OP 16: Life Cycle Cost Analysis

1 point available

A. Credit Rationale
This credit recognizes institutions that employ Life Cycle Cost Analysis (LCCA), a process used to estimate an asset's total cost of ownership (TCO). The systematic use of LCCA in purchasing decisions reduces an institution's risk of incurring avoidable use-phase and disposal-phase liabilities, encourages an institution’s investment in higher quality and more durable goods, and establishes whole systems thinking as a cultural norm in institutional resource planning.

B. Criteria
Institution employs Life Cycle Cost Analysis (LCCA) as a matter of policy and practice when evaluating energy- and water-using products and systems. Practices may include structuring RFPs so that vendors compete on the basis of lowest total cost of ownership (TCO) in addition to (or instead of) purchase price.

C. Applicability
This credit applies to all institutions

D. Scoring
Institutions earn the maximum of 1 point available for this credit by employing LCCA as a matter of policy and practice when evaluating energy- and water-using products and systems practice across the operations of the entire institution (i.e. all divisions). Partial points are available. For example, an institution that employs LCCA across some but not all of its divisions would earn 0.5 points (half of the points available for this credit).

E. Reporting Fields

Required
- An indication of whether the institution employs Life Cycle Cost Analysis (LCCA) as a matter of policy and practice when evaluating energy and water-using products and systems
- An indication of whether the institution employs LCCA as a matter of policy and practice across the operations of the entire institution (i.e. all divisions)
- An affirmation that the submitted information is accurate to the best of a responsible party’s knowledge and contact information for the responsible party. The responsible party should be a staff member, faculty member, or administrator who can respond to questions regarding the data once it is submitted and available to the public.
**Conditional**
Required if the institution is reporting employing LCCA:

- A brief description of the LCCA policy(ies) and practice(s)

**Optional**

- The website URL where information about the institution’s LCCA policies and practices is available
- Notes about the submission

**F. Measurement**

**Timeframe**
Report on current policies and practices.

**Sampling and Data Standards**
Not applicable