will begin during the spring of 2017 and is scheduled to be completed by the summer of 2019. All buildings and facilities will remain operational during the construction period.

The Energy Policy Act of 1992 authorizes federal agencies to use private financing for certain project implementation through Energy Savings Performance Contracts. ESPCs allow federal agencies to procure energy savings and facility improvements with no up-front capital costs or special appropriations from Congress.

About Marine Corps Recruit Depot (MCRD) Parris Island

MCRD Parris Island is an 8,095-acre military installation located on the southern coast of South Carolina. Parris Island has been the site of Marine Corps recruit training since Nov. 1, 1915. Today, approximately 19,000 recruits come to Parris Island annually for the chance to become United States Marines by enduring 12 weeks of rigorous, transformative training. Parris Island is home to entry-level enlisted training for approximately 49 percent of male recruits and 100 percent of female recruits in the Marine Corps. For more information, visit www.mcrdpi.marines.mil/.

About Naval Facilities Engineering and Expeditionary Warfare Center

NAVFAC EXWC was established in September 2012 as NAVFAC's premier warfare center, employing a workforce of more than 1,000 Sailors, government civilians and contractors who provide specialized facilities engineering, technology solutions, and lifecycle management of expeditionary equipment to the Navy, Marine Corps, federal agencies, and other Department of Defense supported commands.

About Ameresco, Inc.

Founded in 2000, Ameresco, Inc. (NYSE:AMRC) is a leading independent provider of comprehensive services, energy efficiency, infrastructure upgrades, asset sustainability and renewable energy solutions for businesses and organizations throughout North America and Europe. Ameresco's sustainability services include upgrades to a facility's energy infrastructure and the development, construction and operation of renewable energy plants. Ameresco has successfully completed energy saving, environmentally responsible projects with Federal, state and local governments, healthcare and educational institutions, housing authorities, and commercial and industrial customers. With its corporate headquarters in Framingham, MA, Ameresco has more than 1,000 employees providing local expertise in the United States, Canada, and the United Kingdom. For more information, visit www.ameresco.com.

The announcement of a customer's entry into a project contract is not necessarily indicative of the timing or amount of revenue from such contract, of the company's overall revenue for any particular period or of trends in the company's overall total construction backlog. This project was included in our previously reported awarded backlog as of September 30, 2016.

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