



**Washington State  
Public Works Board**  
1011 Plum St. SE  
Post Office Box 42525  
Olympia, Washington 98504-2525

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## **The Investment Grade Efficiency Audit (IGEA) Meeting Your PWTF Contract Requirement**

Per legislation written in 2011 under ESHB 1497 Section 1021, recipients of a Public Works Trust Fund loan need to complete an Investment Grade Efficiency Audit (IGEA) for all projects ***where energy savings is “obtainable”***. The primary purpose of the IGEA is to assure that infrastructure projects using electricity, motors, or pumps evaluate the efficiency of the equipment being considered. This legislation is meant to encourage more efficient equipment that may have a higher upfront cost but will create long-term savings for the system as a whole.

Does this mean that every local government/system that applies for state infrastructure funding needs to do an audit? No. What it does mean is that your infrastructure project needs to ***document and retain*** one of the following for audits conducted by the Washington State Auditor’s Office:

1. Documentation that you have had an energy review on the project you plan to construct by your power provider (PSE, BPA, PUD...) an Energy Services Company (ESCO), or a system appropriate energy consultant with the project you plan to construct.
2. A third party design review may be more appropriate for projects that did not previously exist i.e. new WWTP or are having major upgrades to their systems. If a project is unable to measure the system *before* and *after* the infrastructure project, an Investment Grade Audit is not possible. A system appropriate energy expert can be sub-contracted to review designs and specifications for potential energy savings.
3. Demonstrate that the project under consideration has “no obtainable” energy savings i.e. the cost of installing energy efficient equipment does not produce the savings necessary over the life cycle of the upgrade. Generally, projects with only pipe and pavement are examples where energy savings is not obtainable. However, if your road project has lighting included, it needs to be considered under the IGEA requirement.
4. Complete a preliminary audit to determine if there are potential long-term energy savings. If the preliminary report demonstrates that savings are obtainable a full audit of the “project” is the next step.

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The local government is encouraged to implement the capital improvements of the audit finding but it is not mandatory. If the preliminary report does not demonstrate energy savings the report can be used as documentation to demonstrate your fulfillment of the IGEA requirement.

***\*It is not required to submit documentation to the Public Works Board or the Contracts Administration Unit. Documentation is for your own contract requirements.***

Any costs associated with the IGEA or energy upgrades are an eligible expense with Public Works Trust Fund loans. Be sure to incorporate these expenditures within your scope and schedule of the project.

For more information regarding the IGEA on your Public Works Trust Fund loan please contact Steve Dunk at the Public Works Board (360) 725-3157/ [stephen.dunk@commerce.wa.gov](mailto:stephen.dunk@commerce.wa.gov) .