



4 February 2011

To the STARS and campus sustainability community –

Since 2007, the University of Arkansas has awarded three energy savings performance contracts (ESPC) that have installed over \$50 million in energy conservation, energy efficiency, and renewable energy systems. We've upgraded central utility systems and performed energy conservation measures on almost every major campus building. We have utilized funds from conventional lenders which will be paid off from energy savings over the next 11-15 years. We've done all of this work without a single penny 'out of pocket,' that is from O&M, deferred maintenance, or capital investment. The energy services company (ESCO) guarantees the energy savings, and a strict system of monitoring and verification (M&V) assures both UA and our contractors that we've got real results. Facilities Management, University Housing, Athletics and Arkansas Union have all partnered on these ESPC contracts.

We've begun M&V on two of these projects and see solid results. Although we've added 400,000 square feet of space over the past two years, FY10 GHG emissions (Scope 1 + Scope 2) are lower than FY2009 emissions. We expect to save \$4 million per year and reduce emissions by 40,000 metric tons of CO2 equivalent annually when all of the work is completed this fiscal year.

Mike Johnson  
Associate Vice Chancellor for Facilities