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Public Purpose, Private Capital:
Rethinking Energy Infrastructure Funding

How public agencies can deploy innovative sustainability and resilience solutions while ensuring fair, open, and transparent procurement

White Paper

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Executive summary

As public agencies face mounting pressure to modernize energy infrastructure, traditional procurement methods often fall short — especially given the urgency of today's energy challenges. With peak demand increasingly outpacing peak supply, weather-related outages and electricity prices rising rapidly, and an aging grid straining under rising loads, states and municipalities have a narrow window to act. This white paper explores how innovative Public-Private Partnership models — including Energy-as-a-Service (EaaS) — can compound limited public funds with private capital to accelerate critical infrastructure upgrades. These alternative strategies enable public entities to deploy resilient, cost-effective energy solutions without upfront capital, helping them move faster, reduce risk, and preserve taxpayer dollars. Inside, you'll find actionable pathways and strategic insights to help your organization take decisive steps toward energy resilience.

Introduction

The need for resilient power has never been greater. The U.S. grid is increasingly strained by aging infrastructure, extreme weather events, and rising energy demand — making resilience a top priority for communities nationwide. Hardening critical infrastructure in today's rapidly changing policy landscape has become complex. Public agencies now must consider alternative procurement strategies that enable innovative solutions while protecting the public interest. Many public entities have used Public Private Partnerships (P3s) for large infrastructure projects. Use of P3s for smaller or more narrowly scoped projects, like for energy infrastructure, has been less common.

Innovative funding models such as a P3 provide procurement strategies that protect the public interest while allowing public entities to:

Deploy resilient energy infrastructure at scale

Launch projects with no upfront capital

Leverage flexible asset ownership

One emerging P3-based business model is Energy-as-a-Service (EaaS), where a private partner with energy expertise is responsible for designing, building, financing, owning, operating, and maintaining the energy infrastructure. The customer signs a long-term agreement for the use of those resources to harden critical infrastructure, contain energy costs, speed time to power, and support decarbonization goals. For customers who prefer to own their energy assets, a tax-exempt lease purchase, certificate of participation, or revenue bonds are also options.

In order to successfully build new energy infrastructure through public-private partnerships, one must first understand the available partnership options and be prepared to tackle the common challenges that can arise. Doing so will enable them to effectively leverage the clean energy tax credits designed to support these crucial projects.

Key challenges to innovative and accelerated P3 procurement

A sense of urgency is needed to take advantage of clean energy tax credits before they expire. The following list includes key challenges for organizations to overcome in order to harden their critical energy infrastructure:

- **Risk tolerance:** Public agencies are generally risk-averse, which can inhibit taking on innovative or transformational initiatives. Without an emergency such as COVID forcing a rapid response, public agencies don't prioritize speed as part of procurement.
- **Skills gaps:** New technologies and business models may not be well-understood by procurement, staff, and the public. In addition, the lack of necessary expertise and sufficient staff resources can slow procurement and contract awards.
- **Resistance to change:** Traditional procurement approaches make it harder for organizations to embrace change, i.e., a culture of design-bid-build procurement may make it challenging for a department to be receptive to an EaaS business model.

Overcoming these barriers requires rethinking traditional processes and embracing procurement strategies designed for speed and flexibility. These expedited procurement can follow several streamlined paths:

- **Piggybacking:** Leverage an existing, competitively awarded contract from another public entity for a similar project.
- **Cooperative purchasing:** Use joint procurement through a public cooperative that complies with state procurement laws.
- **Request for qualifications (RFQ):** Prequalify firms for deployment across multiple projects.
- **Request for proposals (RFP):** Select firms for a specific scope or under a master agreement for multiple projects.
- **Unsolicited proposals:** Consider project ideas initiated by private firms.
- **Progressive public-private partnership (P3):** Engage a partner early to collaboratively develop the project in phases.

> Strong senior leadership commitment and broad cross-department buy-in can overcome hurdles to accelerating procurement.

If your organization is ready to harden critical infrastructure, Schneider Electric is here to help. Contact us at **pubsec@se.com** to learn more.

What is a P3, and when to consider one

Many public entities are familiar with delivering capital projects via a design-build or design-bid-build approach in which a vendor (or vendors) delivers a project and then turns it over to the public entity to assume the responsibility and risk to operate and maintain it. In contrast, a Public-Private Partnership is a long-term contract between a public agency and one or more private entities, where:

- The private party provides a service on behalf of the public
- There is shared risk and reward
- The private party often finances, builds, operates, and maintains the asset and recovers the investment over the term of the contract

Value of a P3 begins with access to private financing

A P3 enables the public agency to leverage private financing, a benefit that has become increasingly important in the current policy environment with less federal support for public agency operations and the end of clean energy tax credits. Risk transfer and asset ownership differentiate P3s from an outsourcing or service-style contract. In a P3, the private partner typically owns or co-owns the assets during the contract term.

Third-party ownership provides a number of benefits:

Access to private capital

- Reduces the need for upfront public funding
- Helps fund large-scale infrastructure projects without overburdening public budgets
- Keeps debt off the public balance sheet

Risk transfer

- Transfers certain risks (e.g., construction delays, cost overruns, operational inefficiencies, maintenance, technology obsolescence) to the private sector

Innovation and efficiency

- Leverages private sector expertise, innovation, and efficiency in design, construction, operations, and maintenance

Lifecycle cost savings

- Shifts public agency focus from lowest first-costs to long-term benefit and total cost of ownership

Faster project delivery

- Private partners often have incentives and resources to complete projects on or ahead of schedule

Performance-based contracts

- Aligns incentives for long-term performance and innovation. Payments tied to key performance metrics ensure accountability and service quality

When to use a P3

P3s have historically been used for large and complex infrastructure projects. But P3s are increasingly being used for smaller energy infrastructure projects where the public agency does not have core expertise or has a higher priority for its capital.

P3s are more commonly being used to accommodate:

Capital constraints

- When public funds are limited, and the project is a high priority

Need for innovation

- When traditional procurement may not deliver immediate and sustained innovation

Transfer risk

- If the public entity wants to shift construction, financial, and/or operational risks to the private sector

Long-term operations

- When the project requires ongoing maintenance or operations over decades

Skills shortage

- When the project requires deep subject matter expertise and/or project management staff that the public agency does not have readily available

Political and public support

- When there is alignment among stakeholders and transparency in the process
- To accelerate outcomes for policy, regulatory or political priorities such as energy affordability and decarbonization goals.

How energy-related project delivery approaches can use P3s

When it comes to delivering complex energy projects, P3s offer a range of effective models that can accelerate project completion and unlock benefits more quickly than traditional methods. They differ significantly in how they're structured, financed, and managed.

Energy Savings Performance Contracting (ESPC)

This widely used P3 model often serves as a gateway to more integrated partnerships. An ESPC isn't just about outsourcing; it's a performance-based partnership where an Energy Service Company (ESCO) upgrades a building's energy systems, often addressing a backlog of deferred maintenance. The public entity owns the new assets and pays the ESCO over time using the money saved from the energy improvements. ***The core of this model is a shared financial incentive: the ESCO's payment is directly tied to the energy savings it delivers.*** See how Dallas County reduced its energy costs by 35%, creating savings that can be poured back into improving the buildings that its residents rely on.

Power Purchase Agreement (PPA)

This has become a familiar model for developing on-site renewable energy projects. A private developer finances, builds, owns, and operates an energy system — such as a solar array. The public entity agrees to purchase the electricity generated by that system at a fixed rate over a long-term contract, typically 15 to 25 years. **Because the payments are based on the energy delivered, the public entity can stabilize its energy costs and reduce its reliance on the grid, providing protection from market volatility.**

Energy-as-a-Service (EaaS)

The newest and most comprehensive P3 model also relies on a services agreement, **but an EaaS is far more flexible and can include a wider range of assets and services.** While a PPA is limited to selling electricity, an EaaS model can encompass various services, including energy, capacity, resilience, and decarbonization. The energy developer owns the assets and also takes on full responsibility for their operation, maintenance, and future upgrades throughout the contract — a particularly valuable feature for rapidly evolving technologies like EV chargers and battery storage systems. This model can even fold project-enabling work, such as a roof replacement for a new solar array, into a single fixed price.

A key benefit shared by both PPAs and EaaS is the long-term, fixed energy pricing (adjusted annually for inflation), which offers a powerful hedge against volatile energy markets. By generating their own on-site power, customers gain greater control and predictability over their energy costs.

> Energy cost containment and budget certainty are increasingly beneficial in today's market as massive load growth from data centers and electrification drive up costs for all ratepayers. Reduced support for renewables is resulting in the cancellation of significant generation capacity, putting more upward pressure on rates.

Figure 1

David F. Bone Equipment Maintenance & Transit Operation Center (EMTOC)

Joint venture leverages EaaS for smart energy bus depot

When extreme weather disrupted power for days in Montgomery County, Maryland, civic leaders sought to strengthen their community's resilience while simultaneously pursuing more ambitious sustainability goals. Montgomery County used a competitive procurement process to create a P3 with AlphaStruxure — a Schneider Electric-Carlyle joint venture — to design, build, finance, own, operate and maintain a clean energy microgrid and electric bus charging infrastructure at the **Brookville Smart Energy Bus Depot.** The 6.5 MW microgrid can support 70 electric buses and integrates solar photovoltaic canopies, on-site natural gas generation, battery energy storage, microgrid controls, and electric bus chargers to ensure continuous fleet operation during utility outages. The solution is delivered at no upfront cost to the county through a long-term Energy-as-a-Service agreement, ensuring predictable operating expenses and guaranteed performance for sustainability, resilience, and reliability.

Brookville is currently the largest transit bus depot in the country, a superlative soon to be taken by its bigger sister depot, the microgrid at the David F. Bone Equipment Maintenance & Transit Operation Center, or **EMTOC**. It will be one of the most advanced microgrids. Montgomery County is also using this master agreement to implement a second microgrid at the David F. Bone Equipment Maintenance & Transit Operation Center (EMTOC). The microgrid consists of 4.84 MW of solar generation, battery energy storage, electric bus charging infrastructure, and a hydrogen electrolyzer to support hydrogen fuel cell buses for the depot's mixed fleet. The EMTOC microgrid will eventually power 200 zero-emissions buses.

Not only has the EaaS model and integrated microgrid helped Montgomery County become a leader in fleet electrification and sustainability for local governments across the country — all with zero capital outlay – but it also delivers long-term cost predictability for these sites, thus easing the County's budgeting process.

A master agreement can capture multiple projects

A further enhancement is putting in place an umbrella agreement or **Master Energy Services Agreement (MESA)** that contains key terms and conditions but leaves specific project details to be captured in a project schedule. This enables the public agency to pursue multiple projects under a single MESA, each with a unique project schedule containing scope, pricing, and performance details. Using a MESA reduces procurement and contracting time while preserving the ability of the public entity to set key performance indicators and ensure competitive pricing. A MESA still gives the public agency and the vendor flexibility in contracting specific sites with varying requirements.

MESA contracts have other variants like Indefinite Quantities and Call-in Contracts. Under these models, a project or service is more broadly described – energy efficiency, vehicle electrification, renewable energy – and public entities select more than one provider to deliver projects in these categories based on project-specific task orders. Having a qualified stable of companies retains competition and flexibility for the organization, but also builds on providers' growing understanding of how the organization operates.

Key considerations for choosing an energy project delivery approach

When it comes to delivering energy projects, public entities have a variety of options, each with its own set of advantages and considerations. This analysis is designed to help navigate the nuances of each model, considering factors such as project type, funding, risk, and long-term goals to select the most suitable path forward.

The table[1] below compares EaaS, PPA, and ESPC Models.

Model	Energy-as-a-Service (EaaS)	Power Purchase Agreement (PPA)	Energy Savings Performance Contract (ESPC)
Project Type	Microgrids, EV charging, bundled energy services	Renewable energy generation (e.g., solar, wind)	Retrofits and efficiency upgrades in existing buildings or infrastructure
(Energy) Products and Services Needed	Generation, capacity, storage, efficiency, controls, O&M, monitoring, resilience, decarbonization	Electricity supply only (typically renewable)	Efficiency upgrades, controls, lighting, HVAC, O&M
Desired Outcomes	Performance guarantees, innovation, risk transfer, sustainability, cost containment, budget certainty	On-site renewable energy, cost containment, budget certainty	Guaranteed energy savings, public ownership of improvements
Funding Model	No upfront capital; off-balance sheet financing, monthly payments for energy products or services	No upfront capital; fixed energy rate over contract term	Public capital or third-party financing; may impact debt capacity
Risk Allocation	Private partner assumes construction, performance, technology, and maintenance risk	Private developer assumes generation and operational risk	Private partner assumes performance risk during contract; public retains asset risk
Contract Length	15–30 years, aligned with asset lifecycle	15–25 years, aligned with generation asset life	7–15 years, aligned with equipment useful life and project payback period
Flexibility	Most flexible, can include many assets and supporting infrastructure	Moderate; limited to energy supply terms, sometimes can include new roof	More flexible, can add many different energy conservation measures, but usually limited to measures that produce savings
Accounting Treatment	Often treated as operating expense; off-balance sheet	May be off-balance sheet depending on structure	Often treated as capital expenditure or debt; affects public balance sheet
Ownership of Assets	Private entity owns and operates all energy assets	Private entity owns generation assets; public buys energy only	Public entity owns upgraded assets after implementation

[1] BBC Financial Allies Resource ESPC vs. EaaS 1.8.2021.pdf

Financial considerations

In a P3, the public agency avoids expending its own capital, but it must understand how payments to the private partner will impact finances. EaaS, PPAs, and ESPCs often provide the public agency with more financial flexibility by preserving the public agency's ability to raise capital or cover debt service. Here are some of the ways the P3s can provide financial flexibility.

Off-Balance Sheet Treatment

When the private partner owns the assets, the project can often be treated as off-balance sheet for the public entity. This means:

- The public partner does not carry the project debt.
- It preserves debt capacity for other capital projects (e.g., transit, housing, roads).
- It can improve credit metrics and reduce pressure on bond ratings.

Operating Expense Similar to Utility Budgets

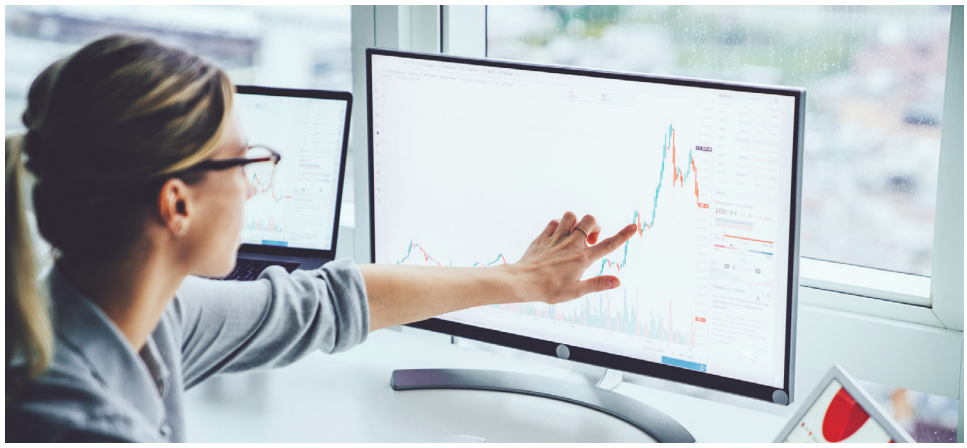
P3s offer further financial benefits by treating project costs as predictable operating expenses. For example, in many EaaS structures:

- The public entity pays a rate for energy products (e.g., per kWh consumption and per kW peak load per month) rather than incurring upfront capital costs.
- These payments are operating expenses, not capital expenditures, and are like what the public entity pays its local utility.
- Predictable payments smooth cash flow and avoid spikes in debt service.

Risk Mitigation

Another way P3s provide financial flexibility is by transferring performance, technology, and financial risk to the private sector. With this approach:

- The public agency avoids unexpected costs that could impact its ability to service other debt.
- The private partner is more experienced in leveraging tax equity or private capital, reducing the need for public borrowing.



Determining if a P3 is possible

If P3s are not common in a jurisdiction, a public agency may not know if it can pursue a P3. Energy P3s typically fall into one of three categories: Energy Savings Performance Contracts (ESPCs), Power Purchase Agreements (PPAs), or Energy as a Service (EaaS). While ESPCs are widely supported, PPAs and EaaS have more legal and regulatory nuances, often because of the local utility's monopolistic role. For the purpose of determining whether these models are permitted, it's helpful to consider PPAs and EaaS as a single contracting structure because of their similar legal frameworks.

Here are some additional factors and possible mitigation actions, to keep in mind:

Legal and Regulatory Constraints

- **Inconsistent legal frameworks:** Enabling legislation varies by state, and some states have limited or unclear legislation regarding EPCs or PPAs.
- **Procurement rules:** Traditional procurement processes may not align well with the flexibility needed for energy P3s.

Mitigation options

Have internal and external resources review organization bylaws and state legislation to:

- Determine if energy P3s are an option
- Identify project delivery structures that might be alternatives (e.g. solar leasing vs. PPA)
- Consult with public entities that have undertaken energy P3s
- Work with local leaders to amend or remove legal constraints, change or improve procurement laws, or issue executive guidance or rule-making to strengthen the state's ability to unlock P3s to achieve more state priorities

Political and Public Opposition

- **Perception of privatization:** P3s can sometimes trigger resistance if viewed as a step toward privatizing public assets. Since energy P3s replace an existing utility service, they are less likely to elicit the same concern as a P3 for an entire facility such as an airport terminal. Concerns about the possible elimination of public sector jobs are often misplaced as the energy P3 provider is generally providing skills and resources not available at the public entity.
- **Change in leadership:** Political turnover can lead to shifting priorities or cancellation of projects.
- **Transparency concerns:** Public skepticism can arise if deals are perceived as lacking openness or unduly favoring private interests.

Mitigation options

Plan an effective public outreach to educate stakeholders about the project's value and solicit community feedback that includes:

- Perform a robust Value-for-Money analysis
- Garner support of key internal stakeholders early on
- Identify fair and reasonable deal teams
- Identify workforce impacts, if any, and develop transition plans
- Engage affected employees for transparency

Capacity and Expertise Gaps

- **Limited in-house expertise:** Many public agencies lack the technical, legal, and financial expertise to structure and manage energy P3s effectively.
- **Need for advisors:** Hiring external consultants can be costly and may not fully bridge the knowledge gap.

Mitigation options

These options are similar to the Financial and Risk Allocation issues above. Key points are:

- Perform comprehensive peer-to-peer learning and training for internal staff upfront to reduce reliance on external expertise
- Budget for external resources
- Leverage industry expertise through advisory panels, associations or consultants

Financial and Risk Allocation Issues

- **Complex financing structures:** P3s often involve financial arrangements that require specialized expertise.
- **Risk transfer:** Determining how to equitably allocate risks (e.g., construction, demand, operational) between public and private partners is challenging. The public agency may require that the private party assumes all risk, which drives up cost.
- **Long-term commitments:** P3s can limit future operational flexibility and budgetary discretion for public agencies if the contract is not structured properly

Mitigation options

Resist against the tendency to want to keep all of your options open, without ever committing to a specific course of action. You can:

- Invest in peer-to-peer learning and training for internal staff upfront to reduce reliance on external expertise
- Identify qualified external resources (legal, financial) that have successfully closed similar projects so that the learning curve and billable hours are managed
- Perform internal workshops to determine optimal risk allocation that balances cost and risk transfer
- Ensure relevant internal stakeholders are on board with tenor of agreement
- Perform an evaluation of similar projects for life of assets/ operation to ensure appropriate level of flexibility is preserved

Project Suitability and Scale

- **Not all projects are viable:** Energy P3s are best suited for projects that require niche expertise like microgrids with clear revenue streams or cost savings.
- **Unrealistic expectations:** Some public entities may overestimate the benefits or underestimate the complexities of energy P3s. They may also be influenced by politics rather than business needs.

Mitigation options

Analyze existing energy P3s for similar needs and contact industry peers who have successfully deployed them in order to:

- Have a clear case for why the project should not be self-performed (lack of funding, lack of expertise, lack of staff, etc.)
- Identify internal project champions and executive sponsors who are committed to project success

Long-Term Oversight and Accountability

- **Performance monitoring:** Ensuring that private partners meet service and maintenance standards over decades can be difficult.
- **Renegotiation risks:** Long-term contracts may require adjustments due to market conditions, change in law, or other factors, which can be costly or contentious.

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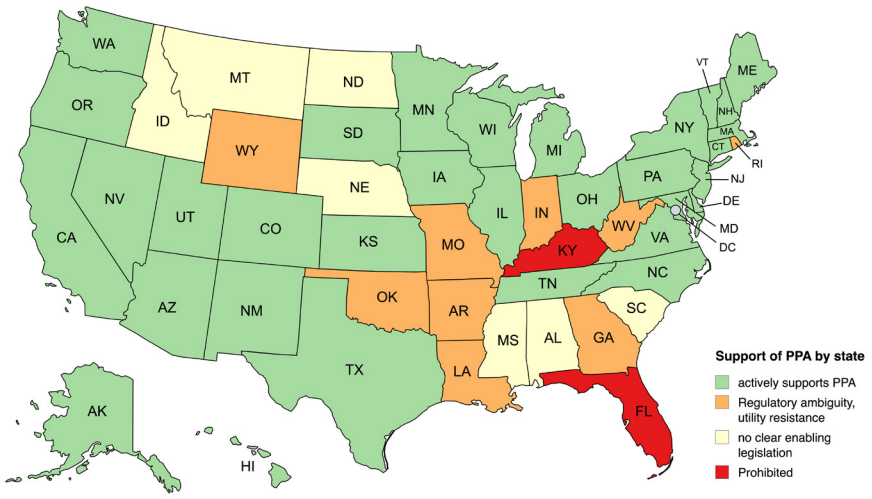
Mitigation options

Provide clarity to help drive success while keeping options available. Two examples are:

- Establish clear Key Performance Indicators (KPIs) prior to selecting the private partner
- Include re-openers in agreements to accommodate market conditions or other adjustments

Support of PPA by states

All 50 states have legislation in support of EPC policy, but they all differ in how their legislation works, making it a complex landscape to navigate for procurement. Note that legislative policy is subject to change. A state-by-state assessment[2] is provided below.



What to do if your state does not support energy P3s

It is often possible to pursue on-site energy systems via a P3 even in states that do not explicitly authorize energy P3s. This depends on several factors:

- **Use of General Procurement Authority:** Many public entities (especially at the local level) can use general contracting or procurement laws to structure energy projects that resemble P3s, even if not labeled as such. These may include energy savings performance contracts or energy-as-a-service models.
- **Third-Party Ownership Models:** Public agencies can enter into leases with private developers who finance, install, and operate the systems. These arrangements often mirror P3 structures without requiring explicit P3 legislation.
- **Home Rule or Charter Authority:** In some states, municipalities or counties have broad “home rule” powers that allow them to enter into innovative agreements, including energy P3s, even if the state lacks enabling legislation.
- **Special Districts or Authorities:** Entities such as school districts, transit agencies, or utility authorities may have independent legal authority to pursue P3s for energy infrastructure.
- **Federal or State Grant Programs:** Programs like the DOE’s Loan Programs Office, EPA’s Clean School Bus Program, or state green banks can support P3-style energy projects even in states with limited P3 laws.

[2]Database of State Incentives for Renewables & Efficiency® - DSIRE

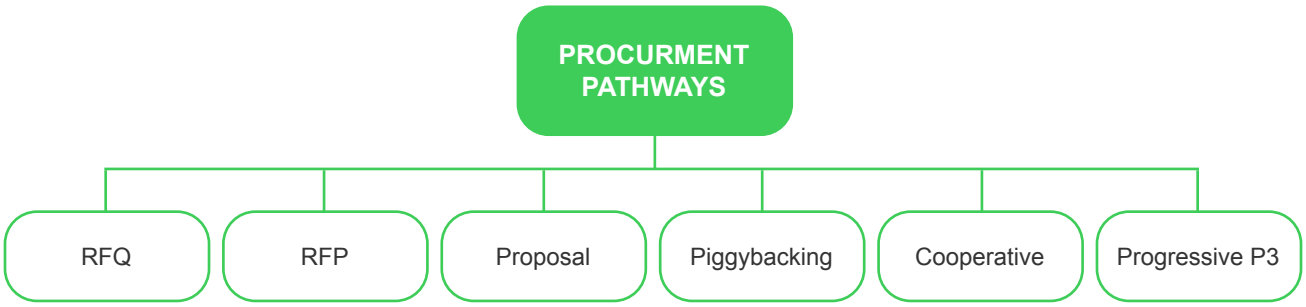
Accelerated procurement pathways for P3s

Public agencies interested in deploying resilient energy infrastructure before the clean energy tax credits expire must move with a sense of urgency – which includes streamlining procurement and permitting. Many organizations have successfully faced the need for accelerated procurement and deployment, for example during COVID, after natural disasters, or when critical systems unexpectedly fail.

Understanding the business models behind energy P3s is key to successful projects and competitive procurement. For energy projects, firm pricing isn't possible during the initial solicitation. The reason differs from ESPC to PPAs and EaaS models. ESPCs require thorough site evaluations and Investment Grade Audits (IGAs). Once IGAs are complete, agencies can request open-book and guaranteed maximum pricing.

PPAs and EaaS models need 60% to 90% advanced engineering design. In addition, utility interconnection costs – determined by utility studies – fall outside the energy partner's control and must be factored in once known. EaaS partners typically cannot offer open-book pricing because their cost-of-capital and risk strategies are proprietary, and pricing is presented as an ongoing energy rate.

Below are common procurement pathways that support an expedited process – enabling public entities to act quickly while maintaining open, fair, and transparent practices. These approaches also help reduce risks from shifting market conditions, such as incentive phase-outs, tariff increases, or rising energy costs. The focus is on expedited procurement, so there is no discussion of Requests for Information (RFIs). While RFIs can serve market-sounding or educational purposes under normal conditions, they add too much time to the procurement process to qualify for the expiring clean energy tax credits.



Request for Qualifications (RFQ)			
Purpose: To prequalify firms based on experience, financial capacity, and technical expertise.	**Expedited Use Case:** To engage firms to quickly deploy multiple energy projects/sites; best when detailed project scope is not yet developed or scopes are disparate and varied.	**Outcome:** Stable of qualified partners to undertake energy projects simultaneously; maintain competition by having prequalified submit mini-bids for projects on a task-order basis.	**Key features:** Focus on expertise; pricing terms general (e.g. range of values for PPA/EaaS, % mark-up for ESPC).
Request for Proposals (RFP)			
Purpose: To solicit firms with relevant expertise to submit proposals for specific project[s].	**Expedited Use Case:** Compress timeline for responses and selection; best when scope is well-understood and details can be provided to bidders	**Outcome:** One or more firms selected to perform specific project scope[s].	**Key Features:** Proposals describe project-specific, high-level energy conservation measures or clean energy generation assets; can get indicative pricing with well-defined project scope.
Proposals			
Definition: Proposals initiated by private firms without a formal solicitation.	**Expedited Use Case:** Agencies issue a competitive solicitation shaped by the proposal to ensure fairness; publicly advertise an intent to award a contract based on the UP and consider competing proposals (if any); make the award to the UP partner.	**Outcome:** Streamlined project development based on expert insight, saving time and expense to identify and scope viable projects.	**Key Features:** Provide compelling rationale for project[s]as well as high-level description of project[s] potential and approach.
“Piggybacking” on Existing Contracts			
Definition: Leveraging another public agency’s existing contract to procure similar services or infrastructure.	**Expedited Use Case:** Identify active and competitively-awarded public projects of similar scope or design to award to the same vetted firm, saving time and money on selection and contracting.	**Outcome:** Rapid on-boarding of qualified firms based on open, fair, and transparent public selection.	**Key Features:** Scope alignment with piggybacked contract; project-specific pricing; some flexibility on terms and conditions.

Cooperative Purchasing Contracts			
Definition: Joint procurement through a public cooperative or consortium (e.g., OMNIA, Sourcewell), competitive processes align with most state procurement laws.	**Expedited Use Case:** Energy services and/or equipment, often ESPC and EaaS listed on general energy services contracts.	**Outcome:** Ready-to-go competitively selected, qualified partners; savings via economies of scale	**Key Features:** Readily available form of agreement/contract terms; flexibility to bundle services.
Progressive P3 or Collaborative Procurement			
Definition: A phased approach where the private partner is selected early and collaborates with the public entity during project development.	**Expedited Use Case:** Best for complex, innovative projects where scope and risk are not fully defined upfront and expert support is needed.	**Outcome:** Enables expedited procurement of a qualified partner; accelerate deployment and reduce cost using the same partner to develop and execute projects.	**Key Features:** Innovation and shared problem-solving.

Conclusion

Energy P3s like ESPCs, PPAs, and EaaS offer a powerful way for the public sector to achieve a communities' energy policy, environmental or resilience goals. By transferring upfront costs and operational risks to private partners, EaaS models enable public agencies to upgrade energy infrastructure without diverting resources from core services like education, safety, and healthcare.

> Energy P3s unlock access to cutting-edge technologies, performance-based contracting, and lifecycle cost savings, all while aligning with broader climate and sustainability mandates.

The turnkey EaaS approach, which includes financing, is especially effective in volatile markets shaped by shifting policies, rising tariffs, and increasing utility costs. Moreover, by integrating resilience measures — such as microgrids, battery storage, and demand response — into EaaS contracts, public institutions can enhance energy reliability and climate preparedness in the face of growing environmental and grid-related risks.

> Energy 3Ps offer a compelling pathway to confront aging infrastructure, constrained budgets, and ambitious decarbonization targets.

Municipalities, school districts, state agencies and others have new ways to address infrastructure. With the right policy frameworks, procurement tools, and stakeholder engagement, these partnerships can scale rapidly delivering measurable environmental, economic, and social returns while preserving public capital for the services that matter most.

If your organization is ready to harden critical infrastructure or would like to explore public-private partnerships, Schneider Electric is here to help. Contact us at **resilience@se.com** to learn more.

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