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April 10, 2013

Congressman Kevin Brady
301 Cannon Bldg
Washington, DC 20515

Dear Congressman Brady:

The following letter, on behalf of McKinstry, describes our firm's strong support for EAct Section 179D. It is our strong belief that comprehensive tax reform must include this provision for commercial building energy efficiency.

Who We Are

McKinstry is a full-service design, build, operate and maintain (DBOM) firm with over 1,600 employees and approximately \$500 million in annual revenue. Headquartered in Seattle, WA, McKinstry maintains offices in twenty U.S. cities.

Texas serves as the home of our Southwest operations, including offices in Dallas, Houston, San Antonio and Corpus Christi. Our team has delivered more than \$50 million energy services projects since we opened our first Southwest office in 2008.

McKinstry has utilized EAct 179D on projects for more than one hundred clients. EAct 179D has greatly assisted McKinstry on its mission of efficiently developing, engineering, delivering and operating the built environment. Our Texas EAct projects have included numerous energy-efficient government buildings, particularly schools.

We strongly support EAct for the following reasons:

EAct 179D Drives Energy Efficiency and Cost Savings

McKinstry offices nationwide, including the Texas office, have all undergone training on EAct and on processes to integrate EAct into McKinstry projects. Our staff understands the efficiency targets established by EAct and the technologies which tend to achieve those targets. As a result of our Texas projects, buildings frequently operate 25-60% more efficiently than the ASHRAE 2001 standard on which EAct benefits are based. This results in material cost savings to both public and commercial building owners in Texas.

Building Retrofits Provide Large Employment Opportunities

Building retrofits require enormous skilled and semi-skilled work forces. The role EPAct plays in cost-justifying projects therefore plays a direct role in supporting a major source of employment in Texas.

Lighting retrofits require lighting designers, laborers to remove and dispose existing fixtures, distribution centers to store the new lighting material, laborers to stage the new material near the job site and electricians to install the new fixtures.

HVAC retrofits require engineers for project system design, substantial U.S. manufacturing activity (most HVAC equipment is heavy and made in the U.S.), U.S. steel procurement and HVAC mechanics to install.

The building envelope involves a wide variety of manufactured and workshop materials including roofs, walls, windows, doors, foundations and insulation. In addition to the labor required to create these products, large numbers of roofers, carpenters, installers and laborers are needed to handle the material and incorporate it into a building.

Conclusion:

EPAct 179D helps cost-justify projects with the most energy-efficient technologies possible. This is often particularly true in public buildings, where McKinstry does a great deal of work. The resulting cost savings to building owners is material. Likewise, the energy projects EPAct helps drive are major sources of local employment.

For these reasons, McKinstry strongly feels comprehensive tax reform must include an extension of EPAct 179D.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Flores", enclosed in a thin black rectangular border.

Michael Flores